

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2025

OR

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

For the transition period from _____ to _____

Commission File Number: 001-37399

KEARNY FINANCIAL CORP.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

30-0870244

(I.R.S. Employer
Identification Number)

120 Passaic Ave., Fairfield, New Jersey

(Address of principal executive offices)

07004

(Zip Code)

Registrant's telephone number, including area code

973-244-4500

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------|--------------------------|--|
| Common Stock, \$0.01 par value | KRNY | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filers," "accelerated filers," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: October 31, 2025.

\$0.01 par value common stock — 64,739,151 shares outstanding

KEARNY FINANCIAL CORP. AND SUBSIDIARIES

TABLE OF CONTENTS

| | Page Number |
|---|----------------|
| PART I—FINANCIAL INFORMATION | |
| Item 1. Financial Statements | |
| Consolidated Statements of Financial Condition at September 30, 2025 (Unaudited) and June 30, 2025 | 1 |
| Consolidated Statements of Income for the Three Months Ended September 30, 2025 and September 30, 2024 (Unaudited) | 2 |
| Consolidated Statements of Comprehensive Income for the Three Months Ended September 30, 2025 and September 30, 2024 (Unaudited) | 3 |
| Consolidated Statements of Changes in Stockholders' Equity for the Three Months Ended September 30, 2025 and September 30, 2024 (Unaudited) | 4 |
| Consolidated Statements of Cash Flows for the Three Months Ended September 30, 2025 and September 30, 2024 (Unaudited) | 5 |
| Notes to Consolidated Financial Statements (Unaudited) | 7 |
| Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations | 33 |
| Item 3. Quantitative and Qualitative Disclosure About Market Risk | 41 |
| Item 4. Controls and Procedures | 42 |
| PART II—OTHER INFORMATION | |
| Item 1. Legal Proceedings | 43 |
| Item 1A. Risk Factors | 43 |
| Item 2. Unregistered Sales of Equity Securities and Use of Proceeds | 43 |
| Item 3. Defaults Upon Senior Securities | 43 |
| Item 4. Mine Safety Disclosures | 43 |
| Item 5. Other Information | 43 |
| Item 6. Exhibits | 44 |
| SIGNATURES | 45 |

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In Thousands, Except Share and Per Share Data)

| | September 30, 2025 | June 30, 2025 |
|---|-----------------------|---------------------|
| | (Unaudited) | |
| Assets | | |
| Cash and amounts due from depository institutions | \$ 15,828 | \$ 21,864 |
| Interest-bearing deposits in other banks | 114,311 | 145,405 |
| Cash and cash equivalents | 130,139 | 167,269 |
| Investment securities available for sale (amortized cost of \$1,116,953 and \$1,125,111, respectively) | 1,016,182 | 1,012,969 |
| Investment securities held to maturity (fair value of \$104,817 and \$106,712, respectively) | 116,681 | 120,217 |
| Loans held-for-sale | 6,650 | 5,931 |
| Loans receivable | 5,767,419 | 5,812,937 |
| Less: allowance for credit losses on loans | (45,060) | (46,191) |
| Net loans receivable | 5,722,359 | 5,766,746 |
| Premises and equipment | 43,222 | 43,897 |
| Federal Home Loan Bank ("FHLB") of New York stock | 62,011 | 64,261 |
| Accrued interest receivable | 29,460 | 28,098 |
| Goodwill | 113,525 | 113,525 |
| Core deposit intangibles | 1,317 | 1,436 |
| Bank owned life insurance | 307,248 | 304,717 |
| Deferred income tax assets, net | 51,587 | 55,203 |
| Other assets | 47,629 | 56,181 |
| Total Assets | \$ 7,648,010 | \$ 7,740,450 |
| Liabilities and Stockholders' Equity | | |
| Liabilities | | |
| Deposits: | | |
| Non-interest-bearing | \$ 578,481 | \$ 582,045 |
| Interest-bearing | 5,053,401 | 5,093,172 |
| Total deposits | 5,631,882 | 5,675,217 |
| Borrowings | 1,206,497 | 1,256,491 |
| Advance payments by borrowers for taxes | 19,261 | 19,317 |
| Other liabilities | 37,166 | 43,463 |
| Total Liabilities | 6,894,806 | 6,994,488 |
| Stockholders' Equity | | |
| Preferred stock, \$0.01 par value, 100,000,000 shares authorized; none issued and outstanding | — | — |
| Common stock, \$0.01 par value; 800,000,000 shares authorized; 64,739,151 shares and 64,577,481 shares issued and outstanding, respectively | 648 | 646 |
| Paid-in capital | 494,490 | 494,546 |
| Retained earnings | 344,287 | 341,744 |
| Unearned employee stock ownership plan shares; 1,906,630 shares and 1,956,805 shares, respectively | (18,484) | (18,970) |
| Accumulated other comprehensive loss | (67,737) | (72,004) |
| Total Stockholders' Equity | 753,204 | 745,962 |
| Total Liabilities and Stockholders' Equity | \$ 7,648,010 | \$ 7,740,450 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Data)
(Unaudited)

| | Three Months Ended September 30, | |
|--|-------------------------------------|-----------------|
| | 2025 | 2024 |
| Interest Income | | |
| Loans | \$ 68,349 | \$ 66,331 |
| Taxable investment securities | 12,600 | 14,384 |
| Tax-exempt investment securities | 41 | 71 |
| Other interest-earning assets | 1,518 | 2,466 |
| Total Interest Income | <u>82,508</u> | <u>83,252</u> |
| Interest Expense | | |
| Deposits | 33,931 | 35,018 |
| Borrowings | 10,873 | 15,788 |
| Total Interest Expense | <u>44,804</u> | <u>50,806</u> |
| Net Interest Income | <u>37,704</u> | <u>32,446</u> |
| (Reversal of) provision for credit losses | (82) | 108 |
| Net Interest Income after (Reversal of) Provision for Credit Losses | <u>37,786</u> | <u>32,338</u> |
| Non-Interest Income | | |
| Fees and service charges | 892 | 635 |
| Gain on sale of loans | 199 | 200 |
| Income from bank owned life insurance | 2,689 | 2,567 |
| Electronic banking fees and charges | 416 | 391 |
| Other income | 1,651 | 833 |
| Total Non-Interest Income | <u>5,847</u> | <u>4,626</u> |
| Non-Interest Expense | | |
| Salaries and employee benefits | 18,745 | 17,498 |
| Net occupancy expense of premises | 3,307 | 2,798 |
| Equipment and systems | 3,974 | 3,860 |
| Advertising and marketing | 562 | 342 |
| Federal deposit insurance premium | 1,301 | 1,563 |
| Directors' compensation | 307 | 361 |
| Other expense | 3,470 | 3,364 |
| Total Non-Interest Expense | <u>31,666</u> | <u>29,786</u> |
| Income before Income Taxes | <u>11,967</u> | <u>7,178</u> |
| Income tax expense | 2,461 | 1,086 |
| Net Income | <u>\$ 9,506</u> | <u>\$ 6,092</u> |
| Net Income per Common Share (EPS) | | |
| Basic | \$ 0.15 | \$ 0.10 |
| Diluted | \$ 0.15 | \$ 0.10 |
| Weighted Average Number of Common Shares Outstanding | | |
| Basic | 62,741 | 62,389 |
| Diluted | 62,951 | 62,420 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands, Unaudited)

| | Three Months Ended September 30, | |
|---|-------------------------------------|----------|
| | 2025 | 2024 |
| Net Income | \$ 9,506 | \$ 6,092 |
| Other Comprehensive Income (Loss), net of tax: | | |
| Net unrealized gain on securities available for sale | 8,081 | 16,982 |
| Fair value adjustments on derivatives | (3,789) | (18,624) |
| Benefit plan adjustments | (25) | 81 |
| Total Other Comprehensive Income (Loss) | 4,267 | (1,561) |
| Total Comprehensive Income | \$ 13,773 | \$ 4,531 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In Thousands, Except Per Share Data, Unaudited)

| | Common Stock | | Paid-In Capital | Retained Earnings | Unearned ESOP Shares | Accumulated Other Comprehensive Loss | Total |
|---|---------------------|---------------|------------------------|--------------------------|-----------------------------|---|-------------------|
| | Shares | Amount | | | | | |
| Balance - June 30, 2024 | 64,434 | \$ 644 | \$ 493,680 | \$ 343,326 | \$ (20,916) | \$ (63,163) | \$ 753,571 |
| Net income | — | — | — | 6,092 | — | — | 6,092 |
| Other comprehensive loss, net of income tax | — | — | — | — | — | (1,561) | (1,561) |
| ESOP shares committed to be released (50 shares) | — | — | (156) | — | 486 | — | 330 |
| Issuance of stock under stock benefit plan | 207 | 2 | (2) | — | — | — | — |
| Stock-based compensation expense | — | — | 350 | — | — | — | 350 |
| Cancellation of shares issued for restricted stock awards | (61) | — | (349) | — | — | — | (349) |
| Cash dividends declared (\$0.11 per common share) | — | — | — | (6,896) | — | — | (6,896) |
| Balance - September 30, 2024 | 64,580 | \$ 646 | \$ 493,523 | \$ 342,522 | \$ (20,430) | \$ (64,724) | \$ 751,537 |

| | Common Stock | | Paid-In Capital | Retained Earnings | Unearned ESOP Shares | Accumulated Other Comprehensive Loss | Total |
|---|---------------------|---------------|------------------------|--------------------------|-----------------------------|---|-------------------|
| | Shares | Amount | | | | | |
| Balance - June 30, 2025 | 64,577 | \$ 646 | \$ 494,546 | \$ 341,744 | \$ (18,970) | \$ (72,004) | \$ 745,962 |
| Net income | — | — | — | 9,506 | — | — | 9,506 |
| Other comprehensive income, net of income tax | — | — | — | — | — | 4,267 | 4,267 |
| ESOP shares committed to be released (50 shares) | — | — | (164) | — | 486 | — | 322 |
| Issuance of stock under stock benefit plans | 238 | 2 | (2) | — | — | — | — |
| Stock-based compensation expense | — | — | 525 | — | — | — | 525 |
| Cancellation of shares issued for restricted stock awards | (76) | — | (415) | — | — | — | (415) |
| Cash dividends declared (\$0.11 per common share) | — | — | — | (6,963) | — | — | (6,963) |
| Balance - September 30, 2025 | 64,739 | \$ 648 | \$ 494,490 | \$ 344,287 | \$ (18,484) | \$ (67,737) | \$ 753,204 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands, Unaudited)

| | Three Months Ended September 30, | |
|--|---|---------------|
| | 2025 | 2024 |
| Cash Flows from Operating Activities: | | |
| Net income | \$ 9,506 | \$ 6,092 |
| Adjustment to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization of premises and equipment | 1,042 | 1,108 |
| Net accretion of yield adjustments | (139) | (388) |
| Deferred income taxes | 1,892 | 875 |
| Amortization of intangible assets | 119 | 126 |
| Net change in benefit plan accrued expense | (35) | 115 |
| (Reversal of) provision for credit losses | (82) | 108 |
| Loans originated for sale | (28,605) | (29,463) |
| Proceeds from sale of mortgage loans held-for-sale | 28,085 | 26,833 |
| Gain on sale of mortgage loans held-for-sale, net | (199) | (200) |
| Realized gain on disposition of premises and equipment | (749) | (1) |
| Increase in cash surrender value of bank owned life insurance | (2,689) | (2,567) |
| ESOP and stock-based compensation expense | 847 | 680 |
| (Increase) decrease in interest receivable | (1,362) | 54 |
| Decrease in other assets | 645 | 486 |
| (Decrease) increase in interest payable | (2,108) | 1,625 |
| Decrease in other liabilities | (4,664) | (2,944) |
| Net Cash Provided by Operating Activities | 1,504 | 2,539 |
| Cash Flows from Investing Activities: | | |
| Purchases of: | | |
| Investment securities available for sale | (71,170) | (37,542) |
| Proceeds from: | | |
| Repayments/calls/maturities of investment securities available for sale | 79,405 | 63,608 |
| Repayments/calls/maturities of investment securities held to maturity | 3,507 | 3,455 |
| Purchase of loans | (5,053) | — |
| Net decrease (increase) in loans receivable | 50,763 | (37,293) |
| Additions to premises and equipment | (367) | (1,357) |
| Proceeds from death benefit of bank owned life insurance | 301 | 255 |
| Proceeds from cash settlement of premises and equipment | 2,629 | 1 |
| Purchase of FHLB stock | (9,900) | (18,806) |
| Redemption of FHLB stock | 12,150 | 41,400 |
| Net Cash Provided by Investing Activities | 62,265 | 13,721 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In Thousands, Unaudited)

| | Three Months Ended September 30, | |
|--|---|-------------------|
| | 2025 | 2024 |
| Cash Flows from Financing Activities: | | |
| Net (decrease) increase in deposits | (43,333) | 312,395 |
| Repayment of term FHLB advances | (1,200,000) | (1,425,000) |
| Proceeds from term FHLB advances and other borrowings | 1,100,000 | 1,100,000 |
| Net increase in other short-term borrowings | 50,000 | 95,000 |
| Net (decrease) increase in advance payments by borrowers for taxes | (56) | 415 |
| Cancellation of shares repurchased on vesting to pay taxes | (415) | (349) |
| Dividends paid | (7,095) | (7,011) |
| Net Cash (Used in) Provided by Financing Activities | (100,899) | 75,450 |
| Net (Decrease) Increase in Cash and Cash Equivalents | (37,130) | 91,710 |
| Cash and Cash Equivalents - Beginning | 167,269 | 63,864 |
| Cash and Cash Equivalents - Ending | \$ 130,139 | \$ 155,574 |

Supplemental Disclosures of Cash Flows Information:

Cash paid during the period for:

| | | |
|------------------------------|-----------|-----------|
| Income taxes, net of refunds | \$ 2,711 | \$ 1,268 |
| Interest | \$ 46,912 | \$ 49,181 |

See notes to unaudited consolidated financial statements.

KEARNY FINANCIAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The unaudited consolidated financial statements include the accounts of Kearny Financial Corp. (the “Company”), its wholly-owned subsidiary, Kearny Bank (the “Bank”) and the Bank’s wholly-owned subsidiaries. The Company conducts its business principally through the Bank. Management prepared the unaudited consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”), including the elimination of all significant inter-company accounts and transactions during consolidation.

Basis of Presentation

The accompanying unaudited consolidated financial statements were prepared in accordance with instructions for Form 10-Q and Regulation S-X and do not include the information or footnotes necessary for a complete presentation of financial condition, income, comprehensive income, changes in stockholders’ equity and cash flows in conformity with GAAP. However, in the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the unaudited consolidated financial statements have been included. The results of operations for the three months ended September 30, 2025 are not necessarily indicative of the results that may be expected for the entire fiscal year or any other period.

The data in the Consolidated Statement of Financial Condition at June 30, 2025 was derived from the Company’s 2025 Annual Report on Form 10-K. That data, along with the interim unaudited financial information presented in the Consolidated Statements of Financial Condition, Income, Comprehensive Income, Changes in Stockholders’ Equity and Cash Flows should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included in the Company’s 2025 Annual Report on Form 10-K.

The accounting and reporting policies of the Company conform to U.S. GAAP and to general practice within the financial services industry. A discussion of these policies can be found in Note 1, Summary of Significant Accounting Policies, included in the Company’s 2025 Annual Report on Form 10-K. There have been no material changes to the Company’s significant accounting policies since June 30, 2025.

