

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

FORM 10-Q

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2004

Commission file number 000-18546

BRIDGE BANCORP, INC

(Exact name of registrant as specified in its charter)

NEW YORK
(State or other jurisdiction of incorporation or organization)

11-2934195
(I.R.S. Employer Identification Number)

2200 Montauk Highway, Bridgehampton, New York 11932
(Address of principal executive office) (Zip Code)

Issuer's telephone number, including area code (631) 537-1000

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

Yes [x] No []

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).

Yes [x] No []

There were 4,163,435 shares of common stock outstanding as of May 03, 2004.

BRIDGE BANCORP, INC.

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Item 1. Financial Statements

BRIDGE BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Condition (unaudited)

(In thousands, except share and per share amounts)

	March 31, 2004	December 31, 2003
ASSETS		
Cash and due from banks	\$13,518	\$12,906

Interest earning deposits with banks	139	133
Total cash and cash equivalents	13,657	13,039
Securities available for sale	195,982	195,341
Securities held to maturity (fair value of \$12,645 and \$14,379 at March 31, 2004 and December 31, 2003, respectively)	12,655	14,396
Total securities, net	208,637	209,737
Loans	288,827	273,188
Less:		
Allowance for loan losses	(2,143)	(2,144)
Loans, net	286,684	271,044
Banking premises and equipment, net	11,571	11,623
Accrued interest receivable	2,809	2,359
Other assets	1,738	3,811
Total Assets	\$525,096	\$511,613
LIABILITIES AND STOCKHOLDERS' EQUITY		
Demand deposits	\$142,035	\$159,405
Savings, N.O.W. and money market deposits	256,727	229,847
Certificates of deposit of \$100,000 or more	39,977	35,841
Other time deposits	31,829	32,066
Total deposits	470,568	457,159
Overnight borrowings	4,500	5,900
Accrued interest on depositors' accounts	272	266
Other liabilities and accrued expenses	4,474	5,494
Total Liabilities	479,814	468,819
Stockholders' equity:		
Common stock, par value \$.01 per share:		
Authorized: 20,000,000 shares; 4,257,597 issued; 4,163,435		
and 4,155,595 shares outstanding at March 31, 2004 and December 31, 2003, respectively	43	43
Surplus	21,283	21,194
Undivided profits	23,596	21,982
Less: Treasury Stock at cost, 94,162 and 102,002 shares at March 31, 2004 and December 31, 2003, respectively	(1,736)	(1,909)
Unearned stock awards	(174)	(81)
Accumulated other comprehensive income:	43,012	41,229
Net unrealized gain on securities, net of taxes of \$1,618,005 and \$1,151,000 at March 31, 2004 and December 31, 2003, respectively	2,441	1,736
Net minimum pension liability, net of taxes of \$113,000 at March 31, 2004 and December 31, 2003	(171)	(171)
Total Stockholders' Equity	45,282	42,794
Total Liabilities and Stockholders' Equity	\$525,096	\$511,613

See accompanying notes to the Consolidated Financial Statements

BRIDGE BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Income (unaudited)
(In thousands, except per share amounts)

Three months ended March 31,	2004	2003
Interest income:		
Loans (including fee income)	\$4,613	\$4,529
Mortgage-backed securities	888	1,071
U.S. Treasury and government agency securities	523	499
State and municipal obligations	388	405
Federal funds sold	24	40
Other securities	7	23
Deposits with banks	-	1
Total interest income	6,443	6,568
Interest expense:		
Savings, N.O.W. and money market deposits	294	447
Certificates of deposit of \$100,000 or more	119	143
Other time deposits	117	171
Federal funds purchased	9	4
Other borrowed money	-	4
Total interest expense	539	769
Net interest income	5,904	5,799
Provision for loan losses	-	-
Net interest income after provision for loan losses	5,904	5,799
Other income:		
Service charges on deposit accounts	582	550
Net securities gains	621	634
Fees for other customer services	253	202
Other operating income	135	96

Total other income	1,591	1,482
Other expenses:		
Salaries and employee benefits	1,915	1,814
Net occupancy expense	331	329
Furniture and fixture expense	243	264
Other operating expenses	914	882
Total other expenses	3,403	3,289
Income before provision for income taxes	4,092	3,992
Provision for income taxes	1,467	1,454
Net income	\$2,625	\$2,538
Basic earnings per share	\$0.63	\$0.62
Diluted earnings per share	\$0.62	\$0.61
Comprehensive income	\$3,330	\$1,818

See accompanying notes to the Consolidated Financial Statements

BRIDGE BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Stockholders' Equity (unaudited)
(In thousands, except share and per share amounts)

	Common Stock Shares Outstanding	Amount	Surplus	Comprehensive Income	Undivided Profits	Treasury Stock	Unearned Stock Awards	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2003	4,155,595	\$43	\$21,194		\$21,982	\$(1,909)	\$(81)	\$1,565	\$42,794
Net income				\$2,625	2,625				2,625
Stock awards vested	5,040		30			66	20		116
Stock awards granted			58			55	(113)		-
Exercise of stock options	2,800		1			52			53
Cash dividends declared, \$0.24 per share					(1,011)				(1,011)
Other comprehensive income, net of tax									
Unrealized gains in securities available for sale, net of tax				705				705	705
Comprehensive Income				\$3,330					
Balance at March 31, 2004	4,163,435	\$43	\$21,283		\$23,596	\$(1,736)	\$(174)	\$2,270	\$45,282

See accompanying notes to the Consolidated Financial Statements

BRIDGE BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Cash Flows (unaudited)
(In thousands)

