

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 21, 2020

BANKFINANCIAL CORPORATION

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

0-51331
(Commission
File No.)

75-3199276
(I.R.S. Employer
Identification No.)

60 North Frontage Road, Burr Ridge, Illinois
(Address of Principal Executive Offices)

60527
(Zip Code)

Registrant's telephone number, including area code: (800) 894-6900

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, par value \$0.01 per share | BFIN | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 7.01 Regulation FD Disclosure

BankFinancial Corporation (the "Company") will review first quarter 2020 results in a conference call and webcast for stockholders and analysts on Wednesday, April 22, 2020 at 9:30 a.m. Chicago, Illinois Time.

The conference call may be accessed by calling (844) 413-1780 using participant passcode 5223789. The conference call will be simultaneously webcast at www.bankfinancial.com, "Investor Relations" page.

Item 8.01 Other Events

On April 21, 2020, BankFinancial Corporation (Nasdaq – BFIN) issued a press release announcing the filing of its Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 on April 20, 2020. The Company also filed its Quarterly Financial and Statistical Supplement and its 2020 Corporate Profile as of April 19, 2020 on Form 8-K with the U.S. Securities and Exchange Commission (the "SEC") today. The press release, Quarterly Financial and Statistical Supplement and 2020 Corporate Profile are included as Exhibits 99.1, 99.2 and 99.3 to this report.

Item 9.01 Financial Statements and Exhibits.

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|----------------------|--|
| 99.1 | Press Release dated April 21, 2020 |
| 99.2 | Quarterly Financial and Statistical Supplement |
| 99.3 | 2020 Corporate Profile |

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, hereunto duly authorized.

BANKFINANCIAL CORPORATION

Dated: April 21, 2020

By: /s/ F. Morgan Gasior
F. Morgan Gasior
Chairman of the Board, Chief Executive Officer and President

**FOR IMMEDIATE RELEASE**

**BankFinancial Corporation Reports Financial Results for the First Quarter 2020 and
Will Host Conference Call and Webcast on Wednesday, April 22, 2020**

Burr Ridge, Illinois - (April 21, 2020) BankFinancial Corporation ("Company") (Nasdaq - BFIN) filed its Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 on April 20, 2020. The Company also filed its Quarterly Financial and Statistical Supplement and its 2020 Corporate Profile as of April 19, 2020 on Form 8-K with the U.S. Securities and Exchange Commission (the "SEC") today.

BankFinancial reported net income for the three months ended March 31, 2020 of \$2.4 million, or \$0.16 per common share, compared to net income of \$3.6 million, or \$0.22 per common share, for the three months ended March 31, 2019. At March 31, 2020, BankFinancial had total assets of \$1.450 billion, total loans of \$1.148 billion, total deposits of \$1.254 billion and stockholders' equity of \$173.0 million.

The Quarterly Report on Form 10-Q, the Quarterly Financial and Statistical Supplement and the 2020 Corporate Profile will be available today on BankFinancial's website, www.bankfinancial.com, at the "Investor Relations" page, and through the EDGAR database on the SEC's website, www.sec.gov. The Quarterly Financial and Statistical Supplement includes comparative GAAP and non-GAAP performance data and financial measures for the most recent five quarters.

BankFinancial's management will review first quarter 2020 results in a conference call and webcast for stockholders and analysts on Wednesday, April 22, 2020 at 9:30 a.m. Chicago, Illinois Time. The conference call may be accessed by calling (844) 413-1780 using participant passcode 5223789. The conference call will be simultaneously webcast at www.bankfinancial.com, "Investor Relations" page. For those unable to participate in the conference call, the webcast will be archived through Wednesday, May 6, 2020 on our website.

BankFinancial Corporation is the holding company for BankFinancial, NA, a national bank providing financial services to individuals, families and businesses through 19 full-service banking offices, located in Cook, DuPage, Lake and Will Counties, Illinois and to selected commercial loan and deposit customers on a regional or national basis. BankFinancial Corporation's common stock trades on the Nasdaq Global Select Market under the symbol BFIN. Additional information may be found at the company's website, www.bankfinancial.com.

This release includes "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. A variety of factors could cause BankFinancial's actual results to differ from those expected at the time of this release. For a discussion of some of the factors that may cause actual results to differ from expectations, please refer to BankFinancial's most recent Annual Report on Form 10-K as filed with the SEC, as supplemented by subsequent filings with the SEC. Investors are urged to review all information contained in these reports, including the risk factors discussed therein. Copies of these filings are available at no cost on the SEC's web site at www.sec.gov or on BankFinancial's web site at www.bankfinancial.com. Forward looking statements speak only as of the date they are made, and we do not undertake to update them to reflect changes.

