Oritani Financial Corp.
Form 10-Q
November 13, 2007
Table of Contents

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended September 30, 2007

OR

¨ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from ______ to ______

Commission File No. 001-33223

Oritani Financial Corp.

(Exact name of registrant as specified in its charter)

United States	**22-3617996**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
370 Pascack Road, Township of Washington, New Jersey	**07676**
(Address of Principal Executive Offices)	**Zip Code**

(201) 664-5400

(Registrant s telephone number)

N/A

(Former name or former address, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such requirements for the past 90 days. YES x NO ¨.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨ Accelerated filer ¨ Non-accelerated filer x

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ¨ NO x

As of October 26, 2007 there were 40,552,162 shares of the Registrant s common stock, par value $0.01 per share, outstanding, of which 27,575,476, or 68%, were held by Oritani Financial Corp., MHC, the Registrant s mutual holding company.

Table of Contents

Oritani Financial Corp.

FORM 10-Q

Index

Table of Contents

Part I. Financial Information

Item 1. Financial Statements

Oritani Financial Corp. and Subsidiaries

Township of Washington, New Jersey

Consolidated Balance Sheets

September 30, 2007 (unaudited) and June 30, 2007

	Sept. 30 2007 (unaudited)	June 30, 2007
	(in thousands)	
Assets		
Cash on hand and in banks	$ 6,190	$ 7,823
Federal funds sold and short term investments	30,848	55,703
Cash and cash equivalents	37,038	63,526
Loans, net	791,134	758,542
Securities held to maturity, estimated market value of $5,392 and $5,347 at September 30, 2007 and June 30, 2007, respectively	5,415	5,415
Securities available for sale, at market value	42,491	35,443
Mortgage-backed securities held to maturity, estimated market value of $198,704 and $210,505 at September 30, 2007 and June 30, 2007, respectively	203,031	217,406
Mortgage-backed securities available for sale, at market value	78,993	38,793
Bank Owned Life Insurance (at cash surrender value)	25,625	25,365
Federal Home Loan Bank of New York stock, at cost	12,837	10,619
Accrued interest receivable	5,447	4,973
Investments in real estate joint ventures, net	6,269	6,200
Real estate held for investment	2,446	2,492
Office properties and equipment, net	8,286	8,361
Other assets	17,051	17,308
	$ 1,236,063	$ 1,194,443
Liabilities		
Deposits	$ 687,449	$ 695,757
Borrowings	245,949	196,661
Advance payments by borrowers for taxes and insurance	5,136	5,684
Accrued taxes payable	15	1,463
Official checks outstanding	2,532	5,050
Other liabilities	17,862	17,258
Total liabilities	958,943	921,873
Stockholders Equity		
Preferred stock, $0.01 par value; 10,000,000 shares authorized-none issued or outstanding		
Common stock, $0.01 par value; 80,000,000 shares authorized; 40,552,162 issued and outstanding at September 30, 2007 and June 30, 2007	130	130

Additional paid-in capital	127,797	127,710
Unallocated common stock held by the employee stock ownership plan	(15,301)	(15,499)
Retained income	165,173	161,300
Accumulated other comprehensive loss, net of tax	(679)	(1,071)
Total stockholders equity	277,120	272,570
	$ 1,236,063	$ 1,194,443

See accompanying notes to unaudited consolidated financial statements.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Township of Washington, New Jersey

Consolidated Statements of Income

Three Months Ended September 30, 2007 and 2006

(unaudited)

	Three months ended Sept. 30, 2007	2006
	(in thousands, except per share data)	
Interest income:		
Interest on mortgage loans	$ 12,772	$ 10,223
Interest on securities held to maturity	271	239
Interest on securities available for sale	502	144
Interest on mortgage-backed securities held to maturity	2,047	2,551
Interest on mortgage-backed securities available for sale	631	203
Interest on federal funds sold and short term investments	820	266
Total interest income	17,043	13,626
Interest expense:		
Deposits	6,294	5,222
Borrowings	2,464	2,005
Total interest expense	8,758	7,227
Net interest income before provision for loan losses	8,285	6,399
Provision for loan losses	350	150
Net interest income	7,935	6,249
Other income:		
Service charges	256	258
Real estate operations, net	382	307
Income from investments in real estate joint ventures	394	327
Bank-owned life insurance	260	238
Other income	37	51
Total other income	1,329	1,181
Operating expenses:		
Compensation, payroll taxes and fringe benefits	3,041	3,060
Advertising	123	124
Office occupancy and equipment expense	386	379
Data processing service fees	246	259
Federal insurance premiums	23	22
Telephone, Stationary, Postage and Supplies	99	84
Insurance, Legal, Audit and Accounting	152	153

Other expenses		148		173
Total operating expenses		4,218		4,254
Income before income tax expense		5,046		3,176
Income tax expense		2,073		1,184
Net income	$	2,973	$	1,992
Basic income per common share	$	0.08		n/a

See accompanying notes to unaudited consolidated financial statements.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Township of Washington, New Jersey

Consolidated Statements of Stockholders Equity

Three Months ended September 30, 2007 and 2006 (unaudited)

(In thousands)

	Common Stock	Additional paid-in capital	Unallocated common stock held by ESOP	Retained income	Accumulated other comprehensive loss, net of tax	Total stockholders equity
Balance at June 30, 2006	$	$	$	$ 150,265	$ (130)	$ 150,135
Comprehensive income:						
Net income				1,992		1,992
Unrealized holding gain on securities available for sale arising during year, net of tax of $43					71	71
Total comprehensive income						2,063
Balance at September 30, 2006	$	$	$	$ 152,257	$ (59)	$ 152,198
Balance at June 30, 2007	$ 130	$ 127,710	$ (15,499)	$ 161,300	$ (1,071)	$ 272,570
Comprehensive income:						
Net income				2,973		2,973
Unrealized holding gain on securities available for sale arising during year, net of tax of $268					392	392
Total comprehensive income						3,365
Cumulative transition adjustment related to the adoption of FIN 48				900		900
ESOP shares allocated or committed to be released		87	198			285
Balance at September 30, 2007	$ 130	$ 127,797	$ (15,301)	$ 165,173	$ (679)	$ 277,120

See accompanying notes to unaudited consolidated financial statements.

