

OCEANFIRST FINANCIAL CORP

Form S-4/A

August 06, 2009

Table of Contents

As filed with the Securities and Exchange Commission on August 6, 2009.

Registration No. 333-160873

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Amendment No. 1 to**  
**Form S-4**  
**REGISTRATION STATEMENT**

*UNDER*  
*THE SECURITIES ACT OF 1933*

**OceanFirst Financial Corp.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

6035  
(Primary Standard Industrial  
Classification Code Number)

22-3412577  
(I.R.S. Employer  
Identification Number)

Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

975 Hooper Avenue,  
Toms River, NJ 08754  
(732) 240-4500  
(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

John R. Garbarino  
Chairman, President and Chief Executive Officer  
975 Hooper Avenue  
Toms River, NJ 08754  
(732) 240-4500  
(Name, address, including zip code, and telephone  
number, including area code, of agent for service)

*Copies to:*

Douglas P. Faucette  
John Bruno  
Locke Lord Bissell & Liddell LLP  
401 9th St., NW  
Suite 400 South  
Washington, D.C. 20004  
(202) 220-6900  
Facsimile: (202) 521-4201

Paul T. Colella  
John A. Aiello  
Giordano, Halleran & Ciesla, P.C.  
125 Half Mile Road  
P.O. Box 190  
Middletown, N.J. 07748  
(732) 741-3900  
Facsimile: (732) 224-6599

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after the effective date of this Registration Statement and the conditions to the consummation of the merger described herein have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**CALCULATION OF REGISTRATION FEE**

Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee(2)(3)
Common Stock, \$.01 par value	4,800,000	Not Applicable	\$49,764,933	\$2,777

(1) Represents the estimated maximum number of shares of common stock issuable by OceanFirst Financial Corp. upon the consummation of the merger with Central Jersey Bancorp and computed based on the estimated maximum number of shares that may be exchanged for the securities being registered, assuming the exercise of all Central Jersey Bancorp stock options immediately prior to the merger. Pursuant to Rule 416 under the Securities Act of 1933, as amended, this Registration Statement also covers an indeterminate number of shares of common stock as may become issuable as a result of stock splits, stock dividends or similar transactions.

(2) Pursuant to Rule 457(f) under the Securities Act of 1933, as amended, and solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price is based on the average of the high and low prices of Central Jersey Bancorp common stock on July 22, 2009 (\$5.30) and the estimated maximum number of shares of Central Jersey Bancorp common stock to be received by OceanFirst Financial Corp. in the merger.

(3) Previously remitted.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**Table of Contents**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

The boards of directors of OceanFirst Financial Corp. ( OceanFirst ) and Central Jersey Bancorp ( Central Jersey ) have agreed to a merger of our companies. If the merger is completed, each share of Central Jersey common stock will be converted into the right to receive 0.50 shares of OceanFirst common stock. OceanFirst s shareholders will continue to own their existing shares. After completion of the merger, we expect that current OceanFirst shareholders will own approximately 72% of the combined company and Central Jersey shareholders will own approximately 28% of the combined company. OceanFirst common stock is listed on the Nasdaq Global Select Market under the symbol OCFC. On August 5, 2009, the closing price of OceanFirst common stock was \$12.38. OceanFirst is offering approximately 4,712,322 shares of its common stock to Central Jersey shareholders and option holders.

We cannot complete the merger unless we obtain the necessary government approvals and unless the shareholders of both companies approve the merger agreement. Each of us is asking our shareholders to consider and vote on this merger proposal at our respective meetings of shareholders. Whether or not you plan to attend your company s meeting, please take the time to vote by completing and mailing the enclosed proxy card to the appropriate company. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote **FOR** the proposal to approve the merger agreement.

The places, dates and times of the shareholders meetings are as follows:

**For OceanFirst shareholders:**

Crystal Point Yacht Club,

3900 River Road,

Point Pleasant, New Jersey

October 1, 2009

11:00 a.m., Eastern time

**For Central Jersey shareholders:**

Branches Catering Hall,

123 Monmouth Road (Route 71),

West Long Branch, New Jersey

October 1, 2009

9:00 a.m., Eastern time

This document contains a more complete description of the shareholders meetings and the terms of the merger. **We urge you to review this entire document carefully, including the section discussing risk factors beginning on page 7.** You may also obtain information about OceanFirst and Central Jersey from documents they have filed with the Securities and Exchange Commission. We enthusiastically support the merger and recommend that you vote in favor of the proposal to approve the merger agreement.

John R. Garbarino  
Chairman, President and Chief Executive Officer  
OceanFirst Financial Corp.

James S. Vaccaro  
Chairman, President and Chief Executive Officer  
Central Jersey Bancorp

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense. The securities we are offering through this document are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either of our companies, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

Joint Proxy Statement/Prospectus dated August 6, 2009

and first mailed to shareholders on or about August 20, 2009

**Table of Contents**

**ADDITIONAL INFORMATION**

This document incorporates important business and financial information about OceanFirst from documents filed with the Securities and Exchange Commission (the "SEC") that have not been included in or delivered with this document. You may read and copy these documents at the SEC's public reference facilities. Please call the SEC at 1-800-SEC-0330 for information about these facilities. This information is also available at the Internet site the SEC maintains at <http://www.sec.gov>. See *Where You Can Find More Information* on page 146.

You also may request copies of these documents from OceanFirst. OceanFirst will provide you with copies of these documents, without charge, upon written or oral request to:

**OceanFirst Financial Corp.**

975 Hooper Avenue

Toms River, NJ 08754

Attention: Jill Apito Hewitt, Investor Relations

Telephone: (732) 240-4500

***OceanFirst and Central Jersey shareholders requesting documents should do so by September 23, 2009, in order to receive them before the OceanFirst and Central Jersey special meetings.***

**ABOUT THIS DOCUMENT**

This document, which forms part of a registration statement on Form S-4 filed with the SEC by OceanFirst, constitutes a prospectus of OceanFirst under the Securities Act of 1933, as amended, which we refer to in this document as the Securities Act, with respect to the shares of OceanFirst common stock to be issued to Central Jersey's shareholders as required by the merger agreement. This document also constitutes a joint proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to in this document as the Exchange Act, and a notice of meeting with respect to the respective special meetings of shareholders of OceanFirst and Central Jersey shareholders, at which OceanFirst and Central Jersey shareholders will be asked to vote (1) upon a proposal to approve the merger agreement, and (2) a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the special meeting to approve the merger agreement.

You should rely only on the information contained herein or incorporated by reference into this document. No one has been authorized to provide you with information that is different from the information contained in, or incorporated by reference into, this document. This document is dated August 6, 2009. You should not assume that the information contained in this document is accurate as of any date other than that date. You also should not assume that the information incorporated by reference into this document is accurate as of any date other than the date of such incorporated document. Neither the mailing of this document to OceanFirst shareholders or Central Jersey shareholders nor the issuance by OceanFirst of its common stock in connection with the merger will create any implication to the contrary.

**This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this document regarding OceanFirst has been provided by OceanFirst and information contained in this document regarding Central Jersey has been provided by Central Jersey.**

**Table of Contents**

**OceanFirst Financial Corp.**

**975 Hooper Avenue**

**Toms River, NJ 08754**

**Notice of Special Meeting of Shareholders**

**to be held October 1, 2009**

A special meeting of shareholders of OceanFirst Financial Corp. will be held at 11:00 a.m., Eastern time, on October 1, 2009 at Crystal Point Yacht Club, 3900 River Road, Point Pleasant, New Jersey. Any adjournments or postponements of the special meeting will be held at the same location.

At the special meeting, you will be asked to:

1. Consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of May 26, 2009, by and between OceanFirst Financial Corp. and Central Jersey Bancorp. A copy of the merger agreement is included as Annex A to the accompanying joint proxy statement/prospectus;
2. Consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement; and
3. Transact such other business as may be properly presented at the special meeting and any adjournments or postponements of the special meeting.

The enclosed joint proxy statement/prospectus describes the merger agreement and the proposed merger in detail. We urge you to read these materials carefully. The enclosed joint proxy statement/prospectus forms a part of this notice.

**The board of directors of OceanFirst unanimously recommends that OceanFirst shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting, if necessary, to solicit additional proxies to vote in favor of the merger agreement.**

The board of directors of OceanFirst has fixed the close of business on August 5, 2009 as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

**Your vote is very important.** Your proxy is being solicited by the OceanFirst board of directors. The proposal to approve the merger agreement must be approved by the affirmative vote of holders of a majority of the outstanding shares of OceanFirst common stock entitled to vote in order for the proposed merger to be consummated. Whether or not you plan to attend the special meeting in person, we urge you to complete and mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used.

By Order of the Board of Directors

John K. Kelly  
Secretary

Toms River, NJ

August 20, 2009

**Table of Contents**

**Central Jersey Bancorp**

**1903 Highway 35**

**Oakhurst, New Jersey 07755**

**Notice of Special Meeting of Shareholders**

**to be held October 1, 2009**

A special meeting of shareholders of Central Jersey Bancorp will be held at 9:00 a.m., Eastern time, on October 1, 2009 at Branches Catering Hall, 123 Monmouth Road (Route 71), West Long Branch, New Jersey. Any adjournments or postponements of the special meeting will be held at the same location.

At the special meeting, you will be asked to:

1. Consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of May 26, 2009, by and between OceanFirst Financial Corp. and Central Jersey Bancorp. A copy of the merger agreement is included as Annex A to the accompanying joint proxy statement/prospectus;
2. Consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement; and
3. Transact such other business as may be properly presented at the special meeting and any adjournments or postponements of the special meeting.

The enclosed joint proxy statement/prospectus describes the merger agreement and the proposed merger in detail. We urge you to read these materials carefully. The enclosed joint proxy statement/prospectus forms a part of this notice.

**The board of directors of Central Jersey recommends that Central Jersey shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting, if necessary, to solicit additional proxies to vote in favor of the merger agreement.**

The board of directors of Central Jersey has fixed the close of business on August 5, 2009 as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

**Your vote is very important.** Your proxy is being solicited by the Central Jersey board of directors. The proposal to approve the merger agreement must be approved by the affirmative vote of holders of a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting; provided, that a majority of the outstanding shares of Central Jersey common stock entitled to vote at the Central Jersey special meeting is present, in person or by proxy. Whether or not you plan to attend the special meeting in person, we urge you to complete and mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used.

Under New Jersey law, if the merger is completed, Central Jersey shareholders of record who do not vote to approve the merger agreement and otherwise comply with the applicable provisions of New Jersey law pertaining to dissenters' rights will be entitled to exercise dissenters' rights and obtain payment in cash of the fair value of their shares of Central Jersey common stock by following the procedures set forth in detail in the enclosed joint proxy statement/prospectus. A copy of the section of the New Jersey Business Corporation Act pertaining to dissenters' rights is included as Annex D to the accompanying joint proxy statement/prospectus.

Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

By Order of the Board of Directors

Robert S. Vuono  
Secretary

Oakhurst, New Jersey

August 20, 2009



**Table of Contents****TABLE OF CONTENTS**

	<b>Page</b>
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS</u>	iii
<u>SUMMARY</u>	1
<u>The Companies</u>	1
<u>Special Meeting of OceanFirst Shareholders; Required Vote</u>	1
<u>Special Meeting of Central Jersey Shareholders; Required Vote</u>	2
<u>The Merger and the Merger Agreement</u>	2
<u>What Central Jersey Shareholders Will Receive in the Merger</u>	2
<u>Comparative Market Prices</u>	2
<u>Recommendation of Central Jersey Board of Directors</u>	3
<u>Central Jersey's Financial Advisor Believes the Exchange Ratio is Fair to Shareholders</u>	3
<u>Recommendation of OceanFirst Board of Directors</u>	3
<u>OceanFirst's Financial Advisor Believes the Merger Consideration is Fair to OceanFirst</u>	3
<u>Central Jersey Preferred Stock and Warrant Conversions</u>	4
<u>Regulatory Approvals</u>	4
<u>Conditions to the Merger</u>	4
<u>Termination</u>	5
<u>Termination Fee</u>	5
<u>Interests of Officers and Directors in the Merger that are Different From Yours</u>	5
<u>Accounting Treatment of the Merger</u>	5
<u>Certain Differences in Shareholder Rights</u>	6
<u>Dissenters' Rights</u>	6
<u>Tax Consequences of the Merger</u>	6
<u>RISK FACTORS</u>	7
<u>CAUTION ABOUT FORWARD-LOOKING STATEMENTS</u>	16
<u>RECENT DEVELOPMENTS</u>	17
<u>SELECTED HISTORICAL FINANCIAL INFORMATION</u>	20
<u>Selected OceanFirst Consolidated Financial and Other Data</u>	21
<u>Selected Central Jersey Consolidated Financial and Other Data</u>	23
<u>SUMMARY SELECTED PRO FORMA COMBINED DATA</u>	25
<u>COMPARATIVE PER SHARE DATA</u>	26
<u>MARKET PRICE AND DIVIDEND INFORMATION</u>	27
<u>SPECIAL MEETING OF CENTRAL JERSEY SHAREHOLDERS</u>	31
<u>Date, Place, Time and Purpose</u>	31
<u>Who Can Vote at the Meeting</u>	31
<u>Quorum: Vote Required</u>	31
<u>Shares Held by Central Jersey Officers and Directors and by OceanFirst</u>	31
<u>Voting and Revocability of Proxies</u>	32
<u>Solicitation of Proxies</u>	32
<u>SPECIAL MEETING OF OCEANFIRST SHAREHOLDERS</u>	33
<u>Date, Place, Time and Purpose</u>	33
<u>Who Can Vote at the Meeting</u>	33
<u>Quorum: Vote Required</u>	33
<u>Shares Held by OceanFirst Officers and Directors and by Central Jersey</u>	33
<u>Voting and Revocability of Proxies</u>	33
<u>Participants in OceanFirst Financial Corp's and OceanFirst Bank's Benefit Plans</u>	34
<u>Solicitation of Proxies</u>	34
<u>RIGHTS OF DISSENTING SHAREHOLDERS</u>	35
<u>DESCRIPTION OF THE MERGER</u>	37
<u>General</u>	37
<u>Background of the Merger</u>	37
<u>Central Jersey's Reasons for the Merger and Recommendation of the Board of Directors</u>	42