For Further Information Contact:

| | |
|--|-------------------------------|
| Shareholder, Analyst and Investor Inquiries: | Media Inquiries: |
| Elizabeth A. Doolan | Gregg T. Adams |
| Senior Vice President – Finance | President – Marketing & Sales |
| BankFinancial Corporation | BankFinancial, NA |
| Telephone: 630-242-7151 | Telephone: 630-242-7234 |

BANKFINANCIAL CORPORATION
FIRST QUARTER 2020
QUARTERLY FINANCIAL AND STATISTICAL SUPPLEMENT
FOR THE LATEST FIVE QUARTERS

Note: Certain reclassifications have been made in the prior period's financial statements and reflected in the Selected Quarterly Financial and Statistical Data tables to conform to the current period's presentation.

The information and statistical data contained herein have been prepared by BankFinancial Corporation and have been derived or calculated from selected quarterly and period-end historical financial statements prepared in accordance with accounting principles generally accepted in the United States. BankFinancial Corporation is under no obligation to update, keep current, or continue to provide the information contained herein. This information is provided solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or establish any business relationships with BankFinancial Corporation or its subsidiary.

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| | IQ | IVQ | IIIQ | IIQ | IQ |
| SUMMARY STATEMENT OF OPERATIONS | | | | | |
| Total interest income | \$ 14,653 | \$ 15,732 | \$ 16,628 | \$ 16,522 | \$ 16,526 |
| Total interest expense | 2,684 | 3,105 | 3,386 | 3,419 | 3,307 |
| Net interest income | 11,969 | 12,627 | 13,242 | 13,103 | 13,219 |
| Provision for (recovery of) loan losses | 471 | 89 | (134) | 3,957 | (87) |
| Net interest income after provision for (recovery of) loan losses | 11,498 | 12,538 | 13,376 | 9,146 | 13,306 |
| Noninterest income | 1,398 | 1,648 | 1,474 | 1,426 | 1,624 |
| Noninterest expense | 9,628 | 9,562 | 9,509 | 9,472 | 10,098 |
| Income before income tax | 3,268 | 4,624 | 5,341 | 1,100 | 4,832 |
| Income tax expense | 850 | 1,234 | 1,417 | 293 | 1,281 |
| Net income | \$ 2,418 | \$ 3,390 | \$ 3,924 | \$ 807 | \$ 3,551 |
| Basic and diluted earnings per common share | \$ 0.16 | \$ 0.22 | \$ 0.26 | \$ 0.05 | \$ 0.22 |
| NONINTEREST INCOME AND EXPENSE | | | | | |
| Noninterest Income | | | | | |
| Deposit service charges and fees | \$ 887 | \$ 957 | \$ 983 | \$ 974 | \$ 930 |
| Loan servicing fees | 63 | 273 | 99 | 56 | 23 |
| Mortgage brokerage and banking fees | 29 | 72 | 28 | 21 | 28 |
| Gain on sale of equity securities | — | — | — | — | 295 |
| Loss on disposal of other assets | (2) | (25) | — | — | (19) |
| Trust insurance commissions and annuities income | 282 | 217 | 198 | 224 | 205 |
| Earnings on bank-owned life insurance | 32 | 31 | 37 | 38 | 30 |
| Other | 107 | 123 | 129 | 113 | 132 |
| Total noninterest income | \$ 1,398 | \$ 1,648 | \$ 1,474 | \$ 1,426 | \$ 1,624 |
| Noninterest Expense | | | | | |
| Compensation and benefits | \$ 5,518 | \$ 5,138 | \$ 5,218 | \$ 5,207 | \$ 5,703 |
| Office occupancy and equipment | 1,800 | 1,726 | 1,877 | 1,621 | 1,845 |
| Advertising and public relations | 152 | 169 | 182 | 145 | 161 |
| Information technology | 822 | 855 | 716 | 736 | 692 |
| Professional fees | 263 | 412 | 376 | 240 | 306 |
| Supplies, telephone, and postage | 300 | 288 | 310 | 319 | 399 |
| Amortization of intangibles | 14 | 14 | 13 | 14 | 20 |
| Nonperforming asset management | 40 | (24) | 17 | 58 | 54 |
| Operations of other real estate owned, net | (17) | 30 | 19 | 47 | (44) |
| FDIC insurance premiums | 34 | — | (127) | 146 | 108 |
| Other | 702 | 954 | 908 | 939 | 854 |
| Total noninterest expense | \$ 9,628 | \$ 9,562 | \$ 9,509 | \$ 9,472 | \$ 10,098 |

