ASBURY AUTOMOTIVE GROUP INC
Form 4
February 22, 2007

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person [*]
WOOLEY JEFF I

(Last) (First) (Middle)

4636 N. DALE MABRY HIGHWAY

(Street)

TAMPA, FL 33614-7022

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
ASBURY AUTOMOTIVE GROUP INC [NYSE: ABG]

3. Date of Earliest Transaction (Month/Day/Year)
02/20/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
_____ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common stock, par value $.01 per share	02/20/2007		S [(1)]		3,300	D	$ 26.97	571,437	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S [(1)]		3,100	D	$ 26.98	568,337	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01	02/20/2007		S [(1)]		3,300	D	$ 26.99	565,037	I	By JIW Enterprises, Inc. [(2)]

per share										
Common stock, par value $.01 per share	02/20/2007		S[(1)]		3,200	D	$ 27	561,837	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S[(1)]		500	D	$ 27.01	561,337	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S[(1)]		700	D	$ 27.02	560,637	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S[(1)]		500	D	$ 27.03	560,137	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S[(1)]		100	D	$ 27.05	560,037	I	By JIW Enterprises, Inc. [(2)]
Common stock, par value $.01 per share	02/20/2007		S[(1)]		400	D	$ 27.07	559,637	I	By JIW Enterprises, Inc. [(2)]

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number		

of
Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WOOLEY JEFF I 4636 N. DALE MABRY HIGHWAY TAMPA, FL 33614-7022	X			

Signatures

Lynne A. Burgess, Attorney-in-Fact	02/22/2007
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This sale was effected pursuant to a 10b5-1 trading plan adopted by the reporting person on December 1, 2006.

(2) The reporting person is a director of the issuer and the President of JIW Enterprises, Inc.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. /I> Total non-interest expenses increased by $8.5 million, or 27.5%, to $39.2 million for the three months ended June 30, 2011 from $30.8 million for the three months ended June 30, 2010. Compensation and fringe benefits increased $3.3 million as a result of staff additions primarily due to the acquisition of Millennium bcpbank deposit franchise and additional staff to support our continued growth, as well as normal merit increases. Occupancy expense increased $3.3 million as a result of the costs associated with expanding and enhancing our branch network, and costs associated with the relocation of one of our branches. Data processing expenses increased $657,000 primarily due to increased volume of accounts.

Income Taxes. Income tax expense was $10.6 million for the three months ended June 30, 2011, representing a 35.08% effective tax rate compared to income tax expense of $7.8 million for the three months ended June 30, 2010 representing a 33.76% effective tax rate.

Comparison of Operating Results for the Six Months Ended June 30, 2011 and 2010

Net Income. Net income was $37.7 million for the six months ended June 30, 2011 compared to net income of $28.6 million for the six months ended June 30, 2010.

Net Interest Income. Net interest income increased by $33.1 million, or 26.0%, to $160.2 million for the six months ended June 30, 2011 from $127.1 million for the six months ended June 30, 2010. The increase was primarily due to the average balance of interest earning assets increasing $1.12 billion to $9.38 billion at June 30, 2011 compared to $8.25 billion at June 30, 2010, as well as a 46 basis point decrease in our cost of interest-bearing liabilities to 1.72% for the six months ended June 30, 2011 from 2.18% for the six months ended June 30, 2010. These were partially offset by the average balance of our interest earning liabilities increasing $893.4 million to $8.42 billion at June 30, 2011 compared to

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$7.52 billion at June 30, 2010, as well as the yield on our interest-earning assets decreasing 10 basis points to 4.96% for the six months ended June 30, 2011 from 5.06% for the six months ended June 30, 2010. With short term interest rates at historically low levels the cost of our deposits and borrowed funds continued to reprice downward. This had a positive impact on our net interest margin which improved by 34 basis points from 3.08% for the six months ended June 30, 2010 to 3.42% for the six months ended June 30, 2011.

Interest and Dividend Income. Total interest and dividend income increased by $23.4 million, or 11.2%, to $232.4 million for the six months ended June 30, 2011 from $208.9 million for the six months ended June 30, 2010. This increase is attributed to the average balance of interest-earning assets increasing $1.12 billion, or 13.6%, to $9.38 billion for the six months ended June 30, 2011 from $8.25 billion for the six months ended June 30, 2010. This was partially offset by the weighted average yield on interest-earning assets decreasing 10 basis points to 4.96% for the six months ended June 30, 2011 compared to 5.06% for the six months ended June 30, 2010.