Three months ended March 31,	2004	2003
Operating activities:		
Net Income	\$2,625	\$2,538
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	239	244
Amortization and accretion, net	329	377
Earned or allocated expense of restricted stock awards	20	35
Net securities gains	(621)	(634)
Increase in accrued interest receivable	(450)	(20)
Decrease (increase) in other assets	2,073	(428)
Increase (decrease) in accrued and other liabilities	212	(94)
Net cash provided by operating activities	4,427	2,018
Investing activities:		
Purchases of securities available for sale	(27,109)	(36,274)
Purchases of securities held to maturity	(3,250)	(400)
Proceeds from sales of securities available for sale	22,783	20,444
Proceeds from maturing securities available for sale	650	1,242
Proceeds from maturing securities held to maturity	4,991	3,685
Proceeds from principal payments on mortgage-backed securities	4,500	12,925
Net increase in loans	(15,640)	(5,554)
Purchases of banking premises and equipment, net of disposals	(187)	(101)
Net cash used by investing activities	(13,262)	(4,033)
Financing activities:		
Net increase in deposits	13,409	25,910
Decrease in other borrowings	(1,400)	(12,300)
Net proceeds from exercise of stock options issued pursuant to equity incentive plan	53	-
Cash dividends paid	(2,609)	(659)
Net cash provided by financing activities	9,453	12,951
Increase in cash and cash equivalents	618	10,936
Cash and cash equivalents beginning of period	13,039	10,807
Cash and cash equivalents end of period	\$13,657	\$21,743

Supplemental Information-Cash Flows:

Cash paid for:		
Interest	\$ 533	\$ 845
Income taxes	\$ 481	\$ 1,606
Noncash investing and financing activities:		
Dividends declared and unpaid	\$ 1,011	\$ 702

See accompanying notes to the Consolidated Financial Statements

BRIDGE BANCORP, INC. AND SUBSIDIARY

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

1. Basis of Presentation

The accompanying Unaudited Consolidated Financial Statements include the accounts of Bridge Bancorp, Inc. (the "Company") and its wholly-owned subsidiary, The Bridgehampton National Bank (the "Bank") and the Bank's two subsidiaries, a wholly-owned real estate investment trust subsidiary, Bridgehampton Community, Inc. ("BCI") and a majority owned financial subsidiary, Bridgehampton Abstract Holding LLC. The establishment of BCI provides an additional vehicle for access by the Company to the capital markets for future investment purposes. The assets transferred to BCI are viewed by the regulators as part of the Bank's assets in consolidation. In April 2002, the Bank capitalized a financial subsidiary, Bridgehampton Abstract Holding LLC. This subsidiary, through its majority investment in Bridge Abstract LLC, provides an opportunity for the Bank to include title insurance as a product offering.

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. The Unaudited Consolidated Financial Statements included herein reflect all normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. In preparing the interim financial statements, management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reported periods. Such estimates are subject to change in the future as additional information becomes available or previously existing circumstances are modified. Actual future results could differ significantly from those estimates. The annualized results of operations for the three months ended March 31, 2004 are not necessarily indicative of the results of operations that may be expected for the entire fiscal year. Certain information and note disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission. The Unaudited Consolidated Financial Statements should be read in conjunction with the Audited Consolidated Financial Statements and notes thereto included in the Company's 2003 Annual Report on Form 10-K.

2. Earnings Per Share

Diluted earnings per share, which reflects the potential dilution that could occur if outstanding stock options were exercised and stock awards were fully vested and resulted in the issuance of common stock that then shared in the earnings of the Company, is computed by dividing net income by the weighted average number of common shares and common stock equivalents.

Unaudited Computation of Per Share Income (in thousands, except per share data)	Three months ended,	
	March 31, 2004	March 31, 2003
Net Income	\$2,625	\$2,538
Common Equivalent Shares:		
Weighted Average Common Shares Outstanding	4,161	4,122
Weighted Average Common Equivalent Shares	43	27
Weighted Average Common and Common Equivalent Shares	4,204	4,149
Basic earnings per share	\$0.63	\$0.62
Diluted earnings per share	\$0.62	\$0.61

3. Repurchased Stock

During 2003, the Company reapproved its stock repurchase plan allowing the repurchase of up to 5% of its current outstanding shares. No shares were repurchased during the first quarter of 2004 and the year ended December 31, 2003, respectively.

4. Stock Based Compensation Plans

Employee compensation expense under stock options is reported using the intrinsic value method. No stock based compensation cost is reflected in net income, as all the options granted had an exercise price equal to the market price of the underlying common stock at date of grant. The following table illustrates the effect on net income and earnings per share if expense was measured using the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." We have used the Black-Scholes option pricing model to estimate the grant date fair value of our option grants.

(In thousands, except per share data)		Three months ended,	
		March 31, 2004	March 31, 2003
Net Income:	As Reported:	\$2,625	\$2,538
	Pro Forma:	\$2,579	\$2,429
Basic EPS:	As Reported:	\$0.63	\$0.62
	Pro Forma:	\$0.62	\$0.59
Diluted EPS:	As Reported:	\$0.62	\$0.61
	Pro Forma:	\$0.61	\$0.59

5. Securities

A summary of the amortized cost and estimated fair value of securities is as follows:

(In thousands)	March 31, 2004		December 31, 2003	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value

Available for sale:				
U.S. Treasury and government agency securities	\$ 54,951	\$ 56,899	\$52,855	\$54,169
State and municipal obligations	36,223	38,108	35,495	37,044
Mortgage-backed securities	99,107	99,333	102,463	102,486
Federal Reserve Bank Stock	36	36	36	36
Federal Home Loan Bank Stock	1,606	1,606	1,606	1,606
Total available for sale	191,923	195,982	192,455	195,341
Held to maturity:				
State and municipal obligations	12,655	12,645	14,396	14,379
Total held to maturity	12,655	12,645	14,396	14,379
Total debt and equity securities	\$204,578	\$208,627	\$206,851	\$209,720

Securities having a carrying value of approximately \$132,511,000 and \$122,219,000 at March 31, 2004 and December 31, 2003, respectively, were pledged to secure public deposits. The Bank did not hold any trading securities during the quarter ended March 31, 2004 or the year ended December 31, 2003.

