INVESTOR PRESENTATION

THIRD QUARTER FISCAL 2024

APRIL 25, 2024

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Forward Looking Statements & Financial Measures

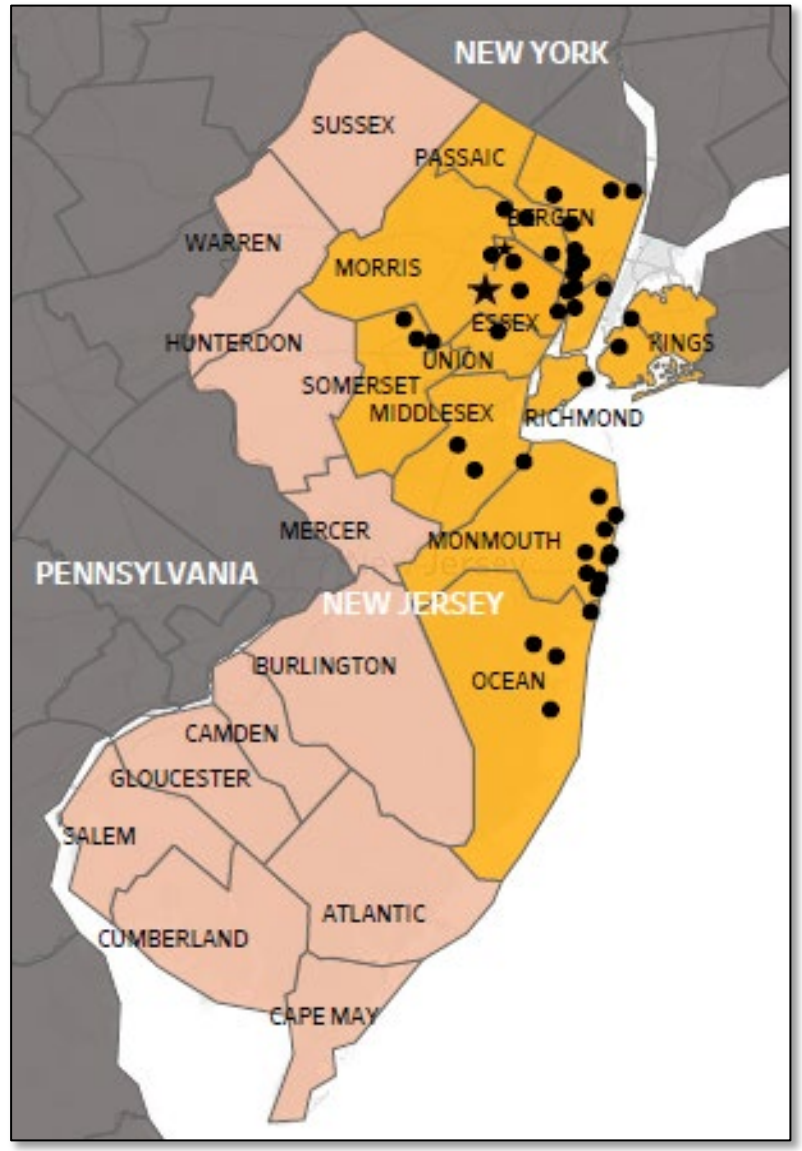
This presentation may include certain "forward-looking statements," which are made in good faith by Kearny Financial Corp. (the "Company") pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties, such as statements of the Company's plans, objectives, expectations, estimates and intentions that are subject to change based on various important factors (some of which are beyond the Company's control). In addition to the factors described under Item 1A. Risk Factors in the Company's Annual Report on Form 10-K, and subsequent filings with the Securities and Exchange Commission, the following factors, among others, could cause the Company's financial performance to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements:

- the strength of the United States economy in general and the strength of the local economy in which the Company conducts operations,
- the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System, inflation, interest rates, market and monetary fluctuations,
- the impact of changes in laws, regulations and government policies regarding financial institutions (including laws concerning taxation, banking, securities and insurance),
- changes in accounting policies and practices, as may be adopted by regulatory agencies, the Financial Accounting Standards Board ("FASB") or the Public Company Accounting Oversight Board,
- technological changes,
- competition among financial services providers, and
- the success of the Company at managing the risks involved in the foregoing and managing its business.

The Company cautions that the foregoing list of important factors is not exhaustive. Readers should not place any undue reliance on any forward looking statements, which speak only as of the date made. The Company does not undertake any obligation 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.

Kearny Financial Corp.

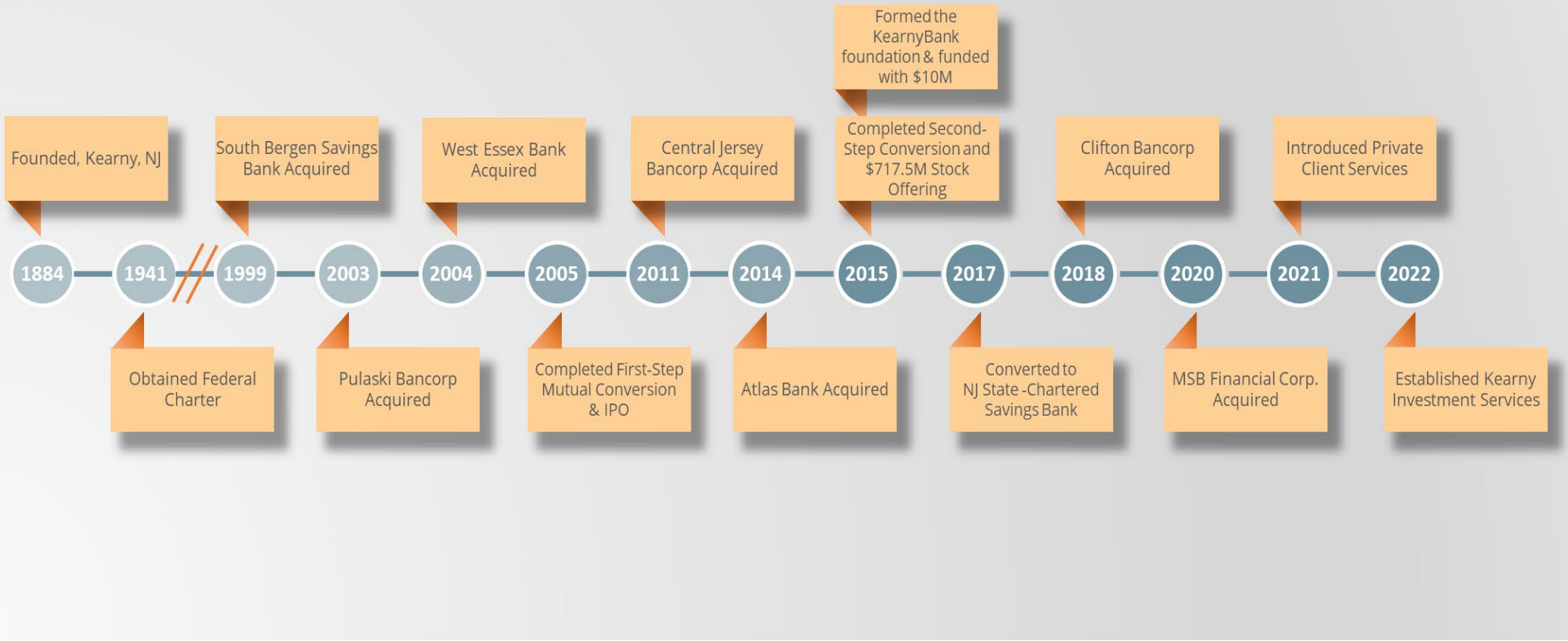
- NASDAQ: KRNY
- Headquartered in Fairfield, NJ
- 43 full-service branches[1] in New Jersey and New York City
- Active acquirer, having completed 7 whole-bank acquisitions since 1999



[1] As of March 31, 2024.
Source: S&P Global Market Intelligence & Company Filings.