5

Table of Contents

Oritani Financial Corp. and Subsidiaries

Township of Washington, New Jersey

Consolidated Statements of Cash Flows

(unaudited)

	Three months ended Sept. 30	
	2007	**2006**
	(in thousands)	
Cash flows from operating activities:		
Net income	$ 2,973	$ 1,992
Adjustments to reconcile net income to net cash provided by operating activities:		
ESOP shares allocated or committed to be released	285	
Depreciation of premises and equipment	130	182
Amortization and accretion of premiums and discounts, net	78	122
Provision for losses on loans	350	150
Amortization and accretion of deferred loan fees, net	(169)	(156)
Increase in deferred taxes	(212)	(529)
Increase in cash surrender value of bank owned life insurance	(260)	(238)
Income from real estate held for investment	(171)	(307)
Income from real estate joint ventures	(394)	(327)
Increase in accrued interest receivable	(474)	(297)
Decrease in other assets	202	1,759
(Decrease) Increase in other liabilities	(2,376)	1,583
Net cash (used in) provided by operating activities	(38)	3,934
Cash flows from investing activities:		
Net increase in loans receivable	(32,773)	(23,940)
Purchase of securities available for sale	(6,826)	
Purchase of mortgage-backed securities available for sale	(41,804)	
Purchase of Federal Home Loan Bank of New York stock	(2,218)	(1,550)
Principal payments on mortgage-backed securities held to maturity	14,286	17,532
Principal payments on mortgage-backed securities available for sale	2,054	1,578
Proceeds from calls and maturities of securities held to maturity		3,000
Additional investment in real estate held for investment		(100)
Distributions received from real estate held for investment	133	138
Distributions received from real estate joint ventures	321	272
Purchase of fixed assets	(55)	(206)
Net cash used in investing activities	(66,882)	(3,276)
Cash flows from financing activities:		
Net decrease in deposits	(8,308)	(359)
Decrease in advance payments by borrowers for taxes and insurance	(548)	(397)
Proceeds from borrowed funds	50,000	50,000
Repayment of borrowed funds	(712)	(15,540)
Net cash provided by financing activities	40,432	33,704
Net (decrease) increase in cash and cash equivalents	(26,488)	34,362

Cash and cash equivalents at beginning of period	63,526	7,274
Cash and cash equivalents at end of period	$ 37,038	$ 41,636
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	$ 8,436	$ 6,757
Income taxes	$ 3,117	$ 197

See accompanying notes to unaudited consolidated financial statements.

Oritani Financial Corp. and Subsidiaries

Notes to Unaudited Consolidated Financial Statements

1. Basis of Presentation

The consolidated financial statements are composed of the accounts of Oritani Financial Corp., and its wholly owned subsidiaries, Oritani Savings Bank (the Bank), Hampshire Financial, LLC, and Oritani, LLC, and the wholly owned subsidiaries of Oritani Savings Bank, Ormon LLC (Ormon), and Oritani Asset Corporation (a real estate investment trust), collectively, the Company.

In the opinion of management, all of the adjustments (consisting of normal and recurring adjustments) necessary for the fair presentation of the consolidated financial condition and the consolidated results of operations for the unaudited periods presented have been included. The results of operations and other data presented for the three-month period ended September 30, 2007 are not necessarily indicative of the results of operations that may be expected for the fiscal year ending June 30, 2008.

Certain information and note disclosures usually included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) for the preparation of the Form 10-Q. The consolidated financial statements presented should be read in conjunction with the Company s audited consolidated financial statements and notes to consolidated financial statements included in the Company s June 30, 2007 Annual Report on Form 10-K, filed with the Securities and Exchange Commission on September 28, 2007.

2. Earnings Per Share

Basic earnings per share is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. The weighted average common shares outstanding includes the average number of shares of common stock outstanding, including shares held by Oritani Financial Corp., MHC and allocated or committed to be released Employee Stock Ownership Plan shares.

Diluted earnings per share is computed using the same method as basic earnings per share, but reflects the potential dilution that could occur if stock options were exercised and converted into common stock. These potentially dilutive shares would then be included in the weighted average number of shares outstanding for the period using the treasury stock method. As of September 30, 2007, no dilutive securities were outstanding.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Notes to Unaudited Consolidated Financial Statements

3. Loans Receivable, Net and Allowance for Loan Loss

Loans receivable, net are summarized as follows:

	September 30, 2007	June 30, 2007
	(In thousands)	
Conventional	$ 206,967	$ 188,928
Partially guaranteed by VA or insured by FHA	5	13
Multifamily and commercial real estate	447,824	451,131
Second mortgage and equity loans	65,311	65,240
Construction loans	79,855	62,704
Other loans	2,085	1,140
Total loans	802,047	769,156
Less:		
Deferred loan fees, net	1,681	1,732
Allowance for loan losses	9,232	8,882
Total loans, net	$ 791,134	$ 758,542

The activity in the allowance for loan losses is summarized as follows:

	Three months ended September 30, (In thousands)	
	2007	2006
Balance at beginning of period	$ 8,882	$ 7,672
Provisions charged to operations	350	150
Balance at end of period	$ 9,232	$ 7,822

Table of Contents

Oritani Financial Corp. and Subsidiaries

Notes to Unaudited Consolidated Financial Statements

4. Deposits

Deposits are summarized as follows:

	September 30, 2007	June 30, 2007
	(In thousands)	
Checking accounts	$ 73,272	$ 75,510
Money market deposit accounts	42,017	41,029
Savings accounts	151,387	156,670
Time deposits	420,773	422,548
Total deposits	$ 687,449	$ 695,757

5. Income Taxes

In June 2006, the FASB issued FASB Interpretation No. 48 (FIN 48). FIN 48 establishes a recognition threshold and measurement for income tax positions recognized in an enterprise s financial statements in accordance with FASB Statement No. 109, *Accounting for Income Taxes*. FIN 48 also prescribes a two-step evaluation process for tax positions. The first step is recognition and the second is measurement. For recognition, an enterprise judgmentally determines whether it is more-likely-than-not that a tax position will be sustained upon examination, including resolution of related appeals or litigation processes, based on the technical merits of the position. If the tax position meets the more-likely-than-not recognition threshold it is measured and recognized in the financial statements as the largest amount of tax benefit that is greater than 50% likely of being realized. If a tax position does not meet the more-likely-than-not recognition threshold, the benefit of that position is not recognized in the financial statements.