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | IQ | IVQ | IIIQ | IIQ | IQ |
| PERFORMANCE MEASUREMENTS | | | | | |
| Return on assets (ratio of net income to average total assets) ⁽¹⁾ | 0.66% | 0.91% | 1.05% | 0.21% | 0.91% |
| Return on equity (ratio of net income to average equity) ⁽¹⁾ | 5.52 | 7.71 | 9.04 | 1.84 | 7.68 |
| Net interest rate spread ⁽¹⁾ | 3.19 | 3.23 | 3.38 | 3.30 | 3.35 |
| Net interest margin ⁽¹⁾ | 3.44 | 3.50 | 3.67 | 3.60 | 3.64 |
| Efficiency ratio ⁽²⁾ | 72.03 | 66.98 | 64.62 | 65.19 | 68.03 |
| Noninterest expense to average total assets ⁽¹⁾ | 2.63 | 2.56 | 2.54 | 2.48 | 2.60 |
| Average interest-earning assets to average interest-bearing liabilities | 132.68 | 132.47 | 131.18 | 131.66 | 131.53 |
| Number of full service offices | 19 | 19 | 19 | 19 | 19 |
| Employees (full time equivalents) | 226 | 222 | 223 | 231 | 235 |
| SUMMARY STATEMENT OF FINANCIAL CONDITION | | | | | |
| ASSETS | | | | | |
| Cash and due from other financial institutions | \$ 14,652 | \$ 9,785 | \$ 13,074 | \$ 13,998 | \$ 12,016 |
| Interest-bearing deposits in other financial institutions | 155,286 | 180,540 | 127,719 | 89,609 | 66,206 |
| Securities, at fair value | 63,853 | 60,193 | 65,440 | 87,080 | 83,240 |
| Loans receivable, net | 1,147,628 | 1,168,008 | 1,213,948 | 1,267,454 | 1,306,475 |
| Other real estate owned, net | 110 | 186 | 269 | 497 | 921 |
| Stock in Federal Home Loan Bank and Federal Reserve Bank, at cost | 7,490 | 7,490 | 7,490 | 7,490 | 8,026 |
| Premises and equipment, net | 24,202 | 24,346 | 24,598 | 24,923 | 24,992 |
| Bank-owned life insurance | 18,977 | 18,945 | 18,914 | 18,877 | 18,839 |
| Deferred taxes | 3,644 | 3,873 | 4,556 | 4,816 | 5,023 |
| Other assets | 14,440 | 14,649 | 15,974 | 19,178 | 19,282 |
| Total assets | \$ 1,450,282 | \$ 1,488,015 | \$ 1,491,982 | \$ 1,533,922 | \$ 1,545,020 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | |
| Deposits | \$ 1,253,751 | \$ 1,284,757 | \$ 1,288,825 | \$ 1,330,207 | \$ 1,326,746 |
| Borrowings | — | 61 | 1,253 | 798 | 16,106 |
| Other liabilities | 23,536 | 28,825 | 28,037 | 31,426 | 25,948 |
| Total liabilities | 1,277,287 | 1,313,643 | 1,318,115 | 1,362,431 | 1,368,800 |
| Stockholders' equity | 172,995 | 174,372 | 173,867 | 171,491 | 176,220 |
| Total liabilities and stockholders' equity | \$ 1,450,282 | \$ 1,488,015 | \$ 1,491,982 | \$ 1,533,922 | \$ 1,545,020 |

(1) Annualized

(2) The efficiency ratio represents noninterest expense, divided by the sum of net interest income and noninterest income.

