

Investors Bancorp Inc  
Form 424B3  
April 10, 2009

Table of Contents

**Filed Pursuant to Rule 424b3  
Registration No. 333-157444**

**To the Stockholders of American Bancorp of New Jersey, Inc.:**

**A Merger Proposal Your Vote Is Very Important**

On December 14, 2008, as amended on March 9, 2009, the board of directors of American Bancorp of New Jersey, Inc. unanimously approved a merger agreement between American Bancorp of New Jersey, Inc. and Investors Bancorp, Inc. pursuant to which American Bancorp of New Jersey, Inc. will be merged with and into Investors Bancorp, Inc. American Bancorp of New Jersey, Inc. is sending you this document to ask you to vote on the adoption of the merger agreement with Investors Bancorp, Inc.

If the merger agreement is adopted and the merger is subsequently completed, each outstanding share of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive either:

\$12.50 in cash; or

0.9218 shares of Investors Bancorp, Inc. common stock for each share of American Bancorp of New Jersey, Inc. common stock.

Stockholders may elect to receive all cash, all Investors Bancorp, Inc. common stock, or a combination of both for their American Bancorp of New Jersey, Inc. common stock. You will have the opportunity to elect the form of consideration to be received for your shares, subject to allocation procedures set forth in the merger agreement which are intended to ensure that 65% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive shares of Investors Bancorp, Inc. common stock and the remaining 35% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive cash. Therefore, your ability to receive all stock, all cash or the allocation of both that you elect may depend on the elections of other American Bancorp of New Jersey, Inc. stockholders. Investors Bancorp, Inc. common stock trades on the Nasdaq Global Select Market under the symbol **ISBC** and American Bancorp of New Jersey, Inc. trades on the Nasdaq Global Market under the symbol **ABNJ**.

In the event that by May 31, 2009, Investors Bancorp, Inc. has not received the required regulatory approvals to issue shares of Investors Bancorp, Inc. common stock in the merger, Investors Bancorp, Inc. may elect to proceed with the merger on an all cash basis and merge a newly created merger subsidiary with and into American Bancorp of New Jersey.

American Bancorp of New Jersey, Inc. has scheduled an annual meeting so its stockholders can vote on the merger agreement, as well as vote on the election of one director and ratify the appointment of American Bancorp of New Jersey, Inc.'s independent auditors for the year ending September 30, 2009. American Bancorp of New Jersey, Inc. board of directors unanimously recommends that its stockholders vote **FOR** the merger agreement, vote **FOR** American Bancorp of New Jersey, Inc.'s nominee to the American Bancorp of New Jersey, Inc. board of directors and vote **FOR** the ratification of Crowe Horwath LLP as its independent auditors for the year ending September 30, 2009. This document serves two purposes. It is the proxy statement being used by the American Bancorp of New Jersey, Inc. board of directors to solicit proxies for use at its annual meeting. It is also the prospectus of Investors Bancorp, Inc. regarding Investor Bancorp, Inc. common stock to be issued if the merger is completed. This document describes the merger in detail and includes a copy of the merger agreement as *Appendix A*.

The merger cannot be completed unless a majority of the issued and outstanding shares of common stock of American Bancorp of New Jersey, Inc. vote to adopt the merger agreement. Whether or not you plan to attend the annual meeting of stockholders, please take the time to vote by completing the enclosed proxy card and mailing it in the enclosed envelope. **If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote FOR adoption of the merger agreement. If you fail to vote, or you do not instruct your broker how to vote any shares held for you in street name, it will have the same effect as voting AGAINST the merger agreement.**

This proxy statement-prospectus gives you detailed information about the annual meeting of stockholders to be held on May 19, 2009, the merger and other related matters. You should carefully read this entire document, including the appendices. **In particular, you should carefully consider the discussion in the section entitled Risk Factors on page 18.**

On behalf of the board of directors, I thank you for your prompt attention to this important matter.

Joseph Kliminski  
Chief Executive Officer

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this document is accurate or complete. Any representation to the contrary is a criminal offense.**

**The securities to be issued in connection with the merger are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

This document is dated April 10, 2009, and is first being mailed on or about April 13, 2009.

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**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

Both Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. file annual, quarterly and annual reports, proxy statements and other information with the Securities and Exchange Commission. You may obtain copies of these documents by mail from the public reference room of the Securities and Exchange Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference room. In addition, Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. file reports and other information with the Securities and Exchange Commission electronically, and the Securities and Exchange Commission maintains a web site located at <http://www.sec.gov> containing this information.

This document incorporates important business and financial information about Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. from documents that are not included in or delivered with this proxy statement-prospectus. These documents are available without charge to you upon written or oral request at the applicable company's address and telephone number listed below:

Investors Bancorp, Inc.  
101 JFK Parkway  
Short Hills, New Jersey 07078  
Attention: Patricia E. Brown,  
Corporate Secretary  
(973) 924-5100

American Bancorp of New Jersey, Inc.  
365 Broad Street  
Bloomfield, New Jersey 07003-2798  
Attention: Richard M. Bzdek,  
Corporate Secretary  
(973) 748-3600

**To obtain timely delivery, you must request the information no later than May 12, 2009.**

Investors Bancorp, Inc. has filed a registration statement on Form S-4 to register with the Securities and Exchange Commission up to 7,007,325 shares of Investors Bancorp, Inc. common stock. This document is a part of that registration statement. As permitted by Securities and Exchange Commission rules, this document does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits at the addresses set forth above. Statements contained in this document as to the contents of any contract or other documents referred to in this document are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This document incorporates by reference documents that Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. have previously filed with the Securities and Exchange Commission. They contain important information about the companies and their financial condition. See "Incorporation of Certain Documents by Reference" on page 99.