Tax positions that meet the more-likely-than-not recognition threshold at the effective date of FIN 48 may be recognized or, continue to be recognized, upon adoption of this Interpretation. The cumulative effect of applying the provisions of FIN 48 shall be reported as an adjustment to the opening balance of retained earnings for that fiscal year. The Company adopted FIN 48 on July 1, 2007. The adoption of FIN 48 resulted in a $900,000 transition adjustment which increased retained income at July 1, 2007. The Company recognizes accrued interest and penalties related to unrecognized tax benefits, where applicable, in income tax expense.

The Company files income tax returns in the United States federal jurisdiction and in New Jersey and Pennsylvania state jurisdictions. The Company is no longer subject to federal and state income tax examinations by tax authorities for years prior to 2002. Currently, the Company is not under examination by any taxing authority.

Oritani Financial Corp. and Subsidiaries

Notes to Unaudited Consolidated Financial Statements

6. Recent Accounting Pronouncements

In December 2004, Statement of Financial Accounting Standards (SFAS) No. 123R, *Share-Based Payments*, was issued. SFAS No. 123R requires that the cost resulting from all share-based payment transactions be recognized in the financial statements. This Statement establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement method in accounting for share-based payment transactions with employees except for equity instruments held by employee share ownership plans. This statement was effective for public and nonpublic entities as of the beginning of the first annual reporting period that begins after December 15, 2005. Oritani Financial Corp. has not adopted a stock-based incentive plan. Management will evaluate the impact on the results of operations or financial condition of this standard if such plan is adopted.

In February 2006, the FASB issued SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments-an amendment of FASB statements No. 133 and 140.* This statement permits fair value remeasurement of certain hybrid financial instruments, clarifies the scope of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* regarding interest-only and principal-only strips, and provides further guidance on certain issues regarding beneficial interests in securitized financial assets, concentrations of credit risk and qualifying special purpose entities. SFAS No. 155 was effective as of July 1, 2007. The application of SFAS No. 155 did not have an impact on our financial condition or results of operations.

In March 2006, the FASB issued SFAS No. 156, *Accounting for Servicing of Financial Assets-an amendment of FASB Statement No. 140.* This statement requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset, and that the servicing assets and servicing liabilities be initially measured at fair value. The statement also permits an entity to choose a subsequent measurement method for each class of separately recognized servicing assets and servicing liabilities. SFAS No. 156 was effective July 1, 2007. The application of SFAS No. 156 did not have a material impact on our financial condition or results of operations.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. This Statement defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. This Statement applies to other accounting pronouncements that require or permit fair value measurements, but does not require any new fair value measurements. The Statement is effective for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company does not expect the adoption of SFAS No. 157 to have a material impact on its financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* . SFAS No. 159 permits entities to choose to measure many financial instruments and certain other items at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. The statement is effective as of the beginning of an entity s first fiscal year that begins after November 15, 2007 with early adoption permitted as of the beginning of a fiscal year that begins on or before November 15, 2007. The Company does not expect the adoption of statement No. 159 to have a material impact on its financial statements.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations
Forward Looking Statements

This Quarterly Report contains certain forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward looking statements may be identified by reference to a future period or periods, or by use of forward looking terminology, such as may, will, believe, expect, estimate, Anticipate, continue, or similar terms o variations on those terms, or the negative of those terms. Forward looking statements are subject to numerous risks and uncertainties, including, but not limited to, those related to the economic environment, particularly in the market areas in which Oritani Financial Corp (the Company) operates, competitive products and pricing, fiscal and monetary policies of the U.S. Government, changes in government regulations affecting financial institutions, including regulatory fees and capital requirements, changes in prevailing interest rates, acquisitions and the integration of acquired businesses, credit risk management, asset-liability management, the financial and securities markets and the availability of and costs associated with sources of liquidity.

The Company wishes to caution readers not to place undue reliance on any such forward looking statements, which speak only as of the date made. The Company wishes to advise readers that the factors listed above could affect the Company s financial performance and could cause the Company s actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions, which may be made to any forward looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

Executive Summary

Oritani Financial Corp. is the federally chartered mid-tier stock holding company of Oritani Savings Bank. Oritani Financial Corp. owns 100% of the outstanding shares of common stock of Oritani Savings Bank. Since being formed in 1998, Oritani Financial Corp. has engaged primarily in the business of holding the common stock of Oritani Savings Bank as well as two limited liability companies that own a variety of real estate investments. Oritani Savings Bank s principal business consists of attracting retail and commercial bank deposits from the general public and investing those deposits, together with funds generated from operations, in multi-family and commercial real estate loans, one- to four-family residential mortgage loans as well as in second mortgage and equity loans, construction loans, business loans, other consumer loans, and investment securities. We originate loans primarily for investment and hold such loans in our portfolio. Occasionally, we will also enter into loan participations. Our primary sources of funds are deposits, borrowings and principal and interest payments on loans and securities. Our revenues are derived principally from interest on loans and securities as well as our investments in real estate and real estate joint ventures. We also generate revenues from fees and service charges and other income. Our results of operations depend primarily on our net interest income which is the difference between the interest we earn on interest-earning assets and the interest paid on our interest-bearing liabilities. Our net interest income is primarily affected by the market interest rate environment, the shape of the U.S. Treasury yield curve, the timing of the placement of interest-earning assets and interest-bearing liabilities, and the prepayment rate on our mortgage-related assets. Other factors that may affect our results of operations are general local and local economic and competitive conditions, government policies and actions of regulatory authorities.

