INVESTOR PRESENTATION

FIRST QUARTER FISCAL 2025

OCTOBER 24, 2024

kearny financial corp.

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.

This presentation contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Management uses these "non-GAAP" measures in its analysis of the Company's performance. Management believes these non-GAAP financial measures allow for better comparability of period to period operating performance. Additionally, the Company believes this information is utilized by regulators and market analysts to evaluate a company's financial condition and therefore, such information is useful to investors. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

A reconciliation of the non-GAAP measures used in this presentation to the most directly comparable GAAP measures is provided in the Appendix to this presentation.

Kearny Financial Corp.

Company Overview

- NASDAQ: KRNY
- Founded: 1884
- Assets: $7.8 billion
- Loans $5.8 billion
- Deposits $5.5 billion
- TBV Per Share: $9.85
- Market Cap: $443.7 million[1]

kearnybank

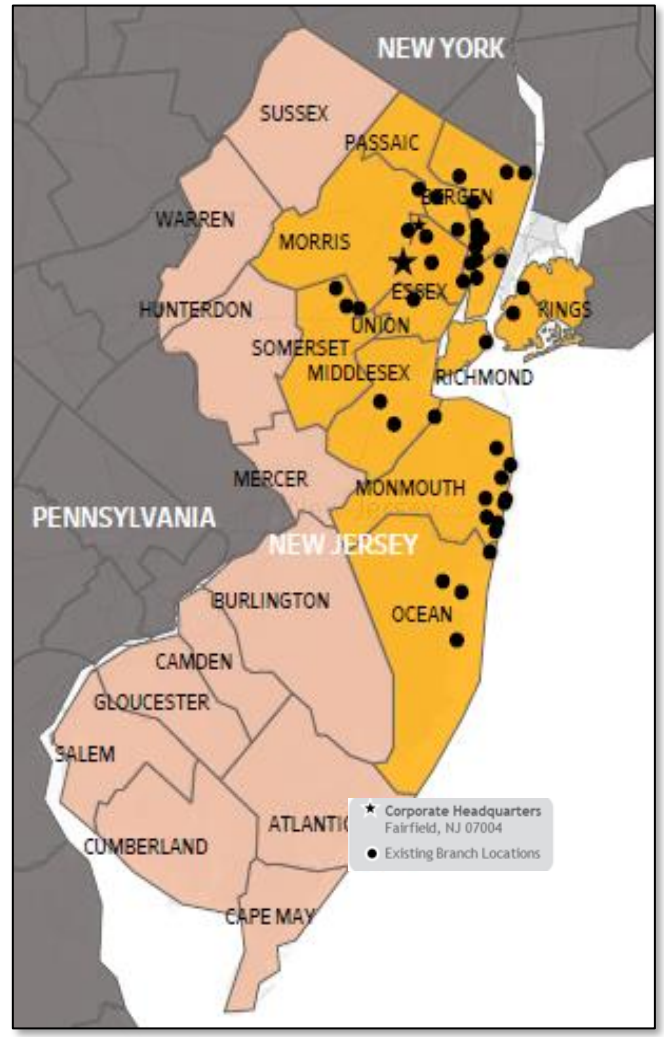
Empowering *Prosperity*. Connecting *Community*. Delivering *Trust*.

1884 **140 Years** 2024

Company Profile

- Top 10 New Jersey-based financial institution by assets & deposits
- 43 full-service branches in 12 counties throughout New Jersey and New York City
- Active acquirer, having completed 7 whole-bank acquisitions since 1999
- Focus is on helping our clients achieve their financial goals for today and aspirations for tomorrow – creating communities that thrive.

Branch/Office Footprint



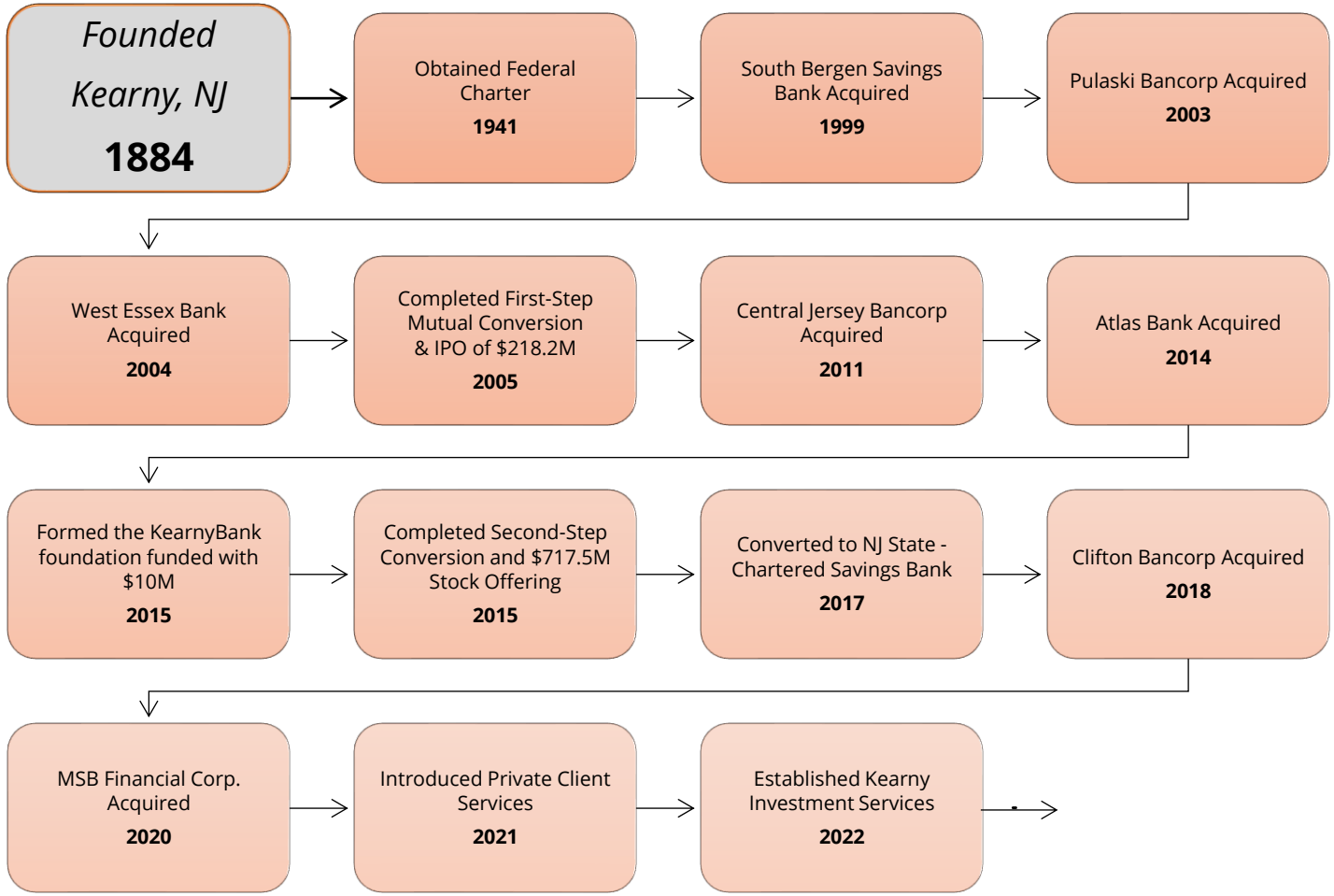
Source: Company Filings

[1] As of September 30, 2024.