Investors Bancorp, Inc. common stock is traded on the Nasdaq Global Select Market under the symbol "ISBC" and American Bancorp of New Jersey, Inc. common stock is traded on the Nasdaq Global Market under the symbol "ABNJ".

**Table of Contents**

**AMERICAN BANCORP OF NEW JERSEY, INC.  
365 BROAD STREET  
BLOOMFIELD, NEW JERSEY 07003-2798**

**NOTICE OF THE ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON MAY 19, 2009**

NOTICE IS HEREBY GIVEN that the annual meeting of the stockholders of American Bancorp of New Jersey, Inc. will be held at The Wilshire Grand Hotel, 350 Pleasant Valley Way, West Orange, New Jersey, at 8:30 a.m. local time, on May 19, 2009, for the following purposes:

1. To adopt the Agreement and Plan of Merger by and between Investors Bancorp, Inc., and American Bancorp of New Jersey, Inc., dated as of December 14, 2008, as amended, and the transactions contemplated by the merger agreement, as discussed in the attached proxy statement-prospectus;
2. To elect one director of American Bancorp of New Jersey, Inc. for a four-year term;
3. To ratify the appointment of Crowe Horwath LLP, as American Bancorp of New Jersey, Inc.'s independent auditors for the fiscal year ending September 30, 2009; and
4. To transact any other business that properly comes before the annual meeting of stockholders, or any adjournments or postponements of the annual meeting, including, without limitation, a motion to adjourn the annual meeting to another time or place for the purpose of soliciting additional proxies in order to approve the merger agreement and the merger.

The proposed merger is described in more detail in this proxy statement-prospectus, which you should read carefully in its entirety before voting. A copy of the merger agreement is attached as Appendix A to this document. Only American Bancorp of New Jersey, Inc. stockholders of record as of the close of business on March 31, 2009, are entitled to notice of and to vote at the annual meeting of stockholders or any adjournments of the annual meeting.

**Your vote is very important. To ensure your representation at the annual meeting of stockholders, please complete, execute and promptly mail your proxy card in the return envelope enclosed.** This will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Your proxy may be revoked at any time before it is voted.

BY ORDER OF THE BOARD OF DIRECTORS

Joseph Kliminski  
Chief Executive Officer

Bloomfield, New Jersey  
April 10, 2009

**AMERICAN BANCORP OF NEW JERSEY, INC.'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR ADOPTION OF THE MERGER AGREEMENT, ITS DIRECTOR NOMINEE AND ITS INDEPENDENT AUDITORS.**

**PLEASE MARK, SIGN, DATE AND RETURN YOUR PROXY CARD PROMPTLY, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING OF STOCKHOLDERS.**

**DO NOT SEND STOCK CERTIFICATES WITH THE PROXY CARD. UNDER SEPARATE COVER, WHICH IS BEING SENT ON OR ABOUT THE DATE THIS PROXY STATEMENT-PROSPECTUS IS BEING MAILED, YOU WILL RECEIVE AN ELECTION FORM WITH INSTRUCTIONS FOR DELIVERING YOUR STOCK CERTIFICATES.**

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**Table of Contents**

**TABLE OF CONTENTS**

	<b>Page</b>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	(i)
<u>QUESTIONS AND ANSWERS ABOUT VOTING AT THE ANNUAL MEETING OF STOCKHOLDERS</u>	1
<u>ANNUAL MEETING SUMMARY</u>	4
<u>MERGER SUMMARY</u>	5
<u>SELECTED HISTORICAL FINANCIAL DATA FOR INVESTORS BANCORP, INC. AND AMERICAN BANCORP OF NEW JERSEY, INC.</u>	11
<u>COMPARATIVE PRO FORMA PER SHARE DATA</u>	16
<u>RISK FACTORS</u>	18
<u>AMERICAN BANCORP OF NEW JERSEY, INC. ANNUAL MEETING OF STOCKHOLDERS</u>	25
<u>PROPOSAL I: THE PROPOSED MERGER</u>	27
<u>General</u>	27
<u>The Parties</u>	27
<u>Investors Bancorp, Inc.</u>	27
<u>Investors Savings Bank</u>	28
<u>American Bancorp of New Jersey, Inc.</u>	28
<u>American Bank of New Jersey</u>	28
<u>Merger Consideration; Cash or Stock Election</u>	29
<u>Election Procedures; Surrender of Stock Certificates</u>	32
<u>Treatment of American Bancorp of New Jersey, Inc. Stock Options and Restricted Stock</u>	34
<u>Reasons and Background for the Merger</u>	34
<u>Recommendation of the American Bancorp of New Jersey, Inc. Board of Directors and Reasons for the Merger</u>	38
<u>Opinion of Financial Advisor</u>	39
<u>Employee Matters</u>	44
<u>Interests of Directors and Officers In the Merger</u>	44
<u>Management and Operations of American Bank of New Jersey After the Merger</u>	47
<u>Effective Date of Merger</u>	47
<u>Conduct of Business Pending the Merger</u>	47
<u>Representations and Warranties</u>	48
<u>Conditions to the Merger</u>	48
<u>Regulatory Approvals Required for the Merger</u>	49
<u>No Solicitation</u>	51
<u>Termination; Amendment; Waiver</u>	51
<u>Fees and Expenses</u>	53
<u>Material United States Federal Income Tax Consequences of the Merger</u>	53
<u>Resale of Investors Bancorp, Inc. Common Stock</u>	56
<u>Accounting Treatment</u>	57
<u>Comparison of the Rights of Shareholders</u>	57
<u>Capitalization</u>	57
<u>Voting Rights</u>	58
<u>Number and Election of Directors</u>	58
<u>Vacancies on the Board of Directors and Removal of Directors</u>	59
<u>Amendment to the Certificate of Incorporation</u>	59
<u>Amendment of the Bylaws</u>	60