Oritani Financial Corp. and Subsidiaries

The business strategy of the Company is to operate as a well-capitalized and profitable financial institution dedicated to providing exceptional personal service to our individual and business customers. Our primary focus has been, and will continue to be, growth in multi-family and commercial real estate lending.

Recently there has been significant attention paid to the sub-prime lending component of the residential mortgage origination market. We do not originate or purchase and our loan portfolio does not include any sub-prime loans.

Comparison of Financial Condition at September 30, 2007 and June 30, 2007

Balance Sheet Summary

Total Assets. Total assets increased $41.6 million, or 3.5%, to $1.24 billion at September 30, 2007, from $1.19 billion at June 30, 2007. The increase was primarily funded through increased borrowings which were principally deployed in loans and securities, in addition to offsetting deposit erosion.

Cash and Cash Equivalents. The largest asset decrease occurred in cash and cash equivalents. Cash and cash equivalents (which include fed funds and short term investments) decreased $26.5 million to $37.0 million at September 30, 2007, from $63.5 million at June 30, 2007. The decrease was a result of utilizing cash to fund loan and security growth. As described under net interest income before provision for loan losses,, the Company has maintained high balances in this category but has recently begun redeploying these funds due to decreased available returns on short-term liquid investments.

Net Loans. Loans, net increased $32.6 million, or 4.3%, to $791.1 million at September 30, 2007, from $758.5 million at June 30, 2007. The Company continued its emphasis on loan originations, particularly multifamily and commercial real estate loans. Loan originations for the three months ended September 30, 2007 totaled $59.3 million.

Securities Available for Sale. Securities available for sale increased $7.0 million, or 19.9%, to $42.5 million at September 30, 2007 from $35.4 million at June 30, 2007. This increase was due to purchases during the period.

Mortgage-Backed Securities Held to Maturity. Mortgage-backed securities held to maturity decreased $14.4 million, or 6.6%, to $203.0 million at September 30, 2007 from $217.4 million at June 30, 2007. This decrease was due to principal repayments received on this portfolio.

Mortgage-Backed Securities Available for Sale. Mortgage-backed securities available for sale increased $40.2 million, or 103.6%, to $79.0 million at September 30, 2007 from $38.8 million at June 30, 2007. This increase was due to purchases during the period partially offset by principal repayments received on this portfolio.

Federal Home Loan Bank of New York (FHLB-NY) Stock. FHLB-NY stock increased $2.2 million, or 20.9%, to $12.8 million at September 30, 2007, from $10.6 million at June 30, 2007. Additional purchases of this stock were required due to additional advances obtained from FHLB-NY.

Deposits. Deposits decreased $8.3 million, or 1.2%, to $687.4 million at September 30, 2007, from $695.8 million at June 30, 2007. The decrease was primarily in our savings account balances which decreased $5.3 million. Deposit growth continues to be challenging in the competitive New Jersey market.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Borrowings. Borrowings increased $49.3 million, or 25.1%, to $245.9 million at September 30, 2007, from $196.7 million at June 30, 2007. The Company committed to various advances from the FHLB-NY over the period with terms considered to be favorable.

Stockholders equity. Stockholders equity increased $4.6 million, or 1.7%, to $277.1 million at September 30, 2007, from $272.6 million at June 30, 2007. The increase is due to net income for the three month period augmented by an increase of $900,000 to retained income as a result of the adoption of FASB Interpretation No. 48 on July 1, 2007 and a slight increase in the value of securities classified as available for sale.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Average Balance Sheets for the Three Months Ended September 30, 2007 and 2006

The following tables present certain information regarding Oritani Financial Corp. s financial condition and net interest income for the three months ended September 30, 2007 and 2006. The table presents the annualized average yield on interest-earning assets and the annualized average cost of interest-bearing liabilities. We derived the yields and costs by dividing annualized income or expense by the average balance of interest-earning assets and interest-bearing liabilities, respectively, for the periods shown. We derived average balances from daily balances over the periods indicated. Interest income includes fees that we consider adjustments to yields.

Average Balance Sheet and Yield/Rate Information

For the Three Months Ended

(unaudited)

	Sept. 30, 2007			Sept. 30, 2006		
	Average Outstanding Balance	Interest Earned/Paid	Average Yield/Rate	Average Outstanding Balance	Interest Earned/Paid	Average Yield/Rate
	(Dollars in thousands)					
Interest-earning assets:						
Loans	$ 776,327	$ 12,772	6.58%	$ 652,784	$ 10,223	6.26%
Securities available for sale	37,465	502	5.36%	10,500	144	5.49%
Securities held to maturity	17,182	271	6.31%	20,737	239	4.61%
Mortgage backed securities available for sale	45,974	631	5.49%	16,788	203	4.84%
Mortgage backed securities held to maturity	209,940	2,047	3.90%	265,929	2,551	3.84%
Federal funds sold and short term investments	60,953	820	5.38%	19,923	266	5.34%
Total interest-earning assets	1,147,841	17,043	5.94%	986,661	13,626	5.52%
Non-interest-earning assets	68,845			58,006		
Total assets	$ 1,216,686			$ 1,044,667		
Interest-bearing liabilities:						
Savings deposits	155,777	649	1.67%	175,907	625	1.42%
Money market	41,433	437	4.22%	27,406	231	3.37%
NOW accounts	74,418	218	1.17%	73,023	219	1.20%
Time deposits	421,917	4,990	4.73%	409,241	4,147	4.05%
Total deposits	693,545	6,294	3.63%	685,577	5,222	3.05%
Borrowings	222,181	2,464	4.44%	186,694	2,005	4.30%
Total interest-bearing liabilities	915,726	8,758	3.83%	872,271	7,227	3.31%
Non-interest-bearing liabilities	27,414			21,722		
Total liabilities	943,140			893,993		
Stockholders equity	273,546			150,674		
Total liabilities and stockholders equity	$ 1,216,686			$ 1,044,667		

Net interest income		$ 8,285			$ 6,399	
Net interest rate spread [1]			2.11%			2.21%
Net interest-earning assets [2]	$ 232,115			$ 114,390		
Net interest margin [3]			2.89%			2.59%
Average of interest-earning assets to interest-bearing liabilities			1.25X			1.13X

(1) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.
(2) Net interest-earning assets represents total interest-earning assets less total interest-bearing liabilities.
(3) Net interest margin represents net interest income divided by average total interest-earning assets.