Interest income on loans increased by $27.0 million, or 14.6%, to $212.3 million for the six months ended June 30, 2011 from $185.3 million for the six months ended June 30, 2010, reflecting a $1.34 billion, or 19.6%, increase in the average balance of net loans to $8.18 billion for the six months ended June 30, 2011 from $6.84 billion for the six months ended June 30, 2010. The increase is primarily attributed to the average balance of multi-family loans and commercial real estate loans increasing $633.3 million and $477.1 million, respectively. This activity is consistent with our strategy to diversify our loan portfolio by adding more multi-family loans and commercial real estate loans. In addition, we recorded $1.4 million in prepayment penalties for the six months ended June 30, 2011 compared to $78,000 for the six months ended June 30, 2010. The growth in the loan portfolio was partially offset by a 23 basis point decrease in the average yield on loans to 5.19% for the six months ended June 30, 2011 from 5.42% for the six months ended June 30, 2010.

Interest income on all other interest-earning assets, excluding loans, decreased by $3.6 million, or 15.1%, to $20.0 million for the six months ended June 30, 2011 from $23.6 million for the six months ended June 30, 2010. This decrease reflected a $217.7 million decrease in the average balance of all other interest-earning assets, excluding loans, to $1.19 billion for the six months ended June 30, 2011 from $1.41 billion for the six months ended June 30, 2010. This was partially offset by the weighted average yield on interest-earning assets, excluding loans, increasing by 1 basis point to 3.36% for the six months ended June 30, 2011 compared to 3.35% for the six months ended June 30, 2010.

Interest Expense. Total interest expense decreased by $9.7 million, or 11.8%, to $72.2 million for the six months ended June 30, 2011 from $81.9 million for the six months ended June 30, 2010. This decrease is attributed to the weighted average cost of total interest-bearing liabilities decreasing 46 basis points to 1.72% for the six months ended June 30, 2011 compared to 2.18% for the six months ended June 30, 2010. This was partially offset by the average balance of total interest-bearing liabilities increasing by $893.4 million, or 11.9%, to $8.42 billion for the six months ended June 30, 2011 from $7.52 billion for the six months ended June 30, 2010.

Interest expense on interest-bearing deposits decreased $6.8 million, or 14.7% to $39.8 million for the six months ended June 30, 2011 from $46.7 million for the six months ended June 30, 2010. This decrease is attributed to a 40 basis point decrease in the average cost of interest-bearing deposits to 1.23% for the six months ended June 30, 2011 from 1.63% for the six months ended June 30, 2010 as deposit rates reflect the current interest rate environment. This was partially offset by the average balance of total interest-bearing deposits increasing $720.2 million, or 12.6% to $6.46 billion for the six months ended June 30, 2011 from $5.74 billion for the six months ended June 30, 2010. The growth of core deposit accounts, savings checking and money market, represented 87.8%, or $632.0 million of the increase in the average balance of total interest-bearing deposits.

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Interest expense on borrowed funds decreased by $2.8 million, or 8.0%, to $32.4 million for the six months ended June 30, 2011 from $35.2 million for the six months ended June 30, 2010. This decrease is attributed to the average cost of borrowed funds decreasing 64 basis points to 3.30% for the six months ended June 30, 2011 from 3.94% for the six months ended June 30, 2010 as maturing borrowings repriced at lower interest rates. This was partially offset by the average balance of borrowed funds increasing by $173.2 million or 9.7%, to $1.96 billion for the six months ended June 30, 2011 from $1.79 billion for the six months ended June 30, 2010.

Provision for Loan Losses. The provision for loan losses was $35.5 million for the six months ended June 30, 2011 compared to $28.5 million for the six months ended June 30, 2010. Net charge-offs were $19.5 million for the six months ended June 30, 2011 compared to $11.2 million for the six months ended June 30, 2010. See discussion of the allowance for loan losses and non-accrual loans in *Comparison of Financial Condition at June 30, 2011 and December 31, 2010.*

Non-interest Income. Total non-interest income increased by $4.0 million, or 49.0% to $12.1 million for the six months ended June 30, 2011 from $8.1 million for the six months ended June 30, 2010. The increase is attributed to a $3.4 million increase in fees and service charges to $6.6 million for the six months ended June 30, 2011. These fees are primarily from commercial deposit and loan accounts as well as fees generated from the servicing of third party loan portfolios. In addition, there was an increase in gain on loan transactions of $426,000 to $3.9 million for the six months ended June 30, 2011. Income on bank owned life insurance also increased by $536,000. These increases were partially offset by a $346,000 net loss on the sale of $58.7 million of mortgage back securities and a $106,000 loss on the sale of our other real estate owned.