**Table of Contents**

<u>Opinion of Central Jersey’s Financial Advisor</u>	44
<u>OceanFirst’s Reasons for the Merger and Recommendation of the Board of Directors</u>	52
<u>Opinion of OceanFirst’s Financial Advisor</u>	54
<u>Summary of Analyses by Keefe, Bruyette and Woods</u>	57
<u>Consideration to be Received in the Merger</u>	61
<u>Central Jersey Stock Options and Stock Appreciation Rights</u>	61
<u>Surrender of Stock Certificates</u>	62
<u>Central Jersey Preferred Shares and Warrant</u>	62
<u>Accounting Treatment</u>	62
<u>Tax Consequences of the Merger</u>	63
<u>Regulatory Matters Relating to the Merger</u>	64
<u>Legal Proceedings Relating to the Merger</u>	65
<u>Interests of Certain Persons in the Merger</u>	66
<u>Employee Matters</u>	67
<u>Operations of OceanFirst after the Merger</u>	68
<u>Restrictions on Resale of Shares of OceanFirst Common Stock</u>	68
<u>Time of Completion</u>	68
<u>Conditions to Completing the Merger</u>	69
<u>Conduct of Business Before the Merger</u>	70
<u>Covenants of Central Jersey and OceanFirst in the Merger Agreement</u>	72
<u>Representations and Warranties Made by OceanFirst and Central Jersey in the Merger Agreement</u>	75
<u>Terminating the Merger Agreement</u>	75
<u>Termination Fee</u>	76
<u>Expenses</u>	76
<u>Changing the Terms of the Merger Agreement</u>	76
<u>UNAUDITED COMBINED CONDENSED CONSOLIDATED PRO FORMA FINANCIAL DATA</u>	77
<u>DESCRIPTION OF OCEANFIRST CAPITAL STOCK</u>	84
<u>General</u>	84
<u>Common Stock</u>	84
<u>Preferred Stock</u>	85
<u>Certain Certificate of Incorporation and Bylaw Provisions Affecting Stock</u>	85
<u>Restrictions on Ownership</u>	86
<u>Transfer Agent and Registrar</u>	86
<u>COMPARISON OF RIGHTS OF SHAREHOLDERS</u>	87
<u>MANAGEMENT AND OPERATIONS AFTER THE MERGER</u>	91
<u>Board of Directors</u>	91
<u>Management</u>	92
<u>Operations</u>	92
<u>INFORMATION ABOUT CENTRAL JERSEY</u>	93
<u>ADJOURNMENT OF THE SPECIAL MEETINGS</u>	145
<u>LEGAL MATTERS</u>	145
<u>EXPERTS</u>	145
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	146
<u>INDEX TO FINANCIAL STATEMENTS</u>	F-1
Annex A <u>Agreement and Plan of Merger</u>	A-1
Annex B <u>Fairness Opinion of Keefe, Bruyette and Woods, Inc.</u>	B-1
Annex C <u>Fairness Opinion of Sandler O’Neill + Partners, L.P.</u>	C-1
Annex D <u>Chapter 14A:11 of the New Jersey Business Corporation Act</u>	D-1

**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS**

***Q: What am I being asked to vote on? What is the proposed transaction?***

A: You are being asked to vote on the approval of a merger agreement that provides for the merger of Central Jersey with and into OceanFirst. A copy of the merger agreement is provided as Annex A to this document. Each of the Central Jersey board of directors and OceanFirst board of directors has determined that the proposed merger is in the best interests of its company's shareholders, has approved the merger agreement and recommends that its company's shareholders vote **FOR** the approval of the merger agreement.

***Q: What will Central Jersey shareholders be entitled to receive in the merger?***

A: Under the merger agreement, each share of Central Jersey common stock will be exchanged for 0.50 share of OceanFirst common stock. OceanFirst will not issue fractional shares in the merger. Instead, each Central Jersey shareholder will receive a cash payment, without interest, for the value of any fraction of a share of OceanFirst common stock that such shareholder would otherwise be entitled to receive. See *Description of the Merger Consideration to be Received in the Merger* on page 61 and *Description of OceanFirst Capital Stock* on page 84.

***Q: What dividends will be paid after the merger?***

A: OceanFirst currently pays a quarterly dividend of \$0.20 per share. Although OceanFirst has paid quarterly dividends on its common stock without interruption since April 1997, there is no guarantee that OceanFirst will continue to pay dividends on its common stock or that it will continue to pay dividends at the same rate. All dividends on OceanFirst common stock are declared at the discretion of the OceanFirst board of directors based on such factors as the board deems relevant including economic factors, regulatory requirements, liquidity needs and the ability of OceanFirst Bank to pay dividends to OceanFirst. On January 16, 2009, OceanFirst issued to the U.S. Department of the Treasury 38,263 shares of series A preferred stock. Pursuant to the terms of the purchase agreement entered into by OceanFirst with the U.S. Department of the Treasury, OceanFirst's ability to declare or pay dividends on any of its shares of common stock is limited. Specifically, OceanFirst is unable to declare dividend payments on common shares if OceanFirst is in arrears on the dividends on the series A preferred stock. Further, OceanFirst is not permitted to increase dividends on its common stock above the amount of the last quarterly cash dividend per share declared prior to October 14, 2008 without the approval of the U.S. Department of the Treasury until the third anniversary of the investment unless all of the series A preferred stock has been redeemed or transferred.

***Q: How does a Central Jersey shareholder exchange his, her or its stock certificates?***

A: After the merger is completed, OceanFirst's transfer agent will send instructions on how and where to surrender the Central Jersey stock certificates. Please do not send Central Jersey stock certificates with the proxy card.

***Q: What are the tax consequences of the merger to Central Jersey shareholders?***

A: The merger is currently intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), and holders of Central Jersey common stock are not expected to recognize any gain or loss for United States federal income tax purposes on the exchange of shares of Central Jersey common stock for shares of OceanFirst common stock in the merger, except with respect to cash received in lieu of fractional shares of OceanFirst common stock.



## **Table of Contents**

You should read "Tax Consequences of the Merger" beginning on page 63 for a more complete discussion of the United States federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. You should consult your tax advisor to determine the tax consequences of the merger to you.

***Q: Are Central Jersey shareholders entitled to dissenters' rights?***

A: Yes. New Jersey law provides dissenters' rights in the merger to Central Jersey shareholders. This means that Central Jersey shareholders are legally entitled to receive payment in cash of the fair value of their shares, excluding any appreciation in value that results from the merger. To maintain your dissenters' rights you must (1) deliver written notice of your intent to demand payment for your shares to Central Jersey before the special meeting of Central Jersey shareholders or at the special meeting but before the vote is taken and (2) not vote in favor of the merger. This notice must be in addition to and separate from any abstention or any vote, in person or by proxy, cast against approval of the merger. Neither voting against, abstaining from voting, or failing to vote on the proposal to approve the merger agreement will constitute notice of intent to demand payment or demand for payment of fair value under New Jersey law. Notices should be addressed to Central Jersey's Secretary and sent to 1903 Highway 35, Oakhurst, NJ 07755. Your failure to follow exactly the procedures specified under New Jersey law will result in the loss of your dissenters' rights and in such case you will only be entitled to receive the merger consideration for your shares of Central Jersey common stock. A copy of the section of the New Jersey Business Corporation Act pertaining to dissenters' rights is provided as Annex D to this document. See "Rights of Dissenting Shareholders" on page 35.

***Q: Why do Central Jersey and OceanFirst want to merge?***

A: Central Jersey believes that the proposed merger will provide Central Jersey shareholders with substantial benefits, and OceanFirst believes that the merger will further its strategic growth plans. As a larger company, OceanFirst can provide the capital and resources that Central Jersey needs to compete more effectively and to offer a broader array of products and services to better serve its banking customers. To review the reasons for the merger in more detail, see "Description of the Merger - Central Jersey's Reasons for the Merger and Recommendation of the Board of Directors" on page 42 and "Description of the Merger - OceanFirst's Reasons for the Merger and Recommendation of the Board of Directors" on page 52.

***Q: What vote is required to approve the merger agreement?***

A: Holders of a majority of the outstanding shares of OceanFirst common stock entitled to vote must vote in favor of the proposal to approve the merger agreement. Holders of a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting must vote in favor of the proposal to approve the merger agreement; provided, that a majority of the outstanding shares of Central Jersey common stock entitled to vote at the Central Jersey special meeting is present, in person or by proxy (the "Quorum").

***Q: When and where is the Central Jersey special meeting?***

A: The special meeting of Central Jersey shareholders is scheduled to take place at Branches Catering Hall, 123 Monmouth Road (Route 71), West Long Branch, New Jersey, at 9:00 a.m., Eastern time, on October 1, 2009.

***Q: Who is entitled to vote at the Central Jersey special meeting?***

A: Holders of shares of Central Jersey common stock at the close of business on August 5, 2009, which is the record date, are entitled to vote on the proposal to approve the merger agreement. As of the record date, 9,143,103 shares of Central Jersey common stock were

outstanding and entitled to vote.

## **Table of Contents**

***Q: If I plan to attend the Central Jersey special meeting in person, should I still return my proxy?***

A: Yes. Whether or not you plan to attend the Central Jersey special meeting, you should complete and return the enclosed proxy card. The failure of a Central Jersey shareholder to vote in person or by proxy will not count as a vote FOR or AGAINST the proposal to approve the merger agreement, and will not count towards the Quorum needed at the Central Jersey special meeting.

***Q: What do I need to do now to vote my shares of Central Jersey common stock?***

A: After you have carefully read and considered the information contained in this joint proxy statement/prospectus, please complete, sign, date and mail your proxy card in the enclosed return envelope as soon as possible. This will enable your shares to be represented at the Central Jersey special meeting. You may also vote in person at the Central Jersey special meeting. If you sign, date and send in your proxy card, but you do not indicate how you want to vote, your proxy will be voted in favor of the proposal to approve the merger agreement. You may change your vote or revoke your proxy before the Central Jersey special meeting by filing with the Secretary of Central Jersey a duly executed revocation of proxy, submitting a new proxy card with a later date, or voting in person at the Central Jersey special meeting.

***Q: If my shares of Central Jersey common stock are held in street name by my broker, will my broker automatically vote my shares for me?***

A: No. Your broker will not be able to vote your shares of Central Jersey common stock on the proposal to approve the merger agreement unless you provide instructions on how to vote. Please instruct your broker how to vote your shares, following the directions that your broker provides. If you do not provide instructions to your broker on the proposal to approve the merger agreement, your shares will not be voted FOR or AGAINST the proposal, but such shares will count towards the Quorum needed at the Central Jersey special meeting if your broker submits a proxy. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

***Q: When and where is the OceanFirst special meeting?***

A: The special meeting of OceanFirst shareholders is scheduled to take place at Crystal Point Yacht Club, 3900 River Road, Point Pleasant, New Jersey, at 11:00 a.m., Eastern time, on October 1, 2009.

***Q: Who is entitled to vote at the OceanFirst special meeting?***

A: Holders of shares of OceanFirst common stock at the close of business on August 5, 2009, which is the record date, are entitled to vote on the proposal to approve the merger agreement. As of the record date, 12,371,768 shares of OceanFirst common stock were outstanding and entitled to vote.

***Q: If I plan to attend the OceanFirst special meeting in person, should I still return my proxy?***

A: Yes. Whether or not you plan to attend the OceanFirst special meeting, you should complete and return the enclosed proxy card. The failure of an OceanFirst shareholder to vote in person or by proxy will have the same effect as a vote AGAINST the proposal to approve the merger agreement.



***Q:*** *What do I need to do now to vote my shares of OceanFirst common stock?*

**A:** After you have carefully read and considered the information contained in this joint proxy statement/prospectus, please complete, sign, date and mail your proxy card in the enclosed return envelope as soon as possible. This will enable your shares to be represented at the OceanFirst special meeting. You may also

v

**Table of Contents**

vote in person at the OceanFirst special meeting. If you do not return a properly executed proxy card and do not vote at the OceanFirst special meeting, this will have the same effect as a vote against the proposal to approve the merger agreement. If you sign, date and send in your proxy card, but you do not indicate how you want to vote, your proxy will be voted in favor of the proposal to approve the merger agreement. You may change your vote or revoke your proxy prior to the OceanFirst special meeting by filing with the Secretary of OceanFirst a duly executed revocation of proxy, submitting a new proxy card with a later date, or voting in person at the OceanFirst special meeting.

***Q: If my shares of OceanFirst common stock are held in street name by my broker, will my broker automatically vote my shares for me?***

A: No. Your broker will not be able to vote your shares of OceanFirst common stock on the proposal to approve the merger agreement unless you provide instructions on how to vote. Please instruct your broker how to vote your shares, following the directions that your broker provides. If you do not provide instructions to your broker on the proposal to approve the merger agreement, your shares will not be voted, and this will have the effect of voting against the proposal to approve the merger agreement. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

***Q: When is the merger expected to be completed?***

A: We will try to complete the merger as soon as possible. Before that happens, the merger agreement must be approved by both Central Jersey and OceanFirst shareholders and we must obtain the necessary regulatory approvals. Assuming (1) holders of at least a majority of the outstanding shares of Central Jersey common stock are present at the Central Jersey special meeting, in person or by proxy, and that a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting vote in favor of the proposal to approve the merger agreement, (2) a majority of the outstanding shares of OceanFirst common stock vote in favor of the proposal to approve the merger agreement, and (3) we obtain the other necessary approvals, we expect to complete the merger in the fourth calendar quarter of 2009.

***Q: Is completion of the merger subject to any conditions besides shareholder approval?***

A: Yes. The transaction must receive the required regulatory approvals, and there are other customary closing conditions that must be satisfied. To review the conditions of the merger in more detail, see *Description of the Merger Conditions to Completing the Merger* on page 69.