2. SUBSEQUENT EVENTS

The Company has evaluated events and transactions occurring subsequent to the statement of financial condition date of September 30, 2025, for items that should potentially be recognized or disclosed in these consolidated financial statements (unaudited). The evaluation was conducted through the date this document was filed.

On October 22, 2025, the Company declared a quarterly cash dividend of \$0.11 per share, payable on November 19, 2025 to stockholders of record as of November 5, 2025.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Standards Issued Not Yet Adopted

In November 2024, and as amended in January 2025, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires improved disclosures about a public business entity’s expenses, including more detailed information about the types of expenses in commonly presented expense captions. The amendments in this update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, although early adoption is permitted.

In January 2025, the FASB issued ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. This ASU amends the effective date of ASU 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. Adoption of ASU 2024-03 and ASU 2025-01 is not expected to have a significant impact on the Company’s consolidated financial statements.

4. SECURITIES

The following tables present the amortized cost, gross unrealized gains and losses and estimated fair values for available for sale securities and the amortized cost, gross unrecognized gains and losses and estimated fair values for held to maturity securities as of the dates indicated:

| | September 30, 2025 | | | | |
|--|---------------------|------------------------------|-------------------------------|--------------------------------|---------------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Allowance for Credit Losses | Fair Value |
| (In Thousands) | | | | | |
| Available for sale: | | | | | |
| Debt securities: | | | | | |
| Asset-backed securities | \$ 58,686 | \$ 9 | \$ 207 | \$ — | \$ 58,488 |
| Collateralized loan obligations | 331,135 | 883 | 163 | — | 331,855 |
| Corporate bonds | 144,546 | 860 | 8,083 | — | 137,323 |
| Total debt securities | 534,367 | 1,752 | 8,453 | — | 527,666 |
| Mortgage-backed securities: | | | | | |
| Residential pass-through securities ⁽¹⁾ | 430,740 | 608 | 75,009 | — | 356,339 |
| Commercial pass-through securities ⁽¹⁾ | 151,846 | 464 | 20,133 | — | 132,177 |
| Total mortgage-backed securities | 582,586 | 1,072 | 95,142 | — | 488,516 |
| Total securities available for sale | \$ 1,116,953 | \$ 2,824 | \$ 103,595 | \$ — | \$ 1,016,182 |

(1) Government-sponsored enterprises.

| | June 30, 2025 | | | | |
|--|---------------------|------------------------------|-------------------------------|--------------------------------|---------------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Allowance for Credit Losses | Fair Value |
| (In Thousands) | | | | | |
| Available for sale: | | | | | |
| Debt securities: | | | | | |
| Asset-backed securities | \$ 60,255 | \$ 59 | \$ 816 | \$ — | \$ 59,498 |
| Collateralized loan obligations | 322,407 | 956 | 118 | — | 323,245 |
| Corporate bonds | 149,550 | 235 | 9,668 | — | 140,117 |
| Total debt securities | 532,212 | 1,250 | 10,602 | — | 522,860 |
| Mortgage-backed securities: | | | | | |
| Residential pass-through securities ⁽¹⁾ | 440,168 | 329 | 83,178 | — | 357,319 |
| Commercial pass-through securities ⁽¹⁾ | 152,731 | 436 | 20,377 | — | 132,790 |
| Total mortgage-backed securities | 592,899 | 765 | 103,555 | — | 490,109 |
| Total securities available for sale | \$ 1,125,111 | \$ 2,015 | \$ 114,157 | \$ — | \$ 1,012,969 |

(1) Government-sponsored enterprises.

| | September 30, 2025 | | | | |
|--|--------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------|
| | Amortized Cost | Gross Unrecognized Gains | Gross Unrecognized Losses | Allowance for Credit Losses | Fair Value |
| (In Thousands) | | | | | |
| Held to maturity: | | | | | |
| Debt securities: | | | | | |
| Obligations of state and political subdivisions | \$ 6,500 | \$ 1 | \$ 35 | \$ — | \$ 6,466 |
| Total debt securities | <u>6,500</u> | <u>1</u> | <u>35</u> | <u>—</u> | <u>6,466</u> |
| Mortgage-backed securities: | | | | | |
| Residential pass-through securities ⁽¹⁾ | 98,008 | 318 | 10,765 | — | 87,561 |
| Commercial pass-through securities ⁽¹⁾ | 12,173 | — | 1,383 | — | 10,790 |
| Total mortgage-backed securities | <u>110,181</u> | <u>318</u> | <u>12,148</u> | <u>—</u> | <u>98,351</u> |
| Total securities held to maturity | <u><u>\$ 116,681</u></u> | <u><u>\$ 319</u></u> | <u><u>\$ 12,183</u></u> | <u><u>\$ —</u></u> | <u><u>\$ 104,817</u></u> |

(1) Government-sponsored enterprises.

| | June 30, 2025 | | | | |
|--|--------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------|
| | Amortized Cost | Gross Unrecognized Gains | Gross Unrecognized Losses | Allowance for Credit Losses | Fair Value |
| (In Thousands) | | | | | |
| Held to maturity: | | | | | |
| Debt securities: | | | | | |
| Obligations of state and political subdivisions | \$ 7,553 | \$ 1 | \$ 74 | \$ — | \$ 7,480 |
| Total debt securities | <u>7,553</u> | <u>1</u> | <u>74</u> | <u>—</u> | <u>7,480</u> |
| Mortgage-backed securities: | | | | | |
| Residential pass-through securities ⁽¹⁾ | 100,482 | 102 | 12,024 | — | 88,560 |
| Commercial pass-through securities ⁽¹⁾ | 12,182 | — | 1,510 | — | 10,672 |
| Total mortgage-backed securities | <u>112,664</u> | <u>102</u> | <u>13,534</u> | <u>—</u> | <u>99,232</u> |
| Total securities held to maturity | <u><u>\$ 120,217</u></u> | <u><u>\$ 103</u></u> | <u><u>\$ 13,608</u></u> | <u><u>\$ —</u></u> | <u><u>\$ 106,712</u></u> |

(1) Government-sponsored enterprises.

[Table of Contents](#)

Excluding the balances of mortgage-backed securities, the following tables present the amortized cost and estimated fair values of debt securities available for sale and held to maturity, by contractual maturity, at September 30, 2025:

| | September 30, 2025 | |
|--|--------------------|-------------------|
| | Amortized Cost | Fair Value |
| | (In Thousands) | |
| Available for sale debt securities: | | |
| Due in one year or less | \$ — | \$ — |
| Due after one year through five years | 17,025 | 16,583 |
| Due after five years through ten years | 344,628 | 338,588 |
| Due after ten years | 172,714 | 172,495 |
| Total | \$ 534,367 | \$ 527,666 |

| | September 30, 2025 | |
|--|--------------------|-----------------|
| | Amortized Cost | Fair Value |
| | (In Thousands) | |
| Held to maturity debt securities: | | |
| Due in one year or less | \$ 2,402 | \$ 2,395 |
| Due after one year through five years | 4,098 | 4,071 |
| Due after five years through ten years | — | — |
| Due after ten years | — | — |
| Total | \$ 6,500 | \$ 6,466 |

The carrying value of securities pledged were as follows as of the dates presented below:

| | September 30, 2025 | June 30, 2025 |
|--|-----------------------|-------------------|
| | (In Thousands) | |
| Securities pledged: | | |
| Pledged to secure public funds on deposit | \$ 248,253 | \$ 475,234 |
| Pledged for potential borrowings at the Federal Reserve Bank of New York | 64,748 | 66,811 |
| Total carrying value of securities pledged | \$ 313,001 | \$ 542,045 |

The following tables present the gross unrealized losses on securities and the estimated fair value of the related securities, aggregated by investment category and length of time that securities have been in a continuous unrealized loss position within the available for sale portfolio at September 30, 2025 and June 30, 2025:

| | September 30, 2025 | | | | | | | |
|---------------------------------------|---------------------|-------------------|-------------------|-------------------|----------------------|-------------------|-------------------|--|
| | Less than 12 Months | | 12 Months or More | | Number of Securities | Total | | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | | Fair Value | Unrealized Losses | |
| (Dollars in Thousands) | | | | | | | | |
| Securities Available for Sale: | | | | | | | | |
| Asset-backed securities | \$ 19,970 | \$ 45 | \$ 35,659 | \$ 162 | 7 | \$ 55,629 | \$ 207 | |
| Collateralized loan obligations | 151,647 | 159 | 14,996 | 4 | 11 | 166,643 | 163 | |
| Corporate bonds | 2,009 | 16 | 108,954 | 8,067 | 21 | 110,963 | 8,083 | |
| Commercial pass-through securities | — | — | 109,293 | 20,133 | 7 | 109,293 | 20,133 | |
| Residential pass-through securities | — | — | 315,331 | 75,009 | 95 | 315,331 | 75,009 | |
| Total | \$ 173,626 | \$ 220 | \$ 584,233 | \$ 103,375 | 141 | \$ 757,859 | \$ 103,595 | |

| | June 30, 2025 | | | | | | |
|---------------------------------------|---------------------|-------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| | Less than 12 Months | | 12 Months or More | | Number of Securities | Total | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | | Fair Value | Unrealized Losses |
| (Dollars in Thousands) | | | | | | | |
| Securities Available for Sale: | | | | | | | |
| Asset-backed securities | \$ 29,860 | \$ 493 | \$ 18,526 | \$ 323 | 7 | \$ 48,386 | \$ 816 |
| Collateralized loan obligations | 105,251 | 82 | 14,964 | 36 | 8 | 120,215 | 118 |
| Corporate bonds | 1,987 | 38 | 112,395 | 9,630 | 22 | 114,382 | 9,668 |
| Commercial pass-through securities | — | — | 109,817 | 20,377 | 7 | 109,817 | 20,377 |
| Residential pass-through securities | 21,942 | 109 | 314,871 | 83,069 | 99 | 336,813 | 83,178 |
| Total | \$ 159,040 | \$ 722 | \$ 570,573 | \$ 113,435 | 143 | \$ 729,613 | \$ 114,157 |

Available for sale securities are evaluated to determine if a decline in fair value below the amortized cost basis has resulted from a credit loss or from other factors. An impairment related to credit factors would be recorded through an allowance for credit losses. The allowance is limited to the amount by which the security's amortized cost basis exceeds the fair value. An impairment that has not been recorded through an allowance for credit losses shall be recorded through other comprehensive income, net of applicable taxes. Investment securities will be written down to fair value through the Consolidated Statement of Income if management intends to sell, or may be required to sell, the securities before they recover in value. The issuers of these securities continue to make timely principal and interest payments and none of these securities were past due or were placed in nonaccrual status at September 30, 2025. The Company also monitors the credit quality of the issuers through credit ratings from various rating agencies. Credit ratings express opinions about the credit quality of a security and are utilized by the Company to make informed decisions. Management believes that the unrealized losses on these securities are a function of changes in market interest rates and credit spreads, not changes in credit quality. No allowance for credit losses was recorded at September 30, 2025 on available for sale securities.

At September 30, 2025, the held to maturity securities portfolio consisted of agency mortgage-backed securities and obligations of state and political subdivisions. The mortgage-backed securities are issued by U.S. government agencies and are implicitly guaranteed by the U.S. government. The obligations of state and political subdivisions in the portfolio are highly rated by major rating agencies and have a long history of no credit losses. The Company regularly monitors the obligations of state and political subdivisions sector of the market and reviews collectability including such factors as the financial condition of the issuers as well as credit ratings in effect as of the reporting period. No allowance for credit losses was recorded at September 30, 2025 on held to maturity securities.

As of September 30, 2025 and June 30, 2025, there were no holdings of debt securities of any one issuer, other than U.S. government sponsored entities and agencies, in an amount greater than 10% of stockholders' equity.

5. LOANS RECEIVABLE

The following table sets forth the composition of the Company's loan portfolio at September 30, 2025 and June 30, 2025:

| | September 30, 2025 | June 30, 2025 |
|---|-----------------------|---------------------|
| | (In Thousands) | |
| Commercial loans: | | |
| Multi-family mortgage | \$ 2,640,737 | \$ 2,709,654 |
| Nonresidential mortgage | 988,969 | 986,556 |
| Commercial business | 142,304 | 138,755 |
| Construction | 189,626 | 177,713 |
| Total commercial loans | <u>3,961,636</u> | <u>4,012,678</u> |
| One- to four-family residential mortgage | 1,749,362 | 1,748,591 |
| Consumer loans: | | |
| Home equity loans | 54,116 | 50,737 |
| Other consumer | 2,487 | 2,533 |
| Total consumer loans | <u>56,603</u> | <u>53,270</u> |
| Total loans | 5,767,601 | 5,814,539 |
| Unaccrued yield adjustments ⁽¹⁾ | (182) | (1,602) |
| Total loans receivable, net of yield adjustments | <u>\$ 5,767,419</u> | <u>\$ 5,812,937</u> |

(1) At September 30, 2025 and June 30, 2025, included a fair value adjustment to the carrying amount of hedged one- to four-family residential mortgage loans.

Past Due Loans

Past due status is based on the contractual payment terms of the loans. The following tables present the payment status of past due loans as of September 30, 2025 and June 30, 2025, by loan segment:

| | Payment Status September 30, 2025 | | | | | |
|--|--------------------------------------|-----------------|---------------------|------------------|---------------------|---------------------|
| | 30-59 Days | 60-89 Days | 90 Days and Over | Total Past Due | Current | Total |
| | (In Thousands) | | | | | |
| Multi-family mortgage | \$ 1,524 | \$ 1,204 | \$ 27,076 | \$ 29,804 | \$ 2,610,933 | \$ 2,640,737 |
| Nonresidential mortgage | — | — | 4,927 | 4,927 | 984,042 | 988,969 |
| Commercial business | 509 | 179 | 453 | 1,141 | 141,163 | 142,304 |
| Construction | 4,500 | — | 20,494 | 24,994 | 164,632 | 189,626 |
| One- to four-family residential mortgage | 1,001 | 1,149 | 3,271 | 5,421 | 1,743,941 | 1,749,362 |
| Home equity loans | 276 | — | 298 | 574 | 53,542 | 54,116 |
| Other consumer | — | — | — | — | 2,487 | 2,487 |
| Total loans | <u>\$ 7,810</u> | <u>\$ 2,532</u> | <u>\$ 56,519</u> | <u>\$ 66,861</u> | <u>\$ 5,700,740</u> | <u>\$ 5,767,601</u> |
| | | | | | | |
| Payment Status June 30, 2025 | | | | | | |
| | 30-59 Days | 60-89 Days | 90 Days and Over | Total Past Due | Current | Total |
| | (In Thousands) | | | | | |
| | \$ — | \$ 5,270 | \$ 22,218 | \$ 27,488 | \$ 2,682,166 | \$ 2,709,654 |
| Multi-family mortgage | 926 | — | 4,937 | 5,863 | 980,693 | 986,556 |
| Nonresidential mortgage | — | 400 | 1,301 | 1,701 | 137,054 | 138,755 |
| Commercial business | — | — | — | — | 177,713 | 177,713 |
| Construction | — | — | — | — | 177,713 | 177,713 |
| One- to four-family residential mortgage | 1,350 | 2,890 | 3,643 | 7,883 | 1,740,708 | 1,748,591 |
| Home equity loans | 176 | 96 | 204 | 476 | 50,261 | 50,737 |
| Other consumer | — | — | — | — | 2,533 | 2,533 |
| Total loans | <u>\$ 2,452</u> | <u>\$ 8,656</u> | <u>\$ 32,303</u> | <u>\$ 43,411</u> | <u>\$ 5,771,128</u> | <u>\$ 5,814,539</u> |

Nonperforming Loans

Loans are generally placed on nonaccrual status when contractual payments become 90 or more days past due or when the Company does not expect to receive all principal and interest payments owed substantially in accordance with the terms of the loan agreement, regardless of past due status. Loans that become 90 days or more past due, but are well secured and in the process of collection, may remain on accrual status. Nonaccrual loans are generally returned to accrual status when all payments due are brought current and the Company expects to receive all remaining principal and interest payments owed substantially in accordance with the terms of the loan agreement. Payments received in cash on nonaccrual loans, including both the principal and interest portions of those payments, are generally applied to reduce the carrying value of the loan. The Company did not recognize interest income on non-accrual loans during the three months ended September 30, 2025 and 2024.