Non-interest Expenses. Total non-interest expenses increased by $16.3 million, or 26.7%, to $77.5 million for the six months ended June 30, 2011 from $61.2 million for the six months ended June 30, 2010. Compensation and fringe benefits increased $8.2 million as a result of staff additions primarily from the acquisition of Millennium bcpbank deposit franchise and additional staff to support our continued growth, as well as normal merit increases. Occupancy expense increased $5.1 million as a result of the costs associated with expanding our branch network, and increased costs due to the improvements and costs associated with the relocation of one of our branches. Data processing expenses increased $1.2 million primarily due to increased volume of accounts.

Income Taxes. Income tax expense was $21.3 million for the six months ended June 30, 2011, representing a 36.05% effective tax rate compared to income tax expense of $16.9 million for the six months ended June 30, 2010 representing a 37.10% effective tax rate. The decrease in the effective tax rate is due to more revenue generated in states other than New Jersey.

Liquidity and Capital Resources

The Company s primary sources of funds are deposits, principal and interest payments on loans and mortgage-backed securities, proceeds from the sale of loans, Federal Home Loan Bank (FHLB) and other 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 other borrowings from the FHLB and other correspondent banks.

At June 30, 2011 the Company had overnight borrowings outstanding with FHLB of $355.0 million compared to $231.0 million at December 31, 2010. The Company utilizes the overnight line from time to time to fund short-term liquidity needs. The Company had total borrowings of $2.34 billion at June 30, 2011, an increase from $1.83 billion at December 31, 2010.

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In the normal course of business, the Company routinely enters into various commitments, primarily relating to the origination of loans. At June 30, 2011, outstanding commitments to originate loans totaled $388.0 million; outstanding unused lines of credit totaled $387.0 million; standby letters of credit totaled $1.4 million and outstanding commitments to sell loans totaled $37.8 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 $2.35 billion at June 30, 2011. Based upon historical experience management estimates that a significant portion of such deposits will remain with the Company.

The Board of Directors approved a fourth share repurchase program at their January 2011 meeting, which authorizes the repurchase of an additional 10% of the Company s outstanding common stock. The fourth share repurchase program will commence immediately upon completion of the third program. Under this program, up to 10% of its publicly held outstanding shares of common stock, or 3,876,523 shares of Investors Bancorp, Inc. common stock may be purchased in the open market and through other privately negotiated transactions in accordance with applicable federal securities laws. During the six month period ended June 30, 2011, the Company repurchased 635,201 shares of its common stock. Under the current share repurchase programs, 4,027,166 shares remain available for repurchase. As June 30, 2011, a total of 14,260,026 shares have been purchased under Board authorized share repurchase programs, of which 2,248,701 shares were allocated to fund the restricted stock portion of the Company s 2006 Equity Incentive Plan. The remaining shares are held for general corporate use.

As of June 30, 2011 the Bank exceeded all regulatory capital requirements as follows:

	As of June 30, 2011			
	Actual		Required	
	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)			
Total capital (to risk-weighted assets)	$ 919,784	13.3%	554,089	8.0%
Tier I capital (to risk-weighted assets)	832,956	12.0	277,045	4.0
Tier I capital (to average assets)	832,956	8.5	394,158	4.0

Off-Balance Sheet Arrangements and Contractual Obligations

In the normal course of operations, the Company engages in a variety of financial transactions that, in accordance with generally accepted accounting principles, are not recorded in the financial statements. These transactions primarily relate to lending commitments.

The following table shows the contractual obligations of the Company by expected payment period as of June 30, 2011:

Contractual Obligations	Total	Less than One Year	One-Two Years	Two-Three Years	More than Three Years
	(in thousands)				
	$ 2,335,500	1,035,500	280,000	145,000	875,000

Debt obligations (excluding capitalized leases)					
Commitments to originate and purchase loans	$ 387,961	387,961	-	-	-
Commitments to sell loans	$ 37,758	37,758	-	-	-

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Debt obligations include borrowings from the FHLB and other borrowings. The borrowings have defined terms and, under certain circumstances, $230.0 million of the borrowings are callable at the option of the lender.