6. Loans

The following table sets forth the major classifications of loans:

	March 31, 2004	December 31, 2003
(In thousands)		
Real estate mortgage loans	\$226,156	\$213,256
Commercial, financial, and agricultural loans	38,682	33,810
Installment/consumer loans	5,678	6,105
Real estate construction loans	18,360	20,037
Total loans	288,876	273,208
Unearned income	(49)	(20)
Allowance for loan losses	288,827	273,188
	(2,143)	(2,144)
Net loans	\$286,684	\$271,044

The principal business of the Bank is lending, primarily in commercial real estate loans, construction loans, home equity loans, land loans, consumer loans, residential mortgages and commercial loans. The Bank considers its primary lending area to be eastern Long Island in Suffolk County, New York; and a substantial portion of the Bank's loans are secured by real estate in this area. Accordingly, the ultimate collectibility of such a loan portfolio is susceptible to changes in market and economic conditions in this region.

Nonaccrual loans at March 31, 2004 and December 31, 2003 were \$265,000 and \$152,000, respectively. There were no loans 90 days or more past due that were still accruing, or any restructured loans at March 31, 2004 and December 31, 2003.

As of March 31, 2004 and December 31, 2003, the Bank did not have any impaired loans as defined in SFAS No. 114.

7. Allowance for Loan Losses

The Bank monitors its entire loan portfolio on a regular basis, with consideration given to detailed analyses of classified loans, repayment patterns, probable incurred losses, past loss experience, current economic conditions, and various types of concentrations of credit. Additions to the allowance are charged to expense and realized losses, net of recoveries, are charged to the allowance. Based on the determination of management and the Classification Committee, the overall level of reserves is periodically adjusted to account for the inherent and specific risks within the entire portfolio. Based on the Classification Committee's review of the classified loans and the overall reserve levels as they relate to the entire loan portfolio at the quarter ended March 31, 2004, management believes the allowance for loan losses is adequate. The following table sets forth changes in the allowance for loan losses.

	Quarter Ended		
	March 31, 2004	December 31, 2003	March 31, 2003
Beginning Balance	\$2,144	\$2,089	\$2,294
Provision for Loan Loss	-	-	-
Net (Charge-offs)/Recoveries	(1)	55	(63)
Ending Balance	\$2,143	\$2,144	\$2,231

8. Employee Benefits

The Bank maintains a noncontributory pension plan through the New York State Bankers Association Retirement System covering all eligible employees.

The Bridgehampton National Bank Supplemental Executive Retirement Plan ("SERP") provides benefits to certain employees, as recommended by the Compensation Committee of the Board of Directors and approved by the full Board of Directors, whose benefits under the Pension Plan are limited by the applicable provisions of the Internal Revenue Code. The benefit under the SERP is equal to the additional amount the employee would be entitled to under the Pension Plan in the absence of such Internal Revenue Code limitations. The assets of the SERP are held in a rabbi trust in order to maintain the tax-deferred status for the individuals in the plan. As a result, the assets of the trust are reflected on the Consolidated Statements of Condition of the Company.

The Company contributed approximately \$269,000 to the pension plan in the first quarter of 2004. Contributions to the SERP were approximately \$400,000 for 2004.

The Company's funding policy with respect to its benefit plans is to contribute at least the minimum amounts required by applicable laws and regulations.

(In thousands)	At March 31,			
	Pension Benefits		SERP Benefits	
Components of net periodic benefit cost	2004	2003	2004	2003
Service cost	\$69	\$65	\$16	\$15
Interest cost	50	43	13	11
Expected return on plan assets	(52)	(46)	-	-
Amortization of net loss	7	7	2	2
Amortization of unrecognized prior service				

cost	2	2	-	-
Amortization of unrecognized transition obligation	(2)	(2)	7	(7)
Net periodic benefit cost	\$74	\$69	\$38	\$21

9. Subsequent Event

Effective April 1, 2004, Bridgehampton Abstract Holding LLC acquired 100% ownership of its title insurance subsidiary, Bridge Abstract LLC. The effect of this purchase is not material to the March 31, 2004 financial statements as a whole.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Private Securities Litigation Reform Act Safe Harbor Statement

This report may contain statements relating to the future results of the Company (including certain projections and business trends) that are considered “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995 (the “PSLRA”). Such forward-looking statements, in addition to historical information, which involve risk and uncertainties, are based on the beliefs, assumptions and expectations of management of the Company. Words such as “expects,” “believes,” “should,” “plans,” “anticipates,” “will,” “potential,” “could,” “intend,” “may,” “outlook,” “predict,” “project,” “would,” “estimates,” and variations of such similar expressions are intended to identify such forward-looking statements. Examples of forward-looking statements include, but are not limited to, possible or assumed estimates with respect to the financial condition, expected or anticipated revenue, and results of operations and business of the Company, including with respect to earnings growth and cash basis; revenue growth in retail banking, lending and other areas; origination volume in the Company’s consumer, commercial and other lending businesses; current and future capital management programs; non-interest income levels, including fees from services and product sales; tangible capital generation; market share; expense levels; and other business operations and strategies. For this presentation, the Company claims the protection of safe harbor for forward-looking statements contained in the PSLRA.

Factors that could cause future results to vary from current management expectations include, but are not limited to, changing economic conditions, legislative and regulatory changes, monetary and fiscal policies of the federal government, changes in tax policies, rates and regulations of federal, state and local tax authorities, changes in interest rates, deposit flows, the cost of funds, demand for loan products, demand for financial services, competition, changes in the quality and composition of the Bank’s loan and investment portfolios, changes in management’s business strategies, changes in accounting principles, policies or guidelines, changes in real estate values and other economic, competitive, governmental, regulatory and technological factors affecting the Bank’s operations, markets, products, services and prices. The forward-looking statements are made as of the date of this report, and the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements.

Overview

Bridge Bancorp, Inc. (“the Company”), a New York corporation, is a one-bank holding company formed effective March 31, 1989. On a parent-only basis, the Company has had minimal results of operations. In the event the Company subsequently expands its current operations, it will be dependent on dividends from its wholly owned subsidiary, The Bridgehampton National Bank (“the Bank”), its own earnings, additional capital raised and borrowings

as sources of funds. The information below reflects principally the financial condition and results of operations of the Bank. The Bank’s results of operations are primarily dependent on its net interest income, which is mainly the difference between interest income on loans and investments and interest expense on deposits and borrowings. The Bank also generates other income, such as fee income on deposit accounts and merchant credit card services, debit card processing programs, income from its title insurance subsidiary, and net gains on sales of securities and loans. The level of its other expenses, such as salaries and benefits, occupancy and equipment costs, other general and administrative expenses, expenses from its title insurance subsidiary, and income tax expense, further affects the Bank’s net income. This discussion and analysis should be read in conjunction with the Audited Consolidated Financial Statements, the notes thereto, and other financial information included in the Company’s 2003 Form 10-K and this filing. Certain reclassifications have been made to prior year amounts, and the related discussion and analysis, to conform to the current year presentation.