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140 Years: Franchise Milestones

"Serving our Communities and Clients"



1Q25 Financial Highlights

EARNINGS

- Reported net income for the quarter ended September 30, 2024 of $6.1 million, or $0.10 per diluted share.
- Despite a four-basis point contraction to 1.80% for the quarter ended September 30, 2024, our net interest margin improved each month within the quarter.

BALANCE SHEET

- Total assets were $7.8 billion at September 30, 2024, an increase of $88.9 million, or 1.2%, from June 30, 2024 with loans increasing $51.5 million, or 0.9%, from June 30, 2024.
- Total Deposits & Borrowings increased $82.5 million, net of the reallocation of FHLB advances into brokered CDs driven by more favorable economics of brokered CDs to advances.

ASSET QUALITY

- Asset quality remains strong as non-performing assets improved to 0.51% of total assets compared to 0.52% in the quarter ended June 30, 2024.
- Net charge-offs totaled $124,000, or 0.01% of average loans, on an annualized basis, for the quarter ended September 30, 2024, which remains relatively low compared to peers in the industry.

CAPITAL

- Common Equity Tier 1 Capital ratio of 14.60%, as of September 30, 2024, remains in excess of regulatory minimums and peer comparisons.

Net Income

GAAP	Adjusted[1]
$6.1 million	$6.1 million

Diluted EPS

GAAP	Adjusted[1]
$0.10	$0.10

Net Interest Income

$32.4 million

CET-1 Ratio

14.60%

Total Assets

$7.8 billion

Total Deposits

$5.5 billion

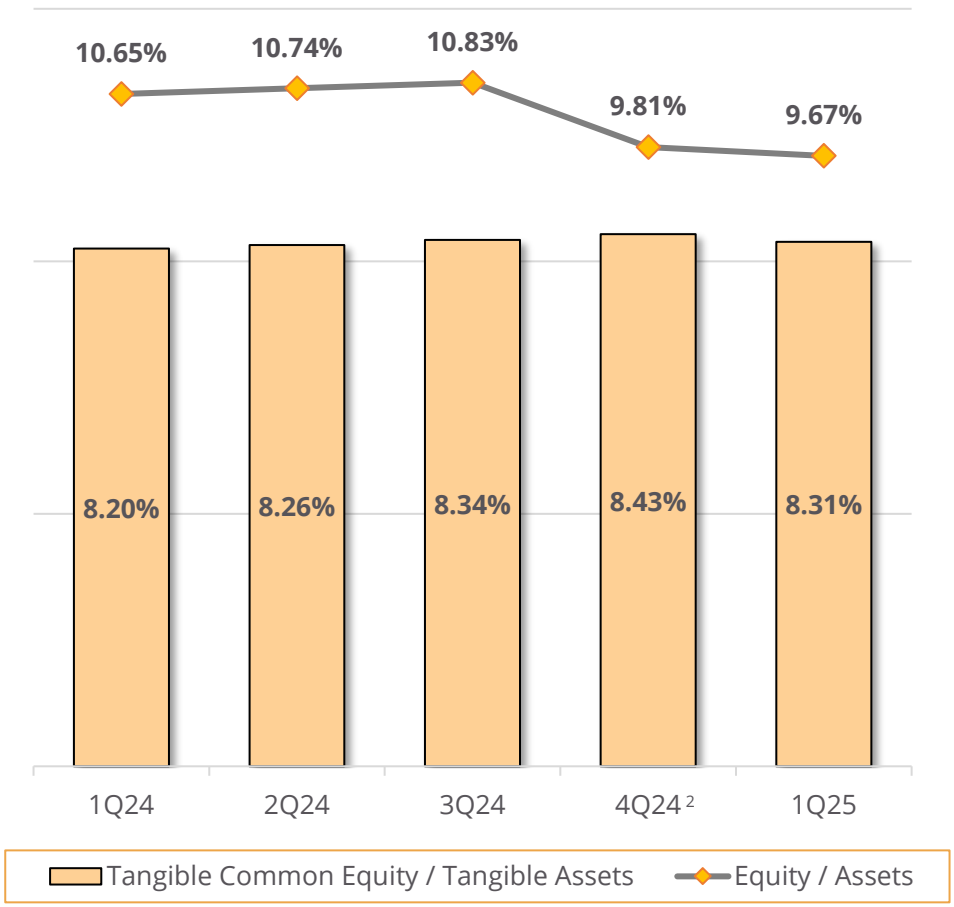
Total Loans[2]

$5.8 billion

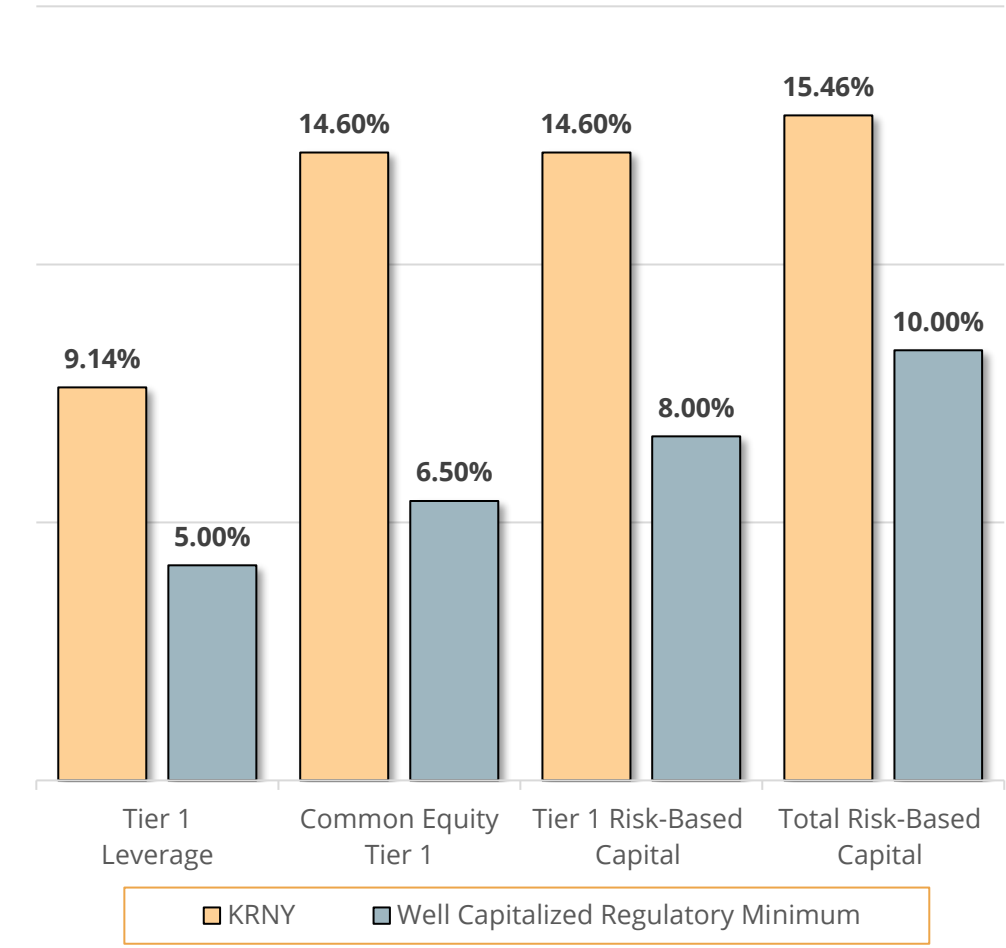
[1] GAAP to Adjusted reconciliation on page 18.
[2] Excludes Yield Adjustments.
Source: Company Filings.