Oritani Financial Corp. and Subsidiaries

Comparison of Operating Results for the Quarters Ended September 30, 2007 and 2006.

Net Income. Net income increased $981,000 or 49.2%, to $3.0 million for the quarter ended September 30, 2007, from net income of $2.0 million for the corresponding 2006 quarter. This increase was primarily due to increased net interest income partially offset by increased income taxes. Over the period, our annualized return on average assets increased to 0.98% for the 2007 quarter compared to 0.76% for the 2006 quarter and the annualized return on average equity was 4.35% for the 2007 quarter compared to 5.29% for the 2006 quarter. These ratios were impacted by the funds raised from the initial public offering in January, 2007.

Total Interest Income. Total interest income increased by $3.4 million, or 25.1%, to $17.0 million for the three months ended September 30, 2007, from $13.6 million for the three months ended September 30, 2006. The largest increase occurred in interest on loans, which increased $2.5 million or 24.9%, to $12.8 million for the three months ended September 30, 2007, from $10.2 million for the three months ended September 30, 2006. Over that same period, the average balance of loans increased $123.5 million and the yield on the portfolio increased 32 basis points. Interest on the investment related captions of securities held to maturity (HTM), securities available for sale (AFS), mortgage-backed securities (MBS) HTM and MBS AFS increased by $314,000, or 10.0%, to $3.5 million for the three months ended September 30, 2007, from $3.1 million for the three months ended September 30, 2006. The combined average balances of these portfolios decreased $3.4 million over the period while the combined average yield increased 15 basis points. The decrease in the average balance of these investment captions was partially mitigated by purchases totaling $48.6 million during the quarter ended September 30, 2007. Interest on federal funds sold and short term investments increased to $820,000 for the three months ended September 30, 2007, from $266,000 for the three months ended September 30, 2006. The increase in interest income was due to a $41.0 million increase in the average balance of fed funds sold and short term investments and a 4 basis point increase in yield.

Total Interest Expense. Total interest expense increased by $1.5 million, or 21.2%, to $8.8 million for the three months ended September 30, 2007, from $7.2 million for the three months ended September 30, 2006. Interest expense continues to be substantially affected by the current interest rate environment. Market rates for consumer deposits have remained high, and the Bank has increased rates on deposit products in order to minimize outflows and attract new deposit accounts. Interest expense on deposits increased by $1.1 million, or 20.5%, to $6.3 million for the three months ended September 30, 2007, from $5.2 million for the three months ended September 30, 2006. The average balance of deposits increased $8.0 million and the average cost of these funds increased 58 basis points over these periods. Interest expense on borrowings was affected by the higher interest rate environment as well as an increase in the average balance. Interest expense on borrowings increased by $459,000, or 22.9%, to $2.5 million for the three months ended September 30, 2007, from $2.0 million for the three months ended September 30, 2006. The average balance of borrowings increased $35.5 million and the cost increased 14 basis points for the three months ended September 30, 2007, versus the corresponding 2006 period.

Net Interest Income Before Provision for Loan Losses. As discussed in prior public releases, the Company s net interest income continues to be negatively impacted by margin compression due to the recent interest rate environment. The Company s interest income is influenced more by longer term interest rates while the Company s interest expense is influenced more by shorter term interest rates. Longer term interest rates are typically higher than shorter term rates, and this spread contributes to the Company s profitability. During 2005, the spread between long term rates and short term rates began to compress significantly. During 2006, these rates were flat to inverted (meaning that short term interest rates were higher than long term rates). Also during 2006, the fed funds rate became higher than both

Table of Contents

Oritani Financial Corp. and Subsidiaries

short and long term treasury rates. That development was particularly damaging to the Company s net interest spread as the fed funds rate is widely referenced by consumers for their rate expectations on bank deposit products. In 2007, treasury rates have remained relatively flat and the fed funds rate has exceeded all short term and most long term treasury rates, negatively impacting the Company s ability to maximize the spread between interest-earning assets and interest-bearing liabilities. The Company has offset some of the effect of the interest rate environment by redeploying much of the cash flows from its investment security and MBS portfolios into higher yielding loans. The Company s net interest income and margin was further aided through the use of the funds from the stock offering. The stock offering proceeds are equity of the Company and do not generate a related interest expense. Because of the interest rate environment, the Company has maintained comparably high balances in short-term, liquid assets. The returns on such assets had been comparable to the available returns on longer term assets, with less risk. The fed funds rate was decreased to 4.75% on September 18, 2007, decreasing the return on short-term, liquid assets. Since the decrease in this rate was anticipated, some funds were deployed over the quarter out of short-term, liquid investments and, primarily, into short term mortgage backed securities.

Net interest income increased by $1.9 million, or 29.5%, to $8.3 million for the three months ended September 30, 2007, from $6.4 million for the three months ended September 30, 2006. The Company s net interest rate spread decreased to 2.11% for the three months ended September 30, 2007, from 2.21% for the three months ended September 30, 2006. The Company s net interest margin increased to 2.89% for the three months ended September 30, 2007, from 2.59% for the three months ended September 30, 2006. On a linked quarter comparison, the Company s net interest rate spread increased 4 basis points to 2.11% from 2.07% for the three months ended June 30, 2007 and the Company s net interest margin increased 8 basis points to 2.89% from 2.81% for the three months ended June 30, 2007. The quarterly increases in spread and margin were primarily due to increased prepayment penalties received during the three months ended September 30, 2007.