**Table of Contents**

	<b>Page</b>
<u>Action by Written Consent</u>	60
<u>Ability to Call Special Meetings of Shareholders</u>	60
<u>Shareholder Nominations of Directors and Proposals for New Business</u>	61
<u>State Anti-Takeover Statutes</u>	61
<u>Declaration of Dividends</u>	62
<u>Description of Capital Stock of Investors Bancorp, Inc.</u>	63
<u>Common Stock</u>	64
<u>Certain Provisions of the Investors Bancorp, Inc. Certificate of Incorporation and Bylaws</u>	65
<u>Restrictions on the Acquisition of Investors Bancorp, Inc. and Investors Savings Bank</u>	66
<u>PROPOSAL II: AMERICAN BANCORP OF NEW JERSEY, INC. ELECTION OF DIRECTORS</u>	67
<u>Board of Directors Meetings, Board Committees and Corporate Governance Matters</u>	69
<u>Meetings</u>	69
<u>Director Independence</u>	69
<u>Committees and Charters</u>	69
<u>Shareholder Communications with Directors</u>	71
<u>Board Member Attendance at Annual Shareholder Meetings</u>	72
<u>Report of the Audit Committee of the Board of Directors</u>	72
<u>Relationship with Independent Auditors</u>	72
<u>Director Compensation</u>	74
<u>Executive Compensation</u>	74
<u>Compensation Discussion and Analysis</u>	74
<u>Employment Agreements</u>	86
<u>Pension Benefits</u>	88
<u>Potential Payments Upon Termination of Employment</u>	89
<u>Compensation Committee Report</u>	93
<u>Compensation Committee Interlocks and Insider Participation</u>	94
<u>Certain Relationships and Related Transactions</u>	94
<u>Stock Trading and Dividend Information</u>	95
<u>Beneficial Ownership of American Bancorp of New Jersey, Inc. Common Stock</u>	95
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	97
<u>PROPOSAL III: RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS</u>	97
<u>PROPOSAL IV: ADJOURNMENT OF THE ANNUAL MEETING</u>	97
<u>OTHER MATTERS</u>	98
<u>EXPERTS</u>	98
<u>LEGAL OPINIONS</u>	98
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	99
<u>FORWARD-LOOKING STATEMENTS</u>	100
<u>APPENDICES</u>	
<u>A. Agreement and Plan of Merger by and between Investors Bancorp, Inc., and American Bancorp of New Jersey, Inc., dated December 14, 2008 and First Amendment to Merger Agreement, dated as of March 9, 2009</u>	A-1
<u>B. Opinion of Keefe, Bruyette &amp; Woods, Inc.</u>	B-1

**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT VOTING AT THE  
ANNUAL MEETING OF STOCKHOLDERS**

**Q: WHAT DO I NEED TO DO NOW?**

A: After you have carefully read this document, indicate on your proxy card how you want your shares to be voted. Then sign and mail your proxy card in the enclosed prepaid return envelope as soon as possible. This will enable your shares to be represented and voted at the annual meeting.

**Q: WHY IS MY VOTE IMPORTANT?**

A: The merger agreement must be adopted by a majority of the issued and outstanding shares of American Bancorp of New Jersey, Inc. common stock. A failure to vote will have the same effect as a vote against the merger agreement. Directors are elected by a plurality of the votes cast, in person or by proxy, at the annual meeting by holders of American Bancorp of New Jersey, Inc. common stock. Ratification of the appointment of Crowe Horwath LLP, as our independent auditors for the fiscal year ending September 30, 2009, requires the affirmative vote of the majority of shares cast, in person or by proxy, at the annual meeting by holders of American Bancorp of New Jersey, Inc. common stock.

**Q: IF MY BROKER HOLDS MY SHARES IN STREET NAME WILL MY BROKER AUTOMATICALLY VOTE MY SHARES FOR ME?**

A: No. Your broker will not be able to vote your shares on the merger proposal without instructions from you. You should instruct your broker to vote your shares, following the directions your broker provides. Your broker can vote your shares on all other proposals without your instructions.