The following tables present information relating to the Company's nonperforming loans as of September 30, 2025 and June 30, 2025:

| | Performance Status September 30, 2025 | | | | | |
|--|--|--|---|------------------------|---------------------|---------------------|
| | 90 Days and Over Past Due Accruing | Nonaccrual Loans with Allowance for Credit Losses | Nonaccrual Loans with no Allowance for Credit Losses | Total Nonperforming | Performing | Total |
| | | (In Thousands) | | | | |
| Multi-family mortgage | \$ — | \$ 7,227 | \$ 24,388 | \$ 31,615 | \$ 2,609,122 | \$ 2,640,737 |
| Nonresidential mortgage | — | — | 5,732 | 5,732 | 983,237 | 988,969 |
| Commercial business | — | 838 | 301 | 1,139 | 141,165 | 142,304 |
| Construction | 20,494 | — | — | 20,494 | 169,132 | 189,626 |
| One- to four-family residential mortgage | — | 2,383 | 2,918 | 5,301 | 1,744,061 | 1,749,362 |
| Home equity loans | — | 106 | 192 | 298 | 53,818 | 54,116 |
| Other consumer | — | — | — | — | 2,487 | 2,487 |
| Total loans | \$ 20,494 | \$ 10,554 | \$ 33,531 | \$ 64,579 | \$ 5,703,022 | \$ 5,767,601 |

| | Performance Status June 30, 2025 | | | | | |
|--|--|--|---|------------------------|---------------------|---------------------|
| | 90 Days and Over Past Due Accruing | Nonaccrual Loans with Allowance for Credit Losses | Nonaccrual Loans with no Allowance for Credit Losses | Total Nonperforming | Performing | Total |
| | | (In Thousands) | | | | |
| Multi-family mortgage | \$ — | \$ 15,867 | \$ 14,990 | \$ 30,857 | \$ 2,678,797 | \$ 2,709,654 |
| Nonresidential mortgage | — | — | 5,763 | 5,763 | 980,793 | 986,556 |
| Commercial business | — | 1,930 | 293 | 2,223 | 136,532 | 138,755 |
| Construction | — | — | — | — | 177,713 | 177,713 |
| One- to four-family residential mortgage | — | 2,862 | 3,688 | 6,550 | 1,742,041 | 1,748,591 |
| Home equity loans | — | 188 | 16 | 204 | 50,533 | 50,737 |
| Other consumer | — | — | — | — | 2,533 | 2,533 |
| Total loans | \$ — | \$ 20,847 | \$ 24,750 | \$ 45,597 | \$ 5,768,942 | \$ 5,814,539 |

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

No loan modifications were made to borrowers experiencing financial difficulty during the three months ended September 30, 2025.

The following table presents the amortized cost basis at September 30, 2024 of loan modifications made to borrowers experiencing financial difficulty that were restructured during the three months ended September 30, 2024, by type of modification:

| | Three Months Ended September 30, 2024 | | | | | | Percent of Total Class | |
|-------------------------|---------------------------------------|----------------|---|------------------|--|--|------------------------|--|
| | Payment Delay | Term Extension | Payment Delay, Term Extension and Interest Rate Reductions | Total | | | | |
| | (Dollars In Thousands) | | | | | | | |
| Multi-family mortgage | \$ 8,782 | \$ — | \$ 2,666 | \$ 11,448 | | | 0.43 % | |
| Nonresidential mortgage | 178 | — | — | 178 | | | 0.02 % | |
| Total | \$ 8,960 | \$ — | \$ 2,666 | \$ 11,626 | | | | |

No modifications made during the three months ended September 30, 2024 involved forgiveness of principal. At September 30, 2025 and September 30, 2024, there were no commitments to lend additional funds to borrowers experiencing financial difficulty whose terms have been restructured.

Of the loans restructured during the three months ended September 30, 2024, there were no subsequent defaults as of September 30, 2025. For restructured loans, a subsequent payment default is defined in terms of delinquency, when a principal or interest payment is 90 days past due or classified into non-accrual status during the reporting period.

The following table presents the performance status of the loans that were modified in the last twelve months to borrowers experiencing financial difficulties:

| | September 30, 2025 | | | | | Non-Accrual |
|-----------------------|------------------------|---------------------|--------------------------|----------------|-------------|-----------------|
| | Current | 30-89 Days Past Due | 90 Days or More Past Due | Total Past Due | | |
| | (Dollars In Thousands) | | | | | |
| Multi-family mortgage | \$ 22,466 | \$ — | \$ — | \$ — | \$ — | \$ 3,335 |
| Commercial business | 43 | — | — | — | — | 43 |
| Total | \$ 22,509 | \$ — | \$ — | \$ — | \$ — | \$ 3,378 |

Individually Analyzed Loans

Individually analyzed loans include loans which do not share similar risk characteristics with other loans. Loans previously modified as TDRs and loan modifications made to borrowers experiencing financial difficulty are generally evaluated for individual impairment. However, after a period of sustained repayment performance which permits the credit to be returned to accrual status, the loans are generally removed from individual impairment analysis and returned to its corresponding pool. As of September 30, 2025, the carrying value of individually analyzed loans, including loans acquired with deteriorated credit quality that were individually analyzed, totaled \$44.1 million, of which \$35.3 million were considered collateral dependent.

For collateral dependent loans where management has determined that foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and repayment of the loan is to be provided substantially through the operation or sale of the collateral, the allowance for credit losses is measured based on the difference between the fair value of the collateral, less costs to sell, and the amortized cost basis of the loan as of the measurement date. See Note 12 for additional disclosure regarding fair value of individually analyzed collateral dependent loans.

[Table of Contents](#)

The following table presents the carrying value and related allowance of collateral dependent individually analyzed loans at the dates indicated:

| | September 30, 2025 | | June 30, 2025 | |
|---|--------------------|-------------------|------------------|-------------------|
| | Carrying Value | Related Allowance | Carrying Value | Related Allowance |
| | (In Thousands) | | | |
| Commercial loans: | | | | |
| Multi-family mortgage | \$ 30,363 | \$ 1,014 | \$ 30,808 | \$ 1,377 |
| Nonresidential mortgage ⁽¹⁾ | 4,697 | — | 4,697 | — |
| Total commercial loans | 35,060 | 1,014 | 35,505 | 1,377 |
| One- to four-family residential mortgage ⁽²⁾ | 202 | — | 2,264 | — |
| Consumer loans: | | | | |
| Home equity loans ⁽²⁾ | 15 | — | 16 | — |
| Total | \$ 35,277 | \$ 1,014 | \$ 37,785 | \$ 1,377 |

(1) Secured by income-producing nonresidential property.

(2) Secured by one- to four-family residential properties.

Credit Quality Indicators

The Company categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as: current financial information, historical payment experience, credit documentation, public information, and current economic trends, among other factors. The Company analyzes loans individually to classify the loans as to credit risk. The Company uses the following definitions for risk ratings:

Pass – Loans that are well protected by the current net worth and paying capacity of the obligor (or guarantors, if any) or by the fair value, less cost to acquire and sell, of any underlying collateral in a timely manner.

Special Mention – Loans which do not currently expose the Company to a sufficient degree of risk to warrant an adverse classification but have some credit deficiencies or other potential weaknesses.

Substandard – Loans which are inadequately protected by the paying capacity and net worth of the obligor or the collateral pledged, if any. Substandard assets include those characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected.

Doubtful – Loans which have all of the weaknesses inherent in those classified as Substandard, with the added characteristic that the weaknesses present make collection or liquidation in full highly questionable and improbable, on the basis of currently existing facts, conditions and values.

Loss – Loans which are considered uncollectible or of so little value that their continuance as assets is not warranted.

The following table presents the risk category of loans and current period gross charge-offs as of September 30, 2025 by loan segment and vintage year:

[Table of Contents](#)

| Term Loans by Origination Year for Fiscal Years ended June 30, | | | | | | | | | | | Revolving Loans | Total |
|--|------------------|-------------------|-------------------|-------------------|---------------------|---------------------|------------------|---------------------|------|------|--------------------|-------|
| | 2026 | 2025 | 2024 | 2023 | 2022 | Prior | (In Thousands) | | | | | |
| Multi-family mortgage: | | | | | | | | | | | | |
| Pass | \$ 4,080 | \$ 144,457 | \$ 26,366 | \$ 588,995 | \$ 892,595 | \$ 917,056 | \$ — | \$ — | \$ — | \$ — | \$ 2,573,549 | |
| Special Mention | — | — | — | — | — | — | — | — | — | — | — | |
| Substandard | — | — | — | — | — | 1,524 | 65,664 | — | — | — | 67,188 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total multi-family mortgage | 4,080 | 144,457 | 26,366 | 588,995 | 894,119 | 982,720 | — | — | — | — | 2,640,737 | |
| Multi-family current period gross charge-offs | — | — | — | — | — | 386 | — | — | — | — | 386 | |
| Nonresidential mortgage: | | | | | | | | | | | | |
| Pass | 17,782 | 131,885 | 81,034 | 101,774 | 189,280 | 448,811 | — | — | — | — | 970,566 | |
| Special Mention | — | — | — | — | — | 6,589 | — | — | — | — | 6,589 | |
| Substandard | — | — | — | — | — | 11,814 | — | — | — | — | 11,814 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total nonresidential mortgage | 17,782 | 131,885 | 81,034 | 101,774 | 189,280 | 467,214 | — | — | — | — | 988,969 | |
| Nonresidential current period gross charge-offs | — | — | — | — | — | 5 | — | — | — | — | 5 | |
| Commercial business: | | | | | | | | | | | | |
| Pass | 16,091 | 17,094 | 9,004 | 5,165 | 20,302 | 20,653 | 52,539 | — | — | — | 140,848 | |
| Special Mention | — | — | — | — | 253 | 118 | — | — | — | — | 371 | |
| Substandard | — | 86 | 400 | — | — | 599 | — | — | — | — | 1,085 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total commercial business | 16,091 | 17,180 | 9,404 | 5,165 | 20,555 | 21,370 | 52,539 | — | — | — | 142,304 | |
| Commercial current period gross charge-offs | — | — | — | — | — | 636 | — | — | — | — | 636 | |
| Construction loans: | | | | | | | | | | | | |
| Pass | 1,226 | 52,851 | 88,757 | — | 979 | 12,329 | 5,735 | — | — | — | 161,877 | |
| Special Mention | — | — | — | — | — | 2,755 | — | — | — | — | 2,755 | |
| Substandard | — | — | 4,500 | — | — | 20,494 | — | — | — | — | 24,994 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total construction loans | 1,226 | 52,851 | 93,257 | — | 979 | 35,578 | 5,735 | — | — | — | 189,626 | |
| Construction current period gross charge-offs | — | — | — | — | — | — | — | — | — | — | — | |
| Residential mortgage: | | | | | | | | | | | | |
| Pass | 40,790 | 137,282 | 156,899 | 171,218 | 406,528 | 824,226 | — | — | — | — | 1,736,943 | |
| Special Mention | — | — | — | — | — | 303 | — | — | — | — | 303 | |
| Substandard | — | — | 296 | 1,444 | 769 | 9,607 | — | — | — | — | 12,116 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total residential mortgage | 40,790 | 137,282 | 157,195 | 172,662 | 407,297 | 834,136 | — | — | — | — | 1,749,362 | |
| Residential current period gross charge-offs | — | — | — | — | — | 45 | — | — | — | — | 45 | |
| Home equity loans: | | | | | | | | | | | | |
| Pass | — | 451 | 1,625 | 4,440 | 1,540 | 7,532 | 38,035 | — | — | — | 53,623 | |
| Special Mention | — | — | — | — | — | — | — | — | — | — | — | |
| Substandard | — | — | 93 | — | 83 | 155 | 162 | — | — | — | 493 | |
| Doubtful | — | — | — | — | — | — | — | — | — | — | — | |
| Total home equity loans | — | 451 | 1,718 | 4,440 | 1,623 | 7,687 | 38,197 | — | — | — | 54,116 | |
| Home equity current period gross charge-offs | — | — | — | — | — | 10 | — | — | — | — | 10 | |
| Other consumer loans: | | | | | | | | | | | | |
| Pass | 258 | 364 | 300 | 187 | 81 | 1,180 | 27 | — | — | — | 2,397 | |
| Special Mention | — | — | — | — | — | — | — | — | — | — | — | |
| Substandard | — | — | — | — | — | — | — | — | — | — | — | |
| Doubtful | — | — | — | — | — | 3 | 87 | — | — | — | 90 | |
| Other consumer loans | 258 | 364 | 300 | 187 | 81 | 1,183 | 114 | — | — | — | 2,487 | |
| Other consumer current period gross charge-offs | — | — | — | — | — | — | — | — | — | — | — | |
| Total loans | \$ 80,227 | \$ 484,470 | \$ 369,274 | \$ 873,223 | \$ 1,513,934 | \$ 2,349,888 | \$ 96,585 | \$ 5,767,601 | | | | |
| Total current period gross charge-offs | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 1,082 | \$ — | \$ 1,082 | | | | |

[Table of Contents](#)