Although our net interest margin continued its decline to 5.1% for the first quarter of 2004 as compared to 5.6% in the first quarter of 2003, our financial performance remained steady. The net interest margin was 5.2% for the year ended December 31, 2003. During the quarter, incoming cash flows were reinvested into lower yielding assets as compared to the assets migrating off the balance sheet. Growth in our balance sheet was the primary contributor to an increase in our net interest income of 1.8% or \$105,000. The increase in the net interest income was modest compared to the prior year’s first quarter. We anticipate that our balance sheet will benefit in a rising rate environment due to its asset sensitivity in the long term. However, further reductions in the net interest margin in the near term are anticipated. We anticipate a historically low net interest margin for 2004. During the first quarter of 2004, net gains recognized on sales of securities were \$621,000 as compared to net gains recognized on sales of securities of \$634,000 in the first quarter of 2003.

Loan and deposit growth contributed to our ability to grow net income. Total loans increased 13.8% and total deposits increased 8.8%, including growth of 15.3% in demand deposits, at March 31, 2004 as compared to March 31, 2003. At March 31, 2004 total assets increased 9.8% over March 31, 2003 to \$525,096,000, including 9.3% growth in investment securities. Credit quality in both the loan and investment portfolios remains strong.

Critical Accounting Policies

In accordance with Securities and Exchange Commission guidance, management believes the accounting policy on loans and the related allowance for loan loss is the most critical and requires complex management judgment as discussed below. Further discussion of the application of this critical accounting policy can be found under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2003.

The allowance for loan losses is established and maintained through a provision for loan losses based on probable incurred losses inherent in the Bank’s loan portfolio. Management evaluates the adequacy of the allowance on a quarterly basis. The allowance is comprised of both individual valuation allowances and loan pool valuation allowances.

Individual valuation allowances are established in connection with specific loan reviews and the asset classification process including the procedures for impairment testing under Statement of Accounting Standard (“SFAS”) No. 114, “Accounting by Creditors for Impairment of a Loan, an Amendment of FASB Statements No. 5 and 15,” and SFAS No. 118, “Accounting by Creditors for Impairment of a Loan - Income Recognition and Disclosures, an Amendment of FASB Statement No. 114.” Such valuation, which includes a review of loans for which full collectibility in accordance with contractual terms is not reasonably assured, considers the estimated fair value of the underlying collateral less the costs to sell, if any, or the present value of expected future cash flows, or the loan’s observable market value. Any shortfall that exists from this analysis results in a specific allowance for the loan. Pursuant to our policy, loan losses must be charged-off in the period the loans, or portions thereof, are deemed uncollectible. Assumptions and judgments by management, in conjunction with outside sources, are used to determine whether full collectibility of a loan is not reasonably assured. Assumptions and judgments also are used to determine the estimates of the fair value of the underlying collateral or the present value of expected future cash flows or the loan’s observable market value. Individual valuation allowances could differ materially as a result of changes in these assumptions and judgments. Individual loan analyses are periodically performed on specific loans considered impaired. The results of the individual valuation allowances are aggregated and included in the overall allowance for loan losses.

Loan pool valuation allowances represent loss allowances that have been established to recognize the inherent risks associated with our lending activities, but which, unlike individual allowances, have not been allocated to particular problem assets. Pool evaluations are broken down as follows: First, loans with homogenous characteristics are pooled by loan type and include home equity loans, residential mortgages, land loans and consumer loans. Then all remaining loans are segregated into pools based upon the risk rating of each credit. Key factors in determining a credit’s risk rating include management’s evaluation of: cash flow, collateral, guarantor support, financial disclosures, and management. The determination of the adequacy of the valuation allowance is a process that takes into consideration a variety of factors. The Bank has developed a range of valuation allowances necessary to adequately provide for probable incurred losses inherent in each pool of loans. We consider our own charge-off history along with the growth in the portfolio as well as the Bank’s credit administration and asset management philosophies and procedures when determining the allowances for each pool. In addition, we evaluate and consider the impact that existing and projected economic and market conditions may have on the portfolio as well as known and inherent risks in the portfolio. Finally, we evaluate and consider the allowance ratios and coverage percentages of both peer group and regulatory agency data. The ranges of loan pool valuation allowances developed by the Bank are applied to the outstanding principal balance of the loans in each pool. These evaluations are inherently subjective because, even though they are based on objective data, it is management’s interpretation of that data that determines the amount of the appropriate allowance.

The Classification Committee is comprised of both members of management and the Board of Directors. The adequacy of the reserves is analyzed quarterly, with any adjustment to a level deemed appropriate by the Classification Committee, based on its risk assessment of the entire portfolio. Based on the Classification Committee’s review of the classified loans and the overall reserve levels as they relate to the entire loan portfolio at March 31, 2004, management believes the allowance for loan losses has been established and maintained at levels adequate to reflect the probable incurred losses in the Bank’s loan portfolio. Future additions or reductions to the allowance may be necessary based on changes in economic, market or other conditions. Changes in estimates could result in a material change in the allowance. In addition, various regulatory agencies, as an integral part of the examination process, periodically review the Bank’s allowance for loan losses. Such agencies may require the Bank to recognize adjustments to the allowance based on their judgments of the information available to them at the time of their examination.