**Q: WHAT IF I FAIL TO INSTRUCT MY BROKER TO VOTE MY SHARES?**

A: If you fail to instruct your broker to vote your shares, the broker will submit an unvoted proxy (a broker non-vote) as to your shares. Broker non-votes will count toward a quorum at the annual meeting. However, broker non-votes will not count as a vote with respect to the merger agreement, and therefore will have the same effect as a vote against the merger agreement.

**Q: CAN I ATTEND THE ANNUAL MEETING AND VOTE MY SHARES IN PERSON?**

A: Yes. All stockholders are invited to attend the annual meeting. Stockholders of record can vote in person at the annual meeting by executing a proxy ballot. If a broker holds your shares in street name, then you are not the stockholder of record and you must ask your broker how you can vote your shares at the annual meeting.

**Q: CAN I CHANGE MY VOTE?**

A: Yes. If you have not voted through your broker, you can change your vote after you have sent in your proxy card by:

providing written notice to the Secretary of American Bancorp of New Jersey, Inc.;

submitting a new proxy card. Any earlier proxies will be revoked automatically; or

attending the annual meeting and voting in person. Any earlier proxy will be revoked. However, simply attending the annual meeting without voting will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow your broker's directions to change your vote.

**Q: HOW DO I REGISTER MY ELECTION TO RECEIVE CASH, INVESTORS BANCORP, INC. COMMON STOCK OR A COMBINATION OF BOTH?**

A: Each American Bancorp of New Jersey, Inc. stockholder should complete and return an election form, along with your American Bancorp of New Jersey, Inc. stock certificate(s), according to the instructions printed on the form. The election deadline will be 5:00 p.m., New York time on May 18, 2009. The election form will be mailed under separate cover on or about April 13, 2009 to holders of American

**Table of Contents**

Bancorp of New Jersey, Inc. common stock on March 31, 2009. If you own shares of American Bancorp of New Jersey, Inc. common stock in street name through a bank, broker or other financial institution and you wish to make an election, you should seek instructions from the financial institution holding your shares concerning how to make your election. If you do not send in the election form with your stock certificate(s) by the May 18, 2009 deadline, you will be treated as though you had not made an election. Once you sign and return your election form, you will no longer be able to trade or sell your shares of American Bancorp of New Jersey, Inc. common stock.

**Q: SHOULD I SEND IN MY STOCK CERTIFICATES NOW?**

A: **Please DO NOT send your stock certificates with your proxy card.** An election form will be sent to you under separate cover. If you desire to make an election you should send your American Bancorp of New Jersey, Inc. common stock certificates to the exchange agent with your completed, signed election form prior to the election deadline of 5:00 p.m. New York time on May 18, 2009.

**Q: WHEN DO YOU EXPECT THE MERGER TO BE COMPLETED?**

A: Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. currently expect to complete the merger in the second quarter of 2009, assuming all of the conditions to completion of the merger have been satisfied.

**Q: WHAT WILL STOCKHOLDERS OF AMERICAN BANCORP OF NEW JERSEY, INC. RECEIVE IN THE MERGER?**

A: If the merger agreement is adopted and the merger is subsequently completed, each outstanding share of American Bancorp of New Jersey, Inc. common stock (other than any dissenting shares) will be converted into the right to receive either:

\$12.50 in cash, assuming payment solely of cash in exchange for American Bancorp of New Jersey, Inc. common stock; or

0.9218 shares of Investors Bancorp, Inc. common stock for each share of American Bancorp of New Jersey, Inc. common stock, assuming payment solely of Investors Bancorp, Inc. common stock in exchange for American Bancorp of New Jersey, Inc. common stock.

Stockholders may elect to receive all cash, all Investors Bancorp, Inc. common stock, or a combination of both for their American Bancorp of New Jersey, Inc. common stock. You will have the opportunity to elect the form of consideration to be received for your shares, subject to allocation procedures set forth in the merger agreement which are intended to ensure that 65% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive shares of Investors Bancorp, Inc. common stock and the remaining 35% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive cash. Therefore, your ability to receive all stock, all cash or the allocation of both that you elect may depend on the elections of other American Bancorp of New Jersey, Inc. stockholders. In the event that by May 31, 2009, Investors Bancorp, Inc. has not received the required regulatory approvals to issue shares of Investors Bancorp, Inc. common stock in the merger, Investors Bancorp, Inc. may elect to proceed with the merger on an all cash basis and merge a newly created merger subsidiary with and into American Bancorp.

**Q: CAN THE VALUE OF THE CONSIDERATION TO BE RECEIVED BY STOCKHOLDERS OF AMERICAN BANCORP OF NEW JERSEY, INC. CHANGE?**

- A: Yes. The stock portion of the merger consideration is subject to a fixed exchange ratio, the value of which will depend upon the value of the common stock of Investors Bancorp, Inc. as of the closing of the transaction. The value of Investors Bancorp, Inc. common stock has fluctuated significantly over the last several months, as have the stocks of many financial services companies.

The following table shows trading information for American Bancorp of New Jersey, Inc. common stock and Investors Bancorp, Inc. common stock as of market close on December 12, 2008, March 13, 2009 and April 3, 2009. December 12, 2008 was the last trading date before the parties announced the merger

**Table of Contents**

and March 13, 2009 was the last trading date before the parties announced the first amendment to the merger agreement. April 3, 2009 is a recent date before this proxy statement-prospectus was finalized.