Capital Strength

Equity Capitalization Level



Regulatory Capital Ratios[1,2]

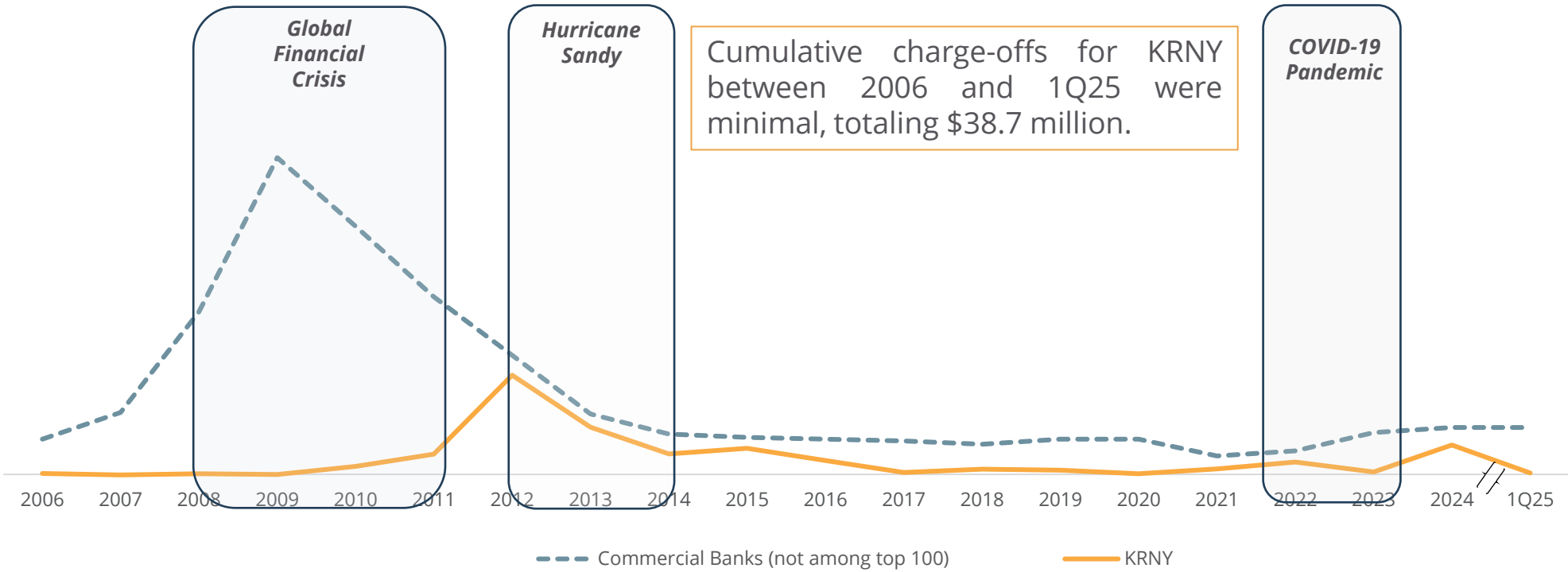


[1] Kearny Financial Corp. (NASDAQ: KRNY) Regulatory Capital Ratios as of September 30, 2024 are preliminary.
[2] Equity to Asset ratio, for September 30, 2024 going forward, was impacted by previously disclosed goodwill impairment.
Source: Company Filings.

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Track Record of Strong Credit Performance

Net Charge-offs to Average Total Loans

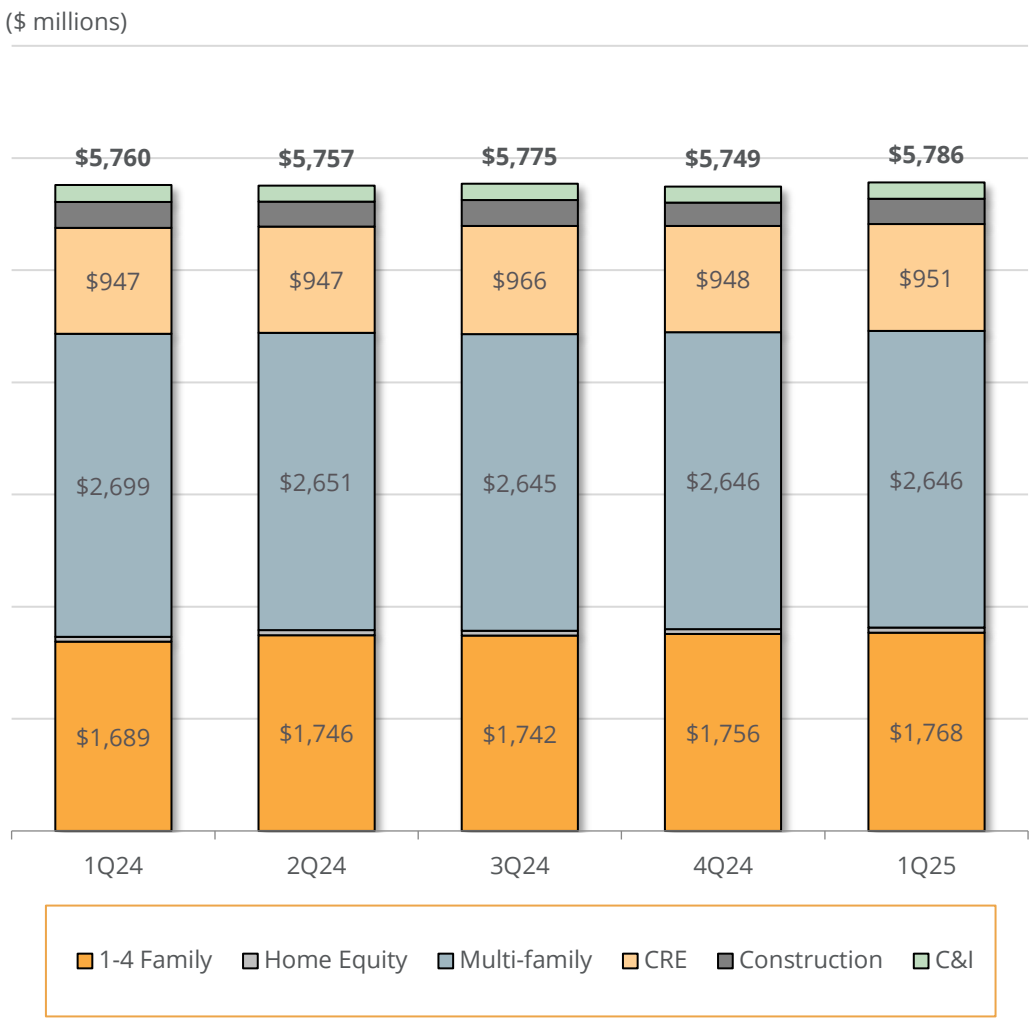


- From 2006 to 2023, inclusive of the Global Financial Crisis and the COVID-19 Pandemic, KRNY's net charge-offs to average total loans totaled 9 bps per year compared to 48 bps for all commercial banks (US Banks not among the top 100)[1].

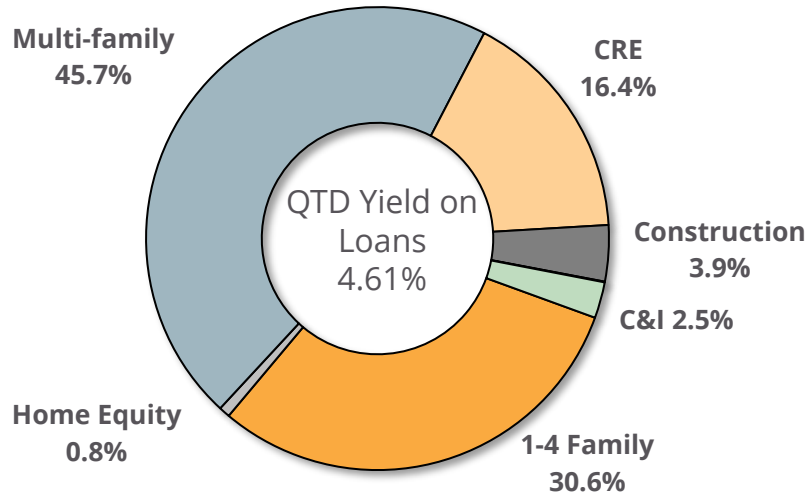
[1] Data provided by Federal Reserve Bank of St. Louis.
Source: Company Filings.