Additionally, at June 30, 2011, the Company s commitments to fund unused lines of credit totaled $387.0 million. Commitments to originate loans and commitments to fund unused lines of credit are agreements to lend additional funds to customers as long as there have been no violations of any of the conditions established in the agreements. Commitments generally have a fixed expiration or other termination clauses which may or may not require a payment of a fee. Since some of these loan commitments are expected to expire without being drawn upon, total commitments do not necessarily represent future cash requirements.

In addition to the contractual obligations previously discussed, we have other liabilities and capitalized and operating lease obligations. These contractual obligations as of June 30, 2011 have not changed significantly from December 31, 2010.

In the normal course of business the Company sells residential mortgage loans to third parties. These loan sales are subject to customary representations and warranties. In the event that we are found to be in breach of these representations and warranties, we may be obligated to repurchase certain of these loans.

For further information regarding our off-balance sheet arrangements and contractual obligations, see Part II, Item 7, Management s Discussion and Analysis of Financial Condition and Results of Operations, in our December 31, 2010 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Qualitative Analysis. We believe one significant form of market risk is interest rate risk. Interest rate risk results from timing differences in the maturity or re-pricing of our assets, liabilities and off-balance sheet contracts (i.e., loan commitments); the effect of loan prepayments, deposits and withdrawals; the difference in the behavior of lending and funding rates arising from the uses of different indices; and yield curve risk arising from changing interest rate relationships across the spectrum of maturities for constant or variable credit risk investments. Besides directly affecting our net interest income, changes in market interest rates can also affect the amount of new loan originations, the ability of borrowers to repay variable rate loans, the volume of loan prepayments and refinancings, the carrying value of securities classified as available for sale and the mix and flow of deposits.

The general objective of our interest rate risk management is to determine the appropriate level of risk given our business model and then manage that risk in a manner consistent with our policy to reduce, to the extent possible, the exposure of our net interest income to changes in market interest rates. Our Interest Rate Risk Committee, which consists of senior management, evaluates the interest rate risk inherent in certain assets and liabilities, our operating environment and capital and liquidity requirements and modifies our lending, investing and deposit gathering strategies accordingly. On a quarterly basis, our Board of Directors reviews the Interest Rate Risk Committee report, the aforementioned activities and strategies, the estimated effect of those strategies on our net interest margin and the estimated effect that changes in market interest rates may have on the economic value of our loan and securities portfolios, as well as the intrinsic value of our deposits and borrowings.

We actively evaluate interest rate risk in connection with our lending, investing and deposit activities. Historically, our lending activities have emphasized one- to four-family fixed- and variable- rate first mortgages. Our variable-rate mortgage related assets have helped to reduce our exposure to interest rate fluctuations and is expected to benefit our long-term profitability, as the rate earned in the mortgage loans will increase as prevailing market rates increase. However, the current interest rate environment, and the preferences of our customers, has resulted in more of a

demand for fixed-rate products. This may

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adversely impact our net interest income, particularly in a rising rate environment. To help manage our interest rate risk, we have increased our focus on the origination of commercial real estate mortgage loans, particularly multi-family loans, as these loan types reduce our interest rate risk due to their shorter repricing term compared to fixed rate residential mortgage loans. In addition, we primarily invest in shorter-to-medium duration securities, which generally have shorter average lives and lower yields compared to longer term securities. Shortening the average lives of our securities, along with originating more adjustable-rate mortgages and commercial real estate mortgages, will help to reduce interest rate risk.

We retain an independent, nationally recognized consulting firm who specializes in asset and liability management to complete our quarterly interest rate risk reports. We also retain a second nationally recognized consulting firm to prepare independently comparable interest rate risk reports for the purpose of validation. Both firms use a combination of analyses to monitor our exposure to changes in interest rates. The economic value of equity analysis is a model that estimates the change in net portfolio value (NPV) over a range of immediately changed interest rate scenarios. NPV is the discounted present value of expected cash flows from assets, liabilities, and off-balance sheet contracts. In calculating changes in NPV, assumptions estimating loan prepayment rates, reinvestment rates and deposit decay rates that seem most likely based on historical experience during prior interest rate changes are used.