Date	Investors Bancorp, Inc. Common Stock		American Bancorp of New Jersey, Inc. Common Stock		Equivalent Value, Including the Cash Consideration, for Each American Bancorp of New Jersey, Inc. Share
December 12, 2008	\$	13.56	\$	8.75	\$ 12.50
March 13, 2009	\$	7.81	\$	8.72	\$ 9.05
April 3, 2009	\$	8.60	\$	9.48	\$ 9.53

Investors Bancorp, Inc.'s common stock has decreased significantly in value since December 12, 2008. During the period of December 12, 2008 through April 3, 2009, the value of Investors Bancorp, Inc. common stock has ranged from a low of \$6.86 to a high of \$13.56. Therefore, given the fixed exchange ratio of 0.9218, and a total allocation between stock and cash of 65% and 35%, respectively, stockholders of American Bancorp of New Jersey, Inc. would have received merger consideration ranging in value from \$8.49 to \$12.50 for each share of American Bancorp of New Jersey, Inc. owned. We note that the value of the total cash and stock consideration ultimately received by stockholders of American Bancorp of New Jersey, Inc. could be less than the book value of American Bancorp of New Jersey, Inc. and may be less than the trading value of American Bancorp of New Jersey Inc. common stock.

**Q: WHY WAS THE MERGER AGREEMENT AMENDED IN MARCH 2009?**

A: Given the significant volatility in the stock market, particularly as it relates to financial services companies, the parties agreed to increase the aggregate amount of cash consideration that will be paid to the stockholders of American Bancorp of New Jersey, Inc. from 30% to 35% of the total merger consideration. In addition, and in conjunction with the above, the provision enabling American Bancorp of New Jersey, Inc. to terminate the merger agreement in the event the price of Investors Bancorp, Inc.'s stock declines and declines by more than the decline in a peer group index, as well as the formula that Investors Bancorp, Inc. can use to increase the merger consideration under certain circumstances were also revised. Under the amended merger agreement, American Bancorp of New Jersey, Inc. may terminate the merger agreement if Investors Bancorp, Inc. stock price declines by more than 30% from \$13.56 and this decline is more than 30% greater than the decline in the SNL Thrift Index.

**Q: WHOM SHOULD I CALL WITH QUESTIONS?**

A: You should direct any questions regarding the annual meeting of stockholders or the merger to Eric B. Heyer, Senior Vice President and Chief Financial Officer of American Bancorp of New Jersey, Inc., at (973) 748-3600 or American Bancorp of New Jersey, Inc.'s proxy solicitor, Regan & Associates, Inc., at (800) 737-3426. The final

allocation of cash and shares of Investors Bancorp, Inc. common stock will not be known until immediately prior to the conclusion of the merger, which is expected to be in the second quarter of 2009.

**Table of Contents**

**ANNUAL MEETING SUMMARY**

This is a summary of certain information regarding the proposed merger and the stockholder meetings to vote on the merger agreement contained in this document. It does not contain all of the information that may be important to you. We urge you to carefully read the entire document, including the Appendices, before deciding how to vote.

**What This Document Is About**

The boards of directors of American Bancorp of New Jersey, Inc. and Investors Bancorp, Inc. have approved the merger agreement, as amended, between American Bancorp of New Jersey, Inc. and Investors Bancorp, Inc. pursuant to which American Bancorp of New Jersey, Inc. will merge with and into Investors Bancorp, Inc. The merger cannot be completed unless the stockholders of American Bancorp of New Jersey, Inc. adopt the merger agreement, as amended. References to the merger agreement in this Proxy Statement refer to the merger agreement as amended. American Bancorp of New Jersey, Inc.'s stockholders will vote on the merger agreement at the American Bancorp of New Jersey, Inc.'s annual meeting, at which they will also vote on the election of one director and the ratification of Crowe Horwath LLP as independent auditors for the year ending September 30, 2009. This document is the Proxy Statement used by American Bancorp of New Jersey, Inc. to solicit proxies for its annual meeting. It is also the Prospectus of Investors Bancorp, Inc. regarding the Investors Bancorp, Inc. common stock to be issued to American Bancorp of New Jersey, Inc. stockholders if the merger is completed.

**The American Bancorp of New Jersey, Inc.  
Annual Meeting**

Date, Time and Place	American Bancorp of New Jersey, Inc. will hold its annual meeting of stockholders on May 19, 2009, 8:30 a.m. local time, at The Wilshire Grand Hotel, 350 Pleasant Valley Way, West Orange, New Jersey.
Record Date	March 31, 2009.
Shares Entitled to Vote	10,855,529 shares of American Bancorp of New Jersey, Inc. common stock were outstanding on the Record Date and entitled to vote at the American Bancorp of New Jersey, Inc. annual meeting.
Purpose of the Annual Meeting	To consider and vote on the merger agreement, the election of one director and the ratification of Crowe Horwath LLP as American Bancorp of New Jersey, Inc.'s independent auditors for the year ending September 30, 2009.
Vote Required	A majority of the outstanding shares of American Bancorp of New Jersey, Inc. common stock entitled to vote must be cast in favor of adoption of the merger agreement. Directors are elected by a plurality of votes cast, without regard to either broker non-votes or proxies as to which authority to vote for the nominees being proposed is withheld. The ratification of Crowe Horwath LLP as independent auditors is determined by a majority of the votes cast, without regard to broker non-votes or proxies marked ABSTAIN.