Diversified Loan Portfolio

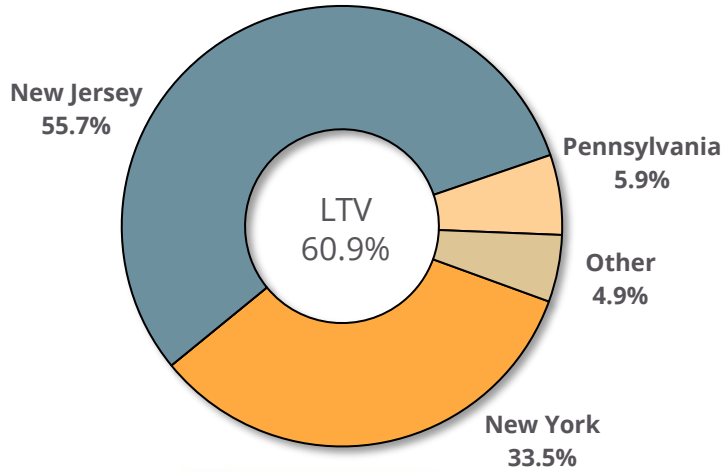
Loan Trend



Loan Composition[1]



Geographic Distribution[1]

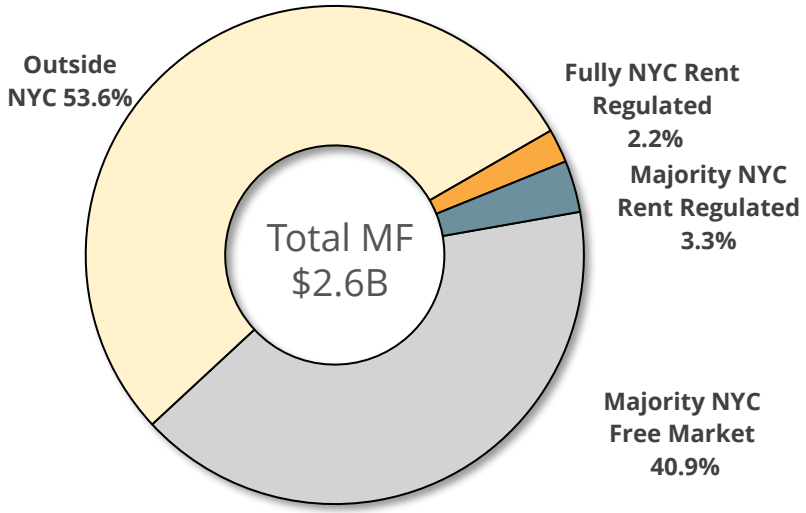


[1] As of September 30, 2024.
Source: S&P Global Market Intelligence & Company Filings.

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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:	$3.48 million
Weighted Average LTV:	62.1%
Nonperforming Loans / Total MF Loans:	0.83%
Oct to Dec 2024 Maturity & Repricing:	$25.8 million
Calendar Year 2025 Maturity & Repricing:	$115.3 million

Observations

- Outstanding asset quality over multiple credit cycles
- Less than half of our Multifamily portfolio is collateralized by properties in NYC
- Only 5.5% of our Multifamily portfolio is collateralized by majority or fully rent-regulated NYC properties
- There is a minimal amount of maturing or repricing NYC Multifamily loans in calendar 2024 and 2025
- 66.4% of the Company's NYC Multifamily portfolio is located in Brooklyn, NY

NYC Multifamily Loan Portfolio

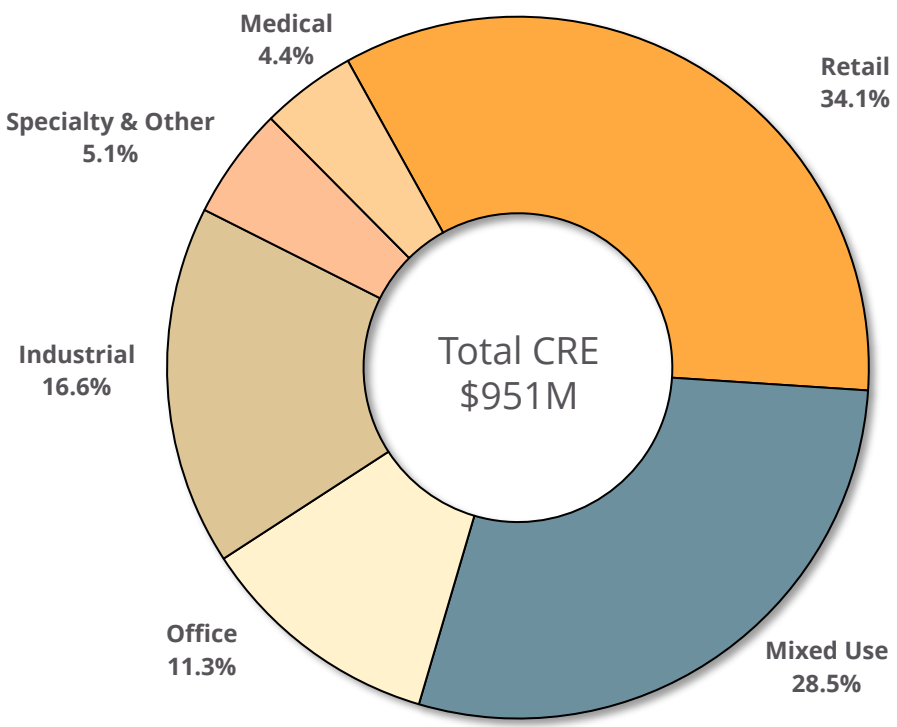
	Loan Value	%
Brooklyn	$816	66.4%
Queens	155	12.6%
Manhattan	140	11.4%
Bronx	117	9.5%
Total NYC MF Loan Portfolio	**$1,229**	**100.0%**

Source: Company Filings
[1] As of September 30, 2024.