The net interest income analysis uses data derived from an asset and liability analysis, described below, and applies several additional elements, including actual interest rate indices and margins, contractual limitations and the U.S. Treasury yield curve as of the balance sheet date. In addition we apply consistent parallel yield curve shifts (in both directions) to determine possible changes in net interest income if the theoretical yield curve shifts occurred gradually. Net interest income analysis also adjusts the asset and liability repricing analysis based on changes in prepayment rates resulting from the parallel yield curve shifts.

Our asset and liability analysis determines the relative balance between the repricing of assets and liabilities over multiple periods of time (ranging from overnight to five years). This asset and liability analysis includes expected cash flows from loans and mortgage-backed securities, applying prepayment rates based on the differential between the current interest rate and the market interest rate for each loan and security type. This analysis identifies mismatches in the timing of asset and liability but does not necessarily provide an accurate indicator of interest rate risk because the assumptions used in the analysis may not reflect the actual response to market changes.

Quantitative Analysis. The table below sets forth, as of June 30, 2011 the estimated changes in our NPV and our net interest income that would result from the designated changes in interest rates. Such changes to interest rates are calculated as an immediate and permanent change for the purposes of computing NPV and a gradual change over a one year period for the purposes of computing net interest income. Computations of prospective effects of hypothetical interest rate changes are based on numerous assumptions including relative levels of market interest rates, loan prepayments and deposit decay, and should not be relied upon as indicative of actual results. We did not estimate changes in NPV or net interest income for an interest rate decrease of greater than 100 basis points or increase of greater than 200 basis points.

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Change in Interest Rates (basis points)	Net Portfolio Value (1),(2)			Net Interest Income (3)		
	Estimated NPV	Estimated Increase (Decrease) Amount	Estimated Increase (Decrease) Percent	Estimated Net Interest Income	Increase (Decrease) in Estimated Net Interest Income Amount	Increase (Decrease) in Estimated Net Interest Income Percent
	(Dollars in thousands)					
+200bp	$563,604	$344,991	(38.0)%	$315,004	$(21,878)	(6.5)%
0bp	$908,595	-	-	$336,882	-	-
-100bp	$1,007,292	$98,697	10.9%	$345,074	$8,192	2.4%

(1) NPV is the discounted present value of expected cash flows from assets, liabilities and off-balance sheet contracts.
(2) Assumes an instantaneous uniform change in interest rates at all maturities.
(3) Assumes a gradual change in interest rates over a one year period at all maturities

The table set forth above indicates at June 30, 2011 in the event of a 200 basis points increase in interest rates, we would be expected to experience a 38.0% decrease in NPV and an $21.9 million or 6.5% decrease in net interest income. In the event of a 100 basis points decrease in interest rates, we would be expected to experience a 10.9% increase in NPV and a $8.2 million or 2.4% increase in annual net interest income. These data do not reflect any future actions we may take in response to changes in interest rates, such as changing the mix of our assets and liabilities, which could change the results of the NPV and net interest income calculations.

As mentioned above, we retain two nationally recognized firms to compute our quarterly interest rate risk reports. Although we are confident of the accuracy of the results, certain shortcomings are inherent in any methodology used in the above interest rate risk measurements. Modeling changes in NPV and net interest income require certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. The NPV and net interest income table presented above assumes the composition of our interest-rate sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and, accordingly, the data do not reflect any actions we may take in response to changes in interest rates. The table also assumes a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration to maturity or the repricing characteristics of specific assets and liabilities. Accordingly, although the NPV and net interest income table provide an indication of our sensitivity to interest rate changes at a particular point in time, such measurement is not intended to and does not provide a precise forecast of the effects of changes in market interest rates on our NPV and net interest income.

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 covered by this report, our disclosure controls and procedures were effective.

There were no changes made in the Company s internal controls over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

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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 December 31, 2010 Annual Report on Form 10-K filed with the Securities and Exchange Commission, except as disclosed below:

The Standard & Poor s downgrade in the U.S. government s sovereign credit rating, and in the credit ratings of instruments issued, insured or guaranteed by certain related institutions, agencies and instrumentalities, could result in risks to the Company and general economic conditions that we are not able to predict.