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|--|
| | IQ | IVQ | IIIQ | IIQ | IQ | |
| LOANS | | | | | | |
| One-to-four family residential real estate | \$ 52,849 | \$ 55,750 | \$ 60,757 | \$ 64,192 | \$ 66,833 | |
| Multi-family mortgage | 542,421 | 563,750 | 577,656 | 619,898 | 634,328 | |
| Nonresidential real estate | 133,432 | 134,674 | 140,410 | 145,416 | 148,601 | |
| Construction and land | — | — | 88 | 117 | 145 | |
| Commercial loans | 158,049 | 145,714 | 163,846 | 153,709 | 172,264 | |
| Commercial leases | 266,063 | 272,629 | 275,800 | 289,107 | 289,750 | |
| Consumer | 2,078 | 2,211 | 2,052 | 1,861 | 1,846 | |
| | <u>1,154,892</u> | <u>1,174,728</u> | <u>1,220,609</u> | <u>1,274,300</u> | <u>1,313,767</u> | |
| Net deferred loan origination costs | 848 | 912 | 942 | 978 | 1,062 | |
| Allowance for loan losses | (8,112) | (7,632) | (7,603) | (7,824) | (8,354) | |
| Loans, net | <u>\$ 1,147,628</u> | <u>\$ 1,168,008</u> | <u>\$ 1,213,948</u> | <u>\$ 1,267,454</u> | <u>\$ 1,306,475</u> | |
| LOAN ORIGINATIONS ⁽¹⁾ | | | | | | |
| One-to-four family residential real estate | \$ 659 | \$ 437 | \$ 721 | \$ 836 | \$ 695 | |
| Multi-family mortgage | 17,004 | 19,848 | 6,960 | 9,258 | 27,871 | |
| Nonresidential real estate | 5,410 | 174 | 387 | 4,100 | 1,641 | |
| Commercial loans | 172,837 | 134,330 | 141,314 | 153,537 | 155,123 | |
| Commercial leases | 24,764 | 33,183 | 30,998 | 34,959 | 27,611 | |
| Consumer | 883 | 1,018 | 852 | 842 | 1,174 | |
| | <u>\$ 221,557</u> | <u>\$ 188,990</u> | <u>\$ 181,232</u> | <u>\$ 203,532</u> | <u>\$ 214,115</u> | |
| Weighted average rate | 4.55% | 5.41% | 5.75% | 6.27% | 6.15% | |
| LOAN PAYMENTS and PAYOFFS ⁽²⁾ | | | | | | |
| One-to-four family residential real estate | \$ 3,511 | \$ 5,317 | \$ 4,127 | \$ 3,415 | \$ 4,195 | |
| Multi-family mortgage | 38,213 | 33,916 | 49,374 | 23,685 | 13,308 | |
| Nonresidential real estate | 6,708 | 5,854 | 6,802 | 7,165 | 5,542 | |
| Construction and land | — | 88 | 28 | 27 | 27 | |
| Commercial loans | 162,048 | 151,432 | 130,208 | 167,352 | 170,387 | |
| Commercial leases | 31,004 | 36,488 | 44,035 | 39,633 | 37,259 | |
| Consumer | 989 | 796 | 703 | 800 | 781 | |
| | <u>\$ 242,473</u> | <u>\$ 233,891</u> | <u>\$ 235,277</u> | <u>\$ 242,077</u> | <u>\$ 231,499</u> | |
| Weighted average rate | 4.74% | 5.46% | 5.45% | 5.91% | 5.91% | |

(1) Loan originations include purchased loans, draws on revolving lines of credit and exclude loan renewals.
(2) Loan payments and payoffs exclude loan renewals.

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | |
|---|---------------|-----------------|-----------------|-----------------|-----------------|
| | IQ | IVQ | IIIQ | IIQ | IQ |
| CREDIT QUALITY: | | | | | |
| Nonperforming Assets: | | | | | |
| Nonaccrual loans: | | | | | |
| One-to-four family residential real estate | \$ 476 | \$ 512 | \$ 1,163 | \$ 928 | \$ 848 |
| Nonresidential real estate | 288 | 288 | 284 | 2,083 | 242 |
| Commercial loans | — | — | — | — | 354 |
| Nonaccrual loans | 764 | 800 | 1,447 | 3,011 | 1,444 |
| Loans past due over 90 days, still accruing - commercial leases | — | 47 | — | — | — |
| Other real estate owned - One-to-four family residential real estate | 110 | 186 | 269 | 497 | 921 |
| Nonperforming assets | \$ 874 | \$ 1,033 | \$ 1,716 | \$ 3,508 | \$ 2,365 |
| Asset Quality Ratios | | | | | |
| Nonperforming assets to total assets | 0.06% | 0.07% | 0.12% | 0.23% | 0.15% |
| Nonperforming loans to total loans ⁽¹⁾ | 0.07 | 0.07 | 0.12 | 0.24 | 0.11 |
| Nonperforming commercial-related loans to total commercial-related loans ⁽²⁾ | 0.03 | 0.03 | 0.02 | 0.17 | 0.05 |
| Nonperforming residential and consumer loans to total residential and consumer loans | 0.87 | 0.88 | 1.85 | 1.40 | 1.23 |
| Allowance for loan losses to nonperforming loans | 1,061.78 | 901.06 | 525.43 | 259.85 | 578.53 |
| Concentrations of Credit | | | | | |
| Commercial real estate for FFIEC concentration limits | \$ 648,991 | \$ 699,434 | \$ 688,887 | \$ 734,567 | \$ 749,755 |
| % FFIEC total capital | 381.15% | 393.32% | 403.95% | 437.62% | 440.83% |
| Multi-family mortgage loans - 50% risk based capital qualified (included above) | \$ 281,962 | \$ 336,287 | \$ 302,648 | \$ 286,910 | \$ 351,284 |
| % FFIEC total capital | 165.60% | 197.58% | 177.47% | 170.93% | 206.54% |
| Commercial Leases - Investment rated | \$ 124,451 | \$ 133,839 | \$ 133,049 | \$ 143,148 | \$ 157,215 |
| Commercial Leases - Other | 141,612 | 138,790 | 142,751 | 145,959 | 132,535 |

(1) Nonperforming loans include nonaccrual loans and loans past due 90 days and still accruing.