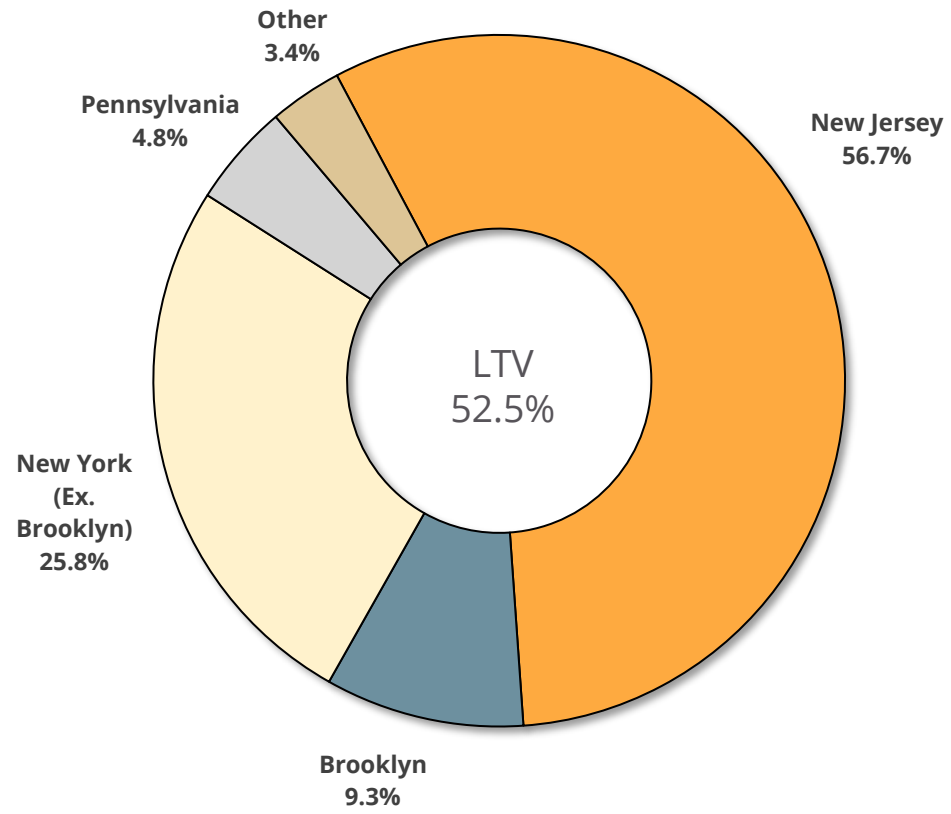
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CRE Loan Detail

CRE Portfolio by Collateral Type[1]



CRE Loan Geographic Distribution[1]

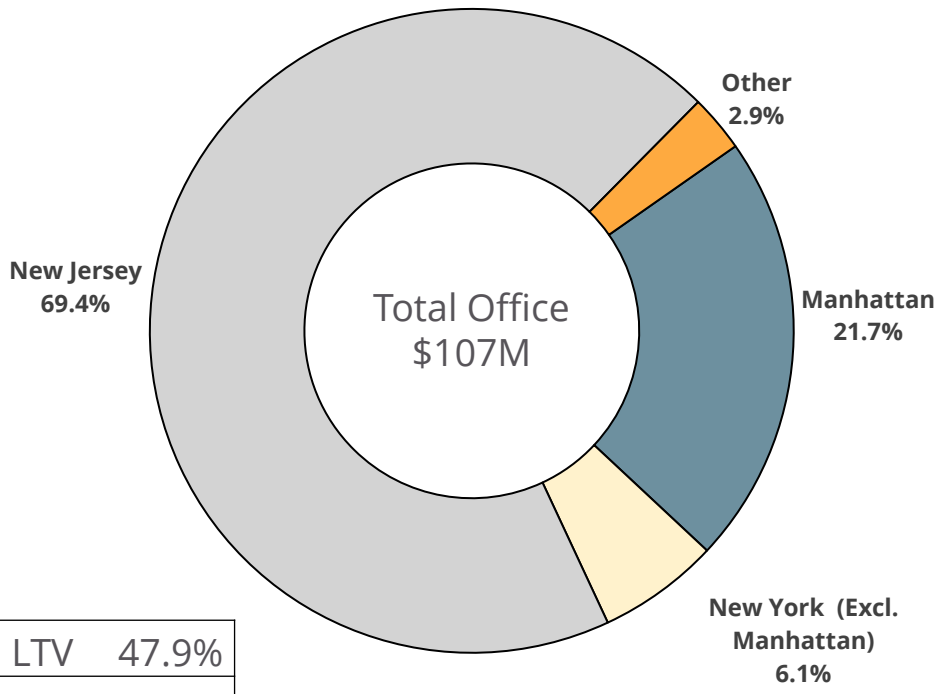


Source: Company Filings.
[1] As of September 30, 2024.

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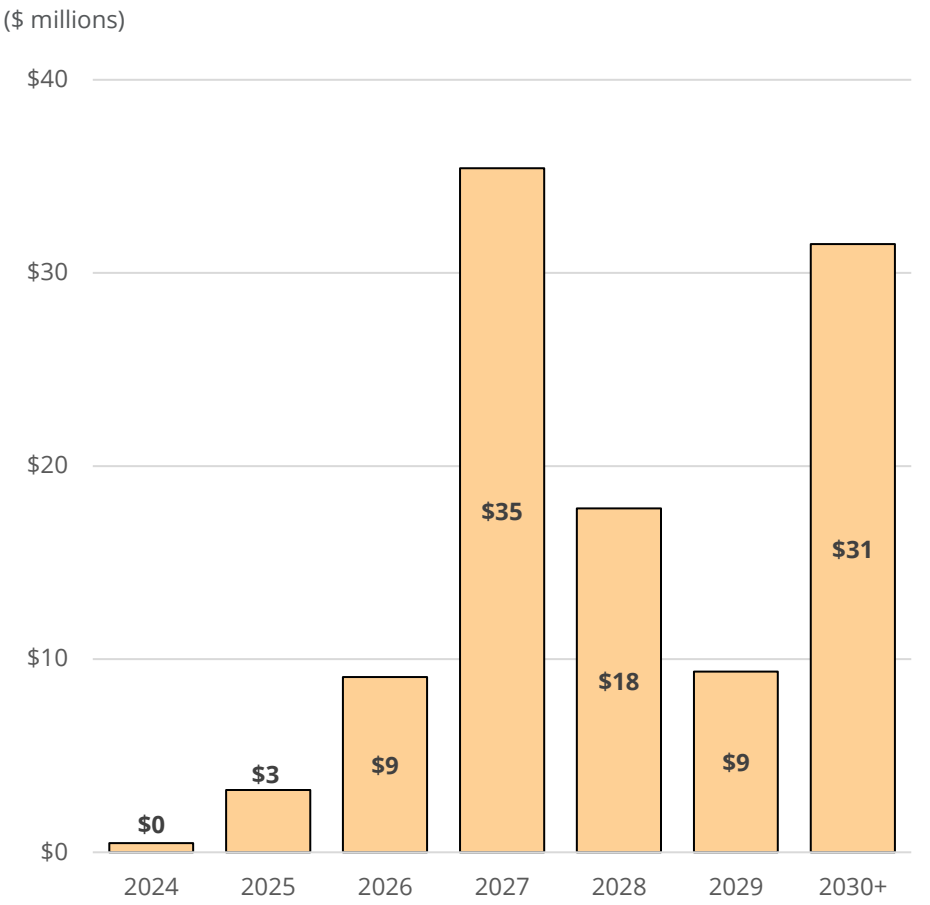
Office Portfolio

Office Loan Geographic Distribution[1]



LTV	47.9%
DSCR	1.9x

Office Portfolio by Contractual Maturity[1]



Office Portfolio Profile

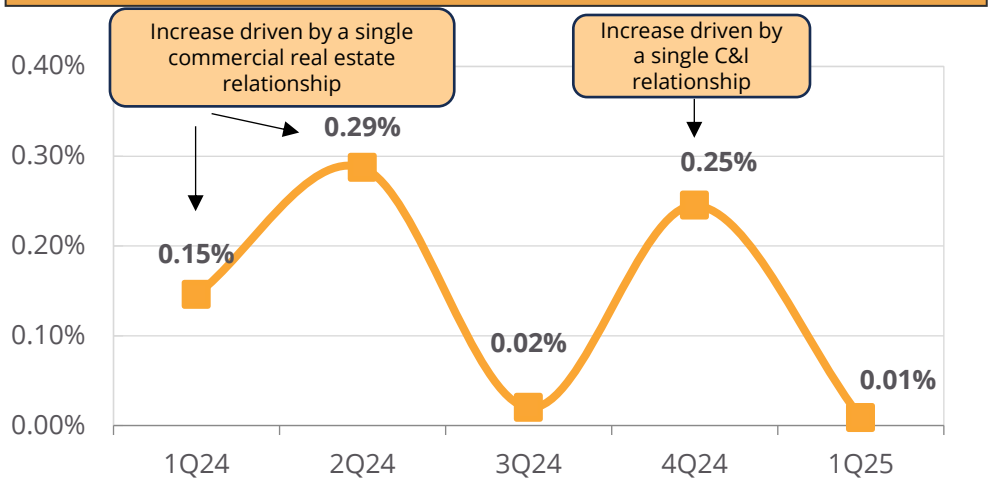
- 11.3% of total CRE portfolio or $107 million
- Average loan size of $1.6 million

[1] As of September 30, 2024.
Source: Company Filings.