As of the record date, the directors and executive officers of American Bancorp of New Jersey, Inc. and their affiliates beneficially owned 2,181,580 shares, or approximately 18.7% of the outstanding shares, of American Bancorp of New Jersey, Inc. common stock, and all such persons have indicated their intention to vote their shares in favor of the adoption of the merger agreement with Investors Bancorp, Inc. In addition, at the time the merger agreement with Investors Bancorp, Inc. was signed, each director

## Table of Contents

and executive officer of American Bancorp of New Jersey, Inc. entered into a separate letter agreement with Investors Bancorp, Inc., pursuant to which, among other things, they agreed to vote or cause to be voted all shares over which they maintain sole or shared voting power in favor of adoption of the merger agreement.

The American Bancorp of New Jersey, Inc. Board Recommends You Vote in Favor of the Proposals

American Bancorp of New Jersey, Inc. s directors have unanimously approved the merger agreement and unanimously recommend that American Bancorp of New Jersey, Inc. stockholders vote **FOR** adoption of the merger agreement, **FOR** the nominee listed in this Proxy Statement/Prospectus for the American Bancorp of New Jersey, Inc. board and **FOR** the ratification of Crowe Horwath LLP as independent auditors for the year ending September 30, 2009.

## **MERGER SUMMARY**

This summary highlights selected information included in this document and does not contain all of the information that may be important to you. You should read this entire document and its appendices and the other documents to which we refer you before you decide how to vote with respect to the merger agreement. In addition, we incorporate by reference important business and financial information about American Bancorp of New Jersey, Inc. and Investors Bancorp, Inc. into this document. For a description of this information, see Incorporation of Certain Documents by Reference on page 99. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled Where You Can Find More Information on the inside front cover of this document. Each item in this summary includes a page reference directing you to a more complete description of that item.

This document, including information included or incorporated by reference in this document, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to: (i) statements of goals, intentions and expectations; (ii) statements regarding business plans, prospects, growth and operating strategies; (iii) statements regarding the asset quality of loan and investment portfolios; (iv) statements regarding estimates of risks and future costs and benefits; and (iv) other statements identified by words such as expects, anticipates, intends, plans, believes, seeks, est words of similar meaning. These forward-looking statements are based on current beliefs and expectations of the management of Investors Bancorp, Inc. and American Bancorp of New Jersey, Inc. and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ materially from the anticipated results discussed in these forward-looking statements. See Forward Looking Statements on page 100.

## **THE MERGER**

**The merger agreement is attached to this document as Appendix A. We encourage you to read this agreement carefully, as it is the legal document that governs the merger of American Bancorp of New Jersey, Inc. with and into Investors Bancorp, Inc.**

### **Parties to the Merger**

**Investors Bancorp, Inc. (page 27)**  
**Investors Savings Bank**

Investors Bancorp, Inc., headquartered in Short Hills, New Jersey, is the holding company for Investors Savings Bank and operates 53 branches in New Jersey. As of December 31, 2008, Investors Bancorp, Inc. had consolidated assets of \$7.2 billion, deposits of \$4.2 billion and stockholders' equity of \$753.8 million.

**Table of Contents**

At December 31, 2008, Investors Bancorp, MHC, Investors Bancorp, Inc.'s New Jersey chartered mutual holding company parent, held 64,844,373 shares of Investors Bancorp, Inc. common stock or 59.46% of the Investor Bancorp, Inc.'s outstanding common stock.

The principal executive office of Investors Bancorp, Inc. is located at 101 JFK Parkway, Short Hills, New Jersey 07078, and the telephone number is (973) 924-5100.

**American Bancorp of New Jersey, Inc. (page 28)**

**American Bank of New Jersey**

American Bancorp of New Jersey, Inc. is the bank holding company of American Bank of New Jersey, headquartered in Bloomfield, New Jersey. American Bank of New Jersey operates five branch offices. As of December 31, 2008, American Bancorp of New Jersey, Inc. had assets of \$628.8 million, deposits of \$459.2 million and stockholders equity of \$92.4 million. American Bancorp of New Jersey, Inc.'s principal executive office is located at 365 Broad Street, Bloomfield, New Jersey 07003-2798, and the telephone number is (973) 748-3600.

**What American Bancorp of New Jersey, Inc. Stockholders Will Receive In the Merger (page 29)**

If the merger agreement is adopted and the merger is subsequently completed, each outstanding share of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive:

\$12.50 in cash, assuming payment solely of cash in exchange for American Bancorp of New Jersey, Inc. common stock; or

0.9218 shares of Investors Bancorp, Inc. common stock for each share of American Bancorp of New Jersey, Inc. common stock, assuming payment solely of Investors Bancorp, Inc. common stock in exchange for American Bancorp of New Jersey, Inc. common stock.

