LETTER TO SHAREHOLDERS

Joseph R. Ficalora
President & Chief Executive Officer

FELLOW SHAREHOLDERS:

The strength of New York Community Bancorp, Inc. has never been greater, or more significant to our future, than it is today.

Everything about us serves to validate this statement: the earnings growth we've achieved to date, and expect to achieve going forward; the loans that we originate, and their consistent quality; our growing share of deposits in the New York metropolitan region; the extent of our efficiency, despite the magnitude of our growth; the success of our M&A strategy, and our success in the capital markets; and the significant value we've returned to our shareholders to date.

While most of you are familiar with our record of achievement, many of you are likely to be new to the Company. As 2003 was our tenth full year as a publicly traded institution, the opportunity to reflect on our industry-leading performance is undeniably present; at the same time, the opportunity to share our expectations for 2004 is similarly great. In the pages ahead, it will be my intent to fulfill both of these objectives, and to paint for you, at least verbally, a portrait of our strength.

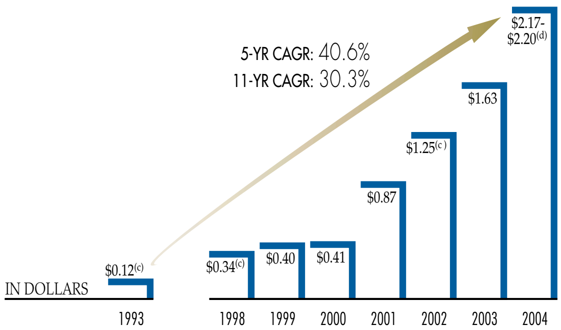
AN INDUSTRY-LEADING PERFORMANCE

I'd like to begin by focusing on our 2003 performance, which emphatically extended our historic record of earnings growth. In 2003, our earnings rose 41%, to $323.4 million, equivalent to a 32% rise in diluted earnings per share to $1.65. At 2.26%, our return on average assets was 145 basis points above the industry average, and 128 basis points above the average for the nation's 100 largest thrifts. At 20.74%, our return on average stockholders' equity was similarly outstanding, exceeding the comparable averages by 1,217 and 941 basis points.

For the ten years ended December 31, 2003, our earnings rose at a 39% compound annual growth rate, a CAGR that likely stands unrivaled by any other U.S. thrift. From 1993 through 1999, our growth was solely fueled by solid fundamentals: loan production, asset quality, and efficiency. From 2000 through 2003, these basic strengths continued to drive our earnings, but were substantially augmented by accretive mergers with three in-market thrifts.

This certainly proved to be the case with our most recent transaction, our merger with Roslyn Bancorp, Inc. on October 31, 2003. Like our prior transactions, in 2000 and 2001, the Roslyn merger resulted in a significant increase in assets while, at the same time, expanding our franchise and our customer base. At December 31, 2003, our assets totaled $23.4 billion, signifying a $12.1 billion, or 107%, year-over-year increase; our deposits totaled $10.3 billion, signifying a year-over-year increase of $5.1 billion, or 97%. The addition of Roslyn's 39 branch offices, including 28 on Long Island, boosted our share of deposits, especially in Nassau County where we now enjoy the second largest deposit share among

Diluted Core EPS[a][b]



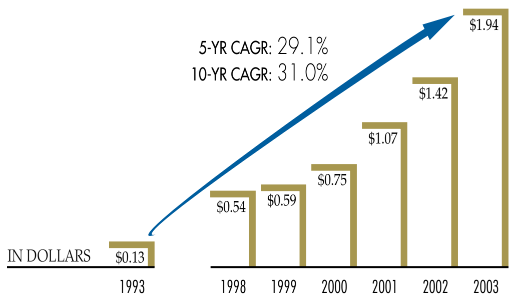
(a) Please see the discussion and reconciliation of core and GAAP earnings on page 14.

(b) Amounts have been adjusted to reflect nine stock splits, including 4-for-3 stock splits on 5/21/03 and 2/17/04.

(c) In 1993, 1998, and 2002, the Company's diluted core earnings per share were identical to its diluted GAAP earnings per share.

(d) Company estimates issued on 1/26/04.