The following table presents the risk category of loans and gross charge-offs as of June 30, 2025 by loan segment and vintage year:

| | Term Loans by Origination Year for Fiscal Years ended June 30, | | | | | | Revolving Loans | Total |
|---|--|-------------------|-------------------|---------------------|-------------------|---------------------|--------------------|---------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | Prior | | |
| | (In Thousands) | | | | | | | |
| Multi-family mortgage: | | | | | | | | |
| Pass | \$ 146,525 | \$ 26,430 | \$ 591,647 | \$ 939,414 | \$ 219,907 | \$ 720,674 | \$ — | \$ 2,644,597 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | 11,830 | 53,227 | — | 65,057 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total multi-family mortgage | 146,525 | 26,430 | 591,647 | 939,414 | 231,737 | 773,901 | — | 2,709,654 |
| Multi-family current period gross charge-offs | — | — | — | — | — | — | — | — |
| Nonresidential mortgage: | | | | | | | | |
| Pass | 132,407 | 81,426 | 102,965 | 190,781 | 107,519 | 352,364 | 49 | 967,511 |
| Special Mention | — | — | — | — | 945 | 6,187 | — | 7,132 |
| Substandard | — | — | — | — | 851 | 11,062 | — | 11,913 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total nonresidential mortgage | 132,407 | 81,426 | 102,965 | 190,781 | 109,315 | 369,613 | 49 | 986,556 |
| Nonresidential current period gross charge-offs | — | — | — | — | — | 830 | — | 830 |
| Commercial business: | | | | | | | | |
| Pass | 23,729 | 9,355 | 5,718 | 20,915 | 14,264 | 7,608 | 53,647 | 135,236 |
| Special Mention | — | — | — | 1,043 | 125 | — | — | 1,168 |
| Substandard | 87 | 400 | — | — | — | 1,735 | 129 | 2,351 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total commercial business | 23,816 | 9,755 | 5,718 | 21,958 | 14,389 | 9,343 | 53,776 | 138,755 |
| Commercial current period gross charge-offs | — | — | — | — | — | 295 | — | 295 |
| Construction loans: | | | | | | | | |
| Pass | 41,990 | 85,712 | — | 979 | 8,991 | 3,362 | 5,735 | 146,769 |
| Special Mention | — | — | — | — | 5,950 | — | — | 5,950 |
| Substandard | — | 4,500 | — | — | 20,494 | — | — | 24,994 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total construction loans | 41,990 | 90,212 | — | 979 | 35,435 | 3,362 | 5,735 | 177,713 |
| Construction current period gross charge-offs | — | — | — | — | — | — | — | — |
| Residential mortgage: | | | | | | | | |
| Pass | 138,854 | 160,333 | 174,947 | 410,255 | 432,804 | 417,105 | 5 | 1,734,303 |
| Special Mention | — | — | — | — | — | 687 | — | 687 |
| Substandard | — | 299 | 1,459 | 773 | 799 | 10,271 | — | 13,601 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total residential mortgage | 138,854 | 160,632 | 176,406 | 411,028 | 433,603 | 428,063 | 5 | 1,748,591 |
| Residential current period gross charge-offs | — | — | — | — | — | 2 | — | 2 |
| Home equity loans: | | | | | | | | |
| Pass | 800 | 1,690 | 4,606 | 1,648 | 302 | 7,612 | 33,553 | 50,211 |
| Special Mention | — | — | — | — | — | — | 96 | 96 |
| Substandard | — | 96 | — | 83 | — | 180 | 71 | 430 |
| Doubtful | — | — | — | — | — | — | — | — |
| Total home equity loans | 800 | 1,786 | 4,606 | 1,731 | 302 | 7,792 | 33,720 | 50,737 |
| Home equity current period gross charge-offs | — | — | — | — | — | 2 | — | 2 |
| Other consumer loans | | | | | | | | |
| Pass | 605 | 343 | 189 | 86 | 236 | 976 | 26 | 2,461 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — |
| Doubtful | — | — | — | — | — | — | 72 | 72 |
| Other consumer loans | 605 | 343 | 189 | 86 | 236 | 976 | 98 | 2,533 |
| Other consumer current period gross charge-offs | — | — | — | — | — | 7 | — | 7 |
| Total loans | \$ 484,997 | \$ 370,584 | \$ 881,531 | \$ 1,565,977 | \$ 825,017 | \$ 1,593,050 | \$ 93,383 | \$ 5,814,539 |
| Total current period gross charge-offs | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 1,136 | \$ — | 1,136 |

Mortgage Loans in Foreclosure

The Company may obtain physical possession of one- to four-family real estate collateralizing a residential mortgage loan or nonresidential real estate collateralizing a nonresidential mortgage loan via foreclosure or through an in-substance repossession. As of September 30, 2025, the Company held no residential or nonresidential property in other real estate owned that was acquired through foreclosure on a mortgage loan. As of that same date, the Company held two residential mortgage loans with an aggregate carrying value of \$372,900 and seven commercial mortgage loans with aggregate carrying values totaling \$26.1 million which were in the process of foreclosure. As of June 30, 2025, the Company held no residential or nonresidential property in other real estate owned that was acquired through foreclosure on a mortgage loan. As of that same date, the Company held three residential mortgage loans with aggregate carrying values totaling \$2.2 million and six commercial mortgage loans with aggregate carrying values totaling \$23.7 million which were in the process of foreclosure.

6. ALLOWANCE FOR CREDIT LOSSES

Allowance for Credit Losses on Loans Receivable

The following tables present the balance of the allowance for credit losses at September 30, 2025 and June 30, 2025. The balance of the allowance for credit losses is based on an expected loss methodology, referred to as the “CECL” methodology. The tables identify the valuation allowances attributable to specifically identified impairments on individually analyzed loans, including those acquired with deteriorated credit quality, as well as valuation allowances for impairments on loans collectively evaluated. The tables include the underlying balance of loans receivable applicable to each category as of those dates.

| Allowance for Credit Losses September 30, 2025 | | | | | | |
|---|--|---|--------------------------------|---------------------------------|--------------------------------------|--|
| | Loans acquired with deteriorated credit quality individually analyzed | Loans acquired with deteriorated credit quality collectively evaluated | Loans individually analyzed | Loans collectively evaluated | Total allowance for credit losses | |
| (In Thousands) | | | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 1,023 | \$ 23,621 | \$ 24,644 | |
| Nonresidential mortgage | — | 18 | — | 7,672 | 7,690 | |
| Commercial business | — | 14 | 84 | 1,620 | 1,718 | |
| Construction | — | — | — | 1,339 | 1,339 | |
| One- to four-family residential mortgage | 2 | 83 | 59 | 9,004 | 9,148 | |
| Home equity loans | — | — | 3 | 416 | 419 | |
| Other consumer | — | — | — | 102 | 102 | |
| Total loans | \$ 2 | \$ 115 | \$ 1,169 | \$ 43,774 | \$ 45,060 | |

| Balance of Loans Receivable September 30, 2025 | | | | | | |
|---|--|---|--------------------------------|---------------------------------|---------------------|---------------------|
| | Loans acquired with deteriorated credit quality individually analyzed | Loans acquired with deteriorated credit quality collectively evaluated | Loans individually analyzed | Loans collectively evaluated | Total loans | |
| (In Thousands) | | | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 31,615 | \$ 2,609,122 | \$ 2,640,737 | |
| Nonresidential mortgage | 230 | 1,238 | 5,502 | 981,999 | 988,969 | |
| Commercial business | — | 791 | 1,139 | 140,374 | 142,304 | |
| Construction | — | 5,735 | — | 183,891 | 189,626 | |
| One- to four-family residential mortgage | 571 | 3,506 | 4,730 | 1,740,555 | 1,749,362 | |
| Home equity loans | 10 | — | 288 | 53,818 | 54,116 | |
| Other consumer | — | — | — | 2,487 | 2,487 | |
| Total loans | \$ 811 | \$ 11,270 | \$ 43,274 | \$ 5,712,246 | \$ 5,767,601 | |
| Unaccrued yield adjustments | | | | | | (182) |
| Loans receivable, net of yield adjustments | | | | | | \$ 5,767,419 |

Allowance for Credit Losses
June 30, 2025

| | Loans acquired with deteriorated credit quality individually analyzed | Loans acquired with deteriorated credit quality collectively evaluated | Loans individually analyzed | Loans collectively evaluated | Total allowance for credit losses |
|--|--|---|--------------------------------|---------------------------------|--------------------------------------|
| (In Thousands) | | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 1,377 | \$ 23,529 | \$ 24,906 |
| Nonresidential mortgage | — | 20 | — | 6,918 | 6,938 |
| Commercial business | — | 23 | 971 | 1,434 | 2,428 |
| Construction | — | — | — | 1,155 | 1,155 |
| One- to four-family residential mortgage | 34 | 87 | 60 | 9,999 | 10,180 |
| Home equity loans | 11 | — | 32 | 447 | 490 |
| Other consumer | — | — | — | 94 | 94 |
| Total loans | \$ 45 | \$ 130 | \$ 2,440 | \$ 43,576 | \$ 46,191 |

Balance of Loans Receivable
June 30, 2025

| | Loans acquired with deteriorated credit quality individually analyzed | Loans acquired with deteriorated credit quality collectively evaluated | Loans individually analyzed | Loans collectively evaluated | Total loans |
|---|--|---|--------------------------------|---------------------------------|---------------------|
| (In Thousands) | | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 30,857 | \$ 2,678,797 | \$ 2,709,654 |
| Nonresidential mortgage | 240 | 1,405 | 5,523 | 979,388 | 986,556 |
| Commercial business | — | 1,093 | 2,223 | 135,439 | 138,755 |
| Construction | — | 5,735 | — | 171,978 | 177,713 |
| One- to four-family residential mortgage | 614 | 3,551 | 5,936 | 1,738,490 | 1,748,591 |
| Home equity loans | 21 | — | 183 | 50,533 | 50,737 |
| Other consumer | — | — | — | 2,533 | 2,533 |
| Total loans | \$ 875 | \$ 11,784 | \$ 44,722 | \$ 5,757,158 | \$ 5,814,539 |
| Unaccrued yield adjustments | | | | | (1,602) |
| Loans receivable, net of yield adjustments | | | | | \$ 5,812,937 |

The following tables present the activity in the allowance for credit losses on loans for the three months ended September 30, 2025 and 2024.

Changes in the Allowance for Credit Losses
Three Months Ended September 30, 2025

| | Balance at June 30, 2025 | Charge-offs | Recoveries | Provision for (reversal of) credit losses | Balance at September 30, 2025 |
|--|-----------------------------|-------------------|--------------|---|-------------------------------------|
| (In Thousands) | | | | | |
| Multi-family mortgage | \$ 24,906 | \$ (386) | \$ — | \$ 124 | \$ 24,644 |
| Nonresidential mortgage | 6,938 | (5) | — | 757 | 7,690 |
| Commercial business | 2,428 | (636) | 33 | (107) | 1,718 |
| Construction | 1,155 | — | — | 184 | 1,339 |
| One- to four-family residential mortgage | 10,180 | (45) | — | (987) | 9,148 |
| Home equity loans | 490 | (10) | — | (61) | 419 |
| Other consumer | 94 | — | — | 8 | 102 |
| Total loans | \$ 46,191 | \$ (1,082) | \$ 33 | \$ (82) | \$ 45,060 |

**Changes in the Allowance for Credit Losses
Three Months Ended September 30, 2024**

| | Balance at June 30, 2024 | Charge-offs | Recoveries | Provision for (reversal of) credit losses | Balance at September 30, 2024 |
|--|-----------------------------|-----------------|-------------|---|-------------------------------------|
| | (In Thousands) | | | | |
| Multi-family mortgage | \$ 24,125 | \$ — | \$ — | \$ 243 | \$ 24,368 |
| Nonresidential mortgage | 6,125 | — | — | 788 | 6,913 |
| Commercial business | 1,573 | (127) | 5 | 254 | 1,705 |
| Construction | 1,230 | — | — | 273 | 1,503 |
| One- to four-family residential mortgage | 11,461 | (2) | — | (1,474) | 9,985 |
| Home equity loans | 349 | — | — | 8 | 357 |
| Other consumer | 76 | — | — | 16 | 92 |
| Total loans | \$ 44,939 | \$ (129) | \$ 5 | \$ 108 | \$ 44,923 |

The allowance for credit losses on loans decreased from \$46.2 million at June 30, 2025 to \$45.1 million as of September 30, 2025. The decrease was primarily due to a decrease in individually analyzed reserves on commercial and multi-family mortgage loans, resulting from net charge-offs. This decrease in allowance for credit losses also reflected largely offsetting impacts from qualitative risk factor adjustments across the different loan segments.

Allowance for Credit Losses on Off Balance Sheet Commitments

The following table presents the activity in the allowance for credit losses on off balance sheet commitments recorded in other non-interest expense for the three months ended September 30, 2025 and 2024:

| | Three Months Ended September 30, | |
|---|-------------------------------------|-----------------|
| | 2025 | 2024 |
| | (In Thousands) | |
| Balance at beginning of the period | \$ 1,129 | \$ 796 |
| Provision for credit losses | 121 | 273 |
| Balance at end of the period | \$ 1,250 | \$ 1,069 |

7. DEPOSITS

Deposits at September 30, 2025 and June 30, 2025 are summarized as follows:

| | September 30, 2025 | June 30, 2025 |
|-----------------------------|-----------------------|---------------------|
| | (In Thousands) | |
| Non-interest-bearing demand | \$ 578,481 | \$ 582,045 |
| Interest-bearing demand | 2,334,560 | 2,362,222 |
| Savings | 751,253 | 754,376 |
| Certificates of deposits | 1,967,588 | 1,976,574 |
| Total deposits | \$ 5,631,882 | \$ 5,675,217 |

Certificates of deposits with balances of \$250,000 or more at September 30, 2025 and June 30, 2025, respectively, totaled approximately \$1.0 billion. The Bank's deposits are insurable to applicable limits by the FDIC.

8. BORROWINGS

Borrowings at September 30, 2025 and June 30, 2025 consisted of the following:

| | September 30, 2025 | June 30, 2025 |
|-------------------------------------|-----------------------|---------------------|
| | (In Thousands) | |
| FHLB advances | \$ 1,006,497 | \$ 1,106,491 |
| Total fixed-rate advances | 1,006,497 | 1,106,491 |
| Overnight borrowings ⁽¹⁾ | 200,000 | 150,000 |
| Total borrowings | \$ 1,206,497 | \$ 1,256,491 |

(1) At September 30, 2025 and June 30, 2025 there were FHLB overnight line of credit borrowings of \$200.0 million and \$150.0 million, respectively.

Fixed rate advances from the FHLB of New York mature as follows:

| | September 30, 2025 | | June 30, 2025 | |
|--|---------------------|--------------------------------------|------------------------|--------------------------------------|
| | Balance | Weighted Average Interest Rate | Balance | Weighted Average Interest Rate |
| | | | (Dollars in Thousands) | |
| By remaining period to maturity: | | | | |
| Less than one year | \$ 806,500 | 4.24 % | \$ 906,500 | 4.44 % |
| One to two years | — | — | — | — |
| Two to three years | 200,000 | 3.98 % | 200,000 | 3.98 % |
| Three to four years | — | — | — | — |
| Four to five years | — | — | — | — |
| Greater than five years | — | — | — | — |
| Total advances | 1,006,500 | 4.19 % | 1,106,500 | 4.36 % |
| Unamortized fair value adjustments | (3) | | (9) | |
| Total advances, net of fair value adjustments | \$ 1,006,497 | | \$ 1,106,491 | |

At September 30, 2025, FHLB advances and overnight line of credit borrowings were collateralized by the FHLB capital stock owned by the Bank and mortgage loans with carrying values totaling approximately \$3.22 billion. At June 30, 2025, FHLB advances and overnight line of credit borrowings were collateralized by the FHLB capital stock owned by the Bank and mortgage loans with carrying values totaling approximately \$3.24 billion. At September 30, 2025, the Company maintained available secured borrowing capacity with the FHLB and the Federal Reserve Discount Window of \$2.54 billion.

9. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Risk Management Objective of Using Derivatives

The Company uses various financial instruments, including derivatives, to manage its exposure to interest rate risk. The Company's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to specific wholesale funding positions and assets.