Financial Condition

Assets totaled \$525,096,000 at March 31, 2004, an increase of \$13,483,000 or 2.6% from year-end. This change is a result of increased cash and cash equivalents of \$618,000, or 4.7%, and an increase in net loans of \$15,640,000, or 5.8%. The primary source of funds for the increase in assets came from increased inflows in savings, N.O.W. and money market deposits, and certificates of deposit of \$100,000 or more of \$31,016,000, or 11.7%, while demand and other time deposits decreased by \$17,607,000 or 9.2%. This net increase of \$13,409,000 or 2.9% is primarily attributed to an increase in money market deposits by municipalities. The sales of securities were a secondary source of funds.

Total stockholders' equity was \$45,282,000 at March 31, 2004, an increase of 5.8% over December 31, 2003. The increase of \$2,488,000 was primarily the result of: net income for the three-month period ended March 31, 2004 of \$2,625,000, plus stock award vesting and stock option exercises of \$169,000, less cash dividends declared of \$1,011,000, and plus the net increase in other comprehensive income, net of tax, of \$705,000.

Analysis of Net Interest Income

Net interest income, the primary contributor to earnings, represents the difference between income on interest earning assets and expenses on interest bearing liabilities. Net interest income depends upon the volume of interest earning assets and interest bearing liabilities and the interest rates earned or paid on them.

The following table sets forth certain information relating to the Company's average consolidated statements of financial condition and its consolidated statements of income for the period indicated and reflect the average yield on assets and average cost of liabilities for the periods indicated. Such yields and costs are derived by dividing income or expense by the average balance of assets or liabilities, respectively, for the period shown. Average balances are derived from daily average balances and include non-performing loans. The yields and costs include fees, which are

considered adjustments to yields. Interest on nonaccrual loans has been included only to the extent reflected in the consolidated statements of income. For purposes of this table, the average balances for investments in debt and equity securities exclude unrealized appreciation/depreciation due to the application of SFAS No. 115.

Three months ended March 31, (In thousands)	2004			2003		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Interest earning assets:						
Loans, net (including fee income)	\$279,078	\$4,613	6.7%	\$247,696	\$4,529	7.4%
Mortgage-backed securities	90,039	888	4.0	83,193	1,071	5.2
Taxable securities	53,657	523	5.0	43,799	637	5.9
Tax exempt securities (1)	48,812	613	3.9	49,757	499	4.1
Federal funds sold	9,711	24	1.0	14,187	40	1.1
Other securities	1,642	7	1.7	1,616	23	5.8
Deposits with banks	137	-	-	108	1	3.8
Total interest earning assets	483,076	6,668	5.5	440,356	6,800	6.3
Non interest earning assets:						
Cash and due from banks	16,729			15,779		
Other assets	18,483			20,696		
Total assets	\$518,288			\$476,831		
Interest bearing liabilities:						
Savings, N.O.W. and money market deposits	\$251,020	\$294	0.5%	\$244,409	\$447	0.7%
Certificates of deposit of \$100,000 or more	36,590	119	1.3	28,398	143	2.0
Other time deposits	31,888	117	1.5	33,315	171	2.1
Federal funds purchased	2,655	9	1.4	1,135	4	1.4
Other borrowings	-	-	-	1,220	4	1.3
Total interest bearing liabilities	322,153	539	0.7	308,477	769	1.0
Non interest bearing liabilities:						
Demand deposits	147,994			122,682		
Other liabilities	3,962			4,503		
Total liabilities	474,109			435,662		
Stockholders' equity	44,179			41,169		
Total liabilities and stockholders' equity	\$518,288			\$476,831		
Net interest income/interest rate spread (2)		6,129	4.8		6,031	5.3
Net interest earning assets/net interest margin (3)	\$160,923		5.1%	\$131,879		5.6%
Ratio of interest earning assets to interest bearing liabilities			150.0%			142.8%
Less: Tax equivalent adjustment		\$(225)			\$(232)	
Net interest income		\$5,904			\$5,799	

(1) The above table is presented on a tax equivalent basis.

(2) Net interest rate spread represents the difference between the yield on interest earning assets and the cost of interest bearing liabilities.

(3) Net interest margin represents net interest income divided by average interest earning assets.

Rate/Volume Analysis

Net interest income can be analyzed in terms of the impact of changes in rates and volumes. The following table illustrates the extent to which changes in interest rates and in volume of average interest earning assets and interest bearing liabilities have affected the Bank's interest income and interest expense during the periods indicated. Information is provided in each category with respect to (i) changes attributable to changes in volume (changes in volume multiplied by prior rate); (ii) changes attributable to changes in rates (changes in rates multiplied by prior volume); and (iii) the net changes. For purposes of this table, changes, which are not due solely to volume or rate changes, have been allocated to these categories based on the respective percentage changes in average volume and rate. Due to the numerous simultaneous volume and rate changes during the period analyzed, it is not possible to precisely allocate changes between volume and rates. In addition, average earning assets include nonaccrual loans.

Three months ended
2004 Over 2003

(In thousands)	Changes Due To		
	Volume	Rate	Net Change
Interest income on interest earning assets:			
Loans (including loan fee income)	\$2,139	\$(2,055)	\$ 84
Mortgage-backed securities	488	(671)	(183)
Tax exempt securities (1)	323	(347)	(24)
Taxable securities	125	(101)	24
Federal funds sold	(11)	(5)	(16)
Other securities	3	(19)	(16)
Deposits with banks	3	(4)	(1)
Total interest earning assets	3,070	(3,202)	(132)
Interest expense on interest bearing liabilities			
Savings, N.O.W. and money market deposits	81	(234)	(153)
Certificates of deposit of \$100,000 or more	175	(199)	(24)
Other time deposits	(7)	(47)	(54)
Federal funds purchased	7	(2)	5
Other borrowings	(2)	(2)	(4)
Total interest bearing liabilities	254	(484)	(230)
Net interest income	\$2,816	\$(2,718)	\$ 98

(1) The above table is presented on a tax equivalent basis.

Capital

The Company and the Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can result in certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's and the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of the Company's and Bank's assets, liabilities, and certain off-balance sheet items calculated under regulatory accounting practices. The Company's and Bank's capital amounts and classification also are subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and the Bank to maintain minimum amounts and ratios (set forth in the following table) of total and Tier 1 capital (as defined in the

regulations) to risk weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). As of December 31, 2003, the Company and the Bank satisfied all applicable capital adequacy requirements.