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140 Years of Serving our Communities and Clients



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3Q24 Financial Highlights

Net Income	Net Interest Income	Diluted EPS
$7.4 million	$34.3 million	$0.12

Total Assets	Total Loans[1]	Total Deposits
$7.8 billion	$5.8 billion	$5.2 billion

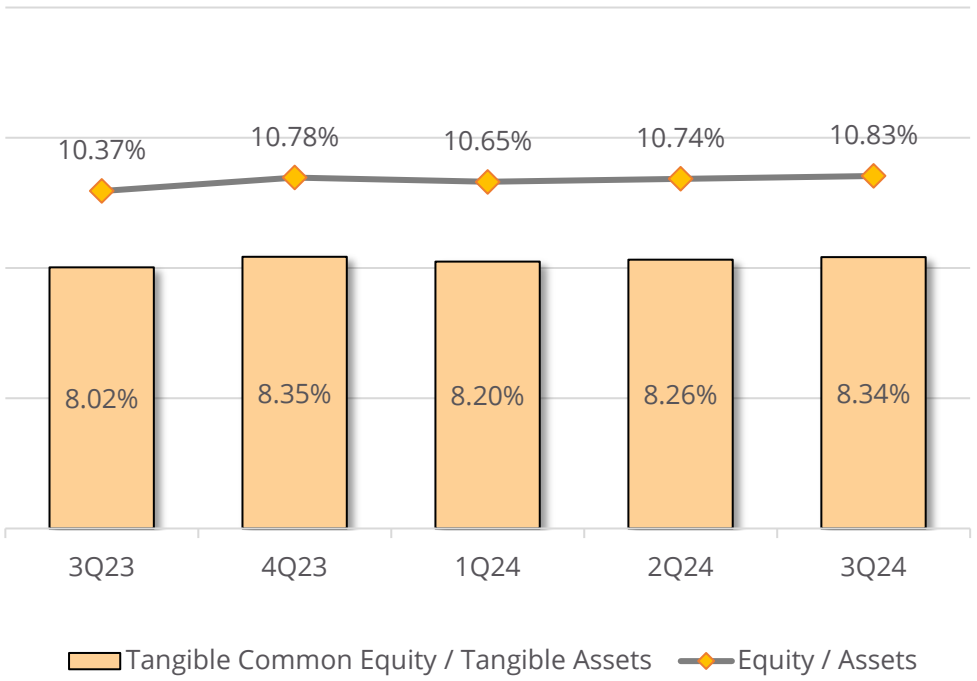
3Q24 Highlights:

- Net Interest Margin - Compression slowed, declining five basis points from the prior quarter
- BOLI Restructure – Excluding non-recurring items, run-rate BOLI earnings improved by $673,000 compared to the prior quarter
- Non-performing assets improved to 0.50% in 3Q24 compared to 0.63% in 2Q24

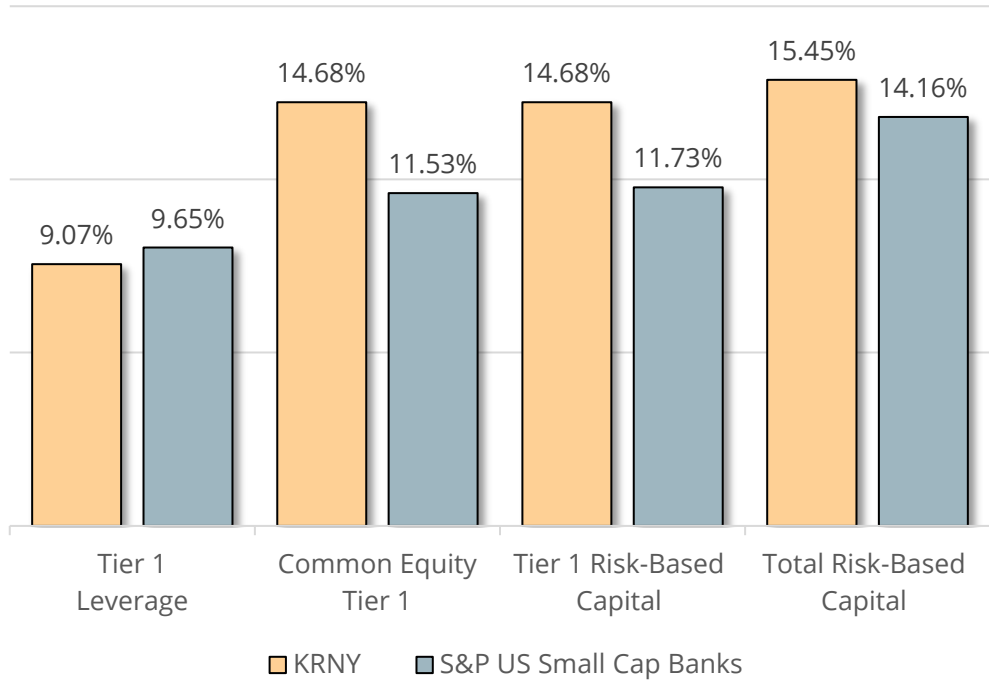
[1] Excludes Yield Adjustments.
Source: Company Filings.

Capital Strength

Equity Capitalization Level



Regulatory Capital Ratios[1,2]



[1] Kearny Financial Corp. (NASDAQ: KRNY) Regulatory Capital Ratios as of March 31, 2024 are preliminary.
[2] S&P U.S. Small Cap Banks Index comprised of 243 constituents, based on December 31, 2023 results.
Source: Company Filings.