Fair Values of Derivative Instruments on the Statement of Financial Condition

The tables below present the fair value of the Company's derivative financial instruments as well as their classification on the Statements of Financial Condition as of September 30, 2025 and June 30, 2025:

| | | September 30, 2025 | | | |
|---|--|--------------------|------------------|-----------------------|-----------------|
| | | Asset Derivatives | | Liability Derivatives | |
| | | Location | Fair Value | Location | Fair Value |
| (In Thousands) | | | | | |
| Derivatives designated as hedging instruments: | | | | | |
| Interest rate contracts | | Other assets | \$ 10,288 | Other liabilities | \$ 5,182 |
| Total | | | \$ 10,288 | | \$ 5,182 |
| | | | | | |
| June 30, 2025 | | | | | |
| | | Asset Derivatives | | Liability Derivatives | |
| | | Location | Fair Value | Location | Fair Value |
| (In Thousands) | | | | | |
| Derivatives designated as hedging instruments: | | | | | |
| Interest rate contracts | | Other assets | \$ 16,745 | Other liabilities | \$ 5,149 |
| Total | | | \$ 16,745 | | \$ 5,149 |

Cash Flow Hedges of Interest Rate Risk

The Company uses derivatives to add stability to interest expense and interest income and to manage its exposure to interest rate movements. The Company has entered into interest rate swaps, interest rate caps and an interest rate floor as part of its interest rate risk management strategy. These interest rate products are designated as cash flow hedges. As of September 30, 2025, the Company had a total of 15 interest rate swaps, caps and collars with a total notional amount of \$1.80 billion hedging specific wholesale funding, and five interest rate floors with a notional amount of \$550.0 million hedging floating-rate available for sale securities.

For derivatives designated as cash flow hedges, the gain or loss on the derivative is recorded in other comprehensive income, net of tax, and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings.

For cash flow hedges on the Company's wholesale funding positions, amounts reported in accumulated other comprehensive income (loss) related to derivatives will be reclassified to interest expense as interest payments are made on the Company's hedged variable rate wholesale funding positions. During the three months ended September 30, 2025, the Company reclassified a gain of \$5.4 million as a reduction in interest expense. During the next twelve months, the Company estimates that \$7.6 million will be reclassified as a reduction in interest expense.

For cash flow hedges on the Company's assets, amounts reported in accumulated other comprehensive income (loss) related to derivatives will be reclassified to interest income as interest payments are received on the Company's hedged variable rate assets. During the three months ended September 30, 2025, the Company reclassified a gain of \$70,000 to interest income. During the next twelve months, the Company estimates that \$110,000 will be reclassified as an increase in interest income.

[Table of Contents](#)

The table below presents the pre-tax effects of the Company's derivative instruments designated as cash flow hedges on the Consolidated Statements of Income for the three months ended September 30, 2025 and 2024:

| | Three Months Ended September 30, | |
|---|-------------------------------------|-------------|
| | 2025 | 2024 |
| | (In Thousands) | |
| Amount of gain (loss) recognized in other comprehensive income | \$ 103 | \$ (17,538) |
| Amount of gain reclassified from accumulated other comprehensive income to interest expense | \$ 5,377 | \$ 8,972 |
| Amount of gain (loss) reclassified from accumulated other comprehensive income to interest income | \$ 70 | \$ (279) |

Fair Value Hedges of Interest Rate Risk

The Company is exposed to changes in the fair value of certain of its fixed-rate assets due to changes in benchmark interest rates. The Company uses interest rate swaps to manage its exposure to changes in fair value on these instruments attributable to changes in the designated benchmark interest rate. Interest rate swaps designated as fair value hedges involve the payment of fixed-rate amounts to a counterparty in exchange for the Company receiving variable-rate payments over the life of the agreements without the exchange of the underlying notional amount. Such derivatives are used to hedge the changes in fair value of certain of its pools of fixed-rate assets. As of September 30, 2025, the Company had five interest rate swaps with a notional amount of \$775.0 million hedging fixed-rate residential mortgage loans.

For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivatives as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in interest income.

The table below presents the effects of the Company's derivative instruments designated as fair value hedges on the Consolidated Statements of Income for the three months ended September 30, 2025 and September 30, 2024:

| | Three Months Ended September 30, | |
|--|-------------------------------------|-------------|
| | 2025 | 2024 |
| | (In Thousands) | |
| Gain on hedged items recorded in interest income on loans | \$ 573 | \$ 13,655 |
| Gain (loss) on hedges recorded in interest income on loans | \$ 648 | \$ (10,798) |

As of September 30, 2025 and June 30, 2025, the following amounts were recorded on the Statement of Financial Condition related to cumulative basis adjustment for fair value hedges:

| | September 30, 2025 | June 30, 2025 |
|--|-----------------------|------------------|
| | (In Thousands) | |
| Loans receivable: | | |
| Carrying amount of the hedged assets ⁽¹⁾ | \$ 778,310 | \$ 777,737 |
| Fair value hedging adjustment included in the carrying amount of the hedged assets | \$ 3,310 | \$ 2,737 |

(1) This amount includes the amortized cost basis of the closed portfolios of loans receivable used to designate hedging relationships in which the hedged item is the stated amount of assets in the closed portfolios anticipated to be outstanding for the designated hedge period. At September 30, 2025 and June 30, 2025, the amortized cost basis of the closed portfolios used in these hedging relationships was \$1.21 billion and \$1.24 billion, respectively.

Offsetting Derivatives

The tables below present a gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives in the Consolidated Statements of Financial Condition as of September 30, 2025 and June 30, 2025, respectively. The net amounts presented for derivative assets or liabilities can be reconciled to the tabular disclosure of fair value. The tabular disclosure of fair value provides the location that derivative assets and liabilities are presented on the Consolidated Statements of Financial Condition.

| September 30, 2025 | | | | | | |
|-------------------------|----------------------------|-------------------------|--------------------------|--------------------------|---|------------------|
| | Gross Amounts Not Offset | | | | | |
| | Gross Amount Recognized | Gross Amounts Offset | Net Amounts Presented | Financial Instruments | Cash Collateral Received (Posted) | Net Amount |
| (In Thousands) | | | | | | |
| Assets: | | | | | | |
| Interest rate contracts | \$ 12,943 | \$ (2,655) | \$ 10,288 | \$ — | \$ — | \$ 10,288 |
| Total | \$ 12,943 | \$ (2,655) | \$ 10,288 | \$ — | \$ — | \$ 10,288 |
| Liabilities: | | | | | | |
| Interest rate contracts | \$ 7,837 | \$ (2,655) | \$ 5,182 | \$ — | \$ (4,360) | \$ 822 |
| Total | \$ 7,837 | \$ (2,655) | \$ 5,182 | \$ — | \$ (4,360) | \$ 822 |
| June 30, 2025 | | | | | | |
| | Gross Amounts Not Offset | | | | | |
| | Gross Amount Recognized | Gross Amounts Offset | Net Amounts Presented | Financial Instruments | Cash Collateral Received (Posted) | Net Amount |
| (In Thousands) | | | | | | |
| Assets: | | | | | | |
| Interest rate contracts | \$ 19,412 | \$ (2,667) | \$ 16,745 | \$ — | \$ — | \$ 16,745 |
| Total | \$ 19,412 | \$ (2,667) | \$ 16,745 | \$ — | \$ — | \$ 16,745 |
| Liabilities: | | | | | | |
| Interest rate contracts | \$ 7,816 | \$ (2,667) | \$ 5,149 | \$ — | \$ (4,740) | \$ 409 |
| Total | \$ 7,816 | \$ (2,667) | \$ 5,149 | \$ — | \$ (4,740) | \$ 409 |

Credit Risk-Related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a provision where if the Company defaults on any of its indebtedness, then the Company could also be declared in default on its derivative obligations and could be required to terminate its derivative positions with the counterparty. The Company also has agreements with its derivative counterparties that contain a provision where if the Company fails to maintain its status as a well-capitalized institution, then the Company could be required to terminate its derivative positions with the counterparty. As of September 30, 2025 and June 30, 2025, one of the Company's derivatives was in a net liability position.

As required under the enforceable master netting arrangement with its derivatives counterparties, at September 30, 2025 and June 30, 2025, the Company was required to post financial collateral of \$4.4 million and \$4.7 million, respectively.

In addition to the derivative instruments noted above, the Company's pipeline of loans held for sale at September 30, 2025 and June 30, 2025, included \$21.4 million and \$11.1 million, respectively, of in process loans whose terms included interest rate locks to borrowers, which are considered free-standing derivative instruments whose fair values are not material to the Company's financial condition or results of operations.

10. BENEFIT PLANS

Components of Net Periodic Expense

The following table sets forth the aggregate net periodic benefit expense for the Bank's Benefit Equalization Plan, Postretirement Welfare Plan, Directors' Consultation and Retirement Plan, Atlas Bank Retirement Income Plan and Supplemental Executive Retirement Plan:

| | Three Months Ended September 30, | | Affected Line Item in the Consolidated Statements of Income |
|----------------------------------|-------------------------------------|--------------|--|
| | 2025 | 2024 | |
| | (In Thousands) | | |
| Service cost | \$ 148 | \$ 18 | Salaries and employee benefits |
| Interest cost | 104 | 83 | Other expense |
| Accretion of unrecognized gain | (36) | (26) | Other expense |
| Expected return on assets | (22) | (23) | Other expense |
| Net periodic benefit cost | \$ 194 | \$ 52 | |

2021 Equity Incentive Plan

During the three months ended September 30, 2025, the Company granted 484,802 restricted stock units ("RSUs") comprised of 350,868 service-based RSUs and 133,934 performance-based RSUs. The service-based RSUs will vest in three tranches over a period of three years and the performance-based RSUs will cliff vest upon the achievement of performance measures over the three-year period ending June 30, 2028. The number of performance-based RSUs that will vest, if any, will depend on whether, and to what extent, the performance measures are achieved. Common stock will be issued from authorized shares upon the vesting of the RSUs.

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability or inputs that are derived principally from, or corroborated by, market data by correlation or other means.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Assets and Liabilities Measured on a Recurring Basis:

The following methods and significant assumptions were used to estimate the fair values as of September 30, 2025 and June 30, 2025:

Investment Securities Available for Sale

The Company's available for sale investment securities are reported at fair value utilizing Level 2 inputs. For these securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the securities' terms and conditions, among other things. From time to time, the Company validates prices supplied by the independent pricing service by comparison to prices obtained from third-party sources or derived using internal models.

Derivatives

The Company has contracted with a third party vendor to provide periodic valuations for its interest rate derivatives to determine the fair value of its interest rate contracts. The vendor utilizes standard valuation methodologies applicable to interest rate derivatives such as discounted cash flow analysis and extensions of the Black-Scholes model. Such valuations are based upon readily observable market data and are therefore considered Level 2 valuations by the Company.

Those assets and liabilities measured at fair value on a recurring basis are summarized below:

| | September 30, 2025 | | | | | | | | | |
|--|--|---|--|----------------------------|--|--|--|--|--|--|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total | | | | | | |
| | (In Thousands) | | | | | | | | | |
| Assets: | | | | | | | | | | |
| Debt securities available for sale: | | | | | | | | | | |
| Asset-backed securities | \$ — | \$ 58,488 | \$ — | \$ 58,488 | | | | | | |
| Collateralized loan obligations | — | 331,855 | — | 331,855 | | | | | | |
| Corporate bonds | — | 137,323 | — | 137,323 | | | | | | |
| Total debt securities | — | 527,666 | — | 527,666 | | | | | | |
| Mortgage-backed securities available for sale: | | | | | | | | | | |
| Residential pass-through securities | — | 356,339 | — | 356,339 | | | | | | |
| Commercial pass-through securities | — | 132,177 | — | 132,177 | | | | | | |
| Total mortgage-backed securities | — | 488,516 | — | 488,516 | | | | | | |
| Total securities available for sale | <u><u>\$ —</u></u> | <u><u>\$ 1,016,182</u></u> | <u><u>\$ —</u></u> | <u><u>\$ 1,016,182</u></u> | | | | | | |
| Interest rate contracts | \$ — | \$ 10,288 | \$ — | \$ 10,288 | | | | | | |
| Total assets | <u><u>\$ —</u></u> | <u><u>\$ 1,026,470</u></u> | <u><u>\$ —</u></u> | <u><u>\$ 1,026,470</u></u> | | | | | | |
| Liabilities: | | | | | | | | | | |
| Interest rate contracts | \$ — | \$ 5,182 | \$ — | \$ 5,182 | | | | | | |
| Total liabilities | <u><u>\$ —</u></u> | <u><u>\$ 5,182</u></u> | <u><u>\$ —</u></u> | <u><u>\$ 5,182</u></u> | | | | | | |

June 30, 2025

| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|--|---|---|--|--------------|
| (In Thousands) | | | | |
| Assets: | | | | |
| Debt securities available for sale: | | | | |
| Asset-backed securities | \$ — | \$ 59,498 | \$ — | \$ 59,498 |
| Collateralized loan obligations | — | 323,245 | — | 323,245 |
| Corporate bonds | — | 140,117 | — | 140,117 |
| Total debt securities | — | 522,860 | — | 522,860 |
| Mortgage-backed securities available for sale: | | | | |
| Residential pass-through securities | — | 357,319 | — | 357,319 |
| Commercial pass-through securities | — | 132,790 | — | 132,790 |
| Total mortgage-backed securities | — | 490,109 | — | 490,109 |
| Total securities available for sale | \$ — | \$ 1,012,969 | \$ — | \$ 1,012,969 |
| Interest rate contracts | \$ — | \$ 16,745 | \$ — | \$ 16,745 |
| Total assets | \$ — | \$ 1,029,714 | \$ — | \$ 1,029,714 |

Assets Measured on a Non-Recurring Basis:

The following methods and assumptions were used to estimate the fair values of the Company's assets measured at fair value on a non-recurring basis at September 30, 2025 and June 30, 2025:

Individually Analyzed Collateral Dependent Loans

The fair value of collateral dependent loans that are individually analyzed is determined based upon the appraised fair value of the underlying collateral, less costs to sell. Such collateral primarily consists of real estate and, to a lesser extent, other business assets. Management may also adjust appraised values to reflect estimated changes in market values or apply other adjustments to appraised values resulting from its knowledge of the collateral. Internal valuations may be utilized to determine the fair value of other business assets. For non-collateral-dependent loans, management estimates fair value using discounted cash flows based on inputs that are largely unobservable and instead reflect management's own estimates of the assumptions as a market participant would in pricing such loans. Individually analyzed collateral dependent loans are considered a Level 3 valuation by the Company.

Those assets measured at fair value on a non-recurring basis are summarized below:

| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|------------------------------------|---|---|--|-----------|
| (In Thousands) | | | | |
| Collateral dependent loans: | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 16,328 | \$ 16,328 |
| Nonresidential mortgage | — | — | 4,697 | 4,697 |
| Total | \$ — | \$ — | \$ 21,025 | \$ 21,025 |

June 30, 2025

| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|------------------------------------|---|---|--|-----------|
| (In Thousands) | | | | |
| Collateral dependent loans: | | | | |
| Multi-family mortgage | \$ — | \$ — | \$ 16,385 | \$ 16,385 |
| Nonresidential mortgage | | | 4,697 | 4,697 |
| Total | \$ — | \$ — | \$ 21,082 | \$ 21,082 |

The following tables present additional quantitative information about assets measured at fair value on a non-recurring basis and for which the Company has utilized adjusted Level 3 inputs to determine fair value:

| | September 30, 2025 | | | | |
|------------------------|--------------------|-------------------------|-----------------------|-------|---------------------|
| | Fair Value | Valuation Techniques | Unobservable Input | Range | Weighted Average |
| (Dollars in Thousands) | | | | | |

| | | | | | |
|------------------------------------|------------------|---|---|----------------------------------|---------|
| Collateral dependent loans: | | | | | |
| Multi-family mortgage | \$ 16,328 | Market valuation of underlying collateral | ⁽¹⁾ Adjustments to reflect current conditions/selling costs | ⁽²⁾ 6.00% - 23.00% | 13.92 % |
| Nonresidential mortgage | 4,697 | Market valuation of underlying collateral | ⁽¹⁾ Adjustments to reflect current conditions/selling costs | ⁽²⁾ 9.44% | 9.44 % |
| Total | <u>\$ 21,025</u> | | | | |

| | June 30, 2025 | | | | |
|------------------------|---------------|-------------------------|-----------------------|-------|---------------------|
| | Fair Value | Valuation Techniques | Unobservable Input | Range | Weighted Average |
| (Dollars in Thousands) | | | | | |

| | | | | | |
|------------------------------------|------------------|---|---|----------------------------------|---------|
| Collateral dependent loans: | | | | | |
| Multi-family mortgage | \$ 16,385 | Market valuation of underlying collateral | ⁽¹⁾ Adjustments to reflect current conditions/selling costs | ⁽²⁾ 6.00% - 24.00% | 15.08 % |
| Nonresidential mortgage | 4,697 | Market valuation of underlying collateral | ⁽¹⁾ Adjustments to reflect current conditions/selling costs | ⁽²⁾ 9.44% | 9.44 % |
| Total | <u>\$ 21,082</u> | | | | |

(1) The fair value of collateral dependent loans is generally determined based on an independent appraisal of the fair value of a loan's underlying collateral.