The Company's only activity is the ownership of the Bank, and therefore, its capital, capital ratios, and minimum required levels of capital are substantially the same as the Bank's. At March 31, 2004 and December 31, 2003, actual capital levels and minimum required levels for the Bank were as follows:

As of March 31, (In thousands)	2004					
	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk weighted assets)	\$44,148	12.7	\$27,723	>8.0%	\$34,654	>10.0%
Tier 1 Capital (to risk weighted assets)	41,886	12.1	13,862	>4.0	20,792	>6.0
Tier 1 Capital (to average assets)	41,886	8.1	20,746	>4.0	25,933	>5.0

As of December 31, (In thousands)	2003					
	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk weighted assets)	\$42,415	12.7%	\$26,700	>8.0%	\$33,376	>10.0%
Tier 1 Capital (to risk weighted assets)	40,271	12.1	13,350	>4.0	20,025	>6.0
Tier 1 Capital (to average assets)	40,271	7.7	20,971	>4.0	26,214	>5.0

Comparison of Operating Results for the Three Months Ended March 31, 2004 and 2003

Net income for the three-month period ended March 31, 2004 totaled \$2,625,000 or \$0.62 per diluted share as compared to \$2,538,000 or \$0.61 per diluted share for the same period in 2003. Highlights for the three months ended March 31, 2004 include: (i) \$105,000 or 1.8% increase in net interest income; (ii) \$109,000 or 7.4% increase in total other income; and (iii) \$114,000 or 3.5% increase in total other expenses, over the same period in 2003. The effective income tax rate decreased to 35.85% from 36.42% for the same period last year.

Net income for the first three months of 2004 reflects annualized returns of 23.89% on average total stockholders' equity and 2.04% on average total assets as compared to 25.00% on average total stockholders' equity and 2.16% on average total assets for the preceding calendar year.

The increase in net interest income of \$105,000 or 1.8% for the current three month period over the same period last year resulted from a 9.7% increase in average total interest earning assets to \$483,076,000 from \$440,356,000 for the comparable period in 2003. The increase in average total interest earning assets was more than offset by the decrease in yields due to the continuing low interest rates being earned. Average interest bearing liabilities increased 4.4% to \$322,153,000 in 2004 from \$308,477,000 for the same period last year. The yield on average interest earning assets for the three-month period ended March 31, 2004 decreased to 5.5% from 6.3% during the same period in 2003. The cost of average interest bearing liabilities decreased to 0.7% from 1.0% during the same period in 2003. The net interest margin decreased to 5.1% from 5.6% from the same period in 2003.

The decrease in the net interest margin is primarily due to the continuing low interest rate environment, resulting in interest earning assets repricing at historically low yields. Despite the current conditions, there was an increase in the net average interest earning assets due to the growth of our balance sheet that was able to partially offset the reduction in the interest rates. The yield on the average interest earning assets has decreased at a faster pace than the decrease in the cost of average interest bearing liabilities, resulting in a negative impact on the net interest margin. Incoming cash flows were reinvested into lower yielding assets than those assets prepaying and maturing. We anticipate that our

balance sheet will benefit from asset sensitivity in the long term, however; further reductions in the net interest margin are projected which will continue to pressure current earnings.

Average loans grew by \$31,382,000 or 12.7% when compared to the same three-month period in 2003. Real estate construction and mortgage loans contributed to the growth, while commercial, financial, and agricultural loans and installment/consumer loans were predominately unchanged. Real estate mortgage loans at March 31, 2004 increased \$30,328,000 or 15.5% over March 31, 2003. Growth in real estate loans is partially attributed to an increase in both commercial real estate mortgages and home equity loans. While the Bank is committed to grow loans with prudent underwriting, reasonable pricing and limiting credit risk, the sustained low interest rate environment has mitigated the benefit to the net interest income and margin.

Total average investments increased \$15,759,000 or 8.9% compared to the same three-month period in 2003. Average mortgage-backed securities increased 8.2% to \$90,039,000 when compared to the same three-month period in 2003, while average taxable securities grew 7.8% to \$53,657,000 from \$49,757,000. Average federal funds sold decreased \$4,476,000 or 31.6% over the same period in the prior year. Incoming cash flows were deployed primarily into a diversified mix of investment in debt and equity securities.

Average deposits grew by \$38,688,000, or 9.0%, over the same three-month period last year. Components of this growth include an increase in average demand deposits of \$25,312,000 or 20.6% and an increase in average savings, NOW and money market deposits of \$6,611,000 or 2.7%. Average public fund deposits were 20.4% of total average deposits at March 31, 2004 and 22.6% of total average deposits at March 31, 2003.

The increase in total deposits is a result of the Bank's continued business development efforts in attracting new accounts through the mature branches as well as the Bank's more recently opened branches. The Bank continues to review branch expansion possibilities in new and existing markets, which is evidenced by our recent real estate purchases in 2003 in the Villages of both Westhampton Beach and East Hampton.

The Bank's loan portfolio consists primarily of real estate loans secured by commercial and residential real estate properties located in the Bank's principal lending area on eastern Long Island. The interest rates charged by the Bank on loans are affected primarily by the demand for such loans, the supply of money available for lending purposes, the rates offered by its competitors, the Bank's relationship with the customer and the related credit risks of the transaction. These factors are affected by general and economic conditions, including but not limited to, monetary policies of the federal government, including the Federal Reserve Board, legislative policies and governmental budgetary matters.

The credit quality of the loan portfolio remained strong for the quarter ended March 31, 2004. Since December 31, 2003, nonaccrual loans increased \$113,000 to \$265,000 from \$152,000, representing 0.09% of net loans at March 31, 2004. Total nonaccrual loans represented 0.1% of net loans at December 31, 2003. The Bank had no foreclosed real estate at March 31, 2004 and 2003. The Bank incurred net losses from charge offs in the amount of \$1,000 for the three months ended March 31, 2004 as compared to \$63,000, or 0.2% of total loans for the same period last year.