***Q: Who can answer my other questions?***

A: If you have more questions about the merger, or how to submit your proxy or if you need additional copies of this joint proxy statement/prospectus or the enclosed proxy form, both OceanFirst and Central Jersey shareholders should contact:

Georgeson, Inc.

(866) 206-4955

**Table of Contents**

**SUMMARY**

*This summary highlights selected information in this joint proxy statement/prospectus and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the documents attached to this joint proxy statement/prospectus.*

**The Companies**

***OceanFirst Financial Corp.***

975 Hooper Avenue

Toms River, NJ 08754

(732) 240-4500

OceanFirst Financial Corp., a Delaware corporation, is a savings and loan holding company headquartered in Toms River, New Jersey that was incorporated and commenced operations in 1996. OceanFirst's common stock is listed on The NASDAQ Global Select Market under the symbol OCF. OceanFirst conducts its operations primarily through OceanFirst Bank, a federally chartered savings bank with branches serving Ocean, Monmouth and Middlesex counties in New Jersey. At March 31, 2009, OceanFirst had total assets of \$1.91 billion, total deposits of \$1.31 billion and total shareholders' equity of \$158.2 million.

***Central Jersey Bancorp***

1903 Highway 35

Oakhurst, New Jersey 07755

(732) 663-4000

Central Jersey Bancorp, a New Jersey corporation, is bank holding company headquartered in Oakhurst, New Jersey that was incorporated on March 7, 2000 and became an active bank holding company on August 31, 2000. Its primary business is operating its subsidiary, Central Jersey Bank, National Association, which offers a full range of retail and commercial banking services primarily to customers located in Monmouth County and Ocean County, New Jersey. Central Jersey's common stock is listed on The NASDAQ Global Market under the symbol CJBK. As of March 31, 2009, Central Jersey had total assets of \$576.2 million, total deposits of \$430.6 million and total shareholder's equity of \$81.9 million.

**Special Meeting of OceanFirst; Required Vote (page 33)**

A special meeting of OceanFirst shareholders is scheduled to be held at Crystal Point Yacht Club, 3900 River Road, Point Pleasant, New Jersey, at 11:00 a.m., Eastern time, on October 1, 2009. At the OceanFirst special meeting, OceanFirst shareholders will be asked to vote on a proposal to approve the merger agreement between OceanFirst and Central Jersey. OceanFirst shareholders also will be asked to vote on a proposal to adjourn the OceanFirst special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

Only OceanFirst shareholders of record as of the close of business on August 5, 2009 are entitled to notice of, and to vote at, the OceanFirst special meeting and any adjournments or postponements of the special meeting.

Approval of the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of OceanFirst common stock entitled to vote. As of the record date, there were 12,371,768 shares of OceanFirst common stock outstanding. The directors and executive officers of OceanFirst (and their affiliates), as a group, beneficially owned 1,067,610 shares of OceanFirst common stock, representing 8.63% of the outstanding shares of OceanFirst common stock, as of the record date. Certain of the directors and executive



## **Table of Contents**

officers of OceanFirst, who collectively own 946,639 shares of OceanFirst common stock (7.65% of the outstanding shares as of the record date) have agreed to vote their shares in favor of the proposal to approve the merger agreement at the OceanFirst special meeting. This amount does not include shares that may be acquired upon the exercise of stock options.

### **Special Meeting of Central Jersey Shareholders; Required Vote (page 31)**

A special meeting of Central Jersey shareholders is scheduled to be held at Branches Catering Hall, 123 Monmouth Road (Route 71), West Long Branch, New Jersey, at 9:00 a.m., Eastern time, on October 1, 2009. At the Central Jersey special meeting, Central Jersey shareholders will be asked to vote on a proposal to approve the merger agreement between Central Jersey and OceanFirst. Central Jersey shareholders also will be asked to vote on a proposal to adjourn the Central Jersey special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

Only Central Jersey shareholders of record as of the close of business on August 5, 2009 are entitled to notice of, and to vote at, the Central Jersey special meeting and any adjournments or postponements of the special meeting.

Approval of the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting; provided, that a majority of the outstanding shares of Central Jersey common stock entitled to vote at the Central Jersey special meeting is present, in person or by proxy. As of the record date, there were 9,143,103 shares of Central Jersey common stock outstanding. The directors and executive officers of Central Jersey (and their affiliates), as a group, beneficially owned 1,416,774 shares of Central Jersey common stock, representing 15.5% of the outstanding shares of Central Jersey common stock, as of the record date. Certain of the directors and executive officers of Central Jersey, who collectively own 947,383 shares of Central Jersey common stock (10.4% of the outstanding shares of Central Jersey as of the record date) have agreed to vote their shares in favor of the proposal to approve the merger agreement at the Central Jersey special meeting. This amount does not include shares that may be acquired upon the exercise of stock options.

### **The Merger and the Merger Agreement (page 37)**

Central Jersey's merger with and into OceanFirst is governed by the merger agreement. The merger agreement provides that, if all of the conditions are satisfied or waived, Central Jersey will be merged with and into OceanFirst, with OceanFirst as the surviving entity. **We encourage you to read the merger agreement, which is included as Annex A to this joint proxy statement/prospectus.**

### **What Central Jersey Shareholders Will Receive in the Merger (page 61)**

Under the merger agreement, each share of Central Jersey common stock you own will be exchanged for 0.50 shares of OceanFirst common stock.

### **Comparative Market Prices**

The following table shows the closing price per share of OceanFirst common stock and the equivalent price per share of Central Jersey common stock, giving effect to the merger, on May 26, 2009, which is the last day on which shares of OceanFirst common stock traded preceding the public announcement of the proposed merger, and on August 5, 2009, the most recent practicable date prior to the mailing of this joint proxy statement/prospectus. The equivalent price per share of Central Jersey common stock was computed by multiplying the

**Table of Contents**

price of a share of OceanFirst common stock by the 0.50 exchange ratio. See *Description of the Merger Consideration to be Received in the Merger* on page 61.

	OceanFirst Common Stock	Equivalent Price Per Share of Central Jersey Common Stock
May 26, 2009	\$ 14.23	\$ 7.12
August 5, 2009	\$ 12.38	\$ 6.19

**Recommendation of Central Jersey Board of Directors (page 42)**

The Central Jersey board of directors has approved the merger agreement and the proposed merger. The Central Jersey board believes that the merger agreement, including the merger contemplated by the merger agreement, is fair to, and in the best interests of, Central Jersey and its shareholders, and therefore **recommends that Central Jersey shareholders vote FOR the proposal to approve the merger agreement.** In reaching this decision, Central Jersey's board of directors considered many factors, which are described in the section captioned *Description of the Merger Central Jersey's Reasons for the Merger and Recommendation of the Board of Directors* beginning on page 42.

**Central Jersey's Financial Advisor Believes the Exchange Ratio is Fair to Shareholders (page 44)**

In deciding to approve the merger, Central Jersey's board of directors considered the opinion of Sandler O'Neill + Partners, L.P. (Sandler O'Neill). Sandler O'Neill, which served as financial advisor to Central Jersey's board of directors, delivered its opinion dated May 26, 2009, that the exchange ratio being offered by OceanFirst is fair to the holders of Central Jersey common stock from a financial point of view. A copy of this opinion is included as Annex C to this joint proxy statement/prospectus. You should read the opinion carefully to understand the procedures followed, assumptions made, matters considered and limitations of the review conducted by Sandler O'Neill. Central Jersey has agreed to pay Sandler O'Neill fees estimated to total approximately \$579,855 for its services in connection with the merger, including the issuance of a fairness opinion.

**Recommendation of OceanFirst Board of Directors (page 52)**

The OceanFirst board of directors has unanimously approved the merger agreement and the proposed merger. The OceanFirst board believes that the merger agreement, including the merger contemplated by the merger agreement, is fair to, and in the best interests of, OceanFirst and its shareholders, and therefore **unanimously recommends that OceanFirst shareholders vote FOR the proposal to approve the merger agreement.** In reaching this decision, OceanFirst's board of directors considered many factors, which are described in the section captioned *Description of the Merger OceanFirst's Reasons for the Merger and Recommendation of the Board of Directors* beginning on page 52.

**OceanFirst's Financial Advisor Believes the Merger Consideration is Fair to OceanFirst (page 54)**

In deciding to approve the merger, OceanFirst's board of directors considered the opinion of Keefe, Bruyette and Woods, Inc. (Keefe, Bruyette and Woods). Keefe, Bruyette and Woods, which served as financial advisor to OceanFirst's board of directors, delivered its opinion dated May 26, 2009, that the merger consideration to be paid by OceanFirst is fair to OceanFirst from a financial point of view. A copy of this opinion is included as Annex B to this joint proxy statement/prospectus. You should read the opinion carefully to understand the procedures followed, assumptions made, matters considered and limitations of the review conducted by Keefe, Bruyette and Woods. OceanFirst has agreed to pay Keefe, Bruyette and Woods fees totaling approximately \$307,745 for its services in connection with the merger and to reimburse Keefe, Bruyette and

## **Table of Contents**

Woods for certain expenses incurred in connection with serving as OceanFirst's financial advisor, for its services in connection with the merger.

### **Central Jersey Preferred Stock and Warrant Conversions (page 62)**

On December 23, 2008, Central Jersey issued 11,300 shares of preferred stock to the U.S. Department of the Treasury in return for \$11.3 million in cash in connection with the Capital Purchase Program (the "Capital Purchase Program") established as part of the Troubled Asset Relief Program (the "TARP") of the U.S. Department of the Treasury. Each share of such Central Jersey preferred stock will be converted into one share of a series of OceanFirst preferred stock having identical powers, preferences and rights as the Central Jersey preferred stock. The OceanFirst preferred stock will be issued privately and not pursuant to this joint proxy statement/prospectus.

In addition, Central Jersey issued a warrant to the U.S. Department of the Treasury giving them the right to purchase 268,621 shares of Central Jersey's common stock at \$6.31 per share for up to 10 years so long as the preferred stock is outstanding. Under the merger agreement, such Central Jersey warrant will be converted into a warrant to buy OceanFirst's common stock on the same terms and conditions as were applicable under such Central Jersey warrant. The number and price of the warrants converted in connection with the merger will be adjusted by the exchange ratio.

### **Regulatory Approvals (page 64)**

Under the terms of the merger agreement, the merger cannot be completed unless it is first approved by the Office of Thrift Supervision ("OTS"), and a waiver of Bank Holding Company Act compliance is obtained from the Federal Reserve Bank of New York. OceanFirst filed the required applications on or about August 4, 2009. As of the date of this document, OceanFirst has not received any approvals from those regulators. While OceanFirst does not know of any reason why it would not be able to obtain approval in a timely manner, OceanFirst cannot be certain when or if it will receive regulatory approval.

### **Conditions to the Merger (page 69)**

The completion of the merger is subject to the fulfillment of a number of conditions, including:

approval of the merger agreement at the OceanFirst special meeting by at least a majority of the outstanding shares of OceanFirst common stock entitled to vote;

approval of the merger agreement at the Central Jersey special meeting by holders of a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting; provided, that a majority of the outstanding shares of Central Jersey common stock entitled to vote at the Central Jersey special meeting is present, in person or by proxy;

approval of the transaction by the appropriate regulatory authorities;

receipt by each party of an opinion from OceanFirst's legal counsel to the effect that the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and

the continued accuracy of the representations and warranties made by OceanFirst and Central Jersey in the merger agreement.

## **Table of Contents**

### **Termination (page 75)**

The merger agreement may be terminated by mutual consent of OceanFirst and Central Jersey at any time prior to the completion of the merger. Additionally, subject to conditions and circumstances described in the merger agreement, either OceanFirst or Central Jersey may terminate the merger agreement if, among other things, any of the following occur:

the merger has not been consummated by December 31, 2009;

Central Jersey shareholders do not approve the merger agreement at the Central Jersey special meeting;

OceanFirst shareholders do not approve the merger agreement at the OceanFirst special meeting;

a required regulatory approval is denied or a governmental authority blocks the merger; or

there is a material breach by the other party of any representation, warranty, covenant or agreement contained in the merger agreement, which cannot be cured, or has not been cured within 30 days after the giving of written notice to such party of such breach.

OceanFirst may also terminate the merger agreement if Central Jersey materially breaches its agreements regarding the solicitation of other acquisition proposals and the submission of the merger agreement to shareholders or if the board of directors of Central Jersey does not recommend approval of the merger in this joint proxy statement/prospectus or withdraws or revises its recommendation in a manner adverse to OceanFirst.

Central Jersey may also terminate the merger agreement if, after it has received a superior proposal, Central Jersey or any of its subsidiaries enter into a definitive agreement with respect to, or consummates a transaction which is the subject of, the superior proposal.

### **Termination Fee (page 76)**

Under certain circumstances described in the merger agreement, OceanFirst may demand from Central Jersey a \$2,400,000 termination fee in connection with the termination of the merger agreement. See *Description of the Merger Termination Fee* on page 76 for a list of the circumstances under which the termination fee is payable.

### **Interests of Officers and Directors in the Merger that are Different from Yours (page 66)**

You should be aware that some of Central Jersey's directors and officers may have interests in the merger that are different from, or in addition to, the interests of Central Jersey shareholders generally. These include: severance payments that certain officers will receive under existing change of control agreements (to the extent such officers are permitted to receive such benefits under the regulations of the U.S. Department of the Treasury established pursuant to the TARP relating to the compensation of executive officers, and to which Central Jersey is subject); the acceleration of stock options; provisions in the merger agreement relating to indemnification of directors and officers and insurance for directors and officers of Central Jersey for events occurring before the merger; the appointment of two directors of Central Jersey to the board of directors of OceanFirst and OceanFirst Bank; and the appointment of James S. Vaccaro as Executive Vice President of OceanFirst Bank and a member of the senior executive management team of OceanFirst Bank. Central Jersey's board of directors was aware of these interests and took them into account when approving the merger. See *Description of the Merger Interests of Certain Persons in the Merger* on page 66.