(2) The fair value basis of collateral dependent loans is adjusted to reflect management's estimates of selling costs including, but not limited to, real estate brokerage commissions and title transfer fees.

At September 30, 2025, collateral dependent loans valued using Level 3 inputs comprised loans with principal balances totaling \$22.0 million and a valuation allowance of \$1.0 million reflecting an aggregate fair value of \$21.0 million. By comparison, at June 30, 2025, collateral dependent loans valued using Level 3 inputs comprised loans with principal balances totaling \$22.5 million and a valuation allowance of \$1.4 million reflecting an aggregate fair value of \$21.1 million.

Once a loan is foreclosed, the fair value of the other real estate owned continues to be evaluated based upon the fair value of the repossessed real estate originally securing the loan. At September 30, 2025 and June 30, 2025, the Company had no other real estate owned assets, respectively.

[Table of Contents](#)

The following tables present the carrying amount, fair value, and placement in the fair value hierarchy of the Company's financial instruments as of September 30, 2025 and June 30, 2025:

| | September 30, 2025 | | | | | |
|--|--------------------|------------|--|---|---|------|
| | Carrying Amount | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
| | (In Thousands) | | | | | |
| Financial assets: | | | | | | |
| Cash and cash equivalents | \$ 130,139 | \$ 130,139 | \$ 130,139 | \$ — | \$ — | \$ — |
| Investment securities available for sale | 1,016,182 | 1,016,182 | — | 1,016,182 | — | — |
| Investment securities held to maturity | 116,681 | 104,817 | — | 104,817 | — | — |
| Loans held-for-sale | 6,650 | 6,780 | — | 6,780 | — | — |
| Net loans receivable | 5,722,359 | 5,308,718 | — | — | 5,308,718 | — |
| FHLB Stock | 62,011 | — | — | — | — | — |
| Interest receivable | 29,460 | 29,460 | 39 | 7,916 | 21,505 | — |
| Interest rate contracts | 10,288 | 10,288 | — | 10,288 | — | — |
| Financial liabilities: | | | | | | |
| Deposits other than certificates of deposits | 3,664,294 | 3,664,294 | 3,664,294 | — | — | — |
| Certificates of deposits | 1,967,588 | 1,963,698 | — | — | 1,963,698 | — |
| Borrowings | 1,206,497 | 1,207,835 | — | — | 1,207,835 | — |
| Interest payable on deposits | 3,422 | 3,422 | 1,383 | — | 2,039 | — |
| Interest payable on borrowings | 3,185 | 3,185 | — | — | 3,185 | — |
| Interest rate contracts | 5,182 | 5,182 | — | 5,182 | — | — |

| | June 30, 2025 | | | | |
|--|--------------------|---------------|--|---|--|
| | Carrying Amount | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| (In Thousands) | | | | | |
| Financial assets: | | | | | |
| Cash and cash equivalents | \$ 167,269 | \$ 167,269 | \$ 167,269 | — | \$ — |
| Investment securities available for sale | 1,012,969 | 1,012,969 | — | 1,012,969 | — |
| Investment securities held to maturity | 120,217 | 106,712 | — | 106,712 | — |
| Loans held-for-sale | 5,931 | 6,069 | — | 6,069 | — |
| Net loans receivable | 5,766,746 | 5,309,760 | — | — | 5,309,760 |
| FHLB Stock | 64,261 | — | — | — | — |
| Interest receivable | 28,098 | 28,098 | 40 | 6,930 | 21,128 |
| Interest rate contracts | 16,745 | 16,745 | — | 16,745 | — |
| Financial liabilities: | | | | | |
| Deposits other than certificates of deposits | 3,698,643 | 3,698,643 | 3,698,643 | — | — |
| Certificates of deposits | 1,976,574 | 1,970,863 | — | — | 1,970,863 |
| Borrowings | 1,256,491 | 1,257,269 | — | — | 1,257,269 |
| Interest payable on deposits | 5,259 | 5,259 | 1,710 | — | 3,549 |
| Interest payable on borrowings | 3,455 | 3,455 | — | — | 3,455 |
| Interest rate contracts | 5,149 | 5,149 | — | 5,149 | — |

Commitments. The fair value of commitments to fund credit lines and originate or participate in loans held in portfolio or loans held for sale is estimated using fees currently charged to enter into similar agreements taking into account the remaining terms of the agreements and the present creditworthiness of the counterparties. For fixed rate loan commitments, including those relating to loans held for sale that are considered derivative instruments for financial statement reporting purposes, the fair value also considers the difference between current levels of interest and the committed rates. The carrying value, represented by the net deferred fee arising from the unrecognized commitment, and the fair value, determined by discounting the remaining contractual fee over the term of the commitment using fees currently charged to enter into similar agreements with similar credit risk, is not considered material for disclosure.

Limitations. Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instruments. These estimates do not reflect any premium or discount that could result from offering for sale at one time the entire holdings of a particular financial instrument. Because no fair value exists for a significant portion of the financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments and other factors. These estimates are subjective in nature, involve uncertainties and matters of judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The fair value estimates are based on existing on-and-off balance sheet financial instruments without attempting to value anticipated future business and the value of assets and liabilities that are not considered financial instruments. Other significant assets and liabilities that are not considered financial assets and liabilities include premises and equipment, and advances from borrowers for taxes and insurance. In addition, the ramifications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in any of the estimates.

Finally, reasonable comparability between financial institutions may not be likely due to the wide range of permitted valuation techniques and numerous estimates which must be made given the absence of active secondary markets for many of the financial instruments. This lack of uniform valuation methodologies introduces a greater degree of subjectivity to these estimated fair values.

12. COMPREHENSIVE INCOME (LOSS)

The components of accumulated other comprehensive loss included in stockholders' equity at September 30, 2025 and June 30, 2025 are as follows:

| | September 30, 2025 | June 30, 2025 |
|---|------------------------|------------------------|
| | (In Thousands) | |
| Net unrealized loss on securities available for sale | \$ (100,771) | \$ (112,142) |
| Tax effect | 29,252 | 32,542 |
| Net of tax amount | <u>(71,519)</u> | <u>(79,600)</u> |
| Fair value adjustments on derivatives | 4,426 | 9,770 |
| Tax effect | (1,289) | (2,844) |
| Net of tax amount | <u>3,137</u> | <u>6,926</u> |
| Benefit plan adjustments | 910 | 946 |
| Tax effect | (265) | (276) |
| Net of tax amount | <u>645</u> | <u>670</u> |
| Total accumulated other comprehensive loss | \$ (67,737) | \$ (72,004) |

Other comprehensive income (loss) and related tax effects for the three months ended September 30, 2025 and 2024 are presented in the following table:

| | Three Months Ended September 30, | |
|--|-------------------------------------|-----------------------|
| | 2025 | 2024 |
| | (In Thousands) | |
| Net unrealized holding gain on securities available for sale | \$ 11,371 | \$ 23,888 |
| Fair value adjustments on derivatives | (5,344) | (26,230) |
| Benefit plans: | | |
| Accretion of net actuarial gain ⁽¹⁾ | (36) | (26) |
| Net actuarial gain | — | 141 |
| Net change in benefit plan accrued expense | <u>(36)</u> | <u>115</u> |
| Other comprehensive income (loss) before taxes | 5,991 | (2,227) |
| Tax effect | (1,724) | 666 |
| Total other comprehensive income (loss) | \$ 4,267 | \$ (1,561) |

(1) Represents amounts reclassified out of accumulated other comprehensive loss and included in the computation of net periodic pension expense. See Note 10 - Benefit Plans for additional information.

13. NET INCOME PER COMMON SHARE (“EPS”)

The following schedule shows the Company's earnings per share calculations for the periods presented:

| | Three Months Ended September 30, | |
|--|--|----------------|
| | 2025 | 2024 |
| | (In Thousands, Except Per Share Data) | |
| Net income | \$ 9,506 | \$ 6,092 |
| Weighted average number of common shares outstanding - basic | 62,741 | 62,389 |
| Effect of dilutive securities | 210 | 31 |
| Weighted average number of common shares outstanding - diluted | <u>62,951</u> | <u>62,420</u> |
| Basic earnings per share | \$ 0.15 | \$ 0.10 |
| Diluted earnings per share | <u>\$ 0.15</u> | <u>\$ 0.10</u> |

Stock options for 2,745,000 and 2,751,902 shares of common stock were not considered in computing diluted earnings per share for the three months ended September 30, 2025 and 2024, respectively, because they were considered anti-dilutive. In addition, 533,024 and 698,445 RSUs were not considered in computing diluted earnings per share for the three months ended September 30, 2025 and September 30, 2024, respectively, because they were considered anti-dilutive.

ITEM 2.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This Quarterly Report on Form 10-Q may include certain forward-looking statements based on current management expectations. Such forward-looking statements may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may", "will", "believe", "expect", "estimate", "anticipate", "continue", or similar terms or variations on those terms, or the negative of those terms. The actual results of the Company could differ materially from those management expectations. This includes statements regarding general economic and geopolitical conditions, including potential recessionary conditions and the imposition of tariffs or other domestic or international governmental policies, legislative and regulatory changes, monetary and fiscal policies of the federal government, the effects of the federal government shutdown, changes in tax policies, rates and regulations of federal, state and local tax authorities and failure to integrate or profitably operate acquired businesses. Additional potential factors include changes in interest rates, the rate of inflation, deposit flows, cost of funds, demand for loan products and financial services, competition and changes in the quality or composition of loan and investment portfolios of the Company. Other factors that could cause future results to vary from current management expectations include changes in accounting principles, policies or guidelines, and other economic, competitive, governmental and technological factors affecting the Company's operations, markets, products, services and prices. Further description of the risks and uncertainties to the business are included in this Quarterly Report on Form 10-Q and in the Company's Annual Report on Form 10-K for the year ended June 30, 2025, under "Item 1A. Risk Factors."

Except as required by applicable law or regulation, the Company does not undertake, and specifically disclaims any obligation, to release publicly the result of any revisions that may be made to any forward-looking statements to reflect events or circumstances after the date of the statements or to reflect the occurrence of anticipated or unanticipated events.

Critical Accounting Policies

Our accounting policies are integral to understanding the results reported. We consider accounting policies that require management to exercise significant judgment or discretion or to make significant assumptions that have, or could have, a material impact on the carrying value of certain assets or on income to be critical accounting policies. At September 30, 2025, there have been no material changes to our critical accounting policies as compared to the critical accounting policies disclosed in our most recent Annual Report on Form 10-K. Reference is made to Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended June 30, 2025.

Comparison of Financial Condition at September 30, 2025 and June 30, 2025

Executive Summary. Total assets decreased \$92.4 million to \$7.65 billion at September 30, 2025 from \$7.74 billion at June 30, 2025. The decrease primarily reflected decreases in net loans receivable and cash and cash equivalents, and declines in the market values of interest rate derivatives.

Investment Securities. Investment securities available for sale increased \$3.2 million to \$1.02 billion at September 30, 2025, from \$1.01 billion at June 30, 2025. This increase was largely the result of purchases of \$71.2 million and an \$11.4 million increase in the fair value of the portfolio to a net unrealized loss of \$100.8 million, partially offset by principal repayments of \$79.4 million.

Investment securities held to maturity decreased \$3.5 million to \$116.7 million at September 30, 2025 from \$120.2 million at June 30, 2025. This decrease was driven by principal repayments of \$3.5 million.

Additional information regarding our investment securities at September 30, 2025 and June 30, 2025 is presented in Note 4 to the unaudited consolidated financial statements.

Loans Held-for-Sale. Loans held-for-sale totaled \$6.7 million at September 30, 2025 as compared to \$5.9 million at June 30, 2025 and are reported separately from the balance of net loans receivable. During the three months ended September 30, 2025, we sold \$27.9 million of residential mortgage loans, resulting in a gain on sale of \$199,000.

[Table of Contents](#)

Net Loans Receivable. Net loans receivable decreased \$44.4 million, or 0.8%, to \$5.72 billion at September 30, 2025 from \$5.77 billion at June 30, 2025. Details regarding the change in the loan portfolio, by loan segment, are presented below:

| | September 30, 2025 | June 30, 2025 | Increase/ (Decrease) |
|---|-----------------------|---------------------|-------------------------|
| | (In Thousands) | | |
| Commercial loans: | | | |
| Multi-family mortgage | \$ 2,640,737 | \$ 2,709,654 | \$ (68,917) |
| Nonresidential mortgage | 988,969 | 986,556 | 2,413 |
| Commercial business | 142,304 | 138,755 | 3,549 |
| Construction | 189,626 | 177,713 | 11,913 |
| Total commercial loans | 3,961,636 | 4,012,678 | (51,042) |
| One- to four-family residential mortgage | 1,749,362 | 1,748,591 | 771 |
| Consumer loans: | | | |
| Home equity loans | 54,116 | 50,737 | 3,379 |
| Other consumer | 2,487 | 2,533 | (46) |
| Total consumer loans | 56,603 | 53,270 | 3,333 |
| Total loans | 5,767,601 | 5,814,539 | (46,938) |
| Unaccrued yield adjustments | (182) | (1,602) | 1,420 |
| Allowance for credit losses | (45,060) | (46,191) | 1,131 |
| Net loans receivable | \$ 5,722,359 | \$ 5,766,746 | \$ (44,387) |

Commercial loan origination volume for the three months ended September 30, 2025 totaled \$61.4 million, comprised of \$21.7 million of commercial mortgage loan originations, \$24.5 million of commercial business loan originations and construction loan disbursements of \$15.2 million. Purchases of commercial business loans totaled \$5.1 million for the same period.

One- to four-family residential mortgage loan origination volume, excluding loans held-for-sale, totaled \$42.2 million for the three months ended September 30, 2025. Home equity loan and line of credit origination volume for the same period totaled \$8.7 million.