Loans of approximately \$10,540,000 or 3.6% of total loans at March 31, 2004 were classified as potential problem loans. This was an increase of \$1,834,000 from \$8,706,000 or 3.2% of total loans at December 31, 2003. These are loans for which management has information that indicates the borrower may not be able to comply with the present payment terms. These loans are subject to increased management attention and their classification is reviewed on at least a quarterly basis. Due to the structure and nature of the credits, management currently believes that the likelihood of sustaining a loss on these relationships is remote.

Based on management's continuing review of the overall loan portfolio and of the current asset quality of the portfolio, no provision for loan losses was recorded during the first three months of 2004. The allowance for loan losses decreased to \$2,143,000 at March 31, 2004, as compared to \$2,144,000 at December 31, 2003. As a percentage of total loans, the allowance was 0.7% at March 31, 2004 and 0.8% at December 31, 2003.

Total other income increased during the three-month period ended March 31, 2004 by \$109,000 or 7.4% over the same period last year. Service charges on deposit accounts for the three-month period ended March 31, 2004 totaled \$582,000, an increase of \$32,000 or 5.8% over the same period last year. Fees for other customer services for the three-month period ended March 31, 2004 totaled \$253,000, an increase of \$51,000 or 25.2% over the same period last

year. Net gains on sales of securities during the first quarter of 2004 totaled of \$621,000, while there were net securities gains of \$634,000 for the three-month period ended March 31, 2003.

Other operating income for the three-month period ended March 31, 2004 was the primary contributor to total other income and was \$135,000, an increase of \$39,000 or 40.6% over the same period last year. This increase is primarily due to revenue generated through the Bank's majority investment in its title insurance subsidiary, Bridge Abstract LLC. Gross revenues of Bridge Abstract LLC are included in other operating income. Increases were due to increased volume of transactions and several large closings versus the same period in 2003.

Total other expenses increased during the three-month period ended March 31, 2004 by \$114,000 or 3.5% over the same period last year. The primary component of this increase was compensation and benefit expense increasing \$101,000 or 5.6% for the three-month period ended March 31, 2004 over the same period last year. This is due to an increase in staff, salary increases and increased employee related insurance costs.

Total other operating expenses for the three-month period ended March 31, 2004 totaled \$914,000; an increase of \$32,000 or 3.6% over the same period last year. The increase was due primarily to the expenses of Bridge Abstract for increased costs in operating expenses, primarily the costs of clearing titles and for an increase in staff.

The provision for income taxes increased during the three-month period ended March 31, 2004 by \$13,000 or 0.9% over the same period last year. The effective tax rate for the three-month period ended March 31, 2004 decreased to 35.8% as compared to 36.4% for the same period last year.

Asset/Liability Management

The Company's primary earnings source is net interest income, which is affected by changes in the level of interest rates, the relationship between interest rates, the impact of interest rate fluctuations on asset prepayments, the level and composition of deposits and liabilities, and the credit quality of earning assets. The Company's objectives in its asset and liability management are to maintain a strong, stable net interest margin, to utilize its capital effectively without taking undue risks, to maintain adequate liquidity, and to reduce vulnerability of its operations to changes in interest rates.

The Company's Asset and Liability Committee meets periodically, but at a minimum four times a year, to evaluate the impact of changes in market interest rates on assets and liabilities, net interest margin, capital and liquidity. Risk assessments are governed by policies and limits established by senior management, which are reviewed and approved by the full Board of Directors at least annually. The economic environment continually presents uncertainties as to future interest rate trends. The Asset and Liability Committee regularly utilizes a model that projects net interest income based on increasing or decreasing interest rates, in order to be able to respond to changes in interest rates.

Liquidity

The objective of liquidity management is to ensure the sufficiency of funds available to respond to the needs of depositors and borrowers, and to access earnings enhancement opportunities for Company growth. Liquidity management addresses the ability to meet deposit withdrawals either on demand or contractual maturity, to repay other borrowings as they mature and to make new loans and investments as opportunities arise.

The Bank's most liquid assets are cash and cash equivalents, securities available for sale and securities held to maturity due within one year. The levels of these assets are dependent upon the Bank's operating, financing, lending and investing activities during any given period. Other sources of liquidity include loan and security principal repayments and maturities, lines of credit with other financial institutions including the Federal Home Loan Bank, and growth in core deposits. While scheduled loan amortization, maturing securities and short-term investments are a relatively predictable source of funds, deposit flows and loan and mortgage-backed securities prepayments are greatly influenced by general interest rates, economic conditions and competition. The Bank adjusts its liquidity levels as appropriate to meet funding needs such as seasonal deposit outflows, loans, and asset and liability management objectives. Historically, the Bank has relied on its deposit base, drawn through its full-service branches that serve its market area, as its principal source of funding. The Bank seeks to retain existing deposits and loans and maintain customer

relationships by offering quality service and competitive interest rates to its customers, while managing the overall cost of funds needed to finance its strategies. The Bank's Asset/Liability and Funds Management Policy allows for wholesale borrowings of up to 15% of total assets. At March 31, 2004, the Bank had aggregate lines of credit of \$42,000,000 with unaffiliated correspondent banks to provide short-term credit for liquidity requirements. Of these aggregate lines of credit, \$22,000,000 is available on an unsecured basis. On March 31, 2004 the Bank had \$4,500,000 of these lines outstanding. The Bank also has the ability, as a member of the Federal Home Loan Bank ("FHLB") system, to borrow against unencumbered residential mortgages owned by the Bank. The Bank also has a master repurchase agreement with the FHLB, which increases its borrowing capacity. In addition, the Bank has approved broker relationships for the purpose of issuing brokered certificates of deposit.

The Company's liquidity positions are monitored daily to ensure the maintenance of an optimum level, and efficient use, of available funds. Based on the objectives determined by the Asset and Liability Committee, the Bank's liquidity levels may be affected by the use of short-term and wholesale borrowings. The Asset and Liability Committee is comprised of members of senior management and the Board. Excess short-term liquidity is invested in overnight federal funds sold. Management believes the Company has sufficient liquidity to meet its operating requirements.