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Conservative Underwriting Culture

Comprehensive CRE / Multifamily Underwriting

- Highly disciplined LTV and DSCR standards
- Interest rates stressed a minimum of +300bps at origination
- DSCR based on in-place rents, not projections, with conservative allowances for vacancy
- NOI underwritten to include forecasted expense increases and full taxes (where a tax abatement exists)

Approval Authority & Underwriting Consistency

- Lending authority aggregated by borrower/group of related borrowers
- Technology ensures consistent and efficient underwriting and risk rating process



Multi-faceted Loan Review & Stress Testing

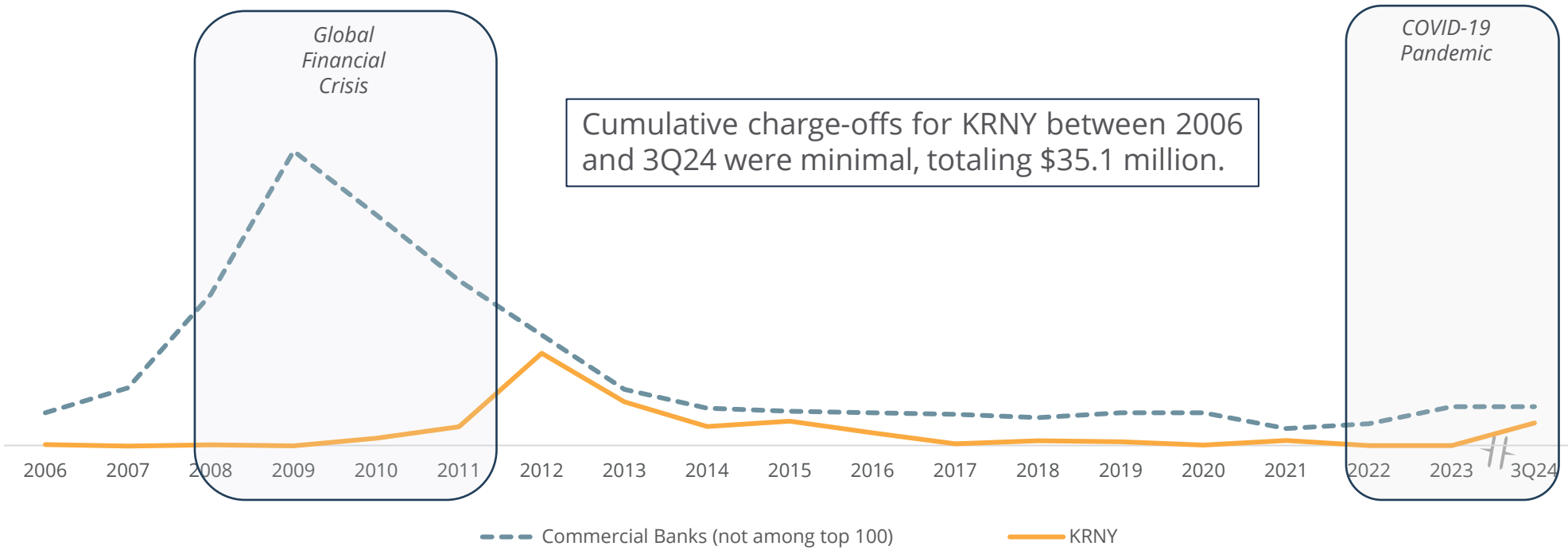
- Semi-annual third-party loan-level stress testing and annual capital-based stress testing
- Quarterly third-party portfolio loan review with 65% of total portfolio reviewed on an annual basis
- Annual internal loan reviews on all commercial loans with balances of $2.5 million or greater

Proactive Workout Process

- Dedicated team of portfolio managers and loan workout specialists
- Weekly meetings comprised of loan officers, credit personnel and special assets group to pre-emptively address delinquencies or problem credits
- Philosophy of aggressively addressing impaired assets in a timely fashion

Track Record of Strong Credit Performance

Net Charge-offs to Average Total Loans

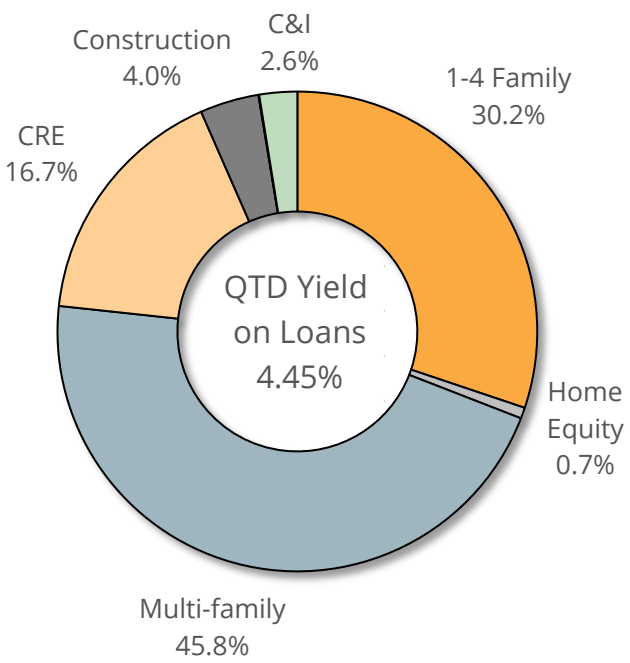


- From 2006 to 2023, inclusive of the Global Financial Crisis and the COVID -19 Pandemic, KRNY's NCO to average total loans totaled 9 bps per year compared to 50 bps for all Commercial Banks (US Banks not among the top 100)[1].

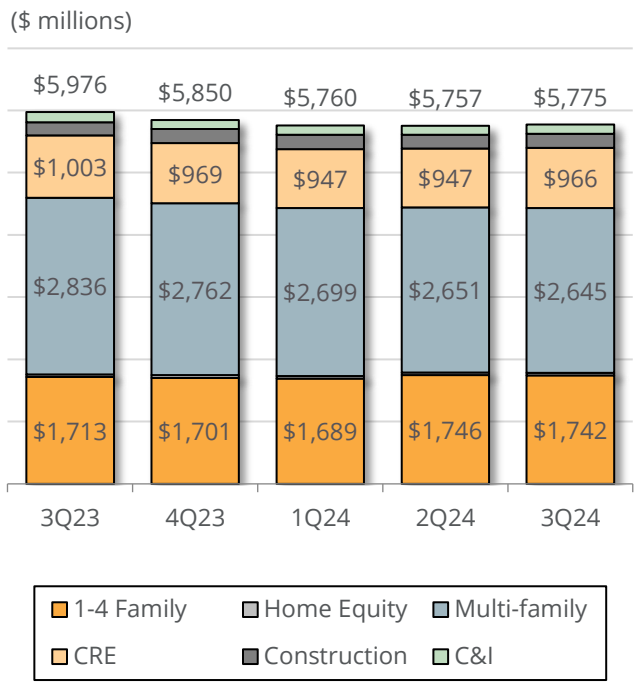
[1] Data provided by Federal Reserve Bank of St. Louis.
Source: Company Filings.

Diversified Loan Portfolio

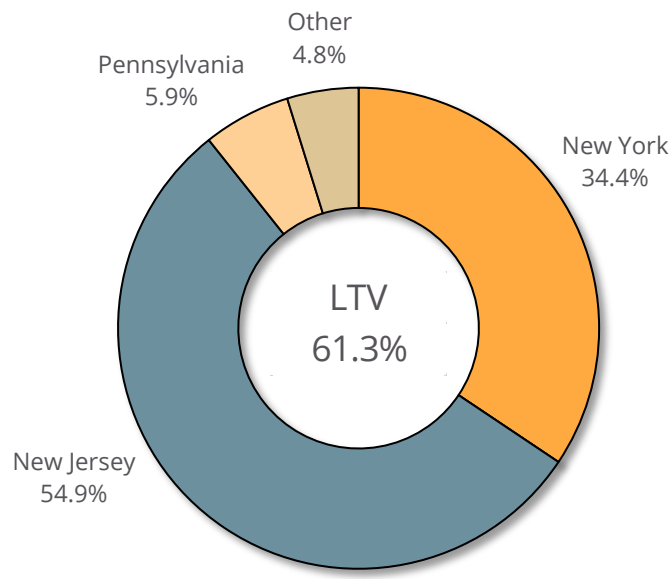
Loan Composition[1]