Loan-to-value ("LTV") ratios are based on current period loan balances and original appraised values at the time of origination unless a current appraisal has been obtained as a result of the loan being deemed collateral dependent and individually analyzed. The following table sets forth the composition of our real estate secured loans indicating the LTV, by loan category, at September 30, 2025 and June 30, 2025:

| | September 30, 2025 | | June 30, 2025 | |
|---|------------------------|-------------|---------------------|-------------|
| | Balance | LTV | Balance | LTV |
| | (Dollars in Thousands) | | | |
| Commercial mortgage loans: | | | | |
| Multi-family mortgage | \$ 2,640,737 | 62 % | \$ 2,709,654 | 62 % |
| Nonresidential mortgage ⁽¹⁾ | 988,969 | 52 | 986,556 | 52 |
| Construction | 189,626 | 56 | 177,713 | 56 |
| Total commercial mortgage loans | 3,819,332 | 59 | 3,873,923 | 59 |
| One- to four-family residential mortgage | 1,749,362 | 62 | 1,748,591 | 62 |
| Consumer loans: | | | | |
| Home equity loans | 54,116 | 50 | 50,737 | 51 |
| Total mortgage loans | \$ 5,622,810 | 60 % | \$ 5,673,251 | 60 % |

(1) At September 30, 2025 and June 30, 2025, includes \$896,707 and \$891,995 of non-owner occupied commercial real estate ("CRE") loans with an LTV of 52% and 53%, respectively, and includes \$92,262 and \$94,561 of owner occupied CRE loans with an LTV of 47% and 48%, respectively.

Additional information about our loan portfolio at September 30, 2025 and June 30, 2025 is presented in Note 5 to the unaudited consolidated financial statements.

Nonperforming Assets. Nonperforming assets increased \$19.0 million to \$64.6 million, or 0.84% of total assets, at September 30, 2025, from \$45.6 million, or 0.59% of total assets, at June 30, 2025, respectively. The increase was due to a single construction loan that became 90 days past due but remains on accrual status. The loan is secured by collateral under contract for sale, with all covenants satisfied and a loan-to-sale price ratio of 72%. No provision for credit losses related to this loan was recorded as of September 30, 2025, as full repayment is expected upon completion of the sale.

Additional information about our nonperforming loans and loan modifications at September 30, 2025 and June 30, 2025 is presented in Note 5 to the unaudited consolidated financial statements.

Allowance for Credit Losses (“ACL”). At September 30, 2025 the ACL totaled \$45.1 million, or 0.78% of total loans, compared to \$46.2 million, or 0.79% of total loans, at June 30, 2025. The ACL for the three months ended September 30, 2025 reflected net charge-offs of \$1.0 million.

Additional information about our ACL at September 30, 2025 and June 30, 2025 is presented in Note 6 to the unaudited consolidated financial statements.

Other Assets. The aggregate balance of other assets, including premises and equipment, FHLB stock, interest receivable, goodwill, core deposit intangibles, bank owned life insurance (“BOLI”), deferred income taxes, and other assets, decreased \$11.3 million to \$656.0 million at September 30, 2025 from \$667.3 million at June 30, 2025. The decrease in the balance of these other assets during the three months ended September 30, 2025 primarily reflected a decrease in the market value of interest rate derivatives, a decrease in FHLB stock and a decrease in properties held for sale, partially offset by an increase in BOLI. The remaining change generally reflected normal operating fluctuations within these line items.

Deposits. Total deposits decreased \$43.3 million, or 0.8%, to \$5.63 billion at September 30, 2025 from \$5.68 billion at June 30, 2025. Included in total deposits are retail and brokered time deposits of \$1.21 billion and \$759.2 million, respectively, at September 30, 2025, and \$1.22 billion and \$757.7 million, respectively, at June 30, 2025. This decrease was primarily driven by declines in interest-bearing demand deposits and certificates of deposits. The following table sets forth the distribution of, and changes in, deposits, by type, for the periods indicated:

| | September 30, 2025 | June 30, 2025 | Increase/ (Decrease) | (In Thousands) | | |
|--------------------------------------|-----------------------|---------------------|-------------------------|----------------|----|----|
| | | | | \$ | \$ | \$ |
| Non-interest-bearing deposits | \$ 578,481 | \$ 582,045 | \$ (3,564) | | | |
| Interest-bearing deposits: | | | | | | |
| Interest-bearing demand | 2,334,560 | 2,362,222 | (27,662) | | | |
| Savings | 751,253 | 754,376 | (3,123) | | | |
| Certificates of deposit (retail) | 1,208,408 | 1,218,920 | (10,512) | | | |
| Certificates of deposit (brokered) | 759,180 | 757,654 | 1,526 | | | |
| Interest-bearing deposits | 5,053,401 | 5,093,172 | (39,771) | | | |
| Total deposits | \$ 5,631,882 | \$ 5,675,217 | \$ (43,335) | | | |

Uninsured deposits totaled \$2.04 billion as of September 30, 2025 compared to \$1.99 billion as of June 30, 2025. Excluding collateralized deposits of state and local governments, and deposits of the Bank’s wholly-owned subsidiary and holding company, uninsured deposits totaled \$804.2 million, or 14.3% of total deposits, at September 30, 2025 compared to \$813.8 million, or 14.3% of total deposits, at June 30, 2025.

Additional information about our deposits at September 30, 2025 and June 30, 2025 is presented in Note 7 to the unaudited consolidated financial statements.

Borrowings. The balance of borrowings decreased by \$50.0 million to \$1.21 billion at September 30, 2025 from \$1.26 billion at June 30, 2025, reflecting reductions in FHLB advances.

At September 30, 2025, we maintained available secured borrowing capacity with the FHLB and the Federal Reserve Discount Window of \$2.54 billion, representing 33.2% of total assets.

Additional information about our borrowings at September 30, 2025 and June 30, 2025 is presented in Note 8 to the unaudited consolidated financial statements.

Other Liabilities. The balance of other liabilities, including advance payments by borrowers for taxes and other miscellaneous liabilities, decreased \$6.4 million to \$56.4 million at September 30, 2025 from \$62.8 million at June 30, 2025. The change in the balance of these other liabilities generally reflected normal operating fluctuations during the period.

Stockholders' Equity. Stockholders' equity increased \$7.2 million to \$753.2 million at September 30, 2025 from \$746.0 million at June 30, 2025. The increase in stockholders' equity during the three months ended September 30, 2025 largely reflected net income of \$9.5 million and an other comprehensive gain of \$4.3 million, partially offset by cash dividends of \$7.0 million. The other comprehensive gain for the three months ended September 30, 2025 was driven by an increase in the fair value of our available for sale securities, partially offset by a decrease in the fair value of our derivatives portfolio.

Book value per share increased by \$0.08 to \$11.63 at September 30, 2025 while tangible book value per share increased by \$0.09 to \$9.86 at September 30, 2025. These increases were driven by the increases in stockholders' equity, as described above.

Comparison of Operating Results for the Quarter Ended September 30, 2025 and September 30, 2024

Net Income. Net income for the quarter ended September 30, 2025 was \$9.5 million, or \$0.15 per diluted share, compared to \$6.1 million, or \$0.10 per diluted share, for the quarter ended September 30, 2024. The increase in net income reflected increases in net interest income and non-interest income, partially offset by increases in non-interest and income taxes.

Net Interest Income. Net interest income increased by \$5.3 million to \$37.7 million for the quarter ended September 30, 2025 compared to \$32.4 million for the quarter ended September 30, 2024. The increase between the comparative periods resulted from a decrease of \$6.0 million in interest expense, partially offset by a decrease of \$744,000 in interest income. Included in net interest income for the quarters ended September 30, 2025 and 2024, respectively, was purchase accounting accretion of \$601,000 and \$649,000, and loan prepayment penalty income of \$490,000 and \$52,000.

Net interest margin increased 30 basis point to 2.10% for the quarter ended September 30, 2025, from 1.80% for the quarter ended September 30, 2024 reflecting a decrease in the average balance of interest-bearing borrowings, a decrease in the cost of interest-bearing liabilities and higher average balances and yields on loans receivable, partially offset by a decrease in the average balances and yields on other interest-earning assets.

[Table of Contents](#)

Details regarding the composition of, and changes to, net interest income are presented in the table below which reflects the components of the average balance sheet and of net interest income for the periods indicated. We derived the average yields and costs by dividing income or expense by the average balance of assets or liabilities, respectively, for the periods presented with daily balances used to derive average balances. No tax equivalent adjustments have been made to yield or costs. Non-accrual loans were included in the calculation of average balances, however interest receivable on these loans has been fully reserved for and therefore not included in interest income. The yields and costs set forth below include the effect of deferred fees, discounts and premiums that are amortized or accreted to interest income or expense.

| | Three Months Ended September 30, | | | | | |
|--|----------------------------------|---------------|------------------------|---------------------|---------------|------------------------|
| | 2025 | | 2024 | | | |
| | Average Balance | Interest | Average Yield/ Cost | Average Balance | Interest | Average Yield/ Cost |
| (Dollars in Thousands) | | | | | | |
| Interest-earning assets: | | | | | | |
| Loans receivable ⁽¹⁾ | \$ 5,806,767 | \$ 68,349 | 4.71 % | \$ 5,761,593 | \$ 66,331 | 4.61 % |
| Taxable investment securities ⁽²⁾ | 1,236,705 | 12,600 | 4.08 | 1,314,945 | 14,384 | 4.38 |
| Tax-exempt securities ⁽²⁾ | 6,856 | 41 | 2.42 | 12,244 | 71 | 2.32 |
| Other interest-earning assets ⁽³⁾ | 115,776 | 1,518 | 5.24 | 131,981 | 2,466 | 7.47 |
| Total interest-earning assets | 7,166,104 | 82,508 | 4.61 | 7,220,763 | 83,252 | 4.61 |
| Non-interest-earning assets | 453,215 | | | 467,670 | | |
| Total assets | <u>\$ 7,619,319</u> | | | <u>\$ 7,688,433</u> | | |
| Interest-bearing liabilities: | | | | | | |
| Interest-bearing demand | \$ 2,343,809 | 15,440 | 2.63 | \$ 2,282,608 | 17,862 | 3.13 |
| Savings | 754,244 | 2,652 | 1.41 | 668,240 | 1,757 | 1.05 |
| Certificates of deposit (retail) | 1,211,026 | 10,791 | 3.56 | 1,203,770 | 12,396 | 4.12 |
| Certificates of deposit (brokered) | 755,813 | 5,048 | 2.67 | 551,819 | 3,003 | 2.18 |
| Total interest-bearing deposits | <u>5,064,892</u> | <u>33,931</u> | <u>2.68</u> | <u>4,706,437</u> | <u>35,018</u> | <u>2.98</u> |
| Federal Home Loan Bank advances | 1,077,146 | 9,925 | 3.69 | 1,325,583 | 12,662 | 3.82 |
| Other borrowings | 85,489 | 948 | 4.44 | 237,011 | 3,126 | 5.28 |
| Borrowings | 1,162,635 | 10,873 | 3.74 | 1,562,594 | 15,788 | 4.04 |
| Total interest-bearing liabilities | <u>6,227,527</u> | <u>44,804</u> | <u>2.88</u> | <u>6,269,031</u> | <u>50,806</u> | <u>3.24</u> |
| Non-interest-bearing liabilities ⁽⁴⁾ | <u>646,649</u> | | | <u>668,724</u> | | |
| Total liabilities | <u>6,874,176</u> | | | <u>6,937,755</u> | | |
| Stockholders' equity | <u>745,143</u> | | | <u>750,678</u> | | |
| Total liabilities and stockholders' equity | <u>\$ 7,619,319</u> | | | <u>\$ 7,688,433</u> | | |
| Net interest income | <u>\$ 37,704</u> | | | <u>\$ 32,446</u> | | |
| Interest rate spread ⁽⁵⁾ | | | <u>1.73 %</u> | | | <u>1.37 %</u> |
| Net interest margin ⁽⁶⁾ | | | <u>2.10 %</u> | | | <u>1.80 %</u> |
| Ratio of interest-earning assets to interest-bearing liabilities | <u>1.15</u> | | | <u>1.15</u> | | |

- (1) Loans held-for-sale and non-accruing loans have been included in loans receivable and the effect of such inclusion was not material. Allowance for credit losses has been included in non-interest-earning assets.
- (2) Fair value adjustments have been excluded in the balances of interest-earning assets.
- (3) Includes interest-bearing deposits at other banks and FHLB of New York capital stock.
- (4) Includes average balances of non-interest-bearing deposits of \$581.6 million and \$599.1 million for the quarter ended September 30, 2025 and 2024, respectively.
- (5) Interest rate spread represents the difference between the yield on interest-earning assets and the cost of interest-bearing liabilities.
- (6) Net interest margin represents net interest income as a percentage of average interest-earning assets.

Provision for Credit Losses. For the quarter ended September 30, 2025, we recorded a reversal of credit losses of \$82,000, compared to a provision for credit losses of \$108,000 for the quarter ended September 30, 2024. The reversal for the quarter ended September 30, 2025 was largely driven by decreases in the balance of loans receivable, partially offset by qualitative risk factor adjustments. By comparison, the provision for credit losses for the quarter ended September 30, 2024 was primarily driven by loan growth.

Additional information regarding the ACL and the associated provisions recognized during the quarters ended September 30, 2025 and 2024 is presented in Note 6 to the unaudited consolidated financial statements as well as the Comparison of Financial Condition at September 30, 2025 and June 30, 2025.

Non-Interest Income. Total non-interest income increased \$1.2 million to \$5.8 million for the quarter ended September 30, 2025, compared to \$4.6 million for the quarter ended September 30, 2024.

Fees and service charges increased \$257,000 to \$892,000 for the quarter ended September 30, 2025, from \$635,000 for the quarter ended September 30, 2024, primarily reflecting higher deposit and branch related fee income.

Other income increased \$818,000 to \$1.7 million for the quarter ended September 30, 2025, from \$833,000 for the quarter ended September 30, 2024, primarily driven by a non-recurring pre-tax gain of \$749,000 on the sale of property held for sale in the current period.

The remaining changes in the other components of non-interest income between comparative periods generally reflected normal operating fluctuations within those line items.

Non-Interest Expense. Total non-interest expense increased \$1.9 million to \$31.7 million for the quarter ending September 30, 2025, compared to \$29.8 million the quarter ended September 30, 2024.

Salaries and employee benefits increased \$1.2 million to \$18.7 million for the quarter ended September 30, 2025, from \$17.5 million for the quarter ended September 30, 2024. This increase was primarily driven by higher salary expense and payroll taxes due to annual merit increases and increases in incentive and stock-based compensation due to the absence of a non-recurring decrease in stock-based compensation recorded in the prior period.

Net occupancy expense of premises increased \$509,000 to \$3.3 million for the quarter ended September 30, 2025, from \$2.8 million for the quarter ended September 30, 2024. This increase was primarily driven by a non-recurring pre-tax expense of \$250,000 associated with the consolidation of three branches and non-recurring branch maintenance expenses of \$102,000 in the current period.

Advertising and marketing expense increased \$220,000 to \$562,000 for the quarter ended September 30, 2025, from \$342,000 for the quarter ended September 30, 2024. The increase primarily reflects normal fluctuations in the timing of campaigns across various advertising formats supporting our loan and deposit growth initiatives.

Equipment and systems expense increased \$114,000 to \$4.0 million for the quarter ended September 30, 2025, from \$3.9 million for the quarter ended September 30, 2024, largely driven by increases in technology expense associated with the Company's ongoing digital banking initiatives.

FDIC insurance premiums decreased \$262,000 to \$1.3 million for the quarter ended September 30, 2025, from \$1.6 million for the quarter ended September 30, 2024, primarily driven by higher capital ratios.

The remaining changes in the other components of non-interest expense between comparative periods generally reflected normal operating fluctuations within those line items.

