Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Kearny Financial Corp.			**2** Issuer's employer identification number (EIN) 30-0870244
3 Name of contact for additional information Eric B. Heyer, EVP, Chief Financial Officer	**4** Telephone No. of contact (973) 244-4500		**5** Email address of contact eheyer@kearnybank.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 120 Passaic Avenue			**7** City, town, or post office, state, and Zip code of contact Fairfield, NJ 07004
8 Date of action April 2, 2018	**9** Classification and description See attachment		
10 CUSIP number 48716P108	**11** Serial number(s)	**12** Ticker symbol KRNY	**13** Account number(s)

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► The reportable organizational action is the merger of Clifton with and into Kearny on April 2, 2018, with Kearny continuing as the surviving corporation.

As a result of the Merger, each share of Clifton common stock was exchanged for 1.191 shares of Kearny common stock. No fractional shares of Kearny common stock were issued in connection with the Merger. To the extent that the exchange would have resulted in the issuance of a fractional share of Kearny common stock to a Clifton shareholder, a cash payment equal to market value equivalent of the fractional share was paid in lieu of issuing a fractional share of Kearny common stock.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► See attachment

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► Refer to the description of the basis calcualtion in Part II, Box 15 above. The April 2, 2018 closing price of a single share of Kearny common stock on The Nasdaq Global Select Market was $13.55.

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The merger of Clifton with and into Kearny qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Other relevant Internal Revenue Code sections include 354, 356, 358, and 1001.

18 Can any resulting loss be recognized? ▶ No loss can be recognized upon the exchange of Clifton common stock for shares of Kearny common stock. If a taxable loss is calculated on the deemed sale of a fractional share of Kearny common stock deemed to have been received in the exchange, this loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The transaction was completed on April 2, 2018. Consequently, the reportable tax year of the Clifton shareholders for reporting the tax effect of the share exchange is the tax year that includes the April 2, 2018 date. This is the 2018 calendar year for those shareholders who report taxable income on the basis of a calendar year.

Clifton shareholders are urged to consult with their own tax advisors as to the U.S. federal income tax consequences of the Merger, and the guidance provided herein should not be considered tax advice.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ [signature] Date ▶ 4/18/2018

Print your name ▶ Eric B. Heyer Title ▶ EVP, Chief Financial Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
James D. Slivanya	[signature]	4/18/2018		P00638817
Firm's name ▶ Crowe Horwath LLP			Firm's EIN ▶	35-0921680
Firm's address ▶ 488 Madison Avenue - Floor 3, New York, NY 10022			Phone no.	(212) 572-5500

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Kearny Financial Corp.
30-0870244
Attachment to Form 8937

Report of Organizational Actions Affecting Basis of Securities

Form 8937 Part I, Box 9
The securities subject to reporting include all shares of Kearny Financial Corp. ("Kearny") common stock issued in exchange for the outstanding common stock of Clifton Bancorp Inc. ("Clifton") as a result of the merger of Clifton with and into Kearny (the "Merger") on April 2, 2018.

Form 8937 Part II, Box 15
The merger of Clifton with and into Kearny qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. As a result, no taxable gain or loss will be recognized by any Clifton shareholder upon the exchange of their shares of Clifton common stock for shares of Kearny common stock.

For each identifiable block of Clifton common shares surrendered in the exchange having a common tax basis, the aggregate tax basis of the shares of Kearny common stock received in the exchange will be equal to the tax basis of the Clifton common shares surrendered in the exchange. The tax basis of each individual share of Kearny common stock within this identifiable block is determined by dividing this aggregate tax basis by the number of Kearny common shares (including any fractional share deemed to have been distributed in the exchange – see below) that comprise this identifiable block.

Clifton shareholders who receive cash in lieu of a fractional share of Kearny common stock are, for purposes of determining the taxability of that cash, deemed to have received a fractional share in the exchange and then as having sold the fractional share for cash. These Clifton shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the Clifton common shares deemed to have been exchanged for the fractional shares and the amount of cash received.