Loan Trend



Geographic Distribution[2]

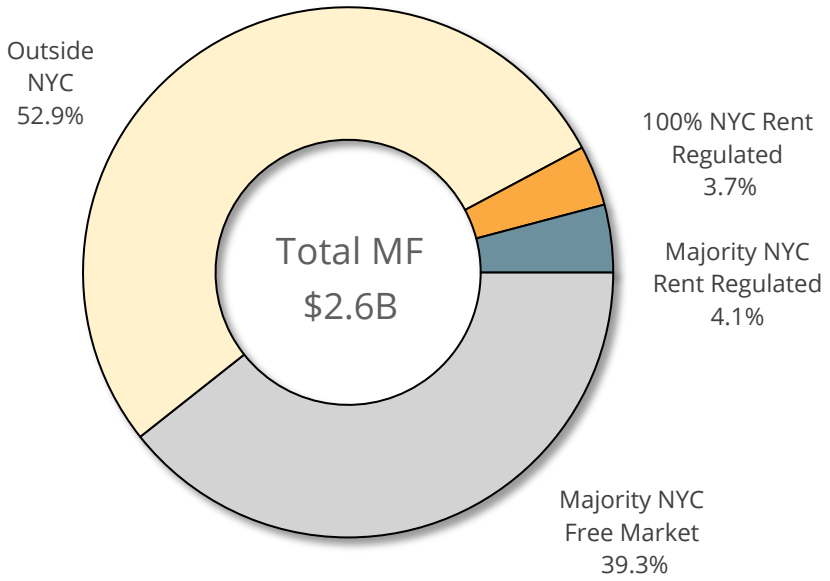


[1] For the quarter ended March 31, 2024.
[2] As of March 31, 2024.
Source: S&P Global Market Intelligence & Company Filings.

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Multifamily Loan Portfolio

Multifamily Loan Portfolio Composition[1]



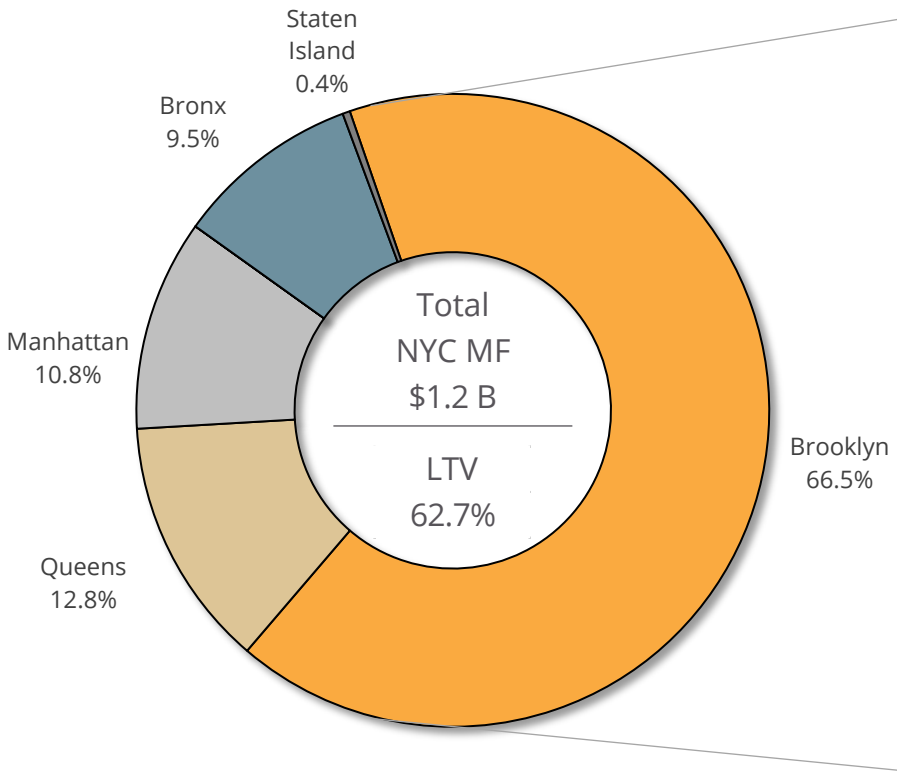
New York City ("NYC") Multifamily[1]

NYC Multifamily Portfolio:	$1.2 billion
Average Loan Balance:	$3.45 million
Weighted Average LTV:	62.7%
Nonperforming Loans / Total MF Loans:	0.4%
Apr to Dec 2024 Maturity & Repricing:	$27.9 million
Calendar Year 2025 Maturity & Repricing:	$120.7 million

- Less than half of our Multifamily portfolio is collateralized by properties in NYC
- Only 8% of our Multifamily portfolio is collateralized by majority or fully rent-regulated NYC properties
- There are limited levels of maturing or repricing NYC Multifamily loans in calendar 2024 and 2025
- Outstanding asset quality over multiple credit cycles

Source: Company Filings
[1] As of March 31, 2024.

NYC Multifamily Loan Portfolio



Independent Market Research Report Data

Pricing Drop from Peak Pricing[2]

Location	Rent Stabilized Building Value Change
Bronx	(29%)
Brooklyn	(7%)
Manhattan (below 96th St)	(37%)
Northern Manhattan (above 96th St)	(51%)
Queens	(22%)
NYC Average	**(18%)**

Free Market - Pricing Drop from Peak Pricing[3]

Location	Free Market Building Value Change
Bronx	1%
Brooklyn	1%
Manhattan (below 96th St)	(31%)
Northern Manhattan (above 96th St)	(25%)
Queens	6%
NYC Average	**(11%)**

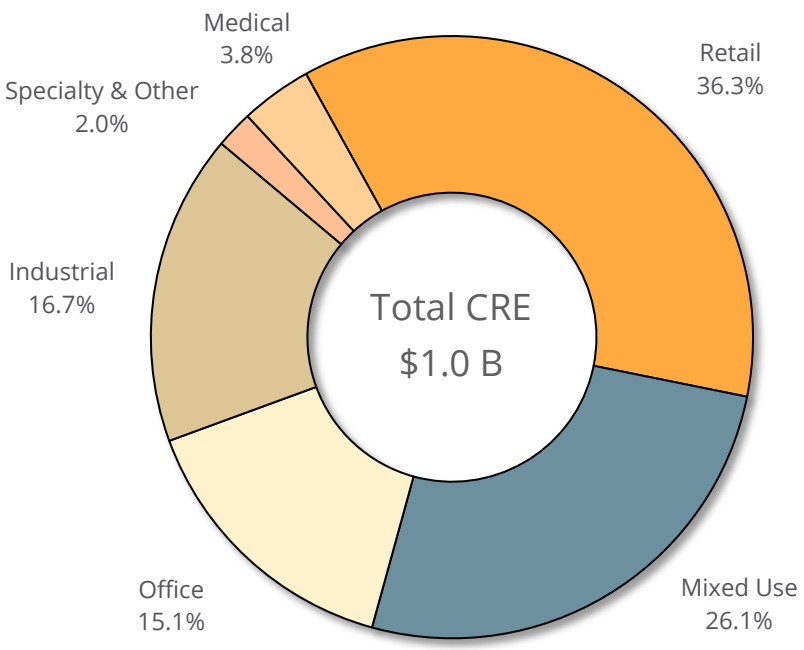
- Industry Market Reports indicate that real estate prices in Brooklyn outperformed the other boroughs of NYC
- 66.5% of the Company's NYC Multifamily portfolio is located in Brooklyn, NY