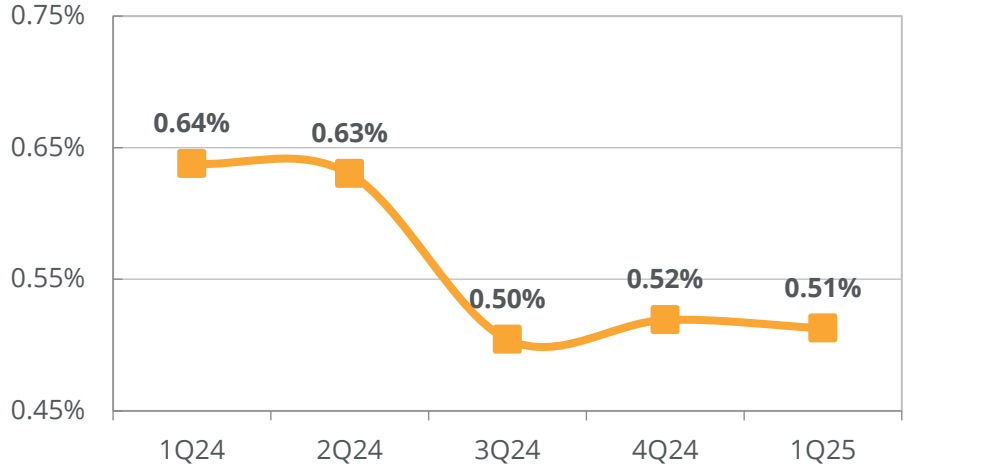
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Asset Quality Metrics

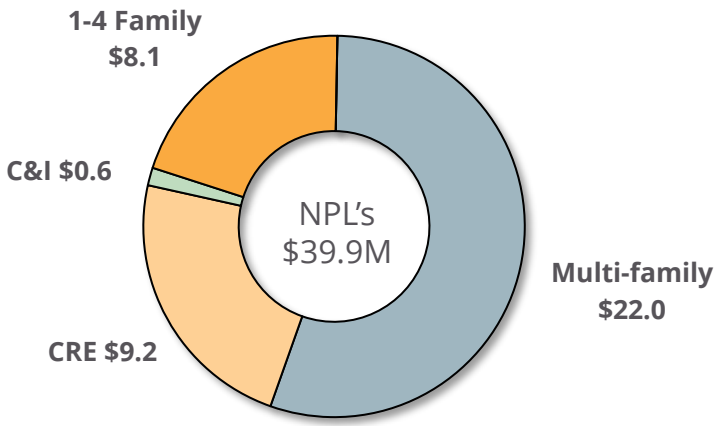
Net Charge-Offs / Average Loans



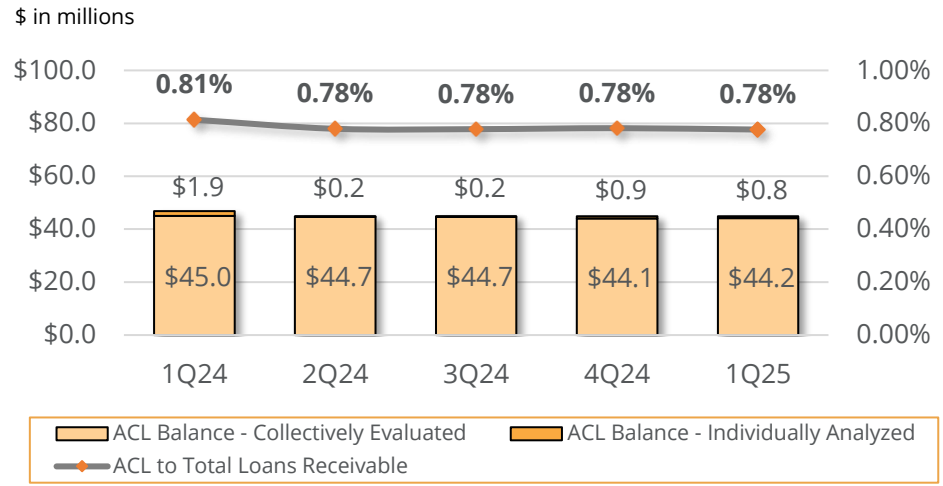
Non-Performing Assets / Total Assets



Non-Performing Loans[1]