### **Accounting Treatment of the Merger (page 62)**

The merger will be accounted for as an acquisition transaction in accordance with U.S. generally accepted accounting principles.





## **Table of Contents**

### **Certain Differences in Shareholder Rights (page 87)**

When the merger is completed, Central Jersey shareholders who are to receive shares of OceanFirst will become OceanFirst shareholders and their rights will be governed by Delaware law and by OceanFirst's certificate of incorporation and bylaws. See *Comparison of Rights of Shareholders* beginning on page 87 for a summary of the material differences between the respective rights of Central Jersey and OceanFirst shareholders.

### **Dissenters' Rights (page 35)**

Central Jersey shareholders may dissent from the merger and, upon complying with the requirements of New Jersey law, receive cash in the amount of the fair value of their shares instead of shares of OceanFirst common stock specified in the merger agreement. A copy of the section of the New Jersey Business Corporation Act pertaining to dissenters' rights is attached as Annex D to this joint proxy statement/prospectus. **You should read the statute carefully and consult with your legal counsel if you intend to exercise these rights.**

### **Tax Consequences of the Merger (page 63)**

Central Jersey shareholders should not recognize gain or loss except with respect to the cash they receive in lieu of a fractional share of OceanFirst common stock.

**This tax treatment may not apply to all Central Jersey shareholders. Determining the actual tax consequences of the merger to Central Jersey shareholders can be complicated. Central Jersey shareholders should consult their own tax advisor for a full understanding of the merger's tax consequences that are particular to each shareholder.**

To review the tax consequences of the merger to Central Jersey shareholders in greater detail, please see the section captioned *Description of the Merger Tax Consequences of the Merger* beginning on page 63.

## Table of Contents

### **RISK FACTORS**

*In addition to the other information included in and incorporated by reference into this joint proxy statement/prospectus, you should consider carefully the risk factors described below, which include all known material risks, in deciding how to vote. You should keep these risk factors in mind when you read forward-looking statements in this document. Please refer to the section of this joint proxy statement/prospectus titled *Caution About Forward-Looking Statements* beginning on page 16.*

#### **Risks Relating to the Merger**

***The exchange ratio is fixed and will not be adjusted in the event of any change in the price of either OceanFirst's or Central Jersey's common stock.***

Upon closing of the merger, each share of Central Jersey common stock will be converted into the right to receive 0.50 shares of OceanFirst common stock with cash paid in lieu of fractional shares. This exchange ratio is fixed in the merger agreement and will not be adjusted for changes in the market price of either OceanFirst's common stock or Central Jersey's common stock. Changes in the price of OceanFirst's common stock prior to the merger will affect the market value that Central Jersey's shareholders will receive on the date of the merger. Stock price changes may result from a variety of factors (many of which are beyond OceanFirst's or Central Jersey's control), including the following factors:

changes in OceanFirst's or Central Jersey's respective businesses, operations and prospects;

changes in market assessments of the business, operations and prospects of either company;

market assessments of the likelihood that the merger will be completed, including related considerations regarding regulatory approvals of the merger;

interest rates, general market and economic conditions and other factors generally affecting the price of OceanFirst's common stock and Central Jersey's common stock; and

federal, state and local legislation, governmental regulation and legal developments in the businesses in which OceanFirst and Central Jersey operate.

The price of OceanFirst common stock at the closing of the merger may vary from its price on the date the merger agreement was executed, on the date of this document and on the date of the shareholder meetings of OceanFirst and Central Jersey. As a result, the market value represented by the exchange ratio will also vary. For example, based on the range of closing prices of OceanFirst common stock during the period from May 26, 2009, the last trading day before public announcement of the merger, through August 5, 2009, the last practicable date before the date of this document, the exchange ratio represented a market value ranging from a low of \$5.33 to a high of \$7.12 for each share of Central Jersey common stock.

***Because the date that the merger is completed is expected to be later than the date of the shareholder meetings, at the time of your shareholder meeting, you may not know the exact market value of the OceanFirst common stock that Central Jersey shareholders will receive upon completion of the merger.***

You should consider the following aspects of a fixed exchange ratio:

If the price of OceanFirst common stock increases between May 26, 2009, the date the merger agreement was signed, and the effective time of the merger, Central Jersey shareholders will receive shares of OceanFirst common stock that have a market value upon completion of the merger that is greater than the market value of such shares on May 26, 2009, and OceanFirst will issue shares

## Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

of its common stock with a market value greater than the market value calculated pursuant to the exchange ratio on such date. Therefore, while the exchange ratio is fixed, OceanFirst shareholders cannot be sure of the market value of the consideration that will be paid to Central Jersey shareholders upon completion of the merger.

---

**Table of Contents**

If the price of OceanFirst common stock declines between May 26, 2009 and the effective time of the merger, including for any of the reasons described in the previous risk factor, Central Jersey shareholders will receive shares of OceanFirst common stock that have a market value upon completion of the merger that is less than the market value of such shares on May 26, 2009. Therefore, while the number of OceanFirst shares to be issued in the merger is fixed, Central Jersey shareholders cannot be sure of the market value of the OceanFirst common stock they will receive upon completion of the merger or the market value of OceanFirst common stock at any time after the completion of the merger.

***The merger agreement does not require that the fairness opinion of Central Jersey's or OceanFirst's financial advisors be updated as a condition to the completion of the merger.***

On May 26, 2009, Central Jersey's financial advisor, Sandler O'Neill, delivered its opinion to the Central Jersey board of directors as to the fairness of the exchange ratio to the shareholders of Central Jersey from a financial point of view. As of such date, in the opinion of Sandler O'Neill, the exchange ratio was fair to the shareholders of Central Jersey from a financial point of view. Similarly, on May 26, 2009, OceanFirst's financial advisor, Keefe, Bruyette & Woods, delivered its opinion to the OceanFirst board of directors as to the fairness of the merger consideration to OceanFirst from a financial point of view. As of such date, in the opinion of Keefe, Bruyette & Woods, the merger consideration was fair to OceanFirst from a financial point of view. The merger agreement does not require that the fairness opinions of Sandler O'Neill or Keefe, Bruyette & Woods to be updated as a condition to the completion of the merger, and neither Central Jersey nor OceanFirst intend to request that the opinion be updated. As such, the fairness opinions do not reflect any changes that may occur or may have already occurred after May 26, 2009, the date of the merger agreement, to the operations and prospects of Central Jersey or OceanFirst, general market and economic conditions and other factors that may affect the relative values of Central Jersey and OceanFirst. As a result, Central Jersey shareholders should be aware that the opinion of Sandler O'Neill does not address the fairness of the exchange ratio at any time other than as of May 26, 2009, and OceanFirst shareholders should be aware that the opinion of Keefe, Bruyette & Woods does not address the fairness of the merger consideration at any time other than as of May 26, 2009.

***Governmental agencies, self-regulatory organizations or third parties may delay or impose conditions on approval of the merger, which may diminish the anticipated benefits of the merger.***

Completion of the merger is conditioned upon the receipt of all necessary consents, approvals and authorizations of any governmental authority, self-regulatory organization or third party. While OceanFirst and Central Jersey intend to vigorously pursue any and all required consents, approvals and authorizations and do not know of any reason why they would not be able to obtain the consents in a timely manner, the requirement to receive such consents before the merger could delay the completion of the merger, possibly for a significant period of time after the shareholders of each of OceanFirst and Central Jersey have approved the proposals required to effectuate the merger. In addition, these governmental agencies, self-regulatory organizations and third parties may attempt to condition their consents, approvals or authorizations on the imposition of conditions that could have a material adverse effect on the combined entity's operating results or the value of OceanFirst's common stock after the completion of the merger. Any delay in the completion of the merger could diminish the anticipated benefits of the merger or result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the transaction, such as difficulty in retaining key personnel or in pursuing business strategies.

We can provide no assurance that we will be able to obtain the necessary approvals in a timely manner, or at all, or that any conditions imposed upon such approvals will not have a material adverse effect on OceanFirst following the merger. In addition, we can provide no assurance that any such conditions will not result in the abandonment of the merger by OceanFirst or Central Jersey, or both companies. For a more detailed description of these approvals, see the section captioned *Description of the Merger - Regulatory Matters Relating to the Merger* beginning on page 64.

## **Table of Contents**

### ***Failure to complete the merger could negatively impact the stock prices and the future business and financial results of OceanFirst and Central Jersey.***

If the merger is not completed, the ongoing businesses of OceanFirst or Central Jersey may be adversely affected and OceanFirst or Central Jersey will be subject to several risks, including the following:

having to pay certain costs relating to the proposed merger, such as legal, accounting, financial advisor, filing, printing and mailing fees, and

diverting the focus of management of each of the companies from pursuing other opportunities that could be beneficial to the companies,

in each case, without realizing any of the benefits of having the merger completed. If the merger is not completed, OceanFirst and Central Jersey cannot assure their shareholders that these risks will not materialize and will not materially affect the business, financial results and stock prices of OceanFirst or Central Jersey.

### ***The integration of the operations of OceanFirst and Central Jersey may be more difficult than anticipated.***

The success of the merger will depend on a number of factors, including, but not limited to, OceanFirst's ability to:

timely and successfully integrate the operations of OceanFirst and Central Jersey;

maintain existing relationships with Central Jersey Bank, N.A.'s account holders and depositors and to minimize withdrawals of deposits subsequent to the merger;

maintain and enhance existing relationships with borrowers to limit potential losses from loans made by Central Jersey Bank, N.A.;

control the incremental non-interest expense from OceanFirst to maintain overall operating efficiencies;

retain and attract qualified personnel at OceanFirst Bank and Central Jersey Bank, N.A.; and

compete effectively in the communities served by OceanFirst Bank and Central Jersey Bank, N.A.

The process of integrating operations could cause an interruption of, or loss of momentum in, OceanFirst's business and the loss of key personnel. The integration of the two companies will require the experience and expertise of certain key employees of Central Jersey who are expected to be retained by OceanFirst. OceanFirst may not be successful in retaining these employees for the time period necessary to successfully integrate Central Jersey's operations with those of OceanFirst. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and the integration of the two companies' operations could have an adverse effect on the business and results of operations of OceanFirst following the merger.

### ***Central Jersey's shareholders will have less influence as shareholders of OceanFirst than as shareholders of Central Jersey.***

Central Jersey's shareholders currently have the right to vote in the election of the board of directors of Central Jersey and on other matters affecting the company. The shareholders of Central Jersey as a group will own approximately 28% of the combined organization (OceanFirst and Central Jersey) immediately following the merger. When the merger occurs, each Central Jersey shareholder that receives shares of

## Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

OceanFirst common stock will become a shareholder of OceanFirst with a percentage ownership of the combined organization that is significantly smaller than such shareholder's percentage ownership of Central Jersey. As a result, shareholders of Central Jersey will have less influence on the management and policies of OceanFirst than they now have on the management and policies of Central Jersey.

## **Table of Contents**

### ***OceanFirst and Central Jersey are defendants in pending lawsuits in connection with the merger.***

On June 8, 2009, a purported class action complaint relating to the merger was filed against OceanFirst, Central Jersey and each director of Central Jersey in the Superior Court of New Jersey in Ocean County. On July 15, 2009, a second purported class action complaint relating to the merger was filed against OceanFirst, Central Jersey and each director of Central Jersey, except Robert S. Vuono, in the Superior Court of New Jersey in Ocean County. The complaints seek, among other things, damages and injunctive relief to enjoin OceanFirst, Central Jersey and Central Jersey's directors from consummating the transactions contemplated under the merger agreement, along with attorneys' fees and costs. While OceanFirst and Central Jersey believe that the allegations in the complaints are without merit and intend to vigorously defend against the claims and causes of action asserted therein, we cannot assure you as to the outcome of these lawsuits, including the costs associated with defending these claims or any other liabilities or costs OceanFirst or Central Jersey may incur in connection with the litigation or settlement of these claims, or the possibility that the Court might enjoin OceanFirst and Central Jersey from proceeding with the proposed merger transaction. For further information regarding the lawsuits, please see the section captioned *Description of the Merger - Legal Proceedings Relating to the Merger* on page 65.

### ***OceanFirst and Central Jersey will be subject to business uncertainties while the merger is pending that could adversely affect their businesses.***

Uncertainty among employees, depositors and account holders, vendors and others about the effect of the merger may have an adverse effect on OceanFirst and Central Jersey and, consequently, on the combined company. Although OceanFirst and Central Jersey intend to take actions to reduce any adverse effects, these uncertainties may impair their ability to attract, retain and motivate key personnel until the merger is completed and for a period of time thereafter, and could cause depositors, account holders, vendors and others that do business with OceanFirst and Central Jersey to seek to change existing business relationships with either or both companies.

### ***OceanFirst and Central Jersey will incur significant transaction costs which may diminish the anticipated benefits of the merger.***

OceanFirst and Central Jersey expect to incur costs associated with completing the merger, including integrating the operations of the two companies. In addition, OceanFirst and Central Jersey expect to incur an aggregate of approximately \$5.5 million in transaction costs. Substantially all transaction costs to be incurred by the two companies will be charged to operations and will not be included as a component of the purchase price for the purposes of the acquisition method of accounting. The amount of transaction costs expected to be incurred by OceanFirst and Central Jersey are preliminary estimates and are subject to change.

OceanFirst and Central Jersey are continuing to assess the magnitude of these costs, and, therefore, these estimates may change substantially as additional unanticipated costs may be incurred in the integration of the businesses of the two companies. Although OceanFirst and Central Jersey believe that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, will offset incremental transaction and merger-related costs over time, this net benefit may not be achieved in the near term, or at all.

### ***The price of OceanFirst common stock might decrease after the merger.***

Following the merger, many holders of Central Jersey common stock will become shareholders of OceanFirst. OceanFirst common stock could decline in value after the merger. For example, during the twelve-month period ending on August 5, 2009 (the most recent practicable date before the printing of this joint proxy statement/prospectus), the price of OceanFirst common stock varied from a low of \$7.29 to a high of \$20.00 and ended that period at \$12.38. The market value of OceanFirst common stock fluctuates based upon general market economic conditions, OceanFirst's business and prospects and other factors.



