

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 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): March 7, 2005  
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OCWEN FINANCIAL CORPORATION

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(Exact name of registrant as specified in its charter)

Florida	1-13219	65-0039856
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

The Forum, Suite 1000 1675 Palm Beach Lakes Boulevard, West Palm Beach, Florida	33401
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(Address of principal executive office)	(Zip Code)

Registrant's telephone number, including area code: (561) 682-8000  
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N/A

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(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:

- ☐ 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

(Dollars in 000s)  
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On March 7, 2005, the Company's Board of Directors approved a reserve of \$3,000 reflecting reassessments of prior estimates concerning two contingent liabilities. In accordance with applicable accounting rules, this revision will be reflected as an adjustment of the previously announced fourth quarter and 2004 earnings. Subsequent to the adjustments, net income for the fourth quarter of 2004 was \$2.6 million or \$0.04 per share, and net income for the year ended December 31, 2004 was \$57.7 million or \$0.88 per share. The relevant subsequent events are described below.

On February 28, 2005, a jury in County Court for Nueces County, Texas, returned a verdict of \$140 in compensatory and statutory damages in favor of Jesus S. Guzman and Joann B. Guzman in their lawsuit against the Bank and others arising out of a disputed foreclosure. The jury rejected plaintiffs' request for punitive damages. The verdict included \$2,900 for plaintiffs attorneys' fees, an amount which we believe is unsupported by the evidence and impermissibly excessive under the controlling legal authorities. We are pursuing post-trial motions seeking to set aside or substantially reduce the attorneys' fees award and, if necessary, will take an appeal on that issue and perhaps other issues to the Texas Court of Appeals for the Thirteenth Judicial District. We intend to continue to vigorously defend the Guzman matter.

Earlier in February, 2005, a jury in Circuit Court for Palm Beach County, Florida, returned verdicts of \$1,000 and \$1,056 in compensatory damages in favor of Patti J. Kidder and Katherine R. Dean, respectively, in a lawsuit against OCN and the Bank. The jury rejected plaintiffs' request for punitive damages. The plaintiffs are former Bank employees who brought claims under the Florida Civil Rights Act, the Florida Whistleblower Act and state tort law, arising out of an

alleged invasion of privacy and related incidents allegedly committed by other former employees of the Bank in 1998 for which plaintiffs sought to hold the Ocwen defendants vicariously liable. We believe the verdicts are against the weight of evidence and contrary to law. Defendants have filed motions for a new trial and/or remittitur and, if necessary, will take an appeal to the Florida Court of Appeals for the Fourth District. We intend to continue to vigorously defend the Kidder/Dean matter.

Revised statements of operations and financial condition are attached.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(a) - (b) Not applicable.

(c) Exhibits

99.1 Revised statements of operations and financial condition

SIGNATURES

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

OCWEN FINANCIAL CORPORATION

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(Registrant)

By: /s/ ROBERT J. LEIST

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Robert J. Leist,  
Vice President & Chief Accounting  
Officer and Acting Chief Financial  
Officer

Date: March 9, 2005

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Dollars in thousands, except share data)