Diluted Cash EPS[a][b]



(a) Please see the discussion and reconciliation of cash and GAAP earnings on page 13.

(b) Amounts have been adjusted to reflect nine stock splits, including 4-for-3 stock splits on 5/21/03 and 2/17/04.

that county's thrifts. Though unrelated, we also enjoy the second highest deposit share among all thrifts in our native Queens County; on Staten Island, we enjoy the second highest deposit share among all banks.

While our 2003 earnings reflect just two months of combined operations with Roslyn, the favorable impact augurs well for the full-year benefit we expect to enjoy in 2004. But before we move onto the current year, I'd like to address the other significant factors that contributed to our earnings growth in 2003.

A RECORD VOLUME OF LOAN PRODUCTION

High on the list is the volume of loans produced, which exceeded all prior Company records and boosted our loans outstanding well past the $10 billion mark. Originations totaled $4.3 billion in 2003, exceeding the year-earlier level by $1.7 billion—and, by $293.5 million, the eight preceding years' volume combined.

Of the loans produced in 2003, $3.4 billion were secured by multi-family buildings, up from $2.1 billion in 2002. By December 31st, the portfolio of multi-family loans had grown to $7.4 billion, signifying a $2.9 billion, or 64%, increase, year-over-year. While the Roslyn merger contributed approximately $1.4 billion to the year-end 2003 total, the remainder of the increase stemmed entirely from organic growth. At the start of the year, our projections called for a 20% rise in multi-family loans outstanding. Backing out the loans we acquired in the Roslyn merger, the actual increase amounted to a solid 33%. Notwithstanding the increase in the number of banks competing in our market, we maintained our long-held status as the leading multi-family lender for portfolio in New York City, where the vast majority of the buildings securing our loans are located.

While the reasons for our focus on such loans are well known to long-time investors, they certainly bear repeating for those of you who are newer to the Company. First, the yields on multi-family loans are typically higher than the yields on one-to-four family credits. Secondly, such loans are less costly to originate and service than one-to-four family loans. Because they refinance within three to five years, multi-family loans are far less susceptible to interest rate risk than many other types of assets. And, finally, our record of asset quality with such loans is likely unsurpassed. We have not had a loss on a multi-family loan within our local market for more years than I can remember; if pressed to be more specific, I'd have to say for twenty years or more.

The appeal of multi-family loans is specific to our particular niche of rent-controlled and -stabilized buildings, most of which are located in the boroughs of Manhattan, Brooklyn, and Queens. Because the rents on these buildings are subject to specific rent-control laws, they are typically well below market. As a result, such buildings tend to be fully occupied even in times of economic distress. Furthermore, the amount of every loan we make is based on the cash flows produced by the building, rather than the market value, which can more easily decline. As a result, such loans are highly consistent with our risk-averse focus and with our key objective of growing earnings without sacrificing asset quality.

STELLAR ASSET QUALITY

Just how solid is the quality of the Company's assets? Despite the growth of our balance sheet over the past four quarters, the quality of our assets remained essentially unchanged at December 31st. The fourth quarter of 2003 was our 37th consecutive quarter without any net charge-offs, and our ratio of non-performing assets to total assets held steady at 0.15%. This contrasts rather favorably with the 0.66% industry average and the average for the nation's 100 largest thrifts, which was 0.46%.

A PORTRAIT OF STRENGTH

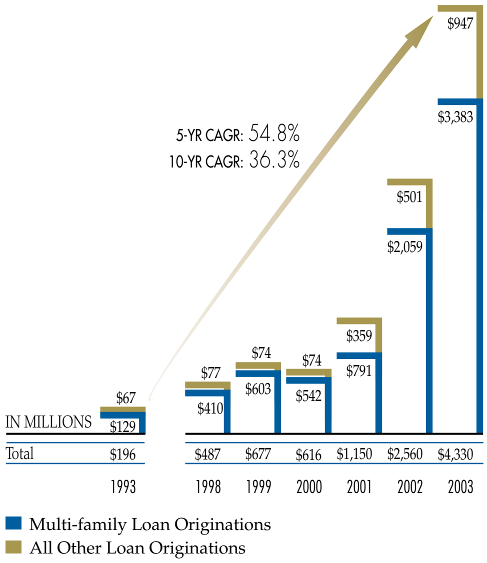
Among the many strengths that distinguish us from other financial institutions is the divisional structure of our primary subsidiary, New York Community Bank. We've chosen to operate the Bank through seven local divisions, each of which serves, and is well established within, a specific community. Six of our divisional banks came to us through our various merger transactions; the seventh holds the name of our forebear, Queens County Savings Bank.