[1] As of March 31, 2024.
[2] Source: "New York City Multifamily In Review Report 2023" by Ariel Property Advisors; https://arielpa.nyc/investor-relations/research-reports
[3] "New York City Multifamily In Review Report 2023" by Ariel Property Advisors; https://arielpa.nyc/insights/240206-how-low-can-it-go-finding-value-in-new-york-city-apartment-building-sales [arielpa.nyc]

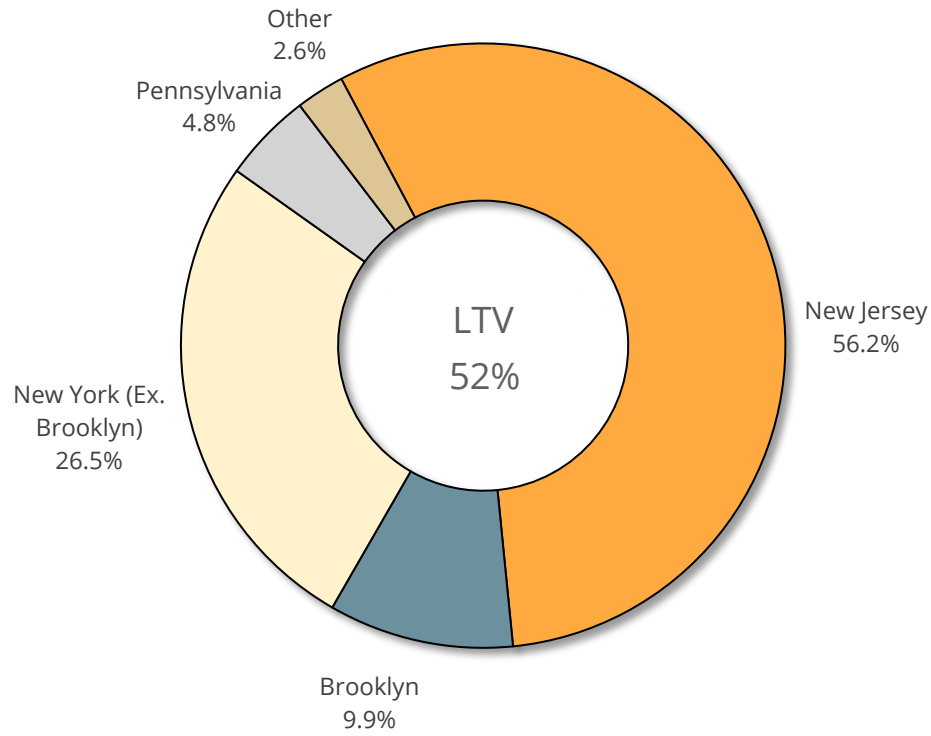
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CRE Loan Detail

CRE Portfolio by Collateral Type[1]



CRE Loan Geographic Distribution[1]

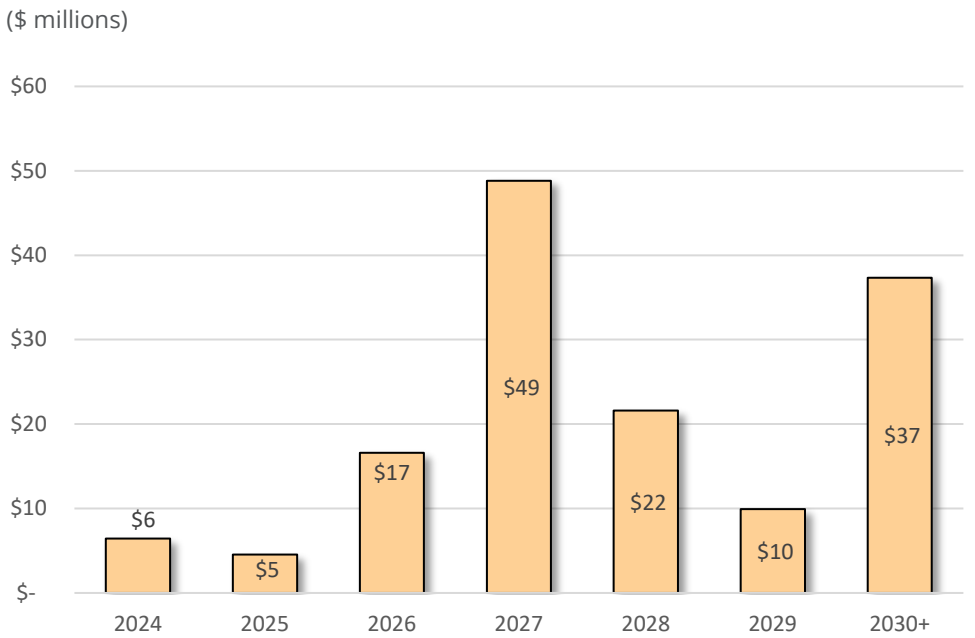


Source: Company Filings.
[1] As of March 31, 2024.

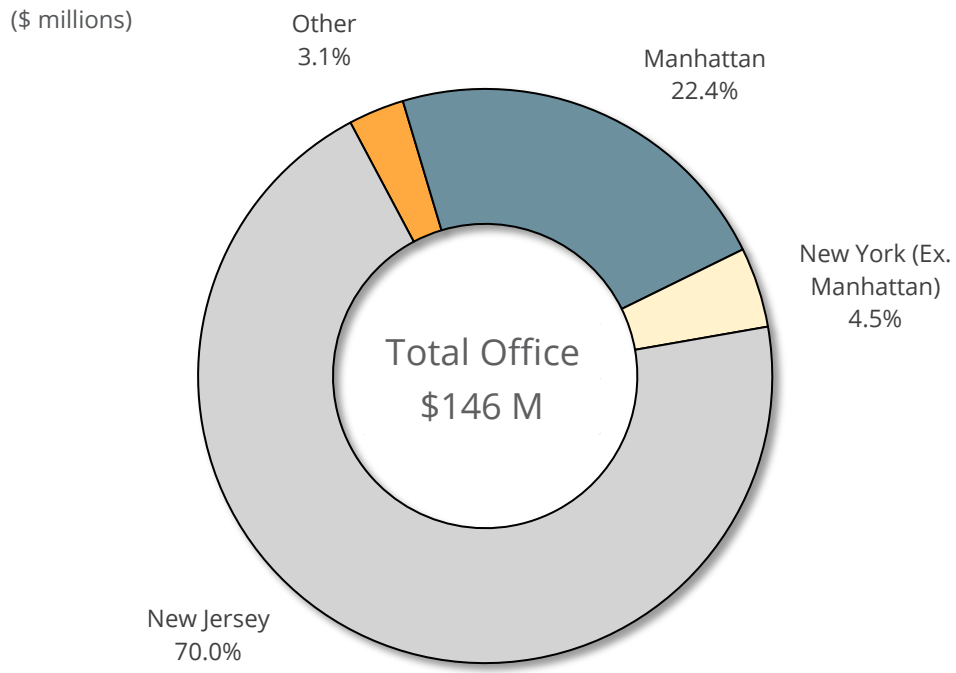
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Office Portfolio