	Three Months		Twelve Months	
For the periods ended December 31,	2004	2003	2004	2003
<b>Revenue</b>				
Servicing and related fees .....	\$ 40,142	\$ 38,041	\$ 160,062	\$ 139,744
Vendor management fees .....	11,155	8,121	46,986	29,842
Gain (loss) on trading and match funded securities, net .....	(2,226)	420	(537)	3,344
Valuation gains (losses) on real estate .....	(1,120)	(734)	(5,110)	(7,430)
Gain (loss) on sales of real estate .....	1,705	57	1,556	466
Operating income (loss) from real estate .....	(412)	1,666	605	5,128
Gain (loss) on debt repurchases .....	--	--	--	(445)
Other income .....	2,865	1,300	19,465	6,848
Non-interest revenue .....	52,109	48,871	223,027	177,497
Interest income .....	8,121	6,296	23,676	24,122
Interest expense .....	8,325	9,162	30,364	38,716
Net interest income (expense) before provision for loan losses .....	(204)	(2,866)	(6,688)	(14,594)
Provision for loan losses .....	(969)	(14)	(1,881)	(2,684)
Net interest income (expense) after provision for loan losses .....	765	(2,852)	(4,807)	(11,910)
Total revenue .....	52,874	46,019	218,220	165,587
<b>Non-interest expense</b>				
Compensation and employee benefits .....	23,054	19,716	87,284	72,221
Occupancy and equipment .....	3,934	4,391	15,933	13,159
Technology and communication costs .....	6,574	6,544	26,049	21,121
Loan expenses .....	6,739	3,416	27,313	14,252
Loss (gain) on investments in affordable housing properties .....	(76)	(34)	(255)	285
Professional services and regulatory fees .....	8,563	4,200	26,589	26,054
Other operating expenses .....	2,178	3,386	10,069	10,409
Non-interest expense .....	50,966	41,619	192,982	157,501
Distributions on Capital Securities .....	--	--	--	3,058
Income (loss) before minority interest and income taxes .....	1,908	4,400	25,238	5,028
Minority interest in net income (loss) of subsidiaries .....	(112)	(184)	(162)	(492)
Income tax expense (benefit) .....	(545)	130	(32,324)	748
Net income (loss) .....	\$ 2,565	\$ 4,454	\$ 57,724	\$ 4,772
<b>Earnings (loss) per share</b>				
Basic .....	\$ 0.04	\$ 0.07	\$ 0.88	\$ 0.07
Diluted .....	\$ 0.04	\$ 0.07	\$ 0.82	\$ 0.07
<b>Weighted average common shares outstanding</b>				
Basic .....	62,733,630	67,222,211	65,811,697	67,166,888
Diluted .....	63,879,194	68,446,366	73,197,255	68,063,873

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION  
(Dollars in thousands, except share data)

	December 31, 2004	December 31, 2003
<b>Assets</b>		
Cash and amounts due from depository institutions .....	\$ 171,645	\$ 229,606
Interest earning deposits .....	116,206	324
Trading securities, at fair value:		
Investment grade .....	86,215	6,679
Subordinates and residuals .....	39,527	42,841
Real estate .....	18,732	103,943
Affordable housing properties .....	5,641	7,410

Loans, net .....	3,792	28,098
Match funded assets (including advances on loans serviced for others of \$276,626 in 2004 and \$105,788 in 2003) .....	280,760	130,087
Premises and equipment, net .....	37,440	41,943
Advances on loans and loans serviced for others .....	240,430	374,769
Mortgage servicing rights .....	131,409	166,495
Receivables .....	126,719	74,315
Other assets .....	68,977	33,608
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Total assets .....	\$ 1,327,493	\$ 1,240,118
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Liabilities and Stockholders' Equity		
Liabilities		
Deposits .....	\$ 301,299	\$ 446,388
Escrow deposits .....	125,977	116,444
Match funded liabilities .....	244,327	115,394
Lines of credit and other secured borrowings .....	50,612	150,384
Debt securities .....	231,249	56,249
Accrued interest payable .....	6,173	4,789
Accrued expenses, payables and other liabilities .....	36,218	31,926
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Total liabilities .....	995,855	921,574
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Minority interest in subsidiaries .....	1,530	1,286
Stockholders' Equity		
Common stock, \$.01 par value; 200,000,000 shares authorized: 62,739,478 and 67,467,220 shares issued and outstanding at December 31, 2004 and December 31, 2003, respectively .....	627	675
Additional paid-in capital .....	181,336	225,559
Retained earnings .....	148,133	90,409
Accumulated other comprehensive income (loss), net of taxes .....	12	615
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Total stockholders' equity .....	330,108	317,258
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Total liabilities and stockholders' equity .....	\$ 1,327,493	\$ 1,240,118
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