Stockholders may elect to receive all cash, all Investors Bancorp, Inc. common stock, or a combination of both for their American Bancorp of New Jersey, Inc. common stock. You will have the opportunity to elect the form of consideration to be received for your shares, subject to allocation procedures set forth in the merger agreement which are intended to ensure that 65% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive shares of Investors Bancorp, Inc. common stock and the remaining 35% of the outstanding shares of American Bancorp of New Jersey, Inc. common stock will be converted into the right to receive cash. Therefore, your ability to receive all stock, all cash or the allocation of both may depend on the elections of other American Bancorp of New Jersey, Inc. stockholders.

The following table shows trading information for American Bancorp of New Jersey, Inc. common stock and Investors Bancorp, Inc. common stock as of market close on December 12, 2008, March 13, 2009 and April 3, 2009. December 12, 2008 was the last trading date before the parties announced the merger and March 13, 2009 was the last trading date before the parties announced the first amendment to the merger agreement. April 3, 2009 is a recent date before this proxy statement-prospectus was finalized.

**Equivalent  
Value,  
Including the  
Cash**

Date	Investors Bancorp, Inc. Common Stock	American Bancorp of New Jersey, Inc. Common Stock	Consideration, for Each American Bancorp of New Jersey, Inc. Share
December 12, 2008	\$ 13.56	\$ 8.75	\$ 12.50
March 13, 2009	\$ 7.81	\$ 8.72	\$ 9.05
April 3, 2009	\$ 8.60	\$ 9.48	\$ 9.53

Investors Bancorp, Inc.'s common stock has decreased significantly in value since December 12, 2008. During the period of December 12, 2008 through April 3, 2009, the value of Investors Bancorp, Inc. common stock has ranged from a low of \$6.86 to a high of \$13.56. Therefore, given the fixed exchange ratio of 0.9218 and a total allocation between stock and cash of 65% and 35%, respectively, stockholders of American

**Table of Contents**

Bancorp of New Jersey, Inc. would have received merger consideration ranging in value from \$8.49 to \$12.50 for each share of American Bancorp of New Jersey, Inc. owned. We note that the value of the total cash and stock consideration ultimately received by stockholders of American Bancorp of New Jersey, Inc. could be less than the book value of American Bancorp of New Jersey, Inc. and may be less than the trading value of American Bancorp of New Jersey, Inc. common stock.

**Election of Cash or Stock Consideration (page 29)**

So that you can make an election, you will be receiving under separate cover an election form that you may use to indicate whether your preference is to receive cash, Investors Bancorp, Inc. common stock or a combination of cash and Investors Bancorp, Inc. common stock. If you hold your stock certificates, you will need to return the election form along with your stock certificates, to the exchange agent by May 18, 2009 at 5:00 p.m., New York time. If your shares are held in street name, follow the written instructions from your broker regarding the registration of your election. **American Bancorp of New Jersey, Inc. stockholders who make an election will be unable to sell their American Bancorp of New Jersey, Inc. common stock from the time the election is made until the merger is completed.**

The actual form of merger consideration that each American Bancorp of New Jersey, Inc. stockholder will receive will be subject to proration so that 65% of the outstanding American Bancorp of New Jersey, Inc. common stock will be exchanged for shares of Investors Bancorp, Inc. common stock and 35% of the outstanding American Bancorp of New Jersey, Inc. common stock will be exchanged for cash. Therefore, if American Bancorp of New Jersey, Inc. stockholders elect to receive cash for more than 35% of the outstanding shares of American Bancorp of New Jersey, Inc., the amount of cash that each such stockholder would receive from Investors Bancorp, Inc. will be reduced on a pro rata basis. Instead, these stockholders will receive Investors Bancorp, Inc. common stock as consideration for any American Bancorp of New Jersey, Inc. shares for which they do not receive cash. Similarly, if American Bancorp of New Jersey, Inc. stockholders elect to receive Investors Bancorp, Inc. common stock for more than 65% of the outstanding shares of American Bancorp of New Jersey, Inc., the amount of Investors Bancorp, Inc. common stock that each such stockholder would receive from Investors Bancorp, Inc. will be reduced on a pro rata basis. Instead, such stockholders will receive cash as consideration for any American Bancorp of New Jersey, Inc. shares for which they do not receive Investors Bancorp, Inc. common stock. In the event that by May 31, 2009, Investors Bancorp, Inc. has not received the required regulatory approvals to issue shares of Investors Bancorp, Inc. common stock in the merger, Investors Bancorp, Inc. may elect to proceed with the merger on an all cash basis and merge a newly created merger subsidiary with and into American Bancorp of New Jersey.