(2) Commercial-related loans include Multi-family mortgage, Nonresidential, Construction and land, Commercial loans and Commercial leases.

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| | IQ | IVQ | IIIQ | IIQ | IQ | |
| STANDARD PERFORMING LOANS | | | | | | |
| One-to-four family residential real estate | \$ 440 | \$ 568 | \$ 577 | \$ 487 | \$ 384 | |
| Multi-family mortgage | — | 206 | 211 | 213 | 214 | |
| Nonresidential real estate | 89 | 90 | 93 | 93 | 95 | |
| Commercial loans | — | — | — | 500 | 3,033 | |
| Commercial leases | 1,423 | 136 | — | — | — | |
| Consumer | 9 | 53 | 3 | 1 | 9 | |
| | <u>\$ 1,961</u> | <u>\$ 1,053</u> | <u>\$ 884</u> | <u>\$ 1,294</u> | <u>\$ 3,735</u> | |
| ALLOWANCE FOR LOAN LOSSES | | | | | | |
| Beginning balance | \$ 7,632 | \$ 7,603 | \$ 7,824 | \$ 8,354 | \$ 8,470 | |
| Charge-offs: | | | | | | |
| One-to-four family residential real estate | (5) | (105) | (44) | (50) | (23) | |
| Nonresidential real estate | — | — | (55) | — | (28) | |
| Commercial loans | — | — | — | (4,443) | — | |
| Consumer | (13) | (11) | (5) | (10) | (5) | |
| | <u>(18)</u> | <u>(116)</u> | <u>(104)</u> | <u>(4,503)</u> | <u>(56)</u> | |
| Recoveries: | | | | | | |
| One-to-four family residential real estate | 13 | 47 | 5 | 6 | 17 | |
| Multi-family mortgage | 12 | 7 | 8 | 8 | 8 | |
| Commercial loans | 2 | 2 | 4 | 2 | 2 | |
| | <u>27</u> | <u>56</u> | <u>17</u> | <u>16</u> | <u>27</u> | |
| Net recoveries (charge-offs) | 9 | (60) | (87) | (4,487) | (29) | |
| Provision for (recovery of) loan losses | 471 | 89 | (134) | 3,957 | (87) | |
| Ending balance | <u>\$ 8,112</u> | <u>\$ 7,632</u> | <u>\$ 7,603</u> | <u>\$ 7,824</u> | <u>\$ 8,354</u> | |
| Allowance for loan losses to total loans | 0.70% | 0.65% | 0.62% | 0.61% | 0.64% | |
| Net recoveries (charge-offs) ratio ⁽¹⁾ | — | (0.02) | (0.03) | (1.38) | (0.01) | |