The rationale for this unique approach stems from our observation that there is considerable value in maintaining a name that has been around for decades, and that is also highly respected within its marketplace.

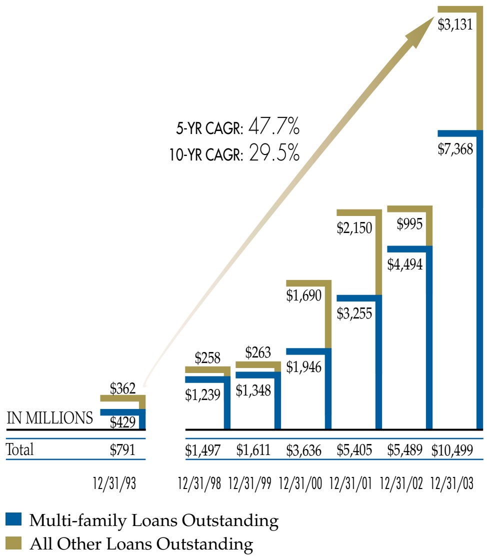
For example, Queens County Savings Bank has been serving Queens since the mid 1800s, having been founded in 1859. The next five of our divisional banks were also established before the next century started: Roslyn Savings Bank, in 1876, serving Nassau and Suffolk counties; Richmond County Savings Bank, in 1886, serving the borough of the same name; Roosevelt Savings Bank, in 1895, serving the borough of Brooklyn; and First Savings Bank of New Jersey, in 1889, serving the city of Bayonne. The name "CFS Bank" appears fairly new, having been coined in the 1990s—until you remember that it stands for Columbia Federal Savings Bank, also established in 1889. Our youngest division, Ironbound Bank, was established just shy of a century later, but has secured a solid presence in the community from which it draws its name.

By preserving the names of these time-honored banks, we've also preserved the valued relationships they developed, and the considerable brand equity they created, during their stand-alone years. At the same time, we have shown our respect for the banks that have merged with and into our institution, and for the hundreds of thousands of customers who have supported them with their loyalty.

Loan Originations



Loans Outstanding



While multi-family loans continue to be our Company's principal asset, the merger with Roslyn enabled us to add a complementary portfolio of residential subdivision construction loans to our asset mix. While such loans represented less than 10% of total loans last December, they are likely to represent a larger percentage by the end of 2004. Although, on the surface, such loans would appear to differ significantly from our multi-family credits, they possess certain characteristics that make them alike in the ways that matter most.

Like our multi-family loans, these subdivision construction loans are extremely short-term in nature, making them far less susceptible to interest rate risk. In addition, such loans are made to experienced and highly reputable builders, with whom the Company, through Roslyn, has had several years' experience. Because the proceeds of the loan are distributed as each unit is sold—in other words, in small pieces—the potential for credit risk is significantly reduced. At the time of the merger, more than a decade had passed since Roslyn recorded a loss on this type of credit. Clearly, we expect to extend this record now that their portfolio is ours.

A PROFITABLE LEVERAGED GROWTH STRATEGY

Another contributing factor to the year-over-year rise in our 2003 earnings was the leveraged growth of our securities portfolio. Capitalizing on the steepest yield curve in more than a decade, we increased our use of borrowed funds from January through October, and invested them in mortgage-backed and -related securities at favorable spreads. In the last two months of 2003, the portfolio growth that might have occurred as a result of the Roslyn merger was, to a large degree, offset by a significant volume of securities redemptions and sales. The cash flows produced were primarily deployed into multi-family and subdivision construction loans that were not only higher yielding but also more in keeping with our aversion to credit and interest rate risk.