Office Portfolio by Contractual Maturity[1]



Office Loan Geographic Distribution[1]



LTV	48.4%
DSCR	1.8x

Office Portfolio Profile

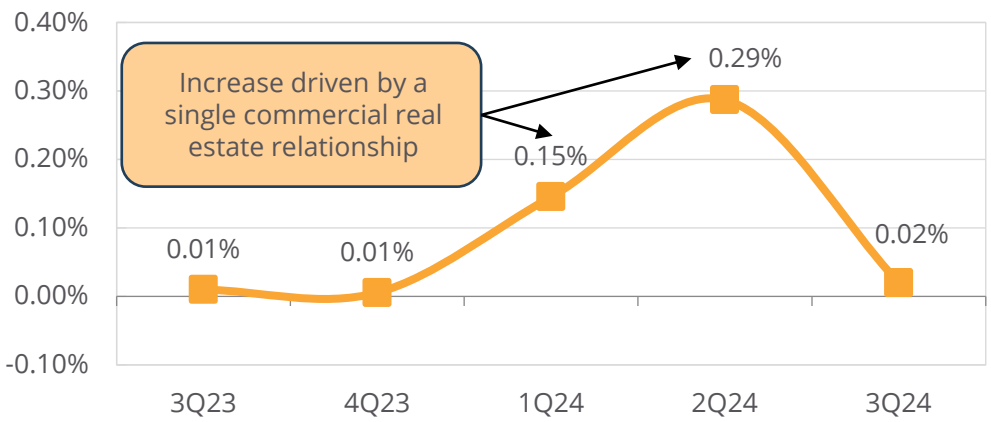
- 15.7% of total CRE portfolio or $146 million
- Average loan size of $1.7 million
- Classified office loans comprised of 0.7% of total office loans

[1] As of March 31, 2024.
Source: Company Filings.

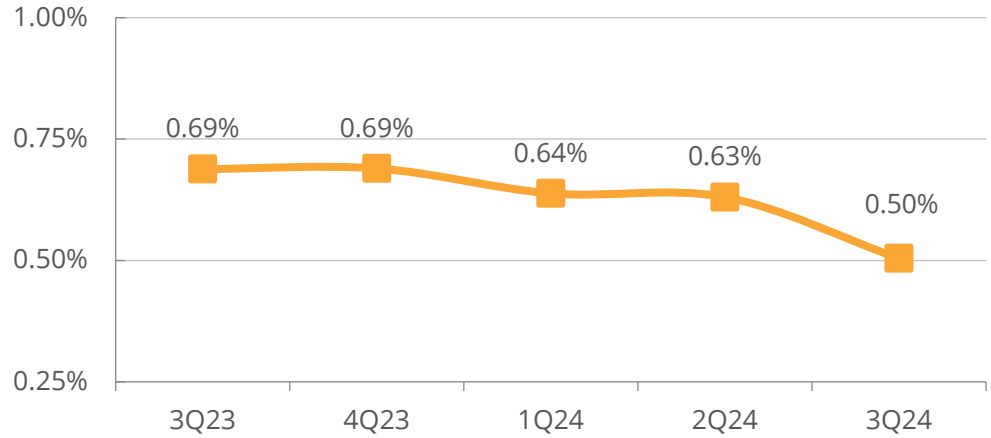
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Asset Quality Metrics

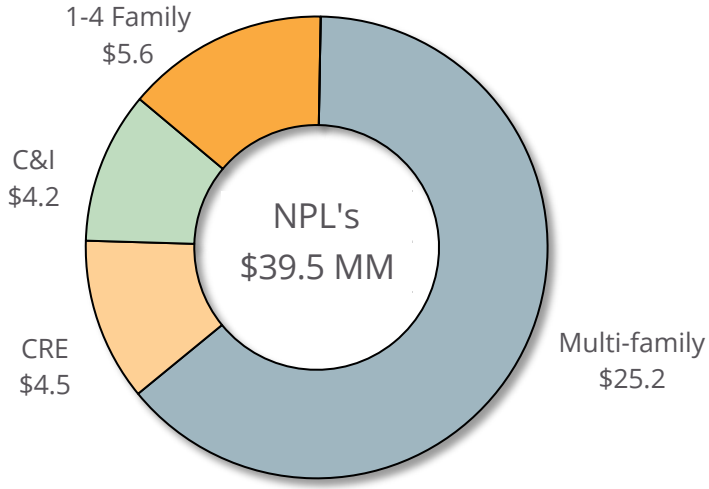
Net Charge-Offs / Average Loans



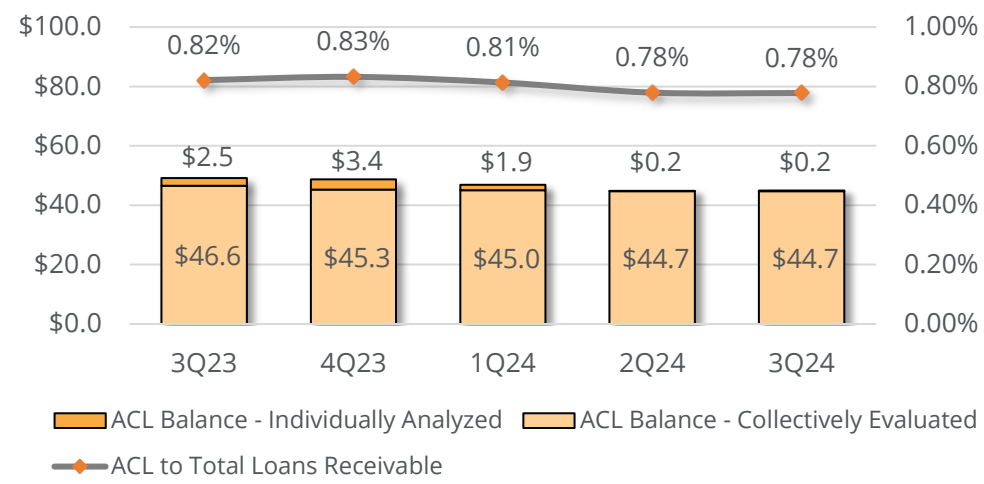
Non-Performing Assets / Total Assets



Non-Performing Loans[1]



Allowance for Credit Losses

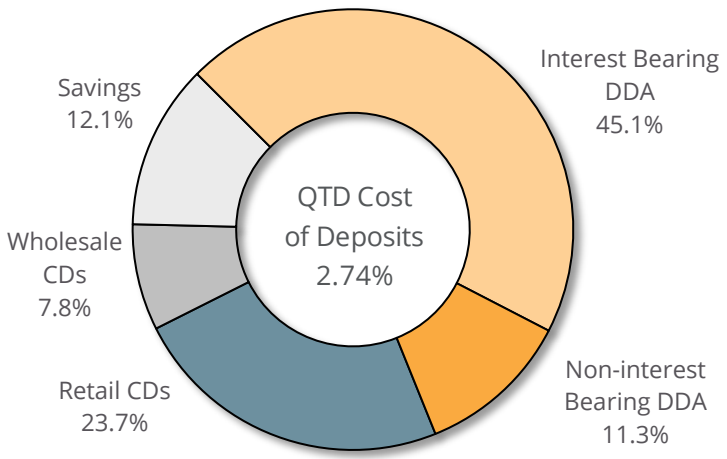


[1] As of March 31, 2024; amounts shown in millions.
Source: S&P Global Market Intelligence & Company Filings.