Provision for Income Taxes. Provision for income taxes increased \$1.4 million to \$2.5 million for the quarter ended September 30, 2025 from \$1.1 million for the quarter ended September 30, 2024, reflecting a higher level of pre-tax income compared to the prior year period.

Effective tax rates for the quarter ended September 30, 2025 and 2024 were 20.6% and 15.1%, respectively. The increase in the effective tax rate was primarily due to higher full year projected taxable income.

Liquidity and Capital Resources

Liquidity, represented by cash and cash equivalents, is a product of operating, investing and financing activities. Our primary sources of funds are deposits, borrowings, cash flows from investment securities and loans receivable and funds provided from operations. While scheduled payments from the amortization and maturity of loans and investment securities are relatively predictable sources of funds, general interest rates, economic conditions and competition greatly influence deposit flows and prepayments on loans and securities.

At September 30, 2025, liquidity included \$130.1 million of short-term cash and cash equivalents and \$1.02 billion of investment securities available for sale. As of September 30, 2025, we had the capacity to borrow additional cash funds totaling \$1.98 billion, comprised of \$1.23 billion and \$745.8 million from the Federal Reserve discount window and the FHLBNY, respectively, without pledging additional collateral. We had the ability to pledge additional securities to borrow an additional \$566.8 million at September 30, 2025. As of that same date, we also had access to unsecured overnight borrowings with other financial institutions totaling \$845.0 million, of which none was outstanding.

At September 30, 2025, we had outstanding commitments to originate and purchase loans totaling \$72.1 million while such commitments totaled \$26.4 million at June 30, 2025. As of those same dates, our pipeline of loans held for sale included \$21.4 million and \$11.1 million, respectively, of loans in process whose terms included interest rate locks to borrowers that were paired with a best-efforts commitment to sell the loan to a buyer at a fixed price and within a predetermined timeframe after the sale commitment is established.

Construction loans in process and unused lines of credit were \$137.4 million and \$177.3 million, respectively, at September 30, 2025, compared to \$115.7 million and \$177.1 million, respectively, at June 30, 2025. We are also subject to the contingent liabilities resulting from letters of credit totaling \$595,000 at September 30, 2025 and June 30, 2025, respectively.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee by the customer. Our exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual notional amount of those instruments. We use the same credit policies in making commitments and conditional obligations as we do for on-balance-sheet instruments. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Consistent with its goals to operate a sound and profitable financial organization, the Bank actively seeks to maintain its status as a well-capitalized institution in accordance with regulatory standards.

The following table sets forth the Bank's capital position at September 30, 2025 and June 30, 2025, as compared to the minimum regulatory capital requirements that were in effect as of those dates:

| At September 30, 2025 | | | | | | | |
|--|------------|---------|-------------------------------|--------|--|---------|------------------------|
| | Actual | | For Capital Adequacy Purposes | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | (Dollars in Thousands) |
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | |
| | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 710,276 | 14.66 % | \$ 387,686 | 8.00 % | \$ 484,608 | 10.00 % | |
| Tier 1 capital (to risk-weighted assets) | 664,083 | 13.70 % | 290,765 | 6.00 % | 387,686 | 8.00 % | |
| Common equity tier 1 capital (to risk-weighted assets) | 664,083 | 13.70 % | 218,073 | 4.50 % | 314,995 | 6.50 % | |
| Tier 1 capital (to adjusted total assets) | 664,083 | 8.73 % | 304,153 | 4.00 % | 380,191 | 5.00 % | |

| At June 30, 2025 | | | | | | | |
|--|------------|---------|-------------------------------|--------|--|---------|------------------------|
| | Actual | | For Capital Adequacy Purposes | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | (Dollars in Thousands) |
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | |
| | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 704,969 | 14.49 % | \$ 389,184 | 8.00 % | \$ 486,481 | 10.00 % | |
| Tier 1 capital (to risk-weighted assets) | 662,232 | 13.61 % | 291,888 | 6.00 % | 389,184 | 8.00 % | |
| Common equity tier 1 capital (to risk-weighted assets) | 662,232 | 13.61 % | 218,916 | 4.50 % | 316,212 | 6.50 % | |
| Tier 1 capital (to adjusted total assets) | 662,232 | 8.68 % | 305,162 | 4.00 % | 381,453 | 5.00 % | |

[Table of Contents](#)

The following table sets forth the Company's capital position at September 30, 2025 and June 30, 2025, as compared to the minimum regulatory capital requirements that were in effect as of those dates:

| | At September 30, 2025 | | | |
|--|-----------------------|---------|-------------------------------|--------|
| | Actual | | For Capital Adequacy Purposes | |
| | Amount | Ratio | Amount | Ratio |
| (Dollars in Thousands) | | | | |
| Total capital (to risk-weighted assets) | \$ 751,953 | 15.50 % | \$ 387,986 | 8.00 % |
| Tier 1 capital (to risk-weighted assets) | 705,760 | 14.55 % | 290,989 | 6.00 % |
| Common equity tier 1 capital (to risk-weighted assets) | 705,760 | 14.55 % | 218,242 | 4.50 % |
| Tier 1 capital (to adjusted total assets) | 705,760 | 9.27 % | 304,663 | 4.00 % |
| | At June 30, 2025 | | | |
| | Actual | | For Capital Adequacy Purposes | |
| | Amount | Ratio | Amount | Ratio |
| (Dollars in Thousands) | | | | |
| Total capital (to risk-weighted assets) | \$ 748,323 | 15.37 % | \$ 389,434 | 8.00 % |
| Tier 1 capital (to risk-weighted assets) | 705,586 | 14.49 % | 292,076 | 6.00 % |
| Common equity tier 1 capital (to risk-weighted assets) | 705,586 | 14.49 % | 219,057 | 4.50 % |
| Tier 1 capital (to adjusted total assets) | 705,586 | 9.23 % | 305,661 | 4.00 % |

Off-Balance Sheet Arrangements

In the normal course of our business of investing in loans and securities we are a party to financial instruments with off-balance-sheet risk. These financial instruments include significant purchase commitments, such as commitments related to capital expenditure plans and commitments to extend credit to meet the financing needs of our customers. We had no significant off-balance sheet commitments for capital expenditures as of September 30, 2025.

Recent Accounting Pronouncements

For a discussion of the expected impact of recently issued accounting pronouncements that we have adopted, please refer to Note 3 to the unaudited consolidated financial statements.

ITEM 3.
QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The majority of our assets and liabilities are sensitive to changes in interest rates and as such, interest rate risk is a significant form of market risk that we must manage. Interest rate risk is generally defined in regulatory nomenclature as the risk to earnings or capital arising from the movement of interest rates and arises from several risk factors including re-pricing risk, basis risk, yield curve risk and option risk. We maintain an Asset/Liability Management (“ALM”) program in order manage our interest rate risk. The program is overseen by the Board of Directors through its Interest Rate Risk Management Committee which has assigned the responsibility for the operational aspects of the ALM program to our Asset/Liability Management Committee (“ALCO”), which is comprised of various members of the senior and executive management team.

The quantitative analysis that we conduct measures interest rate risk from both a capital and earnings perspective. With regard to earnings, movements in interest rates and the shape of the yield curve significantly influence the amount of net interest income (“NII”) that we recognize. Movements in market interest rates, and the effect of such movements on the risk factors noted above, significantly influence the spread between the interest earned on our interest-earning assets and the interest paid on our interest-bearing liabilities. Our internal interest rate risk analysis calculates the sensitivity of our projected NII over a one year period utilizing a static balance sheet assumption through which incoming and outgoing asset and liability cash flows are reinvested into similar instruments. Product pricing and earning asset prepayment speeds are appropriately adjusted for each rate scenario.

With regard to capital, our internal interest rate risk analysis calculates the sensitivity of our Economic Value of Equity (“EVE”) to movements in interest rates. EVE represents the present value of the expected cash flows from our assets less the present value of the expected cash flows arising from our liabilities adjusted for the value of off-balance sheet instruments. EVE attempts to quantify our economic value using a discounted cash flow methodology. The degree to which our EVE changes for any hypothetical interest rate scenario from its base case measurement is a reflection of our sensitivity to interest rate risk.

For both earnings and capital at risk, our interest rate risk analysis calculates a base case scenario that assumes no change in interest rates. The model then measures changes throughout a series of interest rate scenarios representing immediate and permanent, parallel shifts in the yield curve up and down 100, 200 and 300 basis points with additional scenarios modeled where appropriate. The model requires that interest rates remain positive for all points along the yield curve for each rate scenario which may preclude the modeling of certain falling rate scenarios during periods of lower market interest rates.

The following tables present the results of our internal EVE and NII analyses as of September 30, 2025 and June 30, 2025, respectively:

| Change in Interest Rates | September 30, 2025 | | | | | |
|--------------------------|--------------------|-----------------|----------------|-----------------|-----------------|-----------------|
| | EVE | % Change in EVE | 1 to 12 Months | | 13 to 24 Months | |
| | | | NII | % Change in NII | NII | % Change in NII |
| (Dollars in Thousands) | | | | | | |
| +300 bps | \$ 437,413 | (34.77)% | \$ 140,548 | (9.61)% | \$ 160,622 | (7.32)% |
| +200 bps | 508,592 | (24.16)% | 144,373 | (7.15)% | 163,859 | (5.45)% |
| +100 bps | 587,097 | (12.45)% | 148,258 | (4.65)% | 167,220 | (3.51)% |
| 0 bps | 670,589 | — | 155,491 | — | 173,301 | — |
| -100 bps | 753,160 | 12.31 % | 161,460 | 3.84 % | 177,378 | 2.35 % |
| -200 bps | 805,568 | 20.13 % | 167,854 | 7.95 % | 178,808 | 3.18 % |
| -300 bps | 866,224 | 29.17 % | 172,546 | 10.97 % | 177,646 | 2.51 % |

| Change in Interest Rates | June 30, 2025 | | | | | |
|--------------------------|---------------|-----------------|----------------|-----------------|-----------------|-----------------|
| | EVE | % Change in EVE | 1 to 12 Months | | 13 to 24 Months | |
| | | | NII | % Change in NII | NII | % Change in NII |
| (Dollars in Thousands) | | | | | | |
| +300 bps | \$ 404,295 | (37.02)% | \$ 147,989 | (6.79)% | \$ 161,747 | (8.17)% |
| +200 bps | 475,744 | (25.89)% | 150,539 | (5.18)% | 165,520 | (6.03)% |
| +100 bps | 555,065 | (13.54)% | 153,195 | (3.51)% | 169,510 | (3.77)% |
| 0 bps | 641,985 | — | 158,762 | — | 176,142 | — |
| -100 bps | 728,863 | 13.53 % | 162,406 | 2.30 % | 181,671 | 3.14 % |
| -200 bps | 785,464 | 22.35 % | 165,502 | 4.25 % | 184,695 | 4.86 % |
| -300 bps | 852,184 | 32.74 % | 168,238 | 5.97 % | 185,248 | 5.17 % |

There are numerous internal and external factors that may contribute to changes in our EVE and its sensitivity. Changes in the composition and allocation of our balance sheet, or utilization of off-balance sheet instruments such as derivatives, can significantly alter the exposure to interest rate risk as quantified by the changes in the EVE sensitivity measures. Changes to certain external factors, most notably changes in the level of market interest rates and overall shape of the yield curve, can also alter the projected cash flows of our interest-earning assets and interest-costing liabilities and the associated present values thereof.

Notwithstanding the rate change scenarios presented in the EVE and NII-based analyses above, future interest rates and their effect on net interest income are not predictable. Computations of prospective effects of hypothetical interest rate changes are based on numerous assumptions, including relative levels of market interest rates, prepayments and deposit run-offs and should not be relied upon as indicative of actual results. Certain shortcomings are inherent in this type of computation. Although certain assets and liabilities may have similar maturities or periods of re-pricing, they may react at different times and in different degrees to changes in market interest rates. The interest rate on certain types of assets and liabilities, such as demand deposits and savings accounts, may fluctuate in advance of changes in market interest rates, while rates on other types of assets and liabilities may lag behind changes in market interest rates. Certain assets, such as adjustable-rate mortgages, generally have features which restrict changes in interest rates on a short-term basis and over the life of the asset. In the event of a change in interest rates, prepayments and early withdrawal levels could deviate significantly from those assumed in the analyses set forth above. Additionally, an increase in credit risk may result as the ability of borrowers to service their debt may decrease in the event of an interest rate increase.

ITEM 4.
CONTROLS AND PROCEDURES

As of the end of the period covered by this Report, an evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended). Based on that evaluation, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, concluded that the Company's disclosure controls and procedures were effective.

During the quarter ended September 30, 2025, there were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

ITEM 1. Legal Proceedings

At September 30, 2025, neither the Company nor the Bank were involved in any pending legal proceedings other than routine legal proceedings occurring in the ordinary course of business, which involve amounts in the aggregate believed by management to be immaterial to the financial condition of the Company and the Bank.

ITEM 1A. Risk Factors

There have been no material changes to the Risk Factors previously disclosed under Item 1A of the Company's Annual Report on Form 10-K for the year ended June 30, 2025, previously filed with the Securities and Exchange Commission.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Company did not repurchase any shares of its common stock during the three month period ended September 30, 2025.

ITEM 3. Defaults Upon Senior Securities

Not applicable.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended September 30, 2025, none of our directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of the Company's securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

ITEM 6. Exhibits

The following Exhibits are filed as part of this report:

| | |
|---------|--|
| 3.1 | Articles of Incorporation of Kearny Financial Corp. (Incorporated by reference to the Registrant's Registration Statement on Form S-1 (File No. 333-198602), originally filed on September 5, 2014) |
| 3.2 | Amended and Restated Bylaws of Kearny Financial Corp. (Incorporated by reference to the Registrant's Current Report on Form 8-K, filed on August 16, 2023.) |
| 4 | Form of Common Stock Certificate of Kearny Financial Corp. (Incorporated by reference to the Registrant's Registration Statement on Form S-1 (File No. 333-198602), originally filed on September 5, 2014) |
| 31.1 | Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2 | Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1 | Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101 | The following materials from the Company's Form 10-Q for the quarter ended September 30, 2025, formatted in Inline XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Financial Condition, (ii) the Consolidated Statements of Income; (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Changes in Stockholder's Equity, (v) the Consolidated Statements of Cash Flows and (vi) the Notes to Consolidated Financial Statements. |
| 101.INS | Inline XBRL Instance Document (The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document) |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | Inline XBRL Taxonomy Extension Labels Linkbase Document |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

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.

KEARNY FINANCIAL CORP.

Date: November 5, 2025

By: /s/ Craig L. Montanaro

Craig L. Montanaro
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 5, 2025

By: /s/ Sean Byrnes

Sean Byrnes
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATION

I, Craig L. Montanaro, certify that:

1. I have reviewed this Form 10-Q of Kearny Financial Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

/s/ Craig L. Montanaro

Craig L. Montanaro
 President and Chief Executive Officer
 (Principal Executive Officer)

CERTIFICATION

I, Sean Byrnes, certify that:

1. I have reviewed this Form 10-Q of Kearny Financial Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

/s/ Sean Byrnes

Sean Byrnes
 Executive Vice President and Chief Financial Officer
 (Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kearny Financial Corp. (the "Company") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Craig L. Montanaro, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 5, 2025

/s/ Craig L. Montanaro

Craig L. Montanaro
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kearny Financial Corp. (the "Company") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sean Byrnes, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 5, 2025

/s/ Sean Byrnes

Sean Byrnes
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)