(1) Annualized

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | IQ | IVQ | IIIQ | IIQ | IQ |
| DEPOSITS | | | | | |
| Noninterest-bearing demand | \$ 211,142 | \$ 210,762 | \$ 208,347 | \$ 213,966 | \$ 222,328 |
| Interest-bearing NOW accounts | 266,828 | 273,168 | 274,752 | 278,405 | 266,402 |
| Money market accounts | 247,227 | 245,610 | 237,022 | 246,941 | 248,657 |
| Savings deposits | 155,505 | 153,183 | 149,431 | 153,414 | 155,505 |
| Certificates of deposit - retail | 319,987 | 336,949 | 344,327 | 348,685 | 341,266 |
| Certificates of deposit - wholesale | 53,062 | 65,085 | 74,946 | 88,796 | 92,588 |
| | <u>\$ 1,253,751</u> | <u>\$ 1,284,757</u> | <u>\$ 1,288,825</u> | <u>\$ 1,330,207</u> | <u>\$ 1,326,746</u> |
| SELECTED AVERAGE BALANCES | | | | | |
| Total average assets | \$ 1,465,253 | \$ 1,496,379 | \$ 1,498,380 | \$ 1,529,033 | \$ 1,553,484 |
| Total average interest-earning assets | 1,400,539 | 1,429,300 | 1,430,830 | 1,458,180 | 1,474,355 |
| Average loans | 1,160,197 | 1,189,771 | 1,239,774 | 1,297,548 | 1,304,385 |
| Average securities | 62,919 | 64,658 | 78,221 | 86,144 | 91,271 |
| Average stock in FHLB & FRB | 7,490 | 7,490 | 7,490 | 7,629 | 8,026 |
| Average other interest-earning assets | 169,933 | 167,381 | 105,345 | 66,859 | 70,673 |
| Total average interest-bearing liabilities | 1,055,550 | 1,078,940 | 1,090,766 | 1,107,540 | 1,120,957 |
| Average interest-bearing deposits | 1,055,535 | 1,078,537 | 1,089,596 | 1,106,439 | 1,106,582 |
| Average borrowings | 15 | 403 | 1,170 | 1,101 | 14,375 |
| Average stockholders' equity | 175,069 | 175,977 | 173,698 | 175,452 | 184,957 |
| SELECTED YIELDS AND COST OF FUNDS ⁽¹⁾: | | | | | |
| Total average interest-earning assets | 4.21% | 4.37% | 4.61% | 4.54% | 4.55% |
| Average loans | 4.72 | 4.82 | 4.92 | 4.76 | 4.77 |
| Average securities | 1.94 | 2.27 | 2.58 | 2.80 | 2.67 |
| Average other interest-earning assets | 1.54 | 1.94 | 2.50 | 2.63 | 2.71 |
| Total average interest-bearing liabilities | 1.02 | 1.14 | 1.23 | 1.24 | 1.20 |
| Average interest-bearing deposits | 1.02 | 1.14 | 1.23 | 1.24 | 1.18 |
| Average cost of total deposits | 0.85 | 0.95 | 1.03 | 1.04 | 0.99 |
| Average cost of retail and commercial deposits | 0.93 | 1.04 | 1.13 | 1.13 | 1.08 |
| Average cost of wholesale deposits and borrowings | 2.52 | 2.53 | 2.48 | 2.39 | 2.29 |
| Average cost of funds | 0.85 | 0.95 | 1.03 | 1.04 | 1.00 |
| Net interest rate spread | 3.19 | 3.23 | 3.38 | 3.30 | 3.35 |
| Net interest margin | 3.44 | 3.50 | 3.67 | 3.60 | 3.64 |

(1) Annualized

BANKFINANCIAL CORPORATION
SELECTED QUARTERLY FINANCIAL AND STATISTICAL DATA
Latest Five Quarters
(Dollars in thousands; except per share) – (Unaudited)

| | 2020 | | 2019 | | | |
|---|------------|------------|------------|------------|------------|--|
| | IQ | IVQ | IIIQ | IIQ | IQ | |
| CAPITAL RATIOS | | | | | | |
| BankFinancial Corporation ⁽¹⁾ | | | | | | |
| Equity to total assets (end of period) | 11.93% | 11.72% | 11.65% | 11.18% | 11.41% | |
| Tangible equity to tangible total assets (end of period) | 11.93 | 11.72 | 11.65 | 11.18 | 11.40 | |
| Risk-based total capital ratio | 17.35 | 17.23 | 16.17 | 15.17 | 15.47 | |
| Common Tier 1 (CET1) | 16.56 | 16.48 | 15.47 | 14.49 | 14.76 | |
| Risk-based tier 1 capital ratio | 16.56 | 16.48 | 15.47 | 14.49 | 14.76 | |
| Tier 1 leverage ratio | 11.67 | 11.48 | 11.43 | 11.04 | 11.13 | |
| Tier 1 capital | \$ 170,788 | \$ 171,524 | \$ 171,050 | \$ 168,461 | \$ 172,486 | |
| BankFinancial, NA | | | | | | |
| Risk-based total capital ratio | 16.53% | 16.38% | 15.46% | 14.46% | 14.58% | |
| Common Tier 1 (CET1) | 15.75 | 15.63 | 14.76 | 13.78 | 13.86 | |
| Risk-based tier 1 capital ratio | 15.75 | 15.63 | 14.76 | 13.78 | 13.86 | |
| Tier 1 leverage ratio | 11.10 | 10.89 | 10.90 | 10.49 | 10.45 | |
| Tier 1 capital | \$ 162,158 | \$ 162,455 | \$ 162,818 | \$ 159,917 | \$ 161,723 | |
| COMMON STOCK AND DIVIDENDS | | | | | | |
| Stock Prices: | | | | | | |
| Close | \$ 8.81 | \$ 13.08 | \$ 11.90 | \$ 13.99 | \$ 14.87 | |
| High | 13.28 | 14.14 | 14.29 | 15.63 | 16.06 | |
| Low | 7.33 | 11.52 | 11.10 | 13.44 | 13.46 | |
| Common shares outstanding | 15,072,268 | 15,278,464 | 15,373,964 | 15,373,964 | 15,644,499 | |
| Book value per share | \$ 11.48 | \$ 11.41 | \$ 11.31 | \$ 11.15 | \$ 11.26 | |
| Tangible book value per share | \$ 11.48 | \$ 11.41 | \$ 11.31 | \$ 11.15 | \$ 11.26 | |
| Cash dividends declared on common stock | \$ 0.10 | \$ 0.10 | \$ 0.10 | \$ 0.10 | \$ 0.10 | |
| Dividend payout ratio | 62.94% | 45.30% | 39.18% | 191.78% | 46.35% | |
| Stock repurchases | \$ 2,202 | \$ 1,298 | \$ — | \$ 4,001 | \$ 12,840 | |
| Stock repurchases – shares | 206,196 | 95,500 | — | 270,535 | 837,015 | |
| EARNINGS PER SHARE COMPUTATIONS | | | | | | |
| Net income | \$ 2,418 | \$ 3,390 | \$ 3,924 | \$ 807 | \$ 3,551 | |
| Weighted average basic and dilutive common shares outstanding | 15,205,731 | 15,342,524 | 15,373,964 | 15,472,618 | 16,202,303 | |
| Basic and diluted earnings per common share | \$ 0.16 | \$ 0.22 | \$ 0.26 | \$ 0.05 | \$ 0.22 | |