Impact of Inflation, Changing Prices, and Monetary Policies

The Consolidated Financial Statements and notes thereto presented herein have been prepared in accordance with accounting principles generally accepted in the United States of America, which require the measurement of financial position and operating results in terms of historical dollars without considering changes in the relative purchasing power of money over time due to inflation. The primary effect of

inflation on the operations of the Company is reflected in increased operating costs. Unlike most industrial companies, virtually all of the assets and liabilities of a financial institution are monetary in nature. As a result, changes in interest rates have a more significant effect on the performance of a financial institution than do the effects of changes in the general rate of inflation and changes in prices. Interest rates do not necessarily move in the same direction or in the same magnitude as the prices of goods and services. Interest rates are highly sensitive to many factors, which are beyond the control of the Company, including the influence of domestic and foreign economic conditions and the monetary and fiscal policies of the United States government and federal agencies, particularly the Federal Reserve Bank.

Recent Regulatory and Accounting Developments

Mortgage Loan Commitments

On March 9, 2004, the SEC issued Staff Accounting Bulletin No. 105, Application of Accounting Principles to Loan Commitments. According to the release, the fair value of the loan commitment is determined without considering the value of future cash flows related to servicing the loan, and thus the fair value represents the value of having to make a loan at what may become a below-market rate. This guidance is applicable for mortgage loan commitments where the loans are to be sold entered into April 1, 2004 or later. In management's opinion, the adoption of Staff Accounting Bulletin No. 105 will not have a material effect on the Company's consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company utilizes the results of a detailed and dynamic simulation model to quantify the estimated exposure to net interest income to sustained interest rate changes. Management routinely monitors simulated net interest income sensitivity over a rolling two-year horizon. The simulation model captures the impact of changing interest rates on the interest income received and the interest expense paid on all assets and liabilities reflected on the Company's Statement of Condition. This sensitivity analysis is compared to the asset and liability policy limits that specify a maximum tolerance level for net interest income exposure over a one-year horizon given both a 200 basis point upward and downward shift in interest rates. Because of the current historically low rate environment, the simulation modeled was a 100 basis point shift downward at December 31, 2003. A parallel and pro rata shift in rates over a twelve-month period is assumed. The following reflects the Company's net interest income sensitivity analysis at December 31, 2003 and December 31, 2002:

Change in Interest Rates in Basis Points (RATE SHOCK)	2003		2002	
	Potential Change in Net Interest Income	% Change	Potential Change in Net Interest Income	% Change
200 Static (100)	\$126,000	0.55%	\$(921,000)	(4.04)%
200 (100)	\$306,000	1.35%	\$ 421,000	1.85%

The preceding sensitivity analysis does not represent a Company forecast and should not be relied upon as being indicative of expected operating results. These hypothetical estimates are based upon numerous assumptions including, but not limited to, the nature and timing of interest rate levels and yield curve shapes, prepayments on loans and securities, deposit decay rates, pricing decisions on loans and deposits, and reinvestment and replacement of asset and liability cash flows. While assumptions are developed based upon perceived current economic and local market conditions, the Company cannot make any assurances as to the predictive nature of these assumptions including how customer preferences or competitor influences may change.

Also, as market conditions vary from those assumed in the sensitivity analysis, actual results will also differ due to prepayment and refinancing levels likely deviating from those assumed, the varying impact of interest rate change caps or floors on adjustable rate assets, the potential effect of changing debt service levels on customers with adjustable rate loans, depositor early withdrawals and product preference changes and other internal and external variables. Furthermore, the sensitivity analysis does not reflect actions that management might take in responding to or anticipating changes in interest rates and market conditions.

At March 31, 2004, management believes that there has been no material change in market risk from December 31, 2003.

Item 4. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) promulgated under the Securities and Exchange Act of 1934, as amended) as of March 31, 2004. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective. There has been no change in the Company's internal control over financial reporting during the quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Not applicable.

Item 2. Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities

Not applicable.

Item 3. Defaults upon Senior Securities

Not applicable.

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

Not applicable.

Item 5. Other Information

Subsequent to March 31, 2004, Bridgehampton Abstract Holding LLC acquired 100% ownership of its title insurance subsidiary, Bridge Abstract LLC. The effect of this purchase is not material to the March 31, 2004 financial statements as a whole.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

- 31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a)
- 31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a)
- 32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350

b. Reports on Form 8-K

- (i) Current Report on Form 8-K (Items 7 and 12), filed on January 20, 2004; and
- (ii) Current Report on Form 8-K (Item 5), filed on March 15, 2004.

SIGNATURES

In accordance with the requirement of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BRIDGE BANCORP, INC.
Registrant

May 07, 2004

/s/ Thomas J. Tobin
Thomas J. Tobin
President and Chief Executive Officer

May 07, 2004

/s/ Janet T. Verneuille
Janet T. Verneuille
Senior Vice President, Chief Financial Officer
and Treasurer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)

I, Thomas J. Tobin, President and Chief Executive Officer, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of Bridge Bancorp, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 07, 2004

/s/ Thomas J. Tobin
Thomas J. Tobin
President and Chief Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a)

I, Janet T. Verneuille, Senior Vice President, Chief Financial Officer and Treasurer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bridge Bancorp, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 07, 2004

/s/ Janet T. Verneuille
Janet T. Verneuille
Senior Vice President, Chief Financial Officer
and Treasurer

This certification is being furnished as required by Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as otherwise stated in such filing.

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

As adopted pursuant to

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2003

In connection with the Quarterly Report of Bridge Bancorp, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2004 as filed with the Securities and Exchange Commission on May 07, 2004, (the "Report"), we, Thomas J. Tobin, President and Chief Executive Officer of the Company and Janet T. Verneuille, Senior Vice President, Chief Financial Officer and Treasurer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2003, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 07, 2004

/s/ Thomas J. Tobin

Thomas J. Tobin

President and Chief Executive Officer

Date: May 07, 2004

/s/ Janet T. Verneuille

Janet T. Verneuille

Senior Vice President, Chief Financial Officer and Treasurer
