kearnyfinancial corp.

NEWS RELEASE

Kearny Financial Corp. Announces Cash Dividend

9/20/2006

FAIRFIELD, NJ -- (MARKET WIRE) -- 09/20/06 -- Kearny Financial Corp. (NASDAQ: KRNY) (the "Company") announced today that the Company's Board of Directors has declared a quarterly cash dividend of $.05 per share to stockholders of record as of October 6, 2006 payable on October 27, 2006. The Company is the majority-owned subsidiary of Kearny MHC, a federally chartered mutual holding company, which owns 70% of the Company's outstanding shares.

President and CEO John N. Hopkins indicated that the cash dividend is being paid to provide a return to stockholders, after considering the equity and profitability of the Company. It is the current intention of the Board of Directors to continue to pay such a dividend quarterly. However, the payment of future dividends will be subject to the Board's periodic review of the financial condition, earnings, and capital requirements of the Company.

Kearny Financial Corp. is the holding company for Kearny Federal Savings Bank, which operates from its administrative headquarters building in Fairfield, New Jersey, and 26 retail branch offices located in Bergen, Hudson, Passaic, Morris, Middlesex, Essex, Union and Ocean counties, New Jersey. At June 30, 2006, Kearny Financial Corp. had total assets, deposits and stockholders' equity of $2.01 billion, $1.44 billion and $490.9 million, respectively. Shares of Kearny Financial Corp. trade on the Nasdaq Global Select Market under the symbol "KRNY."

Statements contained in this news release, which are not historical facts, are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, factors discussed in documents filed by Kearny Financial Corp. with the Securities and Exchange Commission from time to time. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

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