On August 5, 2011, Standard & Poor s downgraded the United States long-term debt rating from its AAA rating to AA+. On August 8, 2011, Standard & Poor s downgraded the credit ratings of certain long-term debt instruments issued by Fannie Mae and Freddie Mac and other U.S. government agencies linked to long-term U.S. debt. Instruments of this nature are key assets on the balance sheets of financial institutions, including the Bank. These downgrades could adversely affect the market value of such instruments, and could adversely impact our ability to obtain funding that is collateralized by affected instruments, as well as affecting the pricing of that funding when it is available. We cannot predict if, when or how these changes to the credit ratings will affect economic conditions. These ratings downgrades could result in a significant adverse impact to the Company, and could exacerbate the other risks to which the Company is subject, including those described under Risk Factors in the Company s 2010 Annual Report on Form 10-K.

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

The following table reports information regarding repurchases of our common stock during quarter ended June 30, 2011 and the stock repurchase plan approved by our Board of Directors.

Period	Total Number of Shares Purchased	Average price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (1)
April 1, 2011 through April 30, 2011	-	$ -	-	4,478,090
May 1, 2011 through May 31, 2011	824	14.43	824	4,477,266

June 1, 2011 through June 30, 2011	450,100		13.94	450,100	4,027,166
Total	450,924	$	13.94	450,924	

(1) On January 22, 2008, the Company announced its third Share Repurchase Program, which authorized the purchase of an additional 10% of its publicly-held outstanding shares of common stock, or 4,307,248 shares. This stock repurchase program commenced upon the completion of the second program on May 7, 2008. This program has no expiration date and has 150,643 shares yet to be purchased as of June 30, 2011. On March 1, 2011, the Company announced its fourth Share

Repurchase Program, which authorized the purchase of an additional 10% of its publicly-held outstanding shares of common stock, or 3,876,523 million shares. The new repurchase program will

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commence immediately upon completion of the third repurchase plan described above. This program has no expiration date.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. [Reserved]

Item 5. Other Information

Not applicable

Item 6. Exhibits

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

3.1	Certificate of Incorporation of Investors Bancorp, Inc.*
3.2	Bylaws of Investors Bancorp, Inc.*
4	Form of Common Stock Certificate of Investors Bancorp, Inc.*
10.1	Form of Employment Agreement between Investors Bancorp, Inc. and certain executive officers*
10.2	Form of Change in Control Agreement between Investors Bancorp, Inc. and certain executive officers*
10.3	Investors Savings Bank Director Retirement Plan*
10.4	Investors Savings Bank Supplemental Retirement Plan*
10.5	Investors Bancorp, Inc. Supplemental Wage Replacement Plan*
10.6	Investors Savings Bank Deferred Directors Fee Plan*
10.7	Investors Bancorp, Inc. Deferred Directors Fee Plan*
10.8	Executive Officer Annual Incentive Plan**
10.9	Agreement and Plan of Merger by and Between Investors Bancorp, Inc and American Bancorp of New Jersey, Inc.***
10.10	Purchase and Assumption Agreement by and among Millennium and Investors Savings Bank****
14	Code of Ethics*****
21	Subsidiaries of Registrant*

31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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31.2	Certification of Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of Principal Executive Officer and Principal Financial and Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following materials from the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Financial Condition, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Changes in Stockholders Equity, (iv) the Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text.******

*	Incorporated by reference to the Registration Statement on Form S-1 of Investors Bancorp, Inc. (file no. 333-125703), originally filed with the Securities and Exchange Commission on June 10, 2005.
**	Incorporated by reference to Appendix A of the Company s definitive proxy statement filed with the Securities and Exchange Commission on September 26, 2008.
***	Incorporated by reference to Form 8-Ks originally filed with the Securities and Exchange Commission on December 15, 2008 and March 18, 2009.
****	Incorporated by reference to Form 8-K originally filed with the Securities and Exchange Commission on March 30, 2010.
*****	Available on our website *www.isbnj.com*
******	Furnished, not filed

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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.

Investors Bancorp, Inc.

Dated: August 9, 2011 /s/ Kevin Cummings

Kevin Cummings
President and Chief Executive Officer
(Principal Executive Officer)

Dated: August 9, 2011 /s/ Thomas F. Splaine, Jr.

Thomas F. Splaine, Jr.
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

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