(1) As a small bank holding company, the Company is exempt from the Federal Reserve Board's risk-based capital and leverage rules. BankFinancial Corporation capital data is included for informational purposes only.



2020 Corporate Profile

Forward Looking Statements

This Presentation contains, and the periodic and current reports we file with the SEC, press releases and other public stockholder communications from BankFinancial Corporation may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, which involve significant risks and uncertainties. Forward-looking statements may include statements relating to our future plans, strategies and expectations, as well as our future revenues, earnings, losses, financial performance, financial condition, asset quality metrics and future prospects. Forward looking statements are generally identifiable by use of the words "believe," "may," "will," "should," "could," "expect," "estimate," "anticipate," "project," "plan," or similar expressions. They are frequently based on assumptions that may or may not materialize, and are subject to numerous uncertainties that could cause actual results to differ materially from those anticipated in the forward looking statements. We include our forward-looking statements, including the financial projections contained herein, to be covered by the safe harbor provisions for forward looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for the purpose of invoking the safe harbor provisions. Forward looking statements speak only as of the date they are made. We do not undertake any obligation to update any forward looking statement in the future, or to reflect circumstances and events that occur after the date on which the forward-looking statement was made.

Factors that could cause actual results to differ materially from the results anticipated or projected and which could materially and adversely affect our operating results, financial condition or future prospects include, but are not limited to: (i) less than anticipated loan growth due to intense competition for loans and leases, particularly in terms of pricing and credit underwriting, or a dearth of borrowers who meet our underwriting standards; (ii) the impact of re-pricing and competitors' pricing initiatives on loan and deposit products; (iii) interest rate movements and their impact on the economy, customer behavior and our net interest margin; (iv) adverse economic conditions in general, or specific events such as a pandemic or terrorism in the markets in which we lend that could result in increased delinquencies in our loan portfolio or a decline in the value of our investment securities and the collateral for our loans; (v) declines in real estate values that adversely impact the value of our loan collateral, OREO, asset dispositions and the equity of borrower equity in their investments; (vi) borrowers that experience legal or financial difficulties that we do not currently foresee; (vii) regulatory supervisory monitoring or examinations by regulatory authorities, including the possibility that a regulatory authority could, among other things, require us to increase our allowance for loan losses or adversely change our loan classifications, write-down assets, reduce credit concentrations or require specific capital levels; (viii) changes, disruptions or illiquidity in national or global financial markets; (ix) the credit risks of lending activities, including risks that could cause changes in the level and direction of loan delinquencies and charge-offs or changes in estimates relating to the computation of our allowance for loan losses; (x) monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board; (xi) factors affecting our ability to access deposits or cost-effective funding, and the impact of competitors' pricing initiatives on our products; (xii) legislative or regulatory changes, that have an adverse impact on our products, services, operations and operating expenses; (xiii) higher federal deposit insurance premiums; (xiv) higher than expected overhead, infrastructure and compliance costs; (xv) changes in accounting principles, policies or guidelines; (xvi) the effects of any federal government shutdown; and (xvii) privacy and cybersecurity risks, including the risk of business interruption and the compromise of confidential customer information resulting from intrusions.

These risks and uncertainties, as well as the Risk Factors set forth in Item 1A of our Annual Report on Form 10-K, should be considered in evaluating our forward-looking statements and undue reliance should not be placed on such statements.