---

## **Table of Contents**

*The termination fee and the restrictions on solicitation contained in the merger agreement may discourage other companies from trying to acquire Central Jersey.*

Until the completion of the merger, with some exceptions, Central Jersey is prohibited from soliciting, initiating, encouraging or participating in any discussion of or otherwise considering any inquiries or proposals that may lead to an acquisition proposal, such as a merger or other business combination transaction, with any person or entity other than OceanFirst. In addition, Central Jersey has agreed to pay a termination fee of \$2,400,000 to OceanFirst in certain circumstances specified in the merger agreement. These provisions could discourage other companies from trying to acquire Central Jersey even though those other companies might be willing to offer greater value to Central Jersey's shareholders than OceanFirst has offered in the merger. The payment of the termination fee could also have a material adverse effect on Central Jersey's financial condition.

*Certain of Central Jersey's officers and directors have interests that are different from, or in addition to, interests of Central Jersey's shareholders generally.*

You should be aware that the directors and officers of Central Jersey have interests in the merger that are different from, or in addition to, the interests of Central Jersey shareholders generally. The board of directors of each of OceanFirst and Central Jersey were aware of these interests and considered them, among other things, in their approval of the merger agreement and the transactions contemplated by the merger agreement. These interests include:

payments that certain officers of Central Jersey are entitled to receive under existing change of control agreements (to the extent such officers are permitted to receive such benefits under the regulations of the U.S. Department of the Treasury established pursuant to the TARP relating to the compensation of executive officers, and to which Central Jersey is subject);

provisions in the merger agreement relating to indemnification of directors and officers and insurance for directors and officers of Central Jersey for events occurring before the merger;

the appointment of two directors of Central Jersey to the board of directors of OceanFirst and OceanFirst Bank; and

the appointment of James S. Vaccaro, Chairman, President and Chief Executive Officer of Central Jersey, as Executive Vice President of OceanFirst Bank and a member of the senior executive management team of OceanFirst Bank.

You should consider these interests in conjunction with the recommendation of the board of directors of each of OceanFirst and Central Jersey with respect to the approval of the merger. For a more detailed discussion of these interests, see the section captioned *Description of the Merger Interests of Certain Persons in the Merger* beginning on page 66.

## **Risks Associated with OceanFirst**

*Recent legislative and regulatory initiatives to address difficult market and economic conditions may not stabilize the United States banking system and the enactment of these initiatives may have a significant impact on OceanFirst's financial condition, results of operations, liquidity and stock price.*

The Emergency Economic Stabilization Act (the EESA), which established the TARP, was signed into law in October 2008. As part of the TARP, the United States Department of the Treasury established the Capital Purchase Program to provide up to \$700 billion of funding to eligible financial institutions through the purchase of capital stock and other financial instruments for the purpose of stabilizing and providing liquidity to the U.S. financial markets. The American Recovery and Reinvestment Act (the ARRA), signed into law in February 2009, was intended to stimulate the economy and provide for broad infrastructure, energy, health and education needs. It is unclear what the actual impact that the EESA and the ARRA, and their programs and initiatives, will have on the national economy or financial markets. The failure of these legislative measures to help stabilize the



## Table of Contents

financial markets, together with a continued worsening of current conditions in the financial markets, could have a material adverse effect on OceanFirst's business, financial condition, results of operations, access to credit or the price of OceanFirst's common stock.

There have been numerous actions undertaken in connection with or following the EESA and the ARRA by the Board of Governors of the Federal Reserve System, Congress, the U.S. Department of the Treasury, the Federal Deposit Insurance Corporation (the FDIC), the SEC and others in efforts to address the current liquidity and credit crisis in the financial industry that followed the sub-prime mortgage crisis which began in 2007. These measures include homeowner relief that encourages loan restructuring and modification; the establishment of significant liquidity and credit facilities for financial institutions and investment banks; the lowering of the federal funds rate; emergency action against short selling practices; a temporary guaranty program for money market funds; the establishment of a commercial paper funding facility to provide back-stop liquidity to commercial paper issuers; and coordinated international efforts to address illiquidity and other weaknesses in the banking sector. The purpose of these legislative and regulatory actions is to help stabilize the U.S. banking system. The EESA, the ARRA and other regulatory initiatives described above may not have their desired effects. If the volatility in the markets continues and economic conditions do not improve, or if conditions worsen, OceanFirst's business, financial condition and results of operations could be materially and adversely affected.

### *Difficult market conditions have adversely affected the industry.*

OceanFirst is exposed to downturns in the U.S. housing market. Dramatic declines in the national housing market over the past year, with falling home prices and increasing foreclosures, unemployment and under-employment, have negatively impacted the credit performance of mortgage loans and resulted in significant write-downs of asset values by financial institutions, including government-sponsored entities, major commercial and investment banks, and regional and community financial institutions such as OceanFirst. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors have reduced or ceased providing funding to borrowers, including to other financial institutions. This market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, increased market volatility and widespread reduction of business activity generally. The continuing economic pressure on consumers and lack of confidence in the financial markets may adversely affect OceanFirst's business, financial condition and results of operations. The difficult conditions in the financial markets are not likely to improve in the near future. A worsening of these conditions would likely exacerbate the adverse effects of these difficult market conditions on OceanFirst and others in the financial institutions industry. In particular, OceanFirst may face the following risks in connection with these events:

OceanFirst's stock price could be negatively impacted by these events and could remain under pressure until a market recovery is under way.

Increased regulation of the industry. Compliance with such regulation may increase costs and limit OceanFirst's ability to pursue business opportunities.

The process used to estimate losses inherent in the OceanFirst's credit exposure requires subjective and complex judgments, including forecasts of economic conditions and how these economic conditions might impair the ability of borrowers to repay their loans. The level of uncertainty concerning economic conditions may adversely affect the accuracy of estimates which may, in turn, impact the reliability of the financial statements.

Increased levels of nonperforming loans and loan losses may negatively impact earnings.

OceanFirst may be required to pay significantly higher FDIC deposit premiums because market developments have significantly depleted the insurance fund of the FDIC and reduced the ratio of reserves to insured deposits.

## **Table of Contents**

Consumer confidence in financial institutions is deteriorating, which could lead to declines in deposit totals and impact liquidity. *A continued downturn in the local economy or in real estate values could hurt profits.*

Most of OceanFirst's loans are secured by real estate or are made to businesses in Ocean and Monmouth Counties, New Jersey and the surrounding area. As a result of this concentration, a downturn in the local economy could cause significant increases in nonperforming loans, which would hurt profits. Prior to 2008 there was a significant increase in real estate values in OceanFirst's market area. During 2008 and through 2009, there has been a weakening in the local economy coupled with declining real estate values. A further decline in real estate values could cause some residential and commercial mortgage loans to become inadequately collateralized, which would expose the Bank to a greater risk of loss.

*OceanFirst recently filed a Shelf Registration Statement on Form S-3 (the Shelf Registration Statement) with the SEC which allows OceanFirst to issue up to \$80.0 million of common stock, preferred stock, debt securities or warrants, or a combination thereof. The issuance of any of these securities will have an impact on the shareholders of OceanFirst.*

The board of directors of OceanFirst is authorized to issue the securities registered under the Shelf Registration Statement at any time, or from time to time, without the approval of the shareholders of OceanFirst. If the board of directors determines to issue shares of common stock under the Shelf Registration Statement, the board is authorized to issue such shares at such prices as determined by the board. Shareholders of OceanFirst do not have preemptive rights and therefore if the board of directors of OceanFirst determines to issue common stock, the current shareholders of OceanFirst will not have the right to subscribe for shares in an amount necessary to maintain their current percentage ownership. Consequently, the issuance of common stock may result in a dilution in the percentage ownership of OceanFirst by current shareholders.

If the board of directors of OceanFirst determines to issue preferred stock under the Shelf Registration Statement, the board is authorized by OceanFirst's certificate of incorporation to issue such shares at such prices and in such series, and to establish the designations, powers, preferences and rights of such shares as well as the limitations, qualifications and restrictions. Generally, preferred shares have a preference over common shares in the payment of dividends and upon liquidation.

The board of directors of OceanFirst may also issue, pursuant to the Shelf Registration Statement, senior or subordinated debt securities at such rates and with such terms and conditions as determined by the board. These securities will rank senior to OceanFirst's preferred or common stock upon liquidation of OceanFirst.

The Shelf Registration Statement also registered warrants to purchase common stock, preferred stock and debt securities.

The board of directors of OceanFirst has not determined to issue any securities under the Shelf Registration Statement. The board may consider current economic conditions, regulatory requirements, liquidity needs and other matters when determining if and when to issue such securities. Further, the board is authorized to determine the use of proceeds of such securities issuance, which may include future growth opportunities, general corporate purposes or repayment of preferred stock issued to the U.S. Department of the Treasury pursuant to the TARP.

*Continued capital and credit market volatility may adversely affect OceanFirst's ability to access capital and may have a material adverse effect on OceanFirst's business, financial condition and results of operations.*

The capital and credit markets have been experiencing volatility and disruption for more than a year. In recent months, the volatility and disruption has reached unprecedented levels. The markets have produced downward pressure on stock prices and credit availability for certain issuers without regard to those issuers

---

**Table of Contents**

underlying financial strength. If current levels of market disruption and volatility continue or worsen, there can be no assurance that OceanFirst will not experience an adverse effect, which may be material, on OceanFirst's ability to access capital. Additionally, OceanFirst's business, financial condition and results of operations may be adversely affected.

***Deposit insurance assessments have increased substantially, which will adversely affect profits.***

Federal law requires that the designated reserve ratio for the deposit insurance fund be established by the FDIC at 1.15% to 1.50% of estimated insured deposits. If this reserve ratio drops below 1.15% or the FDIC expects that it will do so within six months, the FDIC must, within 90 days, establish and implement a plan to restore the designated reserve ratio to 1.15% of estimated insured deposits within five years (absent extraordinary circumstances).

Recent bank failures coupled with deteriorating economic conditions have significantly reduced the deposit insurance fund's reserve ratio. As of June 30, 2008, the designated reserve ratio was 1.01% of estimated insured deposits as March 31, 2008. As a result of this reduced reserve ratio, on December 22, 2008, the FDIC published a final rule raising the current deposit insurance assessment rates uniformly for all institutions by seven basis points (to a range from 12 to 50 basis points) for the first quarter of 2009. On February 27, 2009, the FDIC adopted a final rule under which banks in the best risk category will pay initial base rates ranging from 12 to 16 cents per \$100 on an annual basis, beginning on April 1, 2009.

The FDIC also adopted an interim rule imposing a 10 basis point emergency special assessment on the industry on June 30, 2009. The assessment is to be collected on September 30, 2009. The interim rule would also permit the FDIC to impose an emergency special assessment after June 30, 2009, of up to 10 basis point if necessary to maintain public confidence in federal deposit insurance.

These actions will significantly increase OceanFirst's non-interest expense in 2009 and in future years as long as the increased premiums are in place.

***There is no guaranty that OceanFirst will be able to continue to pay a dividend or, if continued, will be able to pay a dividend at the current rate.***

The board of directors of OceanFirst determines at its discretion if, when and the amount of any dividends that may be paid on the common stock. In making such determination, the board takes into account various factors including economic conditions, earnings, liquidity needs, the financial condition of OceanFirst, applicable state law, regulatory requirements and other factors deemed relevant by the board. Although OceanFirst has a history of paying a quarterly dividend on its common stock, there is no guaranty that such dividends will continue to be paid in the future, particularly in the event of changes in those factors which may affect the board's determination to pay a dividend.

***OceanFirst's federal thrift charter may be eliminated under the Administration's Financial Regulatory Reform Plan***

The administration has proposed the creation of a new federal government agency, the National Bank Supervisor (NBS) that would charter and supervise all federally chartered depository institutions, and all federal branches and agencies of foreign banks. It is proposed that the NBS take over the responsibilities of the Office of the Comptroller of the Currency (the OCC), which currently charters and supervises nationally chartered banks, and the responsibility for the institutions currently supervised by the OTS, which supervises federally chartered thrift and thrift holding companies, such as OceanFirst Bank and OceanFirst. In addition, under the administration's proposal, the thrift charter, under which OceanFirst Bank is organized, would be eliminated. If the administration's proposal is finalized, OceanFirst Bank may be subject to a new charter mandated by the NBS. There is no assurance as to how this new charter, or the supervision by the NBS, will affect OceanFirst's operations going forward.

**Table of Contents**

The elimination of the OTS, as proposed by the administration, also would result in a new regulatory authority for OceanFirst. Such authority may impose restrictions which are the same as, or similar to, those made applicable to bank holding companies by the Board of Governors of the Federal Reserve System, including a holding company consolidated capital requirement. Currently as a savings and loan holding company supervised by the OTS, OceanFirst is not subject to a holding company consolidated capital requirement. OceanFirst expects that if it were to become subject to a consolidated capital requirement similar to that currently imposed on bank holding companies, it would meet the requirements to be categorized as well capitalized on a pro forma basis.

The administration's proposal also includes the creation of a new federal agency designed to enforce consumer protection laws. The Consumer Financial Protection Agency (CFPA) would have authority to protect consumers of financial products and services and to regulate all providers (bank and non-bank) of such services. The CFPA would be authorized to adopt rules for all providers of consumer financial services, supervise and examine such institutions for compliance and enforce compliance through orders, fines and penalties. The rules of the CFPA would serve as a floor and individual states would be permitted to adopt and enforce stronger consumer protection laws. If adopted as proposed, OceanFirst could become subject to multiple laws affecting its provision of home loans and other credit services to consumers, which may substantially increase the cost of providing such services.

It is unknown at this time whether the administration's proposal for regulatory reform will be adopted and if so, the final form of such proposal, and what the full impact on OceanFirst may be.