A 33% RISE IN CORE REVENUES

The combination of leveraged growth, loans produced, and the Roslyn merger resulted in a 33% increase in 2003 core revenues. Net interest income rose 35% year-over-year, to $505.0 million, while core other operating income rose 24% to $126.4 million. The latter amount excludes a $37.6 million gain on the sale of our South Jersey Bank Division in December, which served to offset a $20.4 million merger-related charge during the same time. The net after-tax effect of these two events was a net gain of $3.7 million, equivalent to $0.02 per diluted share. When this amount is excluded from the 2003 diluted earnings per share we recorded, the $1.63 remaining is still 30% higher than the $1.25 diluted earnings per share we recorded in 2002.[1]

The same combination of factors that contributed to the rise in net interest income also produced a 3.82% interest rate spread and a 3.94% net interest margin, which exceeded the 2003 industry averages by 85 and 73 basis points. In addition, our spread and margin were 95 and 81 basis points wider than the average measures for the nation's 100 largest thrifts.

A HIGHLY EFFICIENT OPERATION

While loan production and asset quality were key components of our 2003 financial performance, so, too, was our consistent focus on efficiency. Despite the growth of our Company, and the expansion of our branch network, we continue to rank among the nation's most efficient thrifts. At 23.59%, our core efficiency ratio contrasts dramatically with the 65.96% industry average and the average for the 100 largest thrifts, which was 58.83%.[2] Our ability to contain our costs, despite the magnitude of our expansion, is supported by the operational strategies we pursue.

For example, while one-to-four family and consumer loans represent less than 10% of total loans outstanding, we nonetheless offer an extensive menu of such loans to our customer base. Applications are taken and processed by an independent third party, thus reducing our expenses, and sold to such party within ten days of closing for a fee, thus increasing our revenues. Another source of efficiency stems from the success of our branch network. At December 31, 2003, our average balance of deposits per traditional branch amounted to $114 million, as compared to the thrift industry average of $63 million per branch.[3] Yet another

(1) Please see the discussion of revenues on page 12 and the discussion of core and GAAP earnings on page 14.
(2) Please see the discussion of the efficiency ratio on page 11, and the discussion of core and GAAP earnings on page 14.
(3) Data Source: FDIC

source of efficiency has been our preferred mode of branch expansion, i.e., mergers and acquisitions. Less than three and a half years ago, our Company had 14 locations; today, we have 140, including 121 that were acquired through M&A.

ACCRETIVE MERGER TRANSACTIONS

While enhancing our efficiency has been one key benefit of our merger transactions, the contribution they've made to our earnings growth has been paramount. Before the merger with Roslyn, our 2004 projections called for diluted earnings per share of $1.73, at the midpoint. Today, we are projecting diluted earnings per share in the range of $2.17 to $2.20. The Roslyn merger is thus expected to be 25% to 27% accretive to 2004 earnings, which are expected to be 33% to 35% higher than our 2003 diluted core earnings per share. Our transactions with Haven Bancorp and Richmond County Financial Corp. were also highly accretive. In 2002, the combined accretion from these two mergers exceeded 129%.

> In our first ten years of public life, we have built incredible value for those who have invested in our company. Our current annualized dividend reflects a 91% cash-on-cash return to our charter investors, as well as our ability to generate, year-after-year, significant earnings growth. With projected 2004 diluted earnings per share in the range of $2.17 to $2.20, the increase in diluted earnings per share from 1993 through the end of this December is expected to be as high as 1,733%.

INDUSTRY-LEADING RETURNS TO INVESTORS

Earlier this month, *The Wall Street Journal* published its annual "Shareholder Scoreboard," which identified the nation's leading companies, based on total returns through December 31, 2003. I'm pleased to report that New York Community Bancorp ranked twelfth among all companies—not just thrifts—on the basis of our ten-year total return to investors, and first among the nation's thrifts, based on our five- and ten-year total returns. At 81%, our one-year total return at that date was unquestionably impressive; at 128%, our one-year total return at March 1, 2004 is likely the industry's best.