Provision for Loan Losses. The Company recorded provisions for loan losses of $350,000 for the three months ended September 30, 2007 as compared to $150,000 for the three months ended September 30, 2006. There were no recoveries or charge-offs in either period and delinquencies were minimal. The Company s allowance for loan losses is analyzed quarterly and many factors are considered. The primary reason for the provisions was loan growth during the three month periods. Loans, net grew by $32.6 million during the three months ended September 30, 2007 and by $23.9 million over the comparable 2006 period.

Other Income. Other income increased by $148,000, or 12.5%, to $1.3 million for the three months ended September 30, 2007, from $1.2 million for the three months ended September 30, 2006. Income on the real estate investment captions of net real estate operations and income from investments in real estate joint ventures increased by $142,000, or 22.4%, to $776,000 for the three months ended September 30, 2007, from $634,000 for the three months ended September 30, 2006. The income reported in these captions is dependent upon the operations of various properties and is subject to fluctuation.

Other Expenses. Operating expenses decreased by $36,000 or 0.8% to $4.2 million for the three months ended September 30, 2007, from $4.3 million for the three months ended September 30, 2006. Compensation, payroll taxes and fringe benefits decreased $19,000 over the periods. For the three months ended September 30, 2006 there was a $500,000 expense associated with the Company s defined benefit pension plan. There was no such expense in the comparable 2007 period. This decrease, along with decreased cost on other retirement plans, was partially offset by $286,000 of expense associated with our employee stock ownership plan and a $198,000 increase in compensation expense. Other expenses decreased $25,000 primarily due to decreased donations during the 2007 quarter. Various other expenses in this category decreased slightly but these decreases were offset by increased expenses associated with being a public company.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Income Tax Expense. Income tax expense for the three months ended September 30, 2007, was $2.1 million, due to pre-tax income of $5.0 million, resulting in an effective tax rate of 41.1%. For the three months ended September 30, 2006, income tax expense was $1.2 million, due to pre-tax income of $3.2 million, resulting in an effective tax rate of 37.3%. The Company s effective tax rate increased due to changes in New Jersey tax law.

Liquidity and Capital Resources

The Company s primary sources of funds are deposits, principal and interest payments on loans and mortgage-backed securities, Federal Home Loan Bank (FHLB) borrowings and, to a lesser extent, investment maturities. While scheduled amortization of loans is a predictable source of funds, deposit flows and mortgage prepayments are greatly influenced by general interest rates, economic conditions and competition. The Company has other sources of liquidity if a need for additional funds arises, including an overnight line of credit and advances from the FHLB.

At September 30, 2007 and at June 30, 2007, the Company had no overnight borrowings from the FHLB. The Company utilizes the overnight line from time to time to fund short-term liquidity needs. The Company had total borrowings, of $245.9 million at September 30, 2007, an increase from $196.7 million at June 30, 2007. This increase was primarily the result of strong loan growth as well as the opportunity to commit to various advances under terms considered to be favorable. In the normal course of business, the Company routinely enters into various commitments, primarily relating to the origination of loans. At September 30, 2007, outstanding commitments to originate loans totaled $71.3 million and outstanding commitments to extend credit totaled $63.2 million. The Company expects to have sufficient funds available to meet current commitments in the normal course of business.

Time deposits scheduled to mature in one year or less totaled $368.6 million at September 30, 2007. Based upon historical experience management estimates that a significant portion of such deposits will remain with the Company.

As of September 30, 2007 the Company exceeded all regulatory capital requirements as follows:

	Actual		Required	
	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)			
Total capital (to risk-weighted assets)	$ 287,016	34.3%	$ 66,898	8.0%
Tier I capital (to risk-weighted assets)	277,784	33.2	33,449	4.0
Tier I capital (to average assets)	277,784	23.5	47,203	4.0

Critical Accounting Policies

We consider accounting policies that require management to exercise significant judgment or discretion or to make significant assumptions that have, or could have, a material impact on the carrying value of certain assets or on income, to be critical accounting policies. We consider the following to be our critical accounting policies.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Allowance for Loan Losses. The allowance for loan losses is the estimated amount considered necessary to cover credit losses inherent in the loan portfolio at the balance sheet date. The allowance is established through the provision for loan losses that is charged against income. In determining the allowance for loan losses, we make significant estimates and, therefore, have identified the allowance as a critical accounting policy. The methodology for determining the allowance for loan losses is considered a critical accounting policy by management because of the high degree of judgment involved, the subjectivity of the assumptions used, and the potential for changes in the economic environment that could result in changes to the amount of the recorded allowance for loan losses.

The allowance for loan losses has been determined in accordance with U.S. generally accepted accounting principles, under which we are required to maintain an allowance for probable losses at the balance sheet date. We are responsible for the timely and periodic determination of the amount of the allowance required. We believe that our allowance for loan losses is adequate to cover specifically identifiable losses, as well as estimated losses inherent in our portfolio for which certain losses are probable but not specifically identifiable.

Management performs a quarterly evaluation of the adequacy of the allowance for loan losses. The analysis of the allowance for loan losses has two components: specific and general allocations. Specific allocations are made for loans that are classified. Management will identify loans that have demonstrated issues that cause concern regarding full collectibility in the required time frame. Delinquency is a key indicator of such issues. Management classifies such loans within the following industry standard categories: Special Mention; Substandard; Doubtful or Loss. In addition, a classified loan may be considered impaired. Impairment is measured by determining the present value of expected future cash flows or, for collateral-dependent loans, the fair value of the collateral adjusted for market conditions and selling expenses. The general allocation is determined by segregating the remaining loans by type of loan, risk weighting (if applicable) and payment history. We also analyze historical loss experience, delinquency trends, general economic conditions, geographic concentrations, industry and peer comparisons. This analysis establishes factors that are applied to the loan groups to determine the amount of the general allocation. This evaluation is inherently subjective, as it requires material estimates that may be susceptible to significant revisions based upon changes in economic and real estate market conditions. Actual loan losses may be significantly more than the allowance for loan losses we have established, which could have a material negative effect on our financial results.