Your allocation of the consideration you will receive for your shares of American Bancorp of New Jersey, Inc. may also be adjusted if the aggregate value for the Investors Bancorp, Inc. common stock to be delivered as of the effective time of the merger minus the amount of cash paid in lieu of fractional shares of Investors Bancorp, Inc. common stock (the *Stock Value* ) is less than 42.5% of the sum of (i) the aggregate value of the Investors Bancorp, Inc. common stock and cash to be delivered as of the effective time of the merger, plus (ii) the value of any consideration described in Treasury Regulations Section 1.368-1(e)(1)(ii), plus (iii) the value of any consideration paid by Investors Bancorp, Inc. or any of its subsidiaries or any *related person* of either within the meaning of Treasury Regulations Section 1.368-1(e)(3)) to acquire shares of American Bancorp of New Jersey, Inc. common stock prior to the effective time of the merger (such sum, the *Aggregate Value* ), then Investors Bancorp, Inc. may reduce the number of shares of outstanding American Bancorp of New Jersey, Inc. common stock entitled to receive cash, and correspondingly increase the number of shares of American Bancorp of New Jersey, Inc. common stock entitled to receive Investors Bancorp, Inc. common stock by the minimum amount necessary to cause the *Stock Value* to equal 42.5% of the *Aggregate Value*.

**If you do not make an election, you may receive the merger consideration in all cash, all common stock or a combination of cash and common stock.**

**Table of Contents**

**Material United States Federal Income Tax Consequences of the Merger (page 53)**

Investors Bancorp, Inc. will not be required to complete the merger unless it receives a legal opinion from its counsel to the effect that the merger will qualify as a tax-free reorganization for United States federal income tax purposes.

We expect that, for United States federal income tax purposes, you generally will not recognize any taxable gain or loss with respect to your shares of American Bancorp of New Jersey, Inc. common stock if you receive only shares of Investors Bancorp, Inc. common stock in the merger, except with respect to any cash received in lieu of a fractional share interest in Investors Bancorp, Inc. common stock.

If you receive solely cash for your shares of American Bancorp of New Jersey, Inc. common stock, you will recognize a taxable gain or loss equal to the excess of the amount of such cash over your basis in the American Bancorp of New Jersey, Inc. common stock. If you receive a combination of cash and stock in exchange for your shares of American Bancorp of New Jersey, Inc. common stock, you will generally recognize a taxable gain with respect to the excess of the cash and value of Investors Bancorp, Inc. common stock you receive over your basis in the American Bancorp of New Jersey, Inc. common stock exchanged therefore, but in any case not in excess of the amount of cash received by you in the merger.

You should read **Material United States Federal Income Tax Consequences of the Merger** starting on page 53 for a more complete discussion of the federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. You should consult your tax advisor to fully understand the tax consequences of the merger to you.

**Your Board of Directors Unanimously Recommends Stockholder Approval of the Merger (page 37)**

The Board of Directors of American Bancorp of New Jersey, Inc. believes that the merger presents a unique opportunity to merge with a leading community financial institution that will have significantly greater financial strength and earning power than American Bancorp of New Jersey, Inc. would have on its own.

As a result, American Bancorp of New Jersey, Inc.'s Board of Directors unanimously approved the merger agreement. American Bancorp of New Jersey, Inc.'s Board of Directors believes that the merger and the merger agreement are fair to and in the best interests of American Bancorp of New Jersey, Inc. and its stockholders and unanimously recommends that you vote **FOR** adoption of the merger agreement.

**Opinion of American Bancorp of New Jersey, Inc.'s Financial Advisor (page 39 and Appendix B)**

In connection with the merger, the Board of Directors of American Bancorp of New Jersey, Inc. received the written opinion of Keefe Bruyette & Woods, Inc., American Bancorp of New Jersey, Inc.'s financial advisors, as to the fairness, from a financial point of view, of the consideration to be received in the merger by holders of American Bancorp of New Jersey, Inc. common stock. The full text of the opinion of Keefe Bruyette & Woods, Inc., is included in this document as Appendix B. American Bancorp of New Jersey, Inc. encourages you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations of the review undertaken by Keefe Bruyette & Woods, Inc. The opinion of Keefe Bruyette & Woods, Inc. is directed to American Bancorp of New Jersey, Inc.'s Board of Directors and does not constitute a recommendation to you or any other stockholder as to how to vote with respect to the merger, the form of consideration to be elected in the merger, or any other matter relating to the proposed transaction. Keefe Bruyette & Woods, Inc. will receive a fee for its services in connection with the merger, including rendering the fairness opinion, a significant portion of which is contingent upon consummation of the merger.



**No Dissenters   Rights of Appraisal (page 58)**

Under the New Jersey Business Corporation Act, holders of American Bancorp of New Jersey, Inc. common stock do not have the right to obtain an appraisal of the value of their shares of American Bancorp of New Jersey, Inc. common stock in connection with the merger.

**Table of Contents**

**Interests of American Bancorp of New Jersey, Inc. s Directors and Officers In the Merger (page 44)**

In considering the recommendation of the Board of Directors of American Bancorp of New Jersey, Inc. to approve the merger, you should be aware that executive officers and directors of American Bancorp of New Jersey, Inc. have employment and other compensation agreements or plans that give them interests in the merger that are somewhat different from, or in addition to, their interests as American Bancorp of New Jersey, Inc. stockholders.

**Regulatory Approvals Required For the Merger (page 49)**

We cannot complete the merger without the prior approval or non-objection of the Federal Deposit Insurance Corporation, the Federal Reserve Board of Governors and the New Jersey Department of Banking and Insurance. While we do not know of any reason why Investors Bancorp, Inc. would not be able to obtain the necessary approvals in a timely manner, we cannot assure you that these approvals and non-objections will occur or what the timing may be or that these approvals and non-objectio