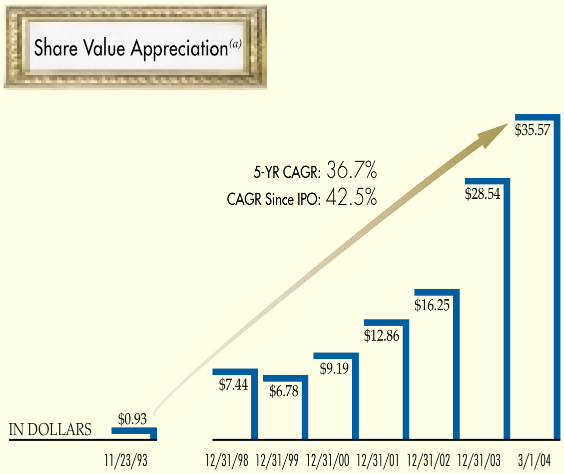
Given our M&A strategy, and our ongoing goal of growing through merger transactions, the total returns received by those who acquired our stock through our combinations with Haven, Richmond County, and Roslyn have also been substantial, amounting to 809%, 292%, and 74%, respectively, through the 1st of March. We firmly believe that shares of New York Community Bancorp comprise the most attractive currency in the market, and that the total returns we've provided will serve to enhance the likelihood of our doing additional deals.

This may also explain the success we achieved in the capital markets during our recent capital-raising campaign. On January 27, 2004, we sold 13.5 million shares of our common stock in a follow-on offering that took all of 45 minutes, generating net proceeds of $399.5 million for the Company. The purpose of the offering was to enhance our tangible capital levels, a goal which it accomplished almost effortlessly. The proceeds boosted our tangible stockholders' equity to $1.3 billion and were 39% accretive to our tangible book value per share.

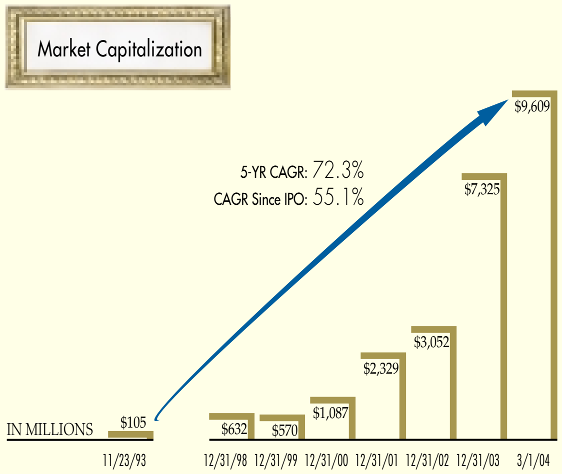
Total returns are, by the way, a function of two factors: stock price appreciation and the amount paid to investors in the form of quarterly cash dividends. While the extent to which our stock rises and falls is not within our power, the amount of our quarterly dividends certainly is. In 2003, the quarterly cash dividend was raised four times by our Board of Directors, and in 2004, it has already been raised once again. Even before the federal tax laws were changed, making dividends more attractive, the Company had a history of returning value to investors in the form of increasing dividends. Since September 30, 1994, when our first quarterly dividend was paid, the dividend has risen 75 times over, including a 67% increase in 2003.

At the same time, our shareholders have continued to benefit from an increase in their holdings. The Company has split its stock nine times in ten years of public trading, including 4-for-3 stock splits on May 21, 2003 and February 17, 2004. As a result of the splits, a shareholder with 100 shares on January 1, 2003 had 177 shares fourteen months later, during which time the dividend rose 87%.

We've also enhanced share value through our aggressive share repurchase program, which has, essentially, been in effect since October 1994. Through the end of last year, the total value of shares repurchased exceeded $725 million, including $237.9 million in 2003. With only 410,000 shares still available for repurchase under our June 26, 2003 authorization, the Board of Directors authorized the repurchase of up to an additional five million shares on February 26, 2004.



(a) Amounts have been adjusted to reflect nine stock splits, including 4-for-3 stock splits on 5/21/03 and 2/17/04.



Our business model has been proven to create shareholder value; the extent to which it's succeeded is evident in our total returns to date. From November 23, 1993 through March 1, 2004, the total return to investors amounted to a remarkable 4,786%.

