

Magyar Bancorp, Inc.
Form 10-Q
February 16, 2010

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2009

Commission File Number 000-51726

Magyar Bancorp, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware 20-4154978
(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification Number)

400 Somerset Street, New Brunswick, New Jersey 08901
(Address of Principal Executive Office) (Zip Code)

(732) 342-7600
(Issuer's Telephone Number including area code)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark 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 Accelerated filer
Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 1, 2010
Common Stock, \$0.01 Par Value	5,767,434

MAGYAR BANCORP, INC.

Form 10-Q Quarterly Report

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

MAGYAR BANCORP, INC. AND SUBSIDIARY
Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Data)

	December 31, 2009	September 30, 2009
	(Unaudited)	
Assets		
Cash	\$ 3,423	\$ 3,529
Interest earning deposits with banks	605	4,392
Total cash and cash equivalents	4,028	7,921
Investment securities - available for sale, at fair value	13,836	18,083
Investment securities - held to maturity, at amortized cost (fair value of \$53,680 and \$55,997 at December 31, 2009 and September 30, 2009, respectively)	53,724	55,951
Federal Home Loan Bank of New York stock, at cost	3,165	3,178
Loans receivable, net of allowance for loan losses of \$5,819 and \$5,807 at December 31, 2009 and September 30, 2009, respectively	434,811	438,997
Bank owned life insurance	11,110	10,996
Accrued interest receivable	2,150	2,207
Premises and equipment, net	20,396	20,622
Other real estate owned	8,976	5,562
Other assets	5,641	1,690
Total assets	\$ 557,837	\$ 565,207
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$ 441,888	\$ 448,517
Escrowed funds	1,205	1,246
Federal Home Loan Bank of New York advances	54,854	55,127
Securities sold under agreements to repurchase	15,000	15,000
Accrued interest payable	593	675
Accounts payable and other liabilities	4,462	4,615
Total liabilities	518,002	525,180
Stockholders' equity		
Preferred stock: \$.01 Par Value, 1,000,000 shares authorized; none issued	-	-
Common stock: \$.01 Par Value, 8,000,000 shares authorized; 5,923,742 issued; 5,767,434 outstanding at December 31, 2009 and		

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September 30, 2009, at cost	59	59
Additional paid-in capital	26,370	26,329
Treasury stock: 156,308 shares at December 31, 2009 and September 30, 2009, at cost	(1,897)	(1,897)
Unearned Employee Stock Ownership Plan shares	(1,432)	(1,454)
Retained earnings	17,344	17,323
Accumulated other comprehensive loss, net	(609)	(333)
Total stockholders' equity	39,835	40,027
Total liabilities and stockholders' equity	\$ 557,837	\$ 565,207

The accompanying notes are an integral part of these statements.

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MAGYAR BANCORP, INC. AND SUBSIDIARY
 Consolidated Statements of Operations
 (In Thousands, Except Per Share Data)

	For the Three Months Ended December 31,	
	2009	2008
	(Unaudited)	
Interest and dividend income		
Loans, including fees	\$5,799	\$5,798
Investment securities		
Taxable	695	834
Tax-exempt	2	33
Federal Home Loan Bank of New York stock	45	(17)
Total interest and dividend income	6,541	6,648
Interest expense		