Management has also engaged the services of a loan review consulting firm who reviews all loans with an outstanding balance in excess of $2.0 million on an annual basis. This firm also classifies the reviewed loans in the same industry standard categories as management.

On a quarterly basis, the Chief Financial Officer reviews the current status of various loan assets in order to evaluate the adequacy of the allowance for loan losses. In this evaluation process, specific loans are analyzed to determine their potential risk of loss. This process includes all loans, concentrating on non-accrual and classified loans. Each non-accrual or classified loan is evaluated for potential loss exposure. Any shortfall results in a recommendation of a specific allowance if the likelihood of loss is evaluated as probable. To determine the adequacy of collateral on a particular loan, an estimate of the fair market value of the collateral is based on the most current appraised value available. This appraised value is then reduced to reflect estimated liquidation expenses.

The results of this quarterly process are summarized along with recommendations and presented to executive management for their review. Based on these recommendations, loan loss allowances are approved by executive management. All supporting documentation with regard to the evaluation process, loan loss experience, allowance levels and the schedules of classified loans are maintained by the Chief Financial Officer. A summary of loan loss allowances is presented to the Board of Directors on a quarterly basis.

Table of Contents

Oritani Financial Corp. and Subsidiaries

We have a concentration of loans secured by real property located in New Jersey. As a substantial amount of our loan portfolio is collateralized by real estate, appraisals of the underlying value of property securing loans are critical in determining the amount of the allowance required for specific loans. Assumptions for appraisal valuations are instrumental in determining the value of properties. Overly optimistic assumptions or negative changes to assumptions could significantly impact the valuation of a property securing a loan and the related allowance determined. The assumptions supporting such appraisals are carefully reviewed by management to determine that the resulting values reasonably reflect amounts realizable on the related loans. Based on the composition of our loan portfolio, we believe the primary risks are increases in interest rates, a decline in the economy generally, and a decline in real estate market values in New Jersey. Any one or combination of these events may adversely affect our loan portfolio resulting in increased delinquencies, loan losses and future levels of loan loss provisions. We consider it important to maintain the ratio of our allowance for loan losses to total loans at an adequate level. Factors such as current economic conditions, interest rates, and the composition of the loan portfolio will effect our determination of the level of this ratio for any particular period.

Our allowance for loan losses in recent years reflects probable losses resulting from the actual growth in our loan portfolio. We believe the ratio of the allowance for loan losses to total loans of 1.15% at September 30, 2007 adequately reflects our portfolio credit risk, given our emphasis on multi-family and commercial real estate lending and current market conditions.

Although we believe we have established and maintained the allowance for loan losses at adequate levels, additions may be necessary if future economic and other conditions differ substantially from the current operating environment. Although management uses the best information available, the level of the allowance for loan losses remains an estimate that is subject to significant judgment and short-term change. In addition, the Federal Deposit Insurance Corporation and the New Jersey Department of Banking and Insurance, as an integral part of their examination process, will periodically review our allowance for loan losses. Such agencies may require us to recognize adjustments to the allowance based on its judgments about information available to them at the time of their examination.

Deferred Income Taxes. We use the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. If current available information raises doubt as to the realization of the deferred tax assets, a valuation allowance is established. We consider the determination of this valuation allowance to be a critical accounting policy because of the need to exercise significant judgment in evaluating the amount and timing of recognition of deferred tax liabilities and assets, including projections of future taxable income. These judgments and estimates are reviewed on a continual basis as regulatory and business factors change. A valuation allowance for deferred tax assets may be required if the amounts of taxes recoverable through loss carry backs decline, or if we project lower levels of future taxable income. Such a valuation allowance would be established through a charge to income tax expense that would adversely affect our operating results.

Asset Impairment Judgments. Some of our assets are carried on our consolidated balance sheets at cost, fair value or at the lower of cost or fair value. Valuation allowances or write-downs are established when necessary to recognize impairment of such assets. We periodically perform analyses to

Oritani Financial Corp. and Subsidiaries

test for impairment of such assets. In addition to the impairment analyses related to our loans discussed above, another significant impairment analysis is the determination of whether there has been an other-than-temporary decline in the value of one or more of our securities.

Our available-for-sale securities portfolio is carried at estimated fair value, with any unrealized gains or losses, net of taxes, reported as accumulated other comprehensive income or loss in stockholders equity. Our held-to-maturity securities portfolio, consisting of debt securities for which we have a positive intent and ability to hold to maturity, is carried at amortized cost. We conduct a periodic review and evaluation of the securities portfolio to determine if the value of any security has declined below its cost or amortized cost, and whether such decline is other-than-temporary. If such decline is deemed other-than-temporary, we would adjust the cost basis of the security by writing down the security to fair market value through a charge to current period operations. The market values of our securities are affected by changes in interest rates. When significant changes in interest rates occur, we evaluate our intent and ability to hold the security to maturity or for a sufficient time to recover our recorded investment balance.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The majority of our assets and liabilities are monetary in nature. Consequently, our most significant form of market risk is interest rate risk. Our assets, consisting primarily of mortgage loans, have longer maturities than our liabilities, consisting primarily of deposits. As a result, a principal part of our business strategy is to manage interest rate risk and reduce the exposure of our net interest income to changes in market interest rates. Accordingly, our Board of Directors has the authority and responsibility for monitoring interest rate risk. Oritani Savings Bank has established an Asset/Liability Management Committee, comprised of its President, Senior Vice President, Chief Financial Officer, Senior Vice President-Commercial Lending, Vice President-Mortgage Lending and Vice President-Branch Administration, which is responsible for evaluating the interest rate risk inherent in our assets and liabilities, for recommending to the Board the level of risk that is appropriate, given our business strategy, operating environment, capital, liquidity and performance objectives, and for managing this risk consistent with the guidelines approved by the Board of Directors. The Asset/Liability Management Committee reports to the Board on a quarterly basis.

