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NEW CENTURY FINANCIAL CORP  
Form 425  
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Filed by New Century Financial Corporation

Pursuant to Rule 425 under the Securities Act of 1933  
and deemed filed pursuant Rule 14a-12 of the Securities Exchange Act of 1934

Subject Company: New Century Financial Corporation

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This document is being filed pursuant to Rule 425 under the Securities Act of 1933 and is deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934.

On July 8, 2004, we issued the following press release:

**News Release**

**FOR ADDITIONAL INFORMATION CONTACT:**

New Century Financial Corporation

Carrie Marrelli, VP, Investor Relations

18400 Von Karman, Suite 1000

(949) 224-5745

Irvine, CA 92612

Erin Feeman, VP, Corporate Communications

(949) 862-7624

**New Century Announces June Monthly Loan Production of \$4.9 Billion**

**New Century Increases its 2004 Annual Production Guidance from \$36 Billion to \$40 Billion**

**Irvine, Calif., July 8, 2004, New Century Financial Corporation** (Nasdaq: NCEN), one of the nation's largest mortgage finance companies, announced today loan production volume for June 2004 of \$4.9 billion, which reflects a 135 percent increase over the same period last year.



**June Loan Production**

The following table compares the loan production volume for June 2004 with the same period in 2003:

<i>\$ s in billions</i>	2004			2003			% $\Delta$ in Vol.	% $\Delta$ in Average Daily Vol.
	\$ Vol.	Funding Days	Average Daily \$ Vol.	\$ Vol.	Funding Days	Average Daily \$ Vol.		
April	\$ 3.3	22	\$ 0.150	\$ 1.9	22	\$ 0.086	74%	74%
May	\$ 4.1*	20	\$ 0.210	\$ 1.9	21	\$ 0.090	116%	133%
June	\$ 4.9	22	\$ 0.223	\$ 2.0	21	\$ 0.095	145%	135%
<b>Total</b>	<b>\$ 12.3</b>	<b>64</b>	<b>\$ 0.192</b>	<b>\$ 5.8</b>	<b>64</b>	<b>\$ 0.091</b>	<b>112%</b>	<b>111%</b>
<b>Fiscal YTD</b>	<b>\$ 20.7</b>	<b>126</b>	<b>\$ 0.164</b>	<b>\$ 10.5</b>	<b>125</b>	<b>\$ 0.084</b>	<b>197%</b>	<b>197%</b>

\* Changed from \$4.2 billion due to rounding

June's production of \$4.9 billion and second quarter production of \$12.3 billion crowned the best monthly and quarterly production results in our company's history, said Robert K. Cole, chairman of the board and chief executive officer. The considerable increase in our second quarter's production was primarily the result of the quarter's changing rate environment which caused many brokers and borrowers who were not protected by rate lock agreements from traditional lenders to seek financing from alternative sources. This created an opportunity for our company to add an incremental volume of high FICO score product to our core base of production.

In addition, with loan production totaling \$20.7 billion for the six months ended June 30, 2004, we expect a normalized pace of production in the third and fourth quarters this year ranging from approximately \$10 billion to \$12 billion per quarter. We are therefore raising our 2004 annual production guidance to \$40 billion reflecting the lower range given the changing interest rate environment.

We also remain on track to achieve our 2004 earnings per share guidance range of \$7.50 to \$8.00, added Cole.

**About New Century**

New Century Financial Corporation is one of the nation's largest mortgage finance companies, providing first and second mortgage products to borrowers nationwide through its operating subsidiaries. New Century is committed to serving the communities in which it operates with fair and responsible lending practices. To find out more about New Century, please visit [www.ncen.com](http://www.ncen.com).

**Safe Harbor Regarding Forward-Looking Statements**

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Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws and New Century intends that such forward-looking statements be subject to the safe-harbor created thereby. Such forward-looking statements include, but are not limited to, (i) the expectation that New Century will have a normalized pace of production in the third and fourth quarters this year ranging from approximately \$10 billion to \$12 billion per quarter; (ii) New Century's 2004 production target of \$40 billion; and (iii) the belief that New Century will achieve its 2004 earnings per share guidance range of \$7.50 to

\$8.00. New Century cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by the forward-looking statements. Such factors include, but are not limited to, (i) the condition of the U.S. economy and financial system, (ii) the stability of residential property values, (iii) the potential effect of new state or federal laws or regulations, (iv) the effect of increasing competition in New Century's sector, (v) the interest rate environment, (vi) New Century's ability to maintain adequate financing facilities, (vii) the outcome of litigation or regulatory actions pending against New Century, and (viii) the risks identified in New Century's Annual Report on Form 10-K, as amended, for the year ended December 31, 2003, and its other periodic filings with the Securities and Exchange Commission. New Century assumes no obligation to update the forward-looking statements contained in this press release

#### Proxy Information

This press release may be deemed to be solicitation material in connection with our previously announced plan to convert to a real estate investment trust (REIT). In connection with the proposed REIT conversion, a preliminary proxy statement/prospectus that is part of the registration statement on Form S-4, as amended, of New Century REIT, Inc. was filed with the Securities and Exchange Commission on April 22, 2004. The preliminary proxy statement/prospectus is a proxy statement of New Century and prospectus of New Century REIT, Inc., a wholly owned subsidiary of New Century. **Investors are urged to read the preliminary proxy statement/prospectus and any other relevant documents filed with the Securities and Exchange Commission, including the definitive proxy statement/prospectus when available, because they will contain important information.** You will be able to obtain the documents free of charge at the website maintained by the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov). In addition, you may obtain documents filed by New Century with the Securities and Exchange Commission free of charge by requesting them in writing from New Century Financial Corporation, 18400 Von Karman, Suite 1000, Irvine, California, 92612, Attention: Carrie Marrelli, or by telephone at (949) 224-5745.

#### Participants in Solicitation

New Century and its directors and executive officers and other members of its management and employees may be deemed to be participants in the solicitation of proxies from the stockholders of New Century in connection with the proposed REIT conversion. Information about the directors and executive officers of New Century and their ownership of New Century stock are set forth in the preliminary proxy statement/prospectus. Investors are also urged to review the information regarding the interests of such participants in the definitive proxy statement/prospectus when filed with the Securities and Exchange Commission.