In the months ahead, we will continue to manage our capital to enhance shareholder value, using the tools we've used before, as market conditions warrant and other corporate initiatives suggest. While no guarantees can be prudently made regarding stock price appreciation, we can guarantee that our focus is aimed exactly where it belongs. We will strive to maintain our status as the industry's leading performer, through a combination of loan production, asset quality, and efficiency. Should we decide to do another deal, it will be for one purpose only: to enhance the value of your shares. We will not grow for the sake of growth, or just to keep up with our neighbors. Any merger transaction we do must benefit our investors, or it simply will not be done.

LOOKING FORWARD

Why are we so convinced of our ability to prosper in the future? A handful of good reasons come immediately to mind. First, the resources at our disposal are far greater than they were before the Roslyn merger. The deposits we gained, and the cash flows produced by the portfolios we acquired, were profitably invested by the end of the fourth quarter into higher yielding, more risk-averse loans. Our current projections call for a 20% net increase in loans by the end of December. Based on the volume of loans produced to date and our present pipeline, I'd say that we are very much on track to accomplish this goal.

Second, we have an increasingly flexible balance sheet, one designed to facilitate action when the time comes to capitalize on changes in market conditions and interest rates. The greater our flexibility, the less is our exposure to volatility in the local real estate market and the economy.

Next, the sheer size of our balance sheet bodes well for future earnings. With average interest-earning assets now approaching $21 billion, our capacity to earn has been significantly enhanced.

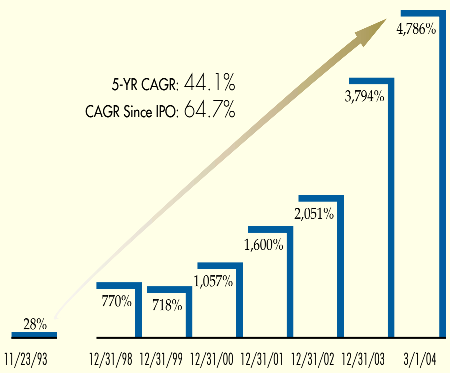
The addition of 39 new offices will also work in our favor. With a significantly larger customer base, the opportunity to cross-sell more of our products has been considerably augmented. With more loans produced, and more products sold, our revenues will be growing, at the same time as our level of efficiency is maintained. The result is expected to be a significant increase in 2004 earnings, resulting in a 33% to 35% rise in our diluted core earnings per share, as mentioned before.

Our expectations of future growth also stem from the absolute knowledge that while we certainly are larger, we are, fundamentally, the same company as we were before. Our lending niche is still the same—only the size of our loans may be greater. We have more loans in our portfolio—but our underwriting standards haven't changed. Our branches have grown exponentially, as has our

STANDING (L TO R): Michael P. Puorro, *Executive Vice President and Chief Financial Officer*; Daniel L. Murphy, *Executive Vice President and Chief Retail Banking Officer*; Thomas R. Cangemi, *Senior Executive Vice President, Capital Markets Group*; and James J. O'Donovan, *Senior Executive Vice President and Chief Lending Officer*

SEATED (L TO R): Joseph R. Ficalora, *President and Chief Executive Officer,* and Robert Wann, *Senior Executive Vice President and Chief Operating Officer*

Total Returns to Investors



menu of products—but our industry-leading efficiency has been consistently maintained. Our Board of Directors and management team have been augmented through recent additions—but the commitment of those who have joined us is identical to our own. We are uniform in our focus on enhancing share value and united in our approach.

IN CONCLUSION

I've said it before and will again, as this letter draws to conclusion: We are better positioned today to generate share value than we have been at any prior time in our stellar history. This is a fairly strong statement to make, given our past performance, but it is nonetheless my assessment of our prospects at this date.

We are confident that our 2004 results will once again illustrate the strength of New York Community Bancorp, and our commitment to creating value on your behalf. You, in turn, can be certain of the constancy of our focus. After all, more than 20% of the Company's outstanding shares are held by our Co-Chairmen, our fellow directors, our executive management team, and our staff.

We are truly grateful to our staff for sharing our commitment, and to each of you for the confidence your investment in us conveys. I look forward to reporting this time next year on another solid performance, one that will once again constitute a portrait of unassailable strength.

Sincerely yours,

Joseph R. Ficalora
President and Chief Executive Officer
March 1, 2004