**Table of Contents**

**CAUTION ABOUT FORWARD-LOOKING STATEMENTS**

Certain statements contained in this document that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The sections of this document which contain forward-looking statements include, but are not limited to, *Questions And Answers About the Merger and the Special Meetings*, *Summary*, *Risk Factors*, *Description of the Merger*, *Background of the Merger*, *Description of the Merger*, *OceanFirst's Reasons for the Merger*, and *Description of the Merger*, *Central Jersey's Reasons for the Merger and Recommendation of the Board of Directors*. You can identify these statements from the use of the words may, will, should, could, would, plan, potential, estimate, project, believe, intend, anticipate, expect, target and si

These forward-looking statements are subject to significant risks, assumptions and uncertainties, including among other things, changes in general economic and business conditions and the risks and other factors set forth in the *Risk Factors* section beginning on page 7.

Because of these and other uncertainties, OceanFirst's actual results, performance or achievements, or industry results, may be materially different from the results indicated by these forward-looking statements. In addition, OceanFirst's and Central Jersey's past results of operations do not necessarily indicate OceanFirst's and Central Jersey's combined future results. You should not place undue reliance on any forward-looking statements, which speak only as of the dates on which they were made. OceanFirst is not undertaking an obligation to update these forward-looking statements, even though its situation may change in the future, except as required under federal securities law. OceanFirst qualifies all of its forward-looking statements by these cautionary statements.

**Table of Contents****RECENT DEVELOPMENTS****OceanFirst**

On July 23, 2009, OceanFirst announced its results of operations for the quarter and six months ended June 30, 2009. Diluted earnings per common share were \$.26 in the second quarter of 2009, a decrease from \$.30 in both the year earlier period and in the first quarter of 2009. Net income available to common stockholders totaled \$3.1 million for the second quarter of 2009, a decrease from \$3.5 million in both the second quarter of 2008 and the first quarter of 2009. Diluted earnings per common share for the six months ended June 30, 2009 and 2008 were \$.56 and \$.64, respectively. Net income available to common stockholders was \$6.6 million and \$7.5 million, respectfully, for the six months ended June 30, 2009 and 2008. Results for the quarter and six months ended June 30, 2009 were negatively impacted by a special assessment for the FDIC insurance fund of \$869,000 and an increase in the provision for loan losses.

**Income Statement Data:** (in thousands, except per share amounts)

	For the three months ended June 30,		For the six months ended June 30,	
	2009	2008	2009	2008
Net interest income	\$ 16,154	\$ 14,262	\$ 31,815	\$ 28,498
Provision for loan losses	1,200	400	2,000	775
Net interest income after provision for loan losses	14,954	13,862	29,815	27,723
Total other income	4,155	2,620	7,349	6,389
Total operating expenses	13,240	11,368	25,023	23,003
Income before provision for income taxes	5,869	5,114	12,141	11,109
Provision for income taxes	2,270	1,579	4,589	3,568
Net income	3,599	3,535	7,552	7,541
Dividends on preferred stock and warrant accretion	538		996	
Net income available to common stockholders	\$ 3,061	\$ 3,535	\$ 6,556	\$ 7,541
Basic earnings per share	\$ 0.26	\$ 0.30	\$ 0.56	\$ 0.65
Diluted earnings per share	\$ 0.26	\$ 0.30	\$ 0.56	\$ 0.64

**Balance Sheet Data:** (in thousands)

	June 30, 2009	December 31, 2008
Total assets	\$ 1,909,585	\$ 1,857,946
Mortgage-backed securities available for sale	89,436	40,801
Loans receivable, net	1,643,704	1,648,378
Deposits	1,364,570	1,274,132
Total stockholders equity	161,909	119,783
Total borrowings	362,746	449,822

**Selected Financial Data:** (in thousands except per share amounts)



Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

	<b>June 30, 2009</b>	<b>December 31, 2008</b>
Stockholders' equity to total assets	8.48%	6.45%
Stockholders' equity per common share	\$ 10.09	\$ 9.69
Total non-performing loans	20,937	16,043
Total non-performing assets	22,285	17,184
Allowance for loan losses	12,758	11,665

**Table of Contents****Central Jersey**

On August 4, 2009, Central Jersey announced its results of operations for the three and six months ended June 30, 2009. Central Jersey reported net income and net income available to common shareholders, excluding a non-cash goodwill impairment charge, of \$653,000 and \$467,000, respectively, for the three months ended June 30, 2009, as compared to \$711,000 for both for the same period in 2008. Additionally, Central Jersey recognized a \$27.0 million goodwill impairment charge during the three months ended June 30, 2009. This impairment charge resulted in a net loss available to common shareholders of \$26.5 million for the three months ended June 30, 2009. Basic and diluted loss per share for the three months ended June 30, 2009 were (\$2.92), as compared to basic and diluted earnings per share of \$0.08 and \$0.07, respectively, for the same period in 2008. For the six months ended June 30, 2009, Central Jersey reported net income and net income available to common shareholders, excluding the non-cash goodwill impairment charge, of \$963,000 and \$592,000, respectively, as compared to \$1.3 million for both for the same period in 2008. Additionally, Central Jersey recognized the previously-mentioned \$27.0 million goodwill impairment charge, resulting in a net loss available to common shareholders of \$26.4 million for the period. Basic and diluted loss per share for the six months ended June 30, 2009 were (\$2.91), as compared to basic and diluted earnings per share of \$0.14 for both for the same period in 2008.

The \$27.0 million in goodwill was recorded as an intangible asset on January 1, 2005 in conjunction with the combination of Monmouth Community Bancorp (the predecessor to Central Jersey) and Allaire Community Bank. The goodwill impairment charge is a non-cash adjustment to Central Jersey's financial statements which has no effect on cash flows, liquidity, or tangible capital. As goodwill is excluded from regulatory capital, the impairment charge had no impact on the regulatory capital ratios of Central Jersey or Central Jersey Bank, N.A., both of which remain well-capitalized under regulatory requirements. The goodwill impairment charge was recorded in accordance with SFAS No. 142, *Goodwill and Other Intangible Assets*, which requires an interim goodwill impairment analysis under certain events.

**Income Statement Data:** (in thousands, except per share amounts)

	For the three months ended June 30,		For the six months ended June 30,	
	2009	2008	2009	2008
Net interest income	\$ 4,326	\$ 4,479	\$ 9,049	\$ 8,639
Provision for loan losses	316	81	3,452	146
Net interest income after provision for loan losses	4,010	4,398	5,597	8,493
Total other income	894	539	3,060	1,152
Total operating expenses	30,950	3,876	34,994	7,700
(Loss) income before provision for income taxes	(26,046)	1,061	(26,337)	1,945
Income tax expense (benefit)	258	350	(343)	653
Net (loss) income	(26,304)	711	(25,994)	1,292
Dividends on preferred stock and warrant accretion	186		371	
Net (loss) income available to common shareholders	\$ (26,490)	\$ 711	\$ (26,365)	\$ 1,292
Basic (loss) earnings per share	\$ (2.92)	\$ 0.08	\$ (2.91)	\$ 0.14
Diluted (loss) earnings per share	\$ (2.92)	\$ 0.07	\$ (2.91)	\$ 0.14

**Table of Contents****Balance Sheet Data:** (in thousands)

	<b>June 30, 2009</b>	<b>December 31, 2008</b>
Total assets	\$ 603,312	\$ 599,385
Total tangible assets	602,075	570,984
Investment securities available-for-sale	186,701	170,683
Loans receivable, net	367,475	356,257
Deposits	444,726	418,815
Total shareholders' equity	55,688	82,452
Total tangible shareholders' equity	54,451	54,051
Total borrowings	100,960	76,896

**Selected Financial Data:** (in thousands except per share amounts)

	<b>June 30, 2009</b>	<b>December 31, 2008</b>
Shareholders' equity to total assets	9.23%	13.76%
Shareholders' tangible equity to total tangible assets	9.04%	9.47%
Book value per common share	\$ 4.86	\$ 7.91
Tangible book value per common share	\$ 4.73	\$ 4.75
Total non-performing loans	11,523	2,690
Total non-performing assets	11,523	2,690
Allowance for loan losses	\$ 7,605	\$ 4,741

**Table of Contents**

**SELECTED HISTORICAL FINANCIAL INFORMATION**

The following tables provide summary historical consolidated financial data for OceanFirst and Central Jersey as of the end of and for each of the fiscal years in the five-year period ended December 31, 2008, and as of the end of and for the three months ended March 31, 2009 and 2008. The historical consolidated financial data as of the end of and for each of the fiscal years in the five-year period ended December 31, 2008 have been derived in part from OceanFirst's audited financial statements and related notes incorporated by reference into this document. The historical consolidated financial data as of the end of and for each of the fiscal years in the two-year period ended December 31, 2008 have been derived in part from Central Jersey's audited financial statements and related notes, which appear elsewhere in this joint proxy statement/prospectus. The historical consolidated financial data as of the end of and for each of the fiscal years in the three-year period ended December 31, 2006 have been derived in part from Central Jersey's audited financial statements and related notes, which do not appear in this joint proxy statement/prospectus, but were filed with the SEC. The historical consolidated financial data as of the end of and for the three months ended March 31, 2009 have been derived in part from OceanFirst's unaudited financial statements and related notes incorporated by reference into this document, and Central Jersey's unaudited financial statements and related notes, which appear elsewhere in this joint proxy statement/prospectus. The following information is only a summary and you should read it in conjunction with OceanFirst's financial statements and related notes incorporated by reference into this document, and Central Jersey's financial statements and related notes, which appear elsewhere in this joint proxy statement/prospectus.

Unaudited consolidated interim financial statements for OceanFirst at or for the three months ended March 31, 2009 and 2008 and unaudited consolidated interim financial statements for Central Jersey at or for the three months ended March 31, 2009 and 2008 include normal, recurring adjustments necessary to fairly present the data for those periods. The unaudited data is not necessarily indicative of expected results of a full year's operation.

**Table of Contents****Selected OceanFirst Consolidated Financial and Other Data**

<i>(dollars in thousands)</i>	Three Months Ended March 31,		Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
<b>Selected Financial Condition Data:</b>							
Total assets	\$ 1,913,733	\$ 1,905,471	\$ 1,857,946	\$ 1,927,499	\$ 2,077,002	\$ 1,985,357	\$ 1,914,275
Investment securities available for sale	27,557	53,191	34,364	57,625	82,384	83,861	83,960
Federal Home Loan Bank of New York stock	19,031	21,627	20,910	22,941	25,346	21,792	21,250
Mortgage-backed securities available for sale	97,271	50,263	40,801	54,137	68,369	85,025	124,478
Loans receivable, net	1,650,133	1,656,613	1,648,378	1,675,919	1,701,425	1,654,544	1,472,907
Mortgage loans held for sale	1,787	4,707	3,903	6,072	82,943	32,044	63,961
Deposits	1,313,470	1,280,809	1,274,132	1,283,790	1,372,328	1,356,568	1,270,535
Federal Home Loan Bank advances	320,000	375,200	359,900	393,000	430,500	354,900	312,000
Securities sold under agreements to repurchase and other borrowings	100,554	100,865	89,922	109,307	102,482	118,289	151,072
Stockholders equity	158,198	123,253	119,783	124,306	132,320	138,784	137,956
<b>Selected Operating Data:</b>							
Interest income	\$ 24,390	\$ 27,522	\$ 103,405	\$ 114,964	\$ 116,562	\$ 102,799	\$ 90,952
Interest expense	8,728	13,287	45,382	62,040	58,443	41,873	34,931
Net interest income	15,662	14,235	58,023	52,924	58,119	60,926	56,021
Provision for loan losses	800	375	1,775	700	150	350	300
Net interest income after provision for loan losses	14,862	13,860	56,248	52,224	57,969	60,576	55,721
Other income	3,194	3,770	12,823	2,531	13,608	24,090	20,740
Operating expenses	11,784	11,634	47,447	53,820	52,381	54,834	48,759
Income before provision (benefit) for income taxes	6,272	5,996	21,624	935	19,196	29,832	27,702
Provision (benefit) for income taxes	2,319	1,990	6,860	(140)	6,563	10,335	9,757
Net income	3,953	4,006	14,764	1,075	12,633	19,497	17,945
Dividends on preferred stock and warrant accretion	458						
Net income available to common stockholders	\$ 3,495	\$ 4,006	\$ 14,764	\$ 1,075	\$ 12,633	\$ 19,497	\$ 17,945
Basic earnings per share	\$ 0.30	\$ 0.34	\$ 1.27	\$ 0.09	\$ 1.09	\$ 1.65	\$ 1.48
Diluted earnings per share	\$ 0.30	\$ 0.34	\$ 1.26	\$ 0.09	\$ 1.07	\$ 1.60	\$ 1.42

**Table of Contents****Selected OceanFirst Consolidated Financial and Other Data (continued)**

	Three Months Ended March 31,		At or For the Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
<b>Selected Financial Ratios and Other Data (1):</b>							
<b>Performance Ratios:</b>							
Return on average assets	0.84%	0.84%	0.78%	0.05%	0.62%	1.00%	0.98%
Return on average stockholders equity	10.46	12.98	11.98	.86	9.40	14.43	13.34
Stockholders equity to total assets	8.27	6.47	6.45	6.45	6.37	6.99	7.21
Tangible equity to tangible assets	8.27	6.47	6.45	6.45	6.32	6.93	7.13
Average interest rate spread (2)	3.25	2.87	3.00	2.50	2.69	3.07	3.03
Net interest margin (3)	3.47	3.14	3.24	2.79	2.98	3.30	3.23
Average interest-earning assets to average interest-bearing liabilities	111.60	108.94	109.47	108.96	109.53	109.74	110.24
Operating expenses to average assets	2.49	2.44	2.52	2.70	2.56	2.81	2.67
Efficiency ratio (4)	62.49	64.62	66.97	97.05	73.03	64.50	63.52
<b>Asset Quality Ratios:</b>							
Non-performing loans as a percent of total loans receivable (5)(6)	1.18	0.63	0.97	0.52	0.25	0.09	0.23
Non-performing assets as a percent of total assets (6)	1.11	0.60	0.92	0.48	0.23	0.09	0.20
Allowance for loan losses as a percent of total loans receivable (5)	0.72	0.64	0.70	0.62	0.57	0.62	0.69
Allowance for loan losses as a percent of total non-performing loans (6)	61.00	101.79	72.71	119.76	226.25	655.80	306.42
<b>Per Share Data:</b>							
Cash dividends per common share	\$ 0.20	\$ 0.20	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80
Book value per common share at end of period	9.78	9.97	9.69	10.07	10.79	10.93	10.59
Tangible book value per common share at end of period	9.78	9.97	9.69	10.07	10.70	10.83	10.49
Number of full-service customer facilities:	23	21	23	20	21	18	17

- (1) With the exception of end of year ratios, all ratios are based on average daily balances.
- (2) The average interest rate spread represents the difference between the weighted average yield on interest-earning assets and the weighted average cost of interest-bearing liabilities.
- (3) The net interest margin represents net interest income as a percentage of average interest-earning assets.
- (4) Efficiency ratio represents the ratio of operating expenses to the aggregate of other income and net interest income.

Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

- (5) Total loans receivable includes loans receivable and loans held for sale.
  
- (6) Non-performing assets consist of non-performing loans and real estate acquired through foreclosure ( REO ). Non-performing loans consist of all loans 90 days or more past due and other loans in the process of foreclosure. It is OceanFirst s policy to cease accruing interest on all such loans.

**Table of Contents****Selected Central Jersey Consolidated Financial and Other Data**

<i>(dollars in thousands)</i>	Three Months Ended		Year Ended December 31,				
	March 31,		2008	2007	2006	2005	2004
	2009	2008	2008	2007	2006	2005	2004
<b>Selected Financial Condition Data:</b>							
Total assets	\$ 576,223	\$ 525,985	\$ 599,385	\$ 503,506	\$ 516,299	\$ 514,563	\$ 254,115
Investment securities available for sale	48,312	1,250	36,761	4,010	72,971	83,021	35,327
Federal Home Loan Bank of New York stock	1,701	1,450	2,940	550	542	2,090	
Mortgage-backed securities available for sale	97,660	127,468	133,922	110,814	22,764	28,154	38,341
Loans receivable, net	354,241	317,805	356,257	311,765	312,093	307,168	139,697
Mortgage loans held for sale	425		400	658	242	3,127	
Intangible assets	28,297	28,762	28,401	28,883	29,435	30,326	
Deposits	430,555	398,933	418,815	403,290	427,277	407,554	232,853
Federal Home Loan Bank advances	21,187	20,000	48,705			35,000	
Securities sold under agreements to repurchase and other borrowings	35,807	30,056	23,036	24,564	17,099	3,191	
Shareholders equity	81,872	69,893	82,452	68,886	65,495	61,778	15,855
<b>Selected Operating Data:</b>							
Interest income	\$ 7,009	\$ 7,252	\$ 29,086	\$ 30,488	\$ 29,419	\$ 24,947	\$ 11,551
Interest expense	2,286	3,092	10,664	13,782	12,456	7,502	3,046
Net interest income	4,723	4,160	18,422	16,706	16,963	17,445	8,505
Provision for loan losses	3,135	65	1,319	165	500	426	260
Net interest income after provision for loan losses	1,588	4,095	17,103	16,541	16,463	17,019	8,245
Other income(loss)	2,166	613	2,732	(217)	1,740	1,624	849
Operating expenses	4,045	3,823	15,637	14,370	14,309	14,550	7,098
(Loss) income before (benefit) provision for income taxes	(291)	885	4,198	1,954	3,894	4,093	1,996
(Benefit) provision for income taxes	(601)	304	1,288	1,110	1,428	1,461	778
Net income	310	581	2,910	\$ 844	2,466	2,632	1,218
Dividend on preferred stock and accretion	185		12				
Net income available to common shareholders	\$ 125	\$ 581	\$ 2,898	\$ 844	\$ 2,466	\$ 2,632	\$ 1,218
Basic earnings per share	\$ 0.01	\$ 0.06	\$ 0.32	\$ 0.09	\$ 0.28	\$ 0.31	\$ 0.31
Diluted earnings per share	\$ 0.01	\$ 0.06	\$ 0.30	\$ 0.09	\$ 0.27	\$ 0.28	\$ 0.30



**Table of Contents****Selected Central Jersey Consolidated Financial and Other Data (continued)**

	Three Months Ended March 31,		At or For the Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
<b>Selected Financial Ratios and Other Data (1):</b>							
<b>Performance Ratios:</b>							
Return on average assets	0.21%	0.45%	0.54%	0.16%	0.48%	0.54%	0.50%
Return on average tangible assets	0.22	0.47	0.57	0.17	0.51	0.58	0.50
Return on average shareholders equity	1.77	3.37	4.20	1.27	3.88	4.31	7.93
Return on average tangible shareholders equity	2.95	5.77	7.13	2.27	7.32	8.51	7.93
Shareholders equity to total assets	14.21	13.29	13.76	13.68	12.69	12.01	6.24
Shareholders tangible equity to total tangible assets	9.78	8.27	9.47	8.43	7.41	6.50	6.24
Tangible common equity to tangible assets	7.72	8.27	7.49	8.43	7.41	6.50	6.24
Average interest rate spread (2)	3.31	3.36	3.20	2.77	2.94	3.59	3.47
Net interest margin (3)	3.51	3.53	3.73	3.58	3.67	4.08	3.69
Average interest-earning assets to average interest-bearing liabilities	127.1	126.7	124.9	127.8	126.8	127.5	116.6
Operating expenses to average assets	2.78	2.94	2.89	2.80	2.78	2.98	2.93
Efficiency ratio (4)	58.72	80.10	73.92	87.15	76.51	76.30	75.88
<b>Asset Quality Ratios:</b>							
Non-performing loans as a percent of total loans receivable (5)(6)	2.91%	0.08%	0.75%	0.07%	0.03%	0.03%	0.09%
Non-performing assets as a percent of total assets (6)	1.83	0.05	0.45	0.04	0.02	0.02	0.05
Allowance for loan losses as a percent of total loans receivable (5)	1.99	1.08	1.31	1.08	1.02	1.02	1.16
Allowance for loan losses as a percent of total non-performing loans (6)	68.21	1,316.67	176.25	1,592.52	3,548.35	4,018.99	1,279.69
<b>Per Share Data:</b>							
Cash dividends per common share	\$	\$	\$	\$	\$	\$	\$
Book value per common share at end of period	7.82	7.65	7.91	7.50	7.20	6.86	3.68
Tangible book value per common share at end of period	4.68	4.50	4.75	4.36	3.96	3.49	3.68
Number of full-service customer facilities:	13	12	13	12	14	14	7

(1) With the exception of end of year ratios, all ratios are based on average daily balances.

## Edgar Filing: OCEANFIRST FINANCIAL CORP - Form S-4/A

- (2) The average interest rate spread represents the difference between the weighted average yield on interest-earning assets and the weighted average cost of interest-bearing liabilities.
- (3) The net interest margin represents net interest income as a percentage of average interest-earning assets.
- (4) Efficiency ratio represents the ratio of operating expenses to the aggregate of other income and net interest income.
- (5) Total loans receivable includes loans receivable and loans held for sale.
- (6) Non-performing assets consist of non-performing loans. Non-performing loans consist of all loans 90 days or more past due and other loans deemed to be impaired.

**Table of Contents****SUMMARY SELECTED PRO FORMA COMBINED DATA**

The following table shows selected financial information on a pro forma combined basis giving effect to the merger as if the merger had become effective at the end of the periods presented, in the case of balance sheet information, and at the beginning of each period presented, in the case of income statement information. The pro forma information reflects the acquisition method of accounting.

OceanFirst anticipates that the merger will provide the combined company with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of OceanFirst following the merger under one set of assumptions, does not reflect all of these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of OceanFirst would have been had our companies been combined during these periods.

An exchange ratio of 0.50 was used in preparing this pro forma information. You should read this summary pro forma information in conjunction with the information under *Pro Forma Financial Information* and with the historical information in this document on which it is based.

	<b>Three Months Ended March 31, 2009</b>	<b>Year Ended December 31, 2008</b>
	<b>(In thousands, except per share data)</b>	
<b>Pro forma combined income statement data:</b>		
Interest income	\$ 30,908	\$ 130,526
Interest expense	10,323	54,154
Net interest income	20,585	76,372
Provision for loan losses	3,935	3,094
Net interest income after provision for loan losses	16,650	73,278
Non-interest income	5,360	15,555
Non-interest expense	21,587	69,676
Income before income taxes	423	19,157
Income tax (benefit) expense	(357)	5,659
Net income	780	13,498
Dividends on preferred stock and accretion	643	12
Net income available to common shareholders	\$ 137	\$ 13,486
<b>Pro forma per share data:</b>		
Basic net income	\$ .01	\$ .83
Diluted net income	.01	.82

**March 31, 2009  
(In thousands)**

<b>Pro forma combined balance sheet data:</b>	
Total assets	\$ 2,472,312
Loans receivable, net	1,998,612
Deposits	1,746,058
Total stockholders' equity	220,576

**Table of Contents****COMPARATIVE PER SHARE DATA**

The following table shows information about OceanFirst's and Central Jersey's diluted income per common share, dividends per share and book value per share, and similar information giving effect to the merger (which we refer to as pro forma information). In presenting the comparative pro forma information for the time periods shown, we assumed that we had been merged on the dates or at the beginning of the periods indicated. See *Pro Forma Financial Information*.

The information listed as pro forma combined was prepared using an exchange ratio of 0.50. The information listed as per equivalent Central Jersey share was obtained by multiplying the pro forma amounts by an exchange ratio of 0.50. We present this information to reflect the fact that Central Jersey shareholders will receive shares of OceanFirst common stock for each share of Central Jersey common stock exchanged in the merger. OceanFirst anticipates that the combined company will derive financial benefits from the merger that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of OceanFirst following the merger under one set of assumptions, does not reflect these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of OceanFirst would have been had our companies been combined during these periods.

The information in the following table is based on, and should be read together with, the historical financial information that we have presented in this document. See *Pro Forma Financial Information*.

	OceanFirst Historical	Central Jersey Historical	Pro Forma Combined (1)(2)	Per Equivalent Central Jersey Share
<b>Book value per common share:</b>				
At March 31, 2009	\$ 9.78	\$ 7.82	\$ 10.14	\$ 5.07
<b>Tangible book value per common share:</b>				
At March 31, 2009	\$ 9.78	\$ 4.68	\$ 8.98	\$ 4.49
<b>Cash dividends declared per share:</b>				
Three months ended March 31, 2009	\$ .20	\$	\$ .20	\$ .10
Year ended December 31, 2008	.80		.80	.40
<b>Diluted net income per share:</b>				
Three months ended March 31, 2009	\$ .30	\$ .01	\$ .01	\$ .00
Year ended December 31, 2008	1.26	.30	.82	.41

- (1) Pro forma dividends per share represent OceanFirst's historical dividends per share.
- (2) The pro forma combined book value per share of OceanFirst common stock is based upon the pro forma combined common stockholders equity for OceanFirst and Central Jersey divided by total pro forma common shares of the combined entities.

**Table of Contents****MARKET PRICE AND DIVIDEND INFORMATION**

OceanFirst common stock is listed on The NASDAQ Global Select Market under the symbol OCFC. Central Jersey common stock is listed on The NASDAQ Global Market under the symbol CJBK. The following table lists the high and low prices per share for OceanFirst common stock and Central Jersey common stock and the cash dividends declared by each company for the periods indicated. Please note that the information set forth below reflects inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions, and the information for Central Jersey has been adjusted to reflect the 5% stock dividends paid on July 1, 2008 and July 2, 2007.

Quarter Ended	OceanFirst Common Stock			Central Jersey Common Stock		
	High	Low	Dividends	High	Low	Dividends
September 30, 2009 (through August 5, 2009)	\$ 12.62	\$ 10.76	\$ 0.20	\$ 5.90	\$ 5.27	\$
June 30, 2009	14.23	10.55	0.20	6.70	4.90	
March 31, 2009	16.92	7.29	0.20	7.50	4.62	
December 31, 2008	18.12	12.53	0.20	7.44	5.40	
September 30, 2008	21.99	17.19	0.20	8.00	6.62	
June 30, 2008	20.77	16.39	0.20	8.74	7.66	
March 31, 2008	17.60	14.67	0.20	8.38	7.35	
December 31, 2007	17.72	14.95	0.20	8.51	6.98	
September 30, 2007	18.30	14.67	0.20	9.09	7.42	
June 30, 2007	18.44	16.82	0.20	11.30	8.49	
March 31, 2007	23.29	17.23	0.20	11.04	8.70	

**OceanFirst**

You should obtain current market quotations for OceanFirst common stock, as the market price of OceanFirst common stock will fluctuate between the date of this document and the date on which the merger is completed, and thereafter. You can get these quotations from a newspaper, on the Internet or by calling your broker.

As of August 5, 2009, there were approximately 3,145 holders of record of OceanFirst common stock. As of August 5, 2009, there were approximately 628 holders of record of Central Jersey common stock. These numbers do not reflect the number of persons or entities who may hold their stock in nominee or street name through brokerage firms.

Following the merger, the declaration of dividends will be at the discretion of OceanFirst's board of directors and will be determined after consideration of various factors, including earnings, cash requirements, the financial condition of OceanFirst, applicable state law and government regulations and other factors deemed relevant by OceanFirst's board of directors.

**Table of Contents**

The following table sets forth information as of July 22, 2009, and on a pro forma basis assuming the consummation of the merger of Central Jersey with and into OceanFirst, the beneficial ownership (as defined in Rule 13d-3 of the Exchange Act) of OceanFirst common stock, by (1) each person or group of persons known by OceanFirst to be the beneficial owner of greater than 5% of OceanFirst's outstanding common stock, (2) each director of OceanFirst, and (3) all directors and executive officers of OceanFirst as a group. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Also included in the number of shares owned are shares which may be acquired within 60 days of July 22, 2009 through the exercise of options.