Allowance for Credit Losses

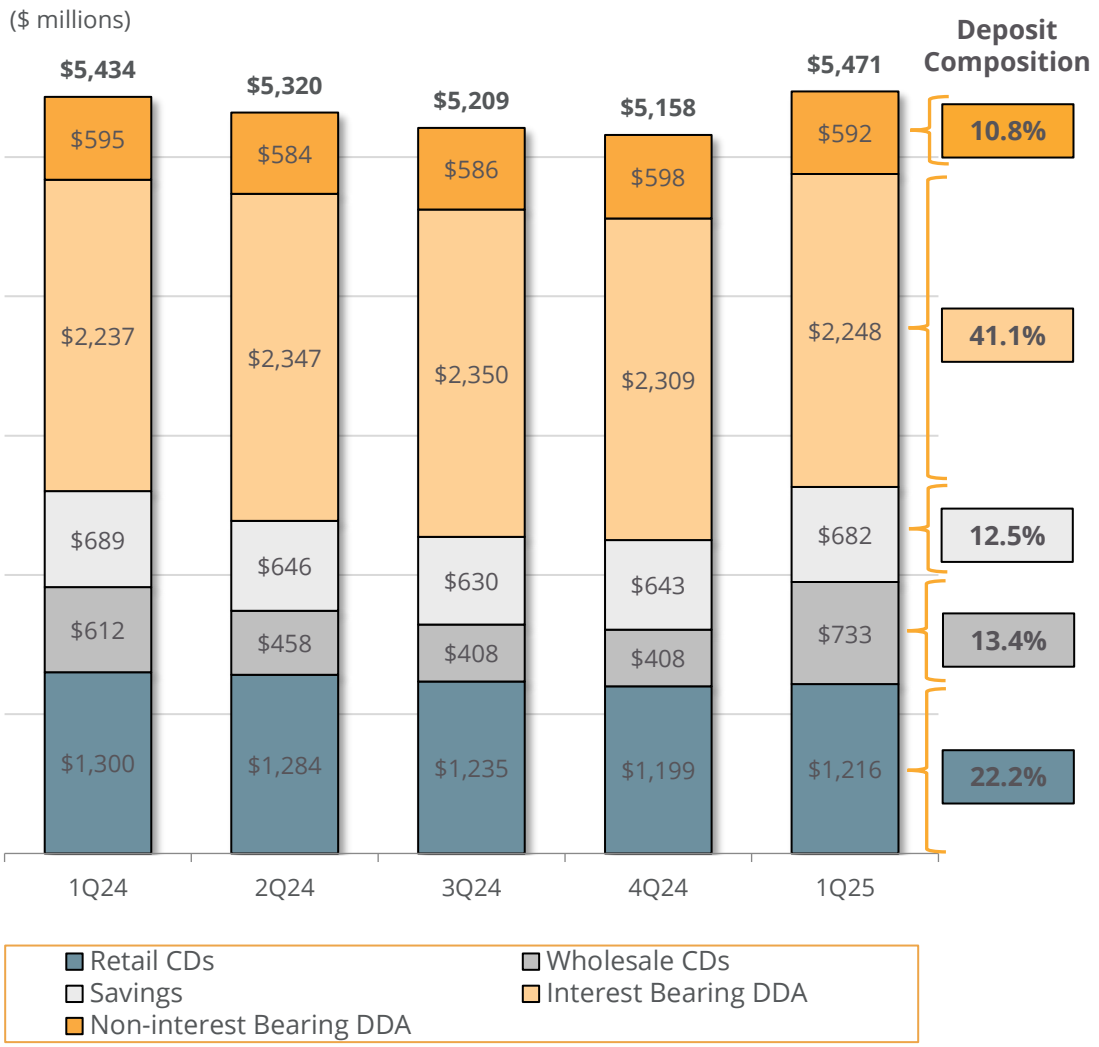


[1] As of September 30, 2024; amounts shown in millions.
Source: S&P Global Market Intelligence & Company Filings.

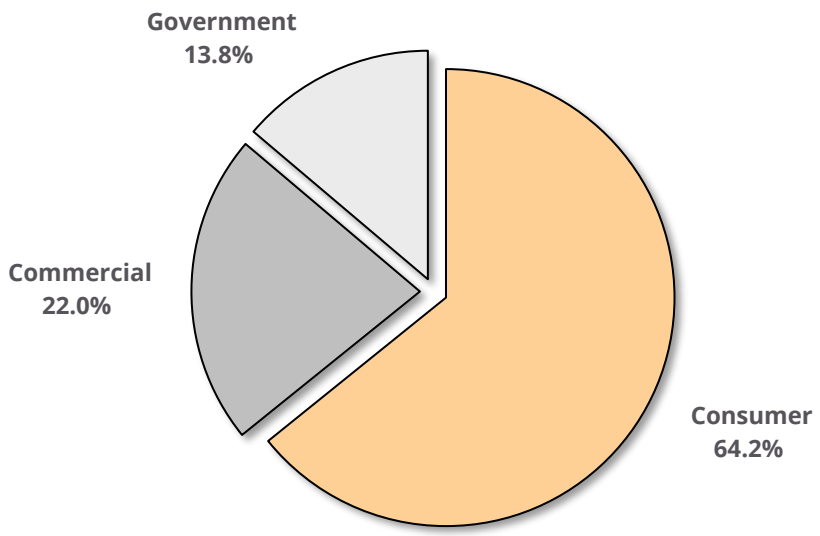
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Granular Deposit Franchise

Deposit Trend



Non-Maturity Deposit Mix[1]



Deposit Segmentation[1,2]

Product	# of Accounts	Balance ($ millions)	Average Balance per Account
Checking	52,843	$ 2,361	$ 44,684
Savings	30,590	$ 674	22,018
CDs	24,707	$ 1,212	49,079
Total Retail Deposits	**108,140**	**$ 4,247**	**$ 39,276**

[1] As of September 30, 2024.
[2] 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[1,2]

Estimated Uninsured Deposit Analysis	($ millions)
Estimated Uninsured Deposits	$ 1,800
Less: Collateralized State & Local Government Deposits	(475)
Less: Bank's wholly-owned subsidiary & Holding Company Deposits	(552)
Estimated uninsured deposits excluding items above:	**$ 773**
Total Deposits	**$ 5,471**
Estimated uninsured deposits, excluding items above, as a % of Total Deposits	**14.1%**

Liquidity Capacity[2]

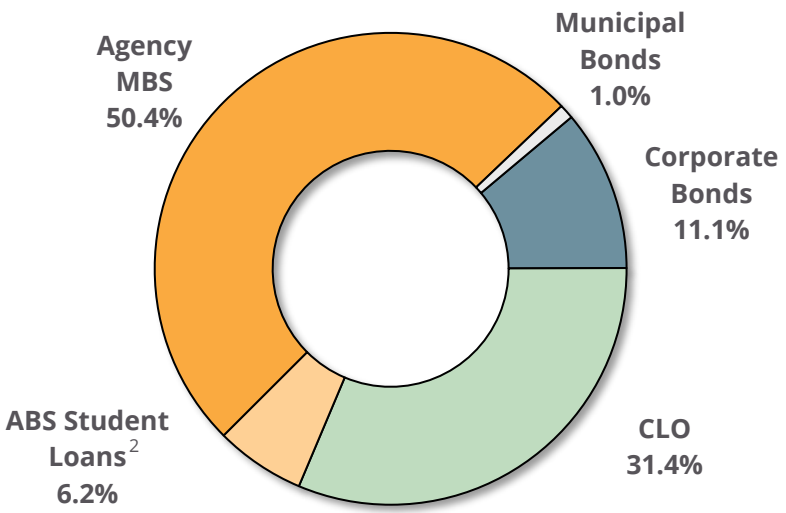
Sources of Liquidity ($ millions)	Liquidity Capacity	Funding Utilized	Available Capacity
Internal Sources:			
Free Securities and other	$ 63	$ -	$ 63
External Sources:			
FRB	764	100	664
FHLB	2,459	1,126	1,333
Total Liquidity	**$ 3,286**	**$ 1,226**	**$ 2,060**

Available liquidity is 2.7x greater than estimated uninsured deposits (excluding items above)

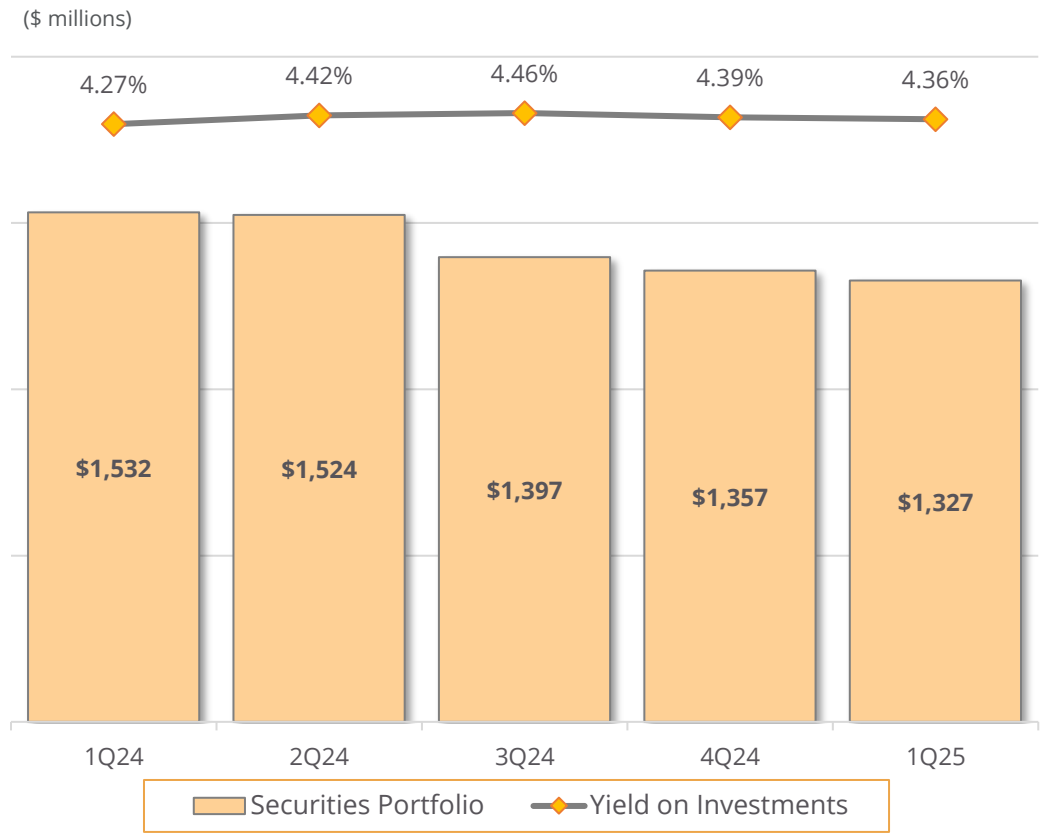
[1] Estimated amount of uninsured deposits reported in September 30, 2024 Call Report.
[2] As of September 30, 2024.