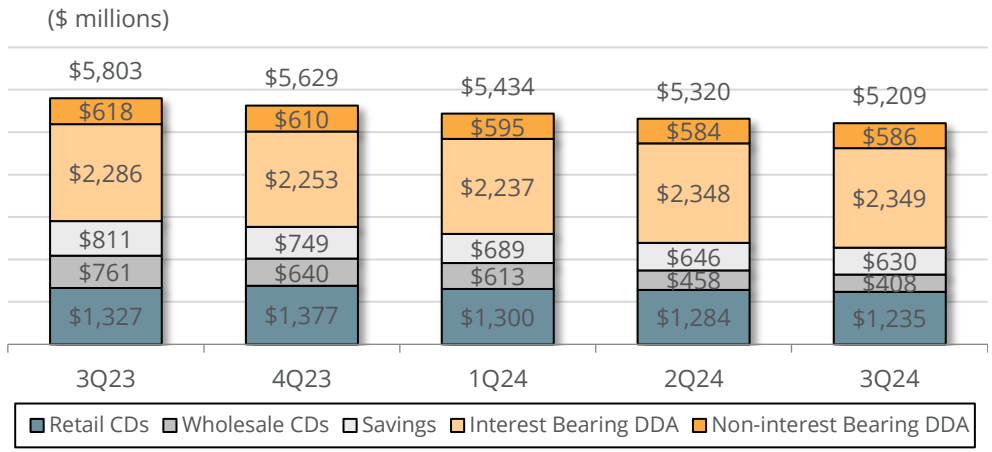
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Granular Deposit Franchise

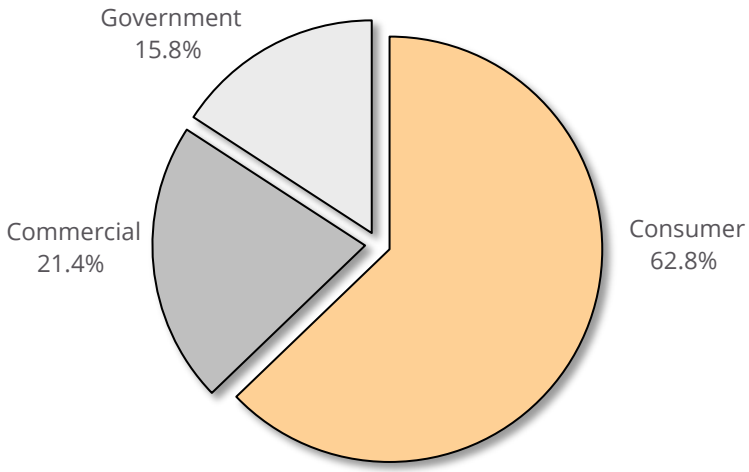
Deposit Composition[1]



Deposit Trend



Non-Maturity Deposit Mix



Deposit Segmentation[2]

Product	# of Accounts	Balance ($ millions)	Average Balance per Account
Checking	53,349	$ 2,379	$ 44,594
Savings	32,098	623	19,419
CD	26,242	1,640	62,502
Total Retail Deposits	**111,689**	**$ 4,642**	**$ 41,557**

[1] For the quarter ended March 31, 2024.
[2] As of March 31,2024; excludes Wholesale and state & local government deposits.
Source: S&P Global Market Intelligence & Company Filings.

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Liquidity Available for Uninsured Deposits

Estimated Uninsured Deposits Analysis[2]

Estimated Uninsured Deposit Analysis	($ millions)
Estimated Uninsured Deposits [1]	$ 1,761
Less: Collateralized State & Local Government Deposits	(552)
Less: Bank's wholly-owned subsidiary & Holding Company Deposits	(491)
Estimated uninsured deposits excluding items above:	**$ 718**
Total Deposits	**$ 5,209**
Estimated uninsured deposits, excluding items above, as a % of Total Deposits	**13.8%**

Liquidity Capacity[2]

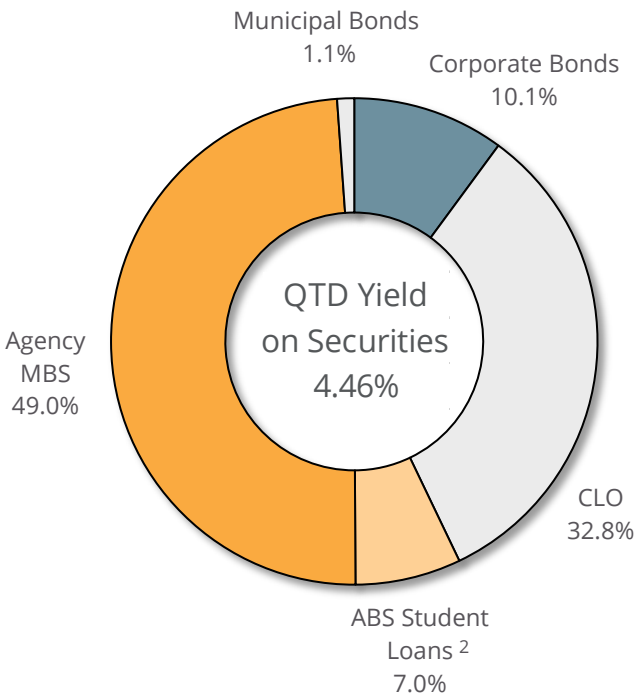
Sources of Liquidity ($ millions)	Liquidity Capacity	Funding Utilized	Available Capacity
Internal Sources:			
Free Securities and other	$ 337	$ -	$ 337
External Sources:			
FRB	503	100	403
FHLB	2,690	1,623	1,067
Total Liquidity	**$ 3,530**	**$ 1,723**	**$ 1,807**

- Available liquidity is 2.5x greater than estimated uninsured deposits (excluding items above)

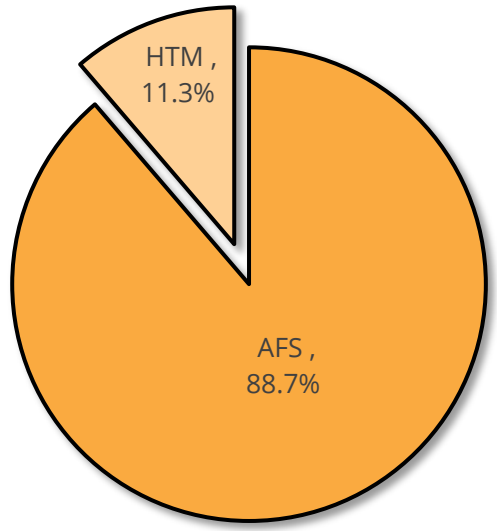
[1] Estimated amount of uninsured deposits reported in March 31, 2024 Call Report.
[2] As of March 31, 2024.