Name	Total Number of Shares of OceanFirst Beneficially Owned	Percent of OceanFirst Common Stock Outstanding	Pro Forma Total Number of Shares of OceanFirst Beneficially Owned	Pro Forma Percent of OceanFirst Common Stock Outstanding (1)
<b>5% Owners</b>				
OceanFirst Bank, Employee Stock Ownership Plan ( ESOP ) and Matching Contribution ESOP	1,941,012	15.70%	1,941,012	11.38%
OceanFirst Foundation	1,419,593	11.48%	1,419,593	8.32%
<b>Directors</b>				
Joseph J. Burke	12,946	.10%	12,946	.08%
Angelo Catania	9,615	.08%	9,615	.06%
John W. Chadwick	32,639	.26%	32,639	.19%
Carl Feltz, Jr.	117,595	.95%	117,595	.69%
John R. Garbarino	896,349	7.03%	896,349	5.14%
Donald E. McLaughlin	86,675	.70%	86,675	.51%
Diane F. Rhine	68,780	.55%	68,780	.40%
John E. Walsh	79,022	.64%	79,022	.46%
<b>All directors and senior executive officers as a group</b> (12 persons)	1,866,073	14.17%	1,866,073	10.45%

(1) Based on the 12,371,768 shares of OceanFirst common stock outstanding on July 22, 2009, and the 4,694,805 shares of OceanFirst common stock estimated to be issued to the shareholders of Central Jersey as a result of the merger.

**Central Jersey**

As of August 5, 2009, the following were market makers for Central Jersey's common stock: UBS Securities LLC; Citadel Derivatives Group LLC; Susquehanna Capital Group; Sandler O'Neill; Knight Equity Markets, L.P.; Keefe, Bruyette & Woods; Sterne, Agee & Leach, Inc.; NASDAQ Execution Services LLC; Stifel Nicolaus & Co.; Int'l Securities Exchange; Hudson Securities, Inc.; Susquehanna Financial Group; and Domestic Securities, Inc.

As of August 5, 2009, the approximate number of registered holders of Central Jersey's common stock was 628.

Central Jersey has not paid any cash dividends on its common stock and does not presently intend to declare or pay cash dividends. Central Jersey's dividend policy is subject to certain regulatory considerations and the discretion of its board of directors and depends upon a number of factors, including operating results, financial condition and general business conditions. Holders of Central Jersey common stock are entitled to receive dividends as, if and when declared by Central Jersey's board of directors out of funds legally available therefore, subject to the restrictions set forth under the Federal Bank Holding Company Act. Subject to the provisions of the

**Table of Contents**

Capital Purchase Program under the TARP, Central Jersey may pay cash dividends without regulatory approval if net income available to common shareholders fully funds the proposed dividends, and the expected rate of earnings retention is consistent with capital needs, asset quality and overall financial condition.

For so long as any shares of Central Jersey's series A preferred stock are outstanding, Central Jersey is not permitted to declare or pay cash dividends on its common stock unless all dividends on the shares of series A preferred stock have been paid in-full. Further, unless the shares of series A preferred stock are redeemed or fully transferred to third parties, Central Jersey is prohibited from increasing its common stock dividends without prior approval of the U.S. Department of the Treasury until December 23, 2011, which is the third anniversary of the investment by the U.S. Department of the Treasury in Central Jersey.

The following table sets forth the beneficial ownership (as defined in Rule 13d-3 of the Exchange Act) of OceanFirst common stock as of July 22, 2009 and on a pro forma basis assuming the consummation of the merger of Central Jersey with and into OceanFirst, by (1) each Central Jersey shareholder or group of Central Jersey shareholders known by Central Jersey to be the beneficial owner of greater than 5% of Central Jersey's outstanding common stock, (2) each director of Central Jersey, and (3) all directors and executive officers of Central Jersey as a group. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities.

Name	Total Number of OceanFirst Shares Beneficially Owned	Percent of OceanFirst Common Stock Outstanding	Pro Forma Total Number of Shares of OceanFirst Beneficially Owned (1)	Pro Forma Percent of OceanFirst Common Stock Outstanding (2)
<b>5% Owners</b>				
Linda Brockriede (3)	0		234,695	1.38%
<b>Directors</b>				
James G. Aaron, Esq.	0		108,521	0.64%
Mark R. Aikins, Esq.	0		41,147	0.24%
John A. Brockriede (3)	0		234,695	1.38%
George S. Callas	0		68,632	0.40%
Paul A. Larson, Jr.	0		31,133	0.18%
John F. McCann	0		83,336	0.49%
Carmen M. Penta, CPA	544	*	36,810	0.22%
Mark G. Solow	0		75,684	0.44%
James S. Vaccaro	0		49,981	0.29%
Robert S. Vuono	0		24,831	0.15%
<b>All directors and senior executive officers as a group (11 persons)</b>	544	*	768,051(4)	4.50%

\* Indicates less than one-hundredth of 1%

- (1) The number of shares of OceanFirst common stock that each beneficial owner will receive at the closing of the merger with respect to options to acquire shares of Central Jersey common stock is dependent upon the closing price of Central Jersey's common stock on the last trading day before the closing relative to the exercise prices of the options held by him or her. For the purpose of this calculation, we have assumed a share price of \$5.30 per share for Central Jersey's common stock, which is the closing price of Central Jersey's common stock on July 22, 2009. As a result, share numbers are estimates and are subject to change based on the closing price of Central Jersey's common stock on the last trading day before the closing of the merger.

**Table of Contents**

- (2) Based on the 12,371,768 shares of OceanFirst common stock outstanding on July 22, 2009, and the 4,694,805 shares of OceanFirst common stock estimated to be issued to the shareholders of Central Jersey as a result of the merger.
  
- (3) John A. Brockriede and Linda Brockriede are husband and wife and together beneficially own a total of 494,813 shares of Central Jersey common stock, which represents 5.42% of Central Jersey's outstanding common stock.
  
- (4) Includes 13,281 shares beneficially owned by Anthony Giordano, III. Mr. Giordano is the Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary of Central Jersey.



**Table of Contents**

**SPECIAL MEETING OF CENTRAL JERSEY SHAREHOLDERS**

**Date, Place, Time and Purpose**

Central Jersey's board of directors is sending you this document to request that you allow your shares of Central Jersey common stock to be represented at the special meeting by the persons named in the enclosed proxy card. At the special meeting, the Central Jersey board of directors will ask you to vote your shares on a proposal to approve the merger agreement. You also will be asked to vote your shares on a proposal to adjourn the special meeting if necessary to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement. The special meeting will be held at Branches Catering Hall, 123 Monmouth Road (Route 71), West Long Branch, New Jersey, at 9:00 a.m., Eastern time, on October 1, 2009.

**Who Can Vote at the Meeting**

You are entitled to vote if the records of Central Jersey showed that you held shares of Central Jersey common stock as of the close of business on August 5, 2009. As of the close of business on that date, a total of 9,143,103 shares of Central Jersey common stock were outstanding. Each share of Central Jersey common stock has one vote. If you are a beneficial owner of shares of Central Jersey common stock held by a broker, bank or other nominee (*i.e.*, in street name) and you want to vote your shares in person at the special meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

**Quorum; Vote Required**

The special meeting will conduct business only if a majority of the outstanding shares of Central Jersey common stock entitled to vote is represented in person or by proxy at the special meeting. If you return valid proxy instructions or attend the special meeting in person, your shares will be counted for purposes of determining whether there is a Quorum, even if you abstain from voting. Broker non-votes also will be counted for purposes of determining the existence of a Quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of Central Jersey common stock for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

Approval of the merger agreement will require the affirmative vote by holders of a majority of the outstanding shares of Central Jersey common stock voted at the Central Jersey special meeting; provided that a Quorum is established at the special meeting. Broker non-votes and failure to return a properly executed proxy card or to vote in person will not be counted as a vote for or against the proposal to approve the merger agreement. Abstentions from voting will have the same effect as voting against the proposal to approve the merger agreement.

The affirmative vote of the majority of votes cast is required to approve the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement.

**Shares Held by Central Jersey Officers and Directors and by OceanFirst**

As of August 5, 2009, directors and executive officers of Central Jersey beneficially owned 1,416,774 shares of Central Jersey common stock, not including shares that may be acquired upon the exercise of stock options. This equals 15.5% of the outstanding shares of Central Jersey common stock. As of the same date, OceanFirst and its subsidiaries and their directors and executive officers owned 0 shares of Central Jersey common stock.

## **Table of Contents**

### **Voting and Revocability of Proxies**

You may vote in person at the special meeting or by proxy. To ensure your representation at the special meeting, Central Jersey recommends that you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

Central Jersey shareholders whose shares are held in street name by their broker, bank or other nominee must follow the instructions provided by their broker, bank or other nominee to vote their shares. Your broker or bank may allow you to deliver your voting instructions via the telephone or the Internet.

Voting instructions are included on your proxy form. If you properly complete and timely submit your proxy, your shares of Central Jersey common stock will be voted as you have directed. You may vote for, against, or abstain with respect to the proposal to approve the merger agreement and the proposal to adjourn the special meeting. If you are the record holder of your shares of Central Jersey common stock and submit your proxy without specifying a voting instruction, your shares of Central Jersey common stock will be voted FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement. Central Jersey's board of directors recommends a vote FOR the proposal to approve the merger agreement and FOR approval of the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement.

You may revoke your proxy before it is voted by:

filing with the Secretary of Central Jersey a duly executed revocation of proxy;

submitting a new proxy with a later date; or

voting in person at the special meeting.

Attendance at the special meeting will not, in and of itself, constitute a revocation of a proxy. All written notices of revocation and other communication with respect to the revocation of proxies should be addressed to:

Central Jersey Bancorp

Robert S. Vuono, Secretary

1903 Highway 35

Oakhurst, New Jersey 07755

If any matters not described in this document are properly presented at the special meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares of Central Jersey common stock. Central Jersey does not know of any other matters to be presented at the special meeting.

### **Solicitation of Proxies**

Central Jersey will pay for this proxy solicitation. In addition to soliciting proxies by mail, Georgeson, Inc., a proxy solicitation firm, will assist Central Jersey in soliciting proxies for the special meeting. Central Jersey will pay \$5,000 for these services. Central Jersey will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions. Additionally, directors, officers and employees of Central Jersey may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies.



## **Table of Contents**

### **SPECIAL MEETING OF OCEANFIRST SHAREHOLDERS**

#### **Date, Place, Time and Purpose**

OceanFirst's board of directors is sending you this document to request that you allow your shares of OceanFirst common stock to be represented at the special meeting by the persons named in the enclosed proxy card. At the special meeting, the OceanFirst board of directors will ask you to vote your shares on a proposal to approve the merger agreement. You also will be asked to vote your shares on a proposal to adjourn the special meeting if necessary to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement. The special meeting will be held at Crystal Point Yacht Club, 3900 River Road, Point Pleasant, New Jersey, at 11:00 a.m., Eastern time, on October 1, 2009.

#### **Who Can Vote at the Meeting**

You are entitled to vote if the records of OceanFirst showed that you held shares of OceanFirst common stock as of the close of business on August 5, 2009. As of the close of business on that date, a total of 12,371,768 shares of OceanFirst common stock were outstanding. Each share of OceanFirst common stock has one vote. If you are a beneficial owner of shares of OceanFirst common stock held by a broker, bank or other nominee (*i.e.*, in street name) and you want to vote your shares in person at the special meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

#### **Quorum; Vote Required**

The special meeting will conduct business only if a majority of the outstanding shares of OceanFirst common stock entitled to vote is represented in person or by proxy at the special meeting. If you return valid proxy instructions or attend the special meeting in person, your shares will be counted for purposes of determining whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted for purposes of determining the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of OceanFirst common stock for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

Approval of the merger agreement will require the affirmative vote of a majority of the outstanding shares of OceanFirst common stock entitled to vote at the special meeting. Failure to return a properly executed proxy card or to vote in person will have the same effect as a vote against the proposal to approve the merger agreement. Broker non-votes and abstentions from voting will have the same effect as voting against the proposal to approve the merger agreement.

The affirmative vote of the majority of votes cast is required to approve the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement.

#### **Shares Held by OceanFirst Officers and Directors and by Central Jersey**

As of August 5, 2009, directors and executive officers of OceanFirst beneficially owned 1,067,610 shares of OceanFirst common stock, not including shares that may be acquired upon the exercise of stock options. This equals 8.63% of the outstanding shares of OceanFirst common stock. As of the same date, Central Jersey and its subsidiaries and their directors and executive officers owned 544 shares of OceanFirst common stock. This equals less than 0.01% of the total outstanding shares of OceanFirst common stock.

#### **Voting and Revocability of Proxies**

You may vote in person at the special meeting or by proxy. To ensure your representation at the special meeting, OceanFirst recommends that you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

**Table of Contents**

OceanFirst shareholders whose shares are held in street name by their broker, bank or other nominee must follow the instructions provided by their broker, bank or other nominee to vote their shares. Your broker or bank may allow you to deliver your voting instructions via the telephone or the Internet.

Voting instructions are included on your proxy form. If you properly complete and timely submit your proxy, your shares of OceanFirst common stock will be voted as you have directed. You may vote for, against, or abstain with respect to the proposal to approve the merger agreement and the proposal to adjourn the special meeting. If you are the record holder of your shares of OceanFirst common stock and submit your proxy without specifying a voting instruction, your shares of OceanFirst common stock will be voted FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement. OceanFirst's board of directors recommends a vote FOR the proposal to approve the merger agreement and FOR approval of the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement.

You may revoke your proxy before it is voted by:

filing with the Secretary of OceanFirst a duly executed revocation of proxy;

submitting a new proxy with a later date; or

voting in person at the special meeting.

Attendance at the special meeting will not, in and of itself, constitute a revocation of