Investment Securities

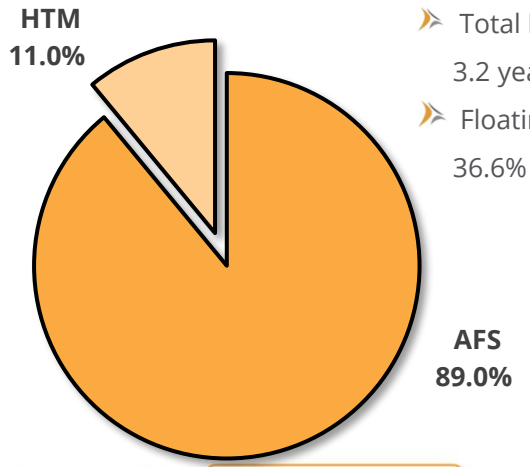
Securities Composition[1]



Securities Average Balance & Yield Trend



AFS/HTM & Effective Duration



- Total Effective Duration ≈ 3.2 years
- Floating rate securities ≈ 36.6%

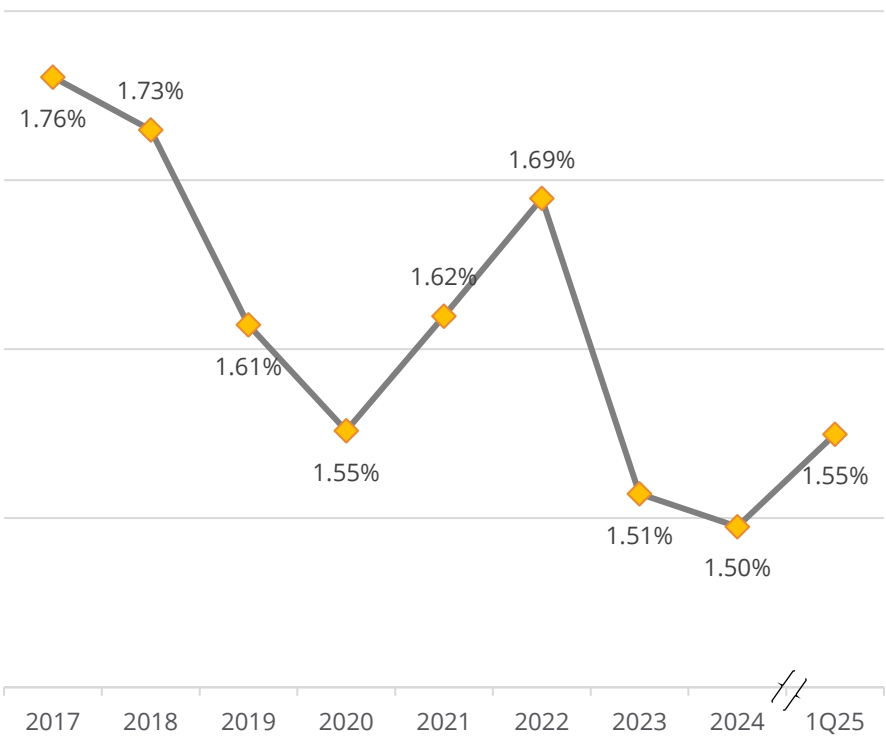
- At September 30, 2024, the after-tax net unrecognized loss on securities held-to-maturity was $11.0 million, or 1.73% of tangible equity[3]

[1] As of September 30, 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

Adjusted Non-interest Expense to Average Assets[1]



Deposits per Branch

($ millions)



[1] Adjusted for non-routine transactions. GAAP to Adjusted reconciliation on page 19
Source: S&P Global Market Intelligence & 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

Non-GAAP Reconciliation

Reconciliation of GAAP to Non-GAAP (Dollars and Shares in Thousands, Except Per Share Data)	For the quarter ended September 30, 2024	For the quarter ended June 30, 2024	For the quarter ended March 31, 2024	For the quarter ended December 31, 2023	For the quarter ended September 30, 2023
Adjusted net income:					
Net income (loss) (GAAP)	**$6,092**	**($90,079)**	**$7,397**	**($13,827)**	**$9,842**
Non-recurring transactions - net of tax:					
Net effect of sale and call of securities	-	-	-	12,876	-
Net effect of bank-owned life insurance restructure	-	392	-	6,286	-
Goodwill impairment	-	95,283	-	-	-
Adjusted net income	**$6,092**	**$5,596**	**$7,397**	**$5,335**	**$9,842**
Calculation of pre-tax, pre-provision net revenue:					
Net income (loss) (GAAP)	**$6,092**	**($90,079)**	**$7,397**	**($13,827)**	**$9,842**
Adjustments to net income (GAAP):					
Provision for income taxes	$1,086	($917)	$1,717	$1,782	$3,309
Provision for (reversal of) credit losses	$108	$3,527	$349	$2,105	$245
Pre-tax, pre-provision net revenue (non-GAAP)	**$7,286**	**($87,469)**	**$9,463**	**($9,940)**	**$13,396**
Adjusted earnings per share:					
Weighted average common shares - basic	62,389	62,254	62,205	62,299	63,014
Weighted average common shares - diluted	62,420	62,330	62,211	62,367	63,061
Earnings per share - basic (GAAP)	$0.10	($1.45)	$0.12	($0.22)	$0.16
Earnings per share - diluted (GAAP)	$0.10	($1.45)	$0.12	($0.22)	$0.16
Adjusted earnings per share - basic (non-GAAP)	$0.10	$0.09	$0.12	$0.09	$0.16
Adjusted earnings per share - diluted (non-GAAP)	$0.10	$0.09	$0.12	$0.09	$0.16
Pre-tax, pre-provision net revenue per share:					
Pre-tax, pre-provision net revenue per share - basic (non-GAAP)	$0.12	($1.41)	$0.15	($0.16)	$0.21
Pre-tax, pre-provision net revenue per share - diluted (non-GAAP)	$0.12	($1.40)	$0.15	($0.16)	$0.21
Adjusted return on average assets:					
Total average assets	$7,688,433	$7,695,080	$7,851,721	$7,944,586	$8,019,502
Return on average assets (GAAP)	0.32%	-4.68%	0.38%	-0.70%	0.49%
Adjusted return on average assets (non-GAAP)	0.32%	0.29%	0.38%	0.27%	0.49%
Adjusted return on average equity:					
Total average equity	$750,678	$751,070	$844,782	$838,714	$862,128
Return on average equity (GAAP)	3.25%	-47.97%	3.50%	-6.59%	4.57%
Adjusted return on average equity (non-GAAP)	3.25%	2.98%	3.50%	2.54%	4.57%