We have sought to manage our interest rate risk in order to minimize the exposure of our earnings and capital to changes in interest rates. As part of our ongoing asset-liability management, we currently use the following strategies to manage our interest rate risk:

(i) originating multi-family and commercial real estate loans that generally tend to have shorter interest duration and generally reset at five years;

(ii) investing in shorter duration securities and mortgage-backed securities; and

(iii) obtaining general financing through longer-term Federal Home Loan Bank advances with call options that are considered unlikely.

Shortening the average maturity of our interest-earning assets by increasing our investments in shorter-term loans and securities, as well as loans and securities with variable rates of interest, helps to better match the maturities and interest rates of our assets and liabilities, thereby reducing the exposure of our net interest income to changes in market interest rates. By following these strategies, we believe that we are well-positioned to react to increases in market interest rates.

Table of Contents

Oritani Financial Corp. and Subsidiaries

Net Portfolio Value. We compute the amounts by which our net present value of cash flow from assets, liabilities and off balance sheet items (the institution s net portfolio value or NPV) would change in the event of a range of assumed changes in market interest rates. A basis point equals one-hundredth of one percent, and 100 basis points equals one percent. An increase in interest rates from 3% to 4% would mean, for example, a 100 basis point increase in the Change in Interest Rates column below.

The table below sets forth, as of September 30, 2007, the estimated changes in our net portfolio value that would result from the designated instantaneous changes in the United States Treasury yield curve. Computations of prospective effects of hypothetical interest rate changes are based on numerous assumptions, including relative levels of market interest rates and loan prepayment and deposit decay rates, and should not be relied upon as indicative of actual results.

Change in Interest Rates (basis points)	Net Portfolio Value			NPV as a Percent of Present Value of Assets (3)		Net Interest Income		
		Estimated Increase (Decrease)					Increase (Decrease) in estimated Net interest income	
(1)	Estimated NPV (2)	Amount	Percent	NPV Ratio (4)	Increase (Decrease) (basis points)	Estimated Net Interest Income	Amount	Percent
				(dollars in thousands)				
+300bp	$ 205,794	$ (79,718)	(27.92)%	18.54%	(489)	$ 27,400	$ (7,089)	(20.55)%
+200bp	235,279	$ (50,233)	(17.59)%	20.52%	(292)	31,686	$ (2,803)	(8.13)%
+100bp	263,527	$ (21,985)	(7.70)%	22.27%	(116)	33,402	$ (1,087)	(3.15)%
0bp	285,512	$		23.43%		34,489	$	0.00%
-100bp	299,811	$ 14,299	5.01%	24.00%	57	33,438	$ (1,051)	(3.05)%
-200bp	300,816	$ 15,304	5.36%	23.67%	24	31,037	$ (3,452)	(10.01)%
-300bp	293,486	$ 7,974	2.79%	22.79%	(64)	27,884	$ (6,605)	(19.15)%

(1) Assumes an instantaneous uniform change in interest rates at all maturities.
(2) NPV is the discounted present value of expected cash flows from assets, liabilities and off-balance sheet contracts.
(3) Present value of assets represents the discounted present value of incoming cash flows on interest-earning assets.
(4) NPV Ratio represents NPV divided by the present value of assets.

The table above indicates that at September 30, 2007, in the event of a 100 basis point increase in interest rates, we would experience a 7.7% decrease in net portfolio value. In the event of a 200 basis point increase in interest rates, we would experience a 17.6% decrease in net portfolio value. These changes in net portfolio value are within the limitations established in our asset and liability management policies.

Certain shortcomings are inherent in the methodology used in the above interest rate risk measurement. Modeling changes in net portfolio value require making certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. In this regard, the net portfolio value table presented assumes that the composition of our interest-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration or repricing of specific assets and liabilities. Accordingly, although the net portfolio value table provides an indication of our interest rate risk exposure at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on our net interest income and will differ from actual results.

Item 4. Controls and Procedures

Under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that, as of the end of the period

21

Oritani Financial Corp. and Subsidiaries

covered by this report, our disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms.

There were no significant changes made in the Company s internal controls over financial reporting or in other factors that could significantly affect the Company s internal controls over financial reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Company s internal control over financial reporting.

Part II Other Information

Item 1. Legal Proceedings

The Company and its subsidiaries are subject to various legal actions arising in the normal course of business. In the opinion of management, the resolution of these legal actions is not expected to have a material adverse effect on the Company s financial condition or results of operations.

Item 1A. Risk Factors

There have been no material changes in the Risk Factors disclosed in the Company s 2007 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) There were no sales by the registrant of unregistered securities during the past three years.

b) There were no issuer repurchases of securities during the past three years.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

During the period covered by this report, the Company did not submit any matters to the vote of security holders.

Item 5. Other Information

Not applicable

Oritani Financial Corp. and Subsidiaries

Item 6. Exhibits

The following exhibits are either filed as part of this report or are incorporated herein by reference:

3.1	Charter of Oritani Financial Corp. *
3.2	Bylaws of Oritani Financial Corp. *
4	Form of Common Stock Certificate of Oritani Financial Corp. *
10.1	Employment Agreement between Oritani Financial Corp. and Kevin J. Lynch*
10.2	Form of Employment Agreement between Oritani Financial Corp. and executive officers*
10.3	Oritani Savings Bank Director Retirement Plan*
10.4	Oritani Savings Bank Benefit Equalization Plan*
10.5	Oritani Bancorp, Inc. Executive Supplemental Retirement Income Agreement*
10.6	Form of Employee Stock Ownership Plan*
10.7	Director Deferred Fee Plan*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Filed as exhibits to the Company s Registration Statement on Form S-1, and any amendments thereto, with the Securities and Exchange Commission (Registration No. 333-137309).

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORITANI FINANCIAL CORP.

Date: November 13, 2007	/s/ Kevin J. Lynch Kevin J. Lynch President and Chief Executive Officer
Date: November 13, 2007	/s/ John M. Fields, Jr. John M. Fields, Jr. Senior Vice President and Chief Financial Officer