Investment Securities

Securities Composition[1]

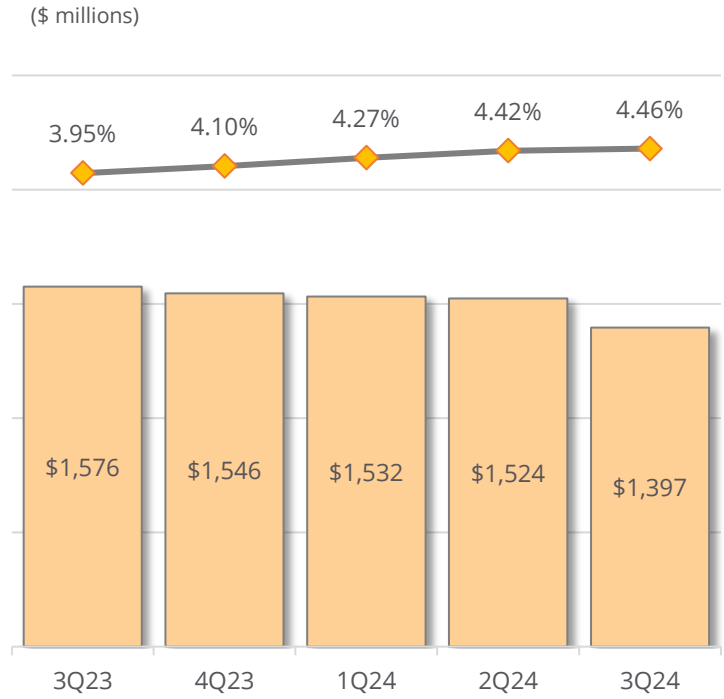


AFS/HTM & Effective Duration



- Total Effective Duration ≈ 3.2 years
- Floating rate securities ≈ 38.3%

Securities Average Balance & Yield Trend



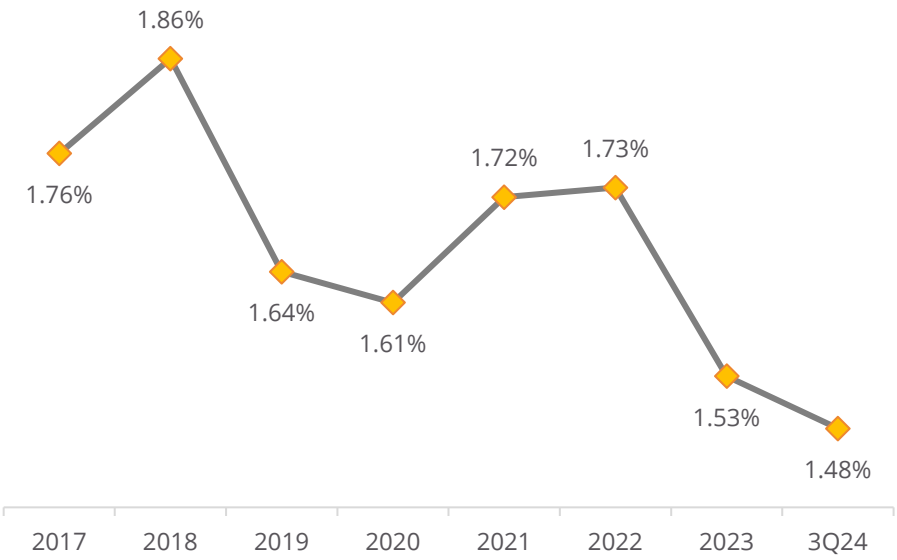
- At March 31, 2024, the after-tax net unrecognized loss on securities held-to-maturity was $11.4 million, or 1.79% of tangible equity[3]

[1] As of March 31, 2024.
[2] Comprised entirely of securitized federal education loans with 97% U.S. government guarantees.
[3] Assumes 29% marginal tax rate.
Source: S&P Global Market Intelligence & Company Filings.

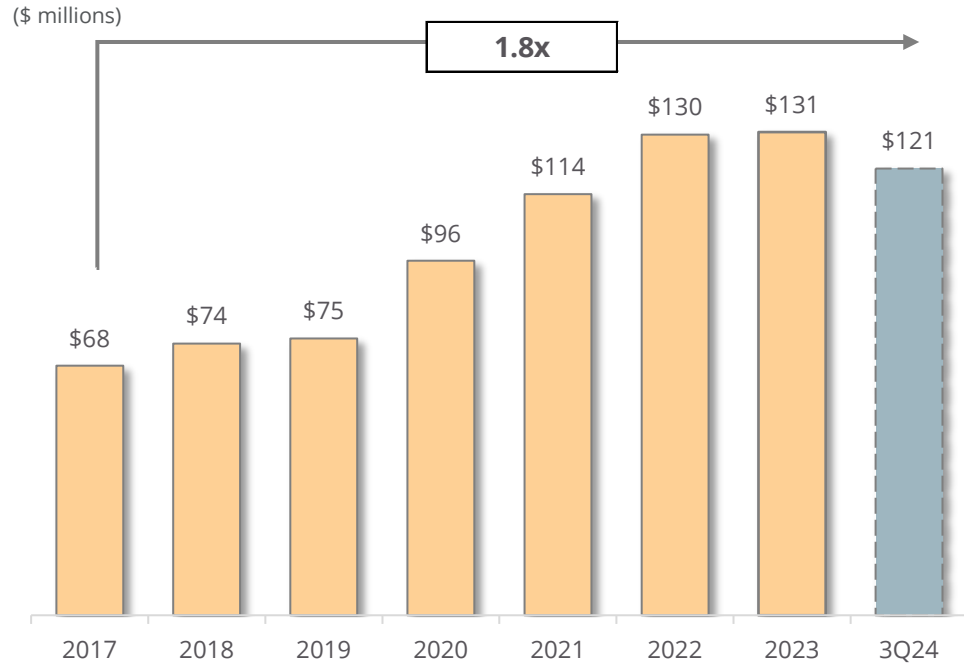
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Best-in-Class Operating Efficiency

Non-interest Expense to Average Assets



Deposits per Branch



Core Non-interest Expense to Total Average Assets

2017		3Q24
1.76%	-28 bps	1.48%

Source: S&P Global Market Intelligence & Company Filings.

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Best-in-Class Technology Embedded Throughout the Organization

VERAFIN Artificial intelligence-based anti-fraud solution	Encompass · abrigo Automated mortgage and commercial lending origination platforms	Mortgage Messaging · glia · clinc Omni-channel customer engagement platforms	Fintech partnered, escrow and rent deposit and security solutions
optimalblue · loanbeam Automated loan pricing, and financial analysis tools	Finicity · PLAID Digital identity verification systems	AUDITBOARD SOX 404 compliance and audit management software	360factors Extensible automated GRC (governance, risk and compliance) management system
workday. Best-of-breed financial and workforce planning and budgeting tool	BLACKLINE General ledger account automation and reconciliation platform	Q2 Industry leading digital banking solutions provider	Power Automate Robotic process automation platform