

COMMERCE BANCORP INC /NJ/
Form 8-K
September 12, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) September 12, 2006

Commerce Bancorp, Inc.

(Exact name of Registrant as specified in its charter)

| | | |
|---------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------|
| New Jersey (State or other jurisdiction of incorporation or organization) | 1-12069 (Commission File Number) | 22-2433468 (I.R.S. Employer Identification No.) |
|---------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------|

Commerce Atrium, 1701 Route 70 East, Cherry Hill, NJ 08034-5400
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including
area code: (856) 751-9000

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant

under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events.

The following information is included in this document as a result of the Company's desire to comply with its policy regarding public disclosure of corporate information. The Company may or may not continue to provide similar information in the future using this format.

Forward-looking Statements and Associated Risk Factors

The Company may from time to time make written or oral "forward-looking statements", including statements contained in the Company's filings with the Securities and Exchange Commission, in its reports to stockholders and in other communications by the Company, which are made in good faith by the Company pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements include statements with respect to the Company's beliefs, plans, objectives, goals, expectations, anticipations, estimates and intentions, that are subject to significant risks and uncertainties and are subject to change based on various factors (some of which are beyond the Company's control). The words "may", "could", "should", "would", "believe", "anticipate", "estimate", "expect", "intend", "plan", and similar expressions are intended to identify forward-looking statements. The following factors, among others, could cause the Company's financial performance to differ materially from that expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economies in which the company conducts operations; the effects of, and changes in, trade, monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve System (the "FRB"); inflation; interest rates, market and monetary fluctuations; the timely development of competitive new products and services by the Company and the acceptance of such products and services by customers; the willingness of customers to substitute competitors' products and services for the Company's products and services and vice versa; the impact of changes in financial services' laws and regulations (including laws concerning taxes, banking, securities and insurance); technological changes; future acquisitions; the expense savings and revenue enhancements from acquisitions being less than expected; the growth and profitability of the Company's non-interest or fee income being less than expected; unanticipated regulatory or judicial proceedings; changes in consumer spending and saving habits; and the success of the Company at managing the risks involved in the foregoing.

The Company cautions that the foregoing list of important factors is not exclusive. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

- (1) **Q:** What is your deposit growth for the first two months of the third quarter of 2006 and on a year-to-year basis?

A: Annual Deposit Growth:

| | <u>08/31/05</u> | <u>08/31/06</u> | <u>\$ Increase</u> | <u>% Increase</u> |
|----------------|-----------------|-----------------------|--------------------|-------------------|
| | | (dollars in millions) | | |
| Core Deposits | \$32,122 | \$38,341 | \$6,219 | 19% |
| Total Deposits | \$33,129 | \$40,105 | \$6,976 | 21% |

Linked Quarter Deposit Growth:

| | <u>06/30/06</u> | <u>08/31/06</u> | <u>Two Month \$ Increase</u> |
|----------------|-----------------|-----------------------|------------------------------|
| | | (dollars in millions) | |
| Core Deposits | \$36,784 | \$38,341 | \$1,557 |
| Total Deposits | \$38,050 | \$40,105 | \$2,055 |

- (2) **Q:** What has your loan growth been for the trailing 12 months?

A:

| | <u>08/31/05</u> | <u>08/31/06</u> | <u>\$ Increase</u> | <u>% Increase</u> |
|-----------|-----------------|-----------------------|--------------------|-------------------|
| | | (dollars in millions) | | |
| Net Loans | \$10,831 | \$14,448 | \$3,617 | 33% |

- (3) **Q:** What is the level of your borrowings at August 31, 2006?

A: We have essentially eliminated our wholesale borrowings and project minimal borrowings through the end of 2006.

(4) **Q: What are your forecasts for the net interest margin?**

A: We project our margin to be 3.30% \pm 5 basis points for the third quarter.

(5) **Q: What are your estimated earnings per share for the third quarter of 2006?**

A: We project our third quarter 2006 earnings to be in the range of \$0.40 to \$0.42 per share.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Commerce Bancorp, Inc.

September 12, 2006

| | |
|--------|---------------------------------------------------------|
| By: | /s/ Douglas J. Pauls |
| Name: | Douglas J. Pauls |
| Title: | Executive Vice President and Chief Financial Officer |