Corporate Overview

1

Focus on Diversified Commercial Lending

2

Retail & Commercial Deposit Base

3

National Bank Charter

4

NASDAQ Global Markets: BFIN



Consolidated Balance Sheet Information

| | |
|---|----------------|
| Total Assets | \$1.488 billic |
| Total Loans | \$1.168 billic |
| Total Deposits | \$1.285 billic |
| Total Capital | \$174 millic |
| Tier 1 Capital | \$172 millic |
| Tier 1 Leverage Capital % | 11.48 |
| Common Tier 1 Risk-Based Capital % | 16.48 |
| Total Risk-Based Capital % | 17.23 |

No outstanding preferred shares, debt or hybrid capital instruments

All financial information as of December 31, 2019 unless indicated otherwise.

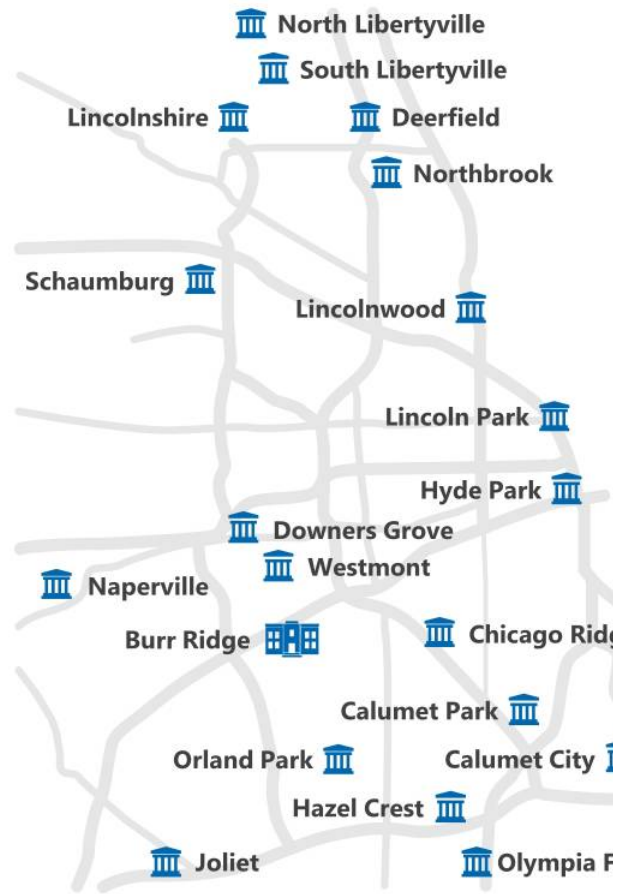
Branch Network

19

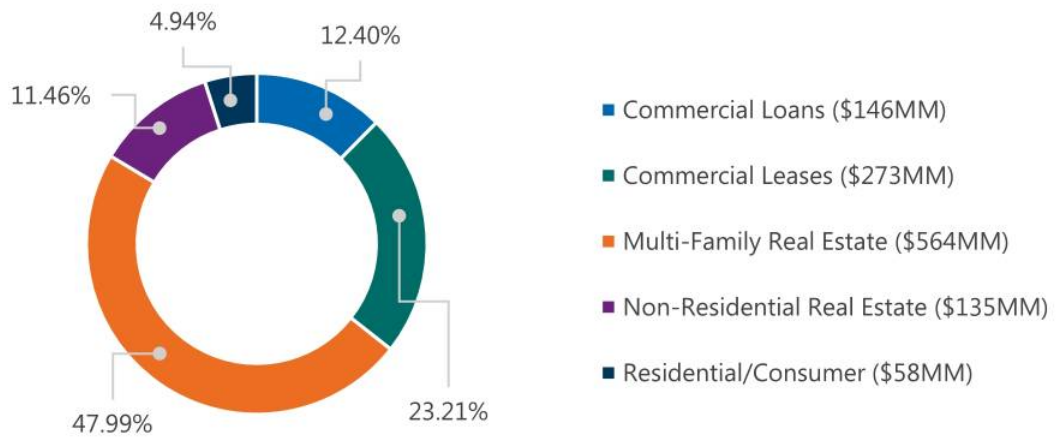
Banking Offices in Cook, Lake, DuPage, and Will Counties

9

Consecutive "Outstanding" CRA Ratings



Loan Portfolio Composition



Targeted Organic Loan Origination on National, Regional, or Local Basis

1. Commercial & Industrial/Healthcare and Lessor Financing
2. Commercial Equipment Leases
3. Multi-Family

Minimal Borrower Concentration – Top 5 Loan Relationships represent approximately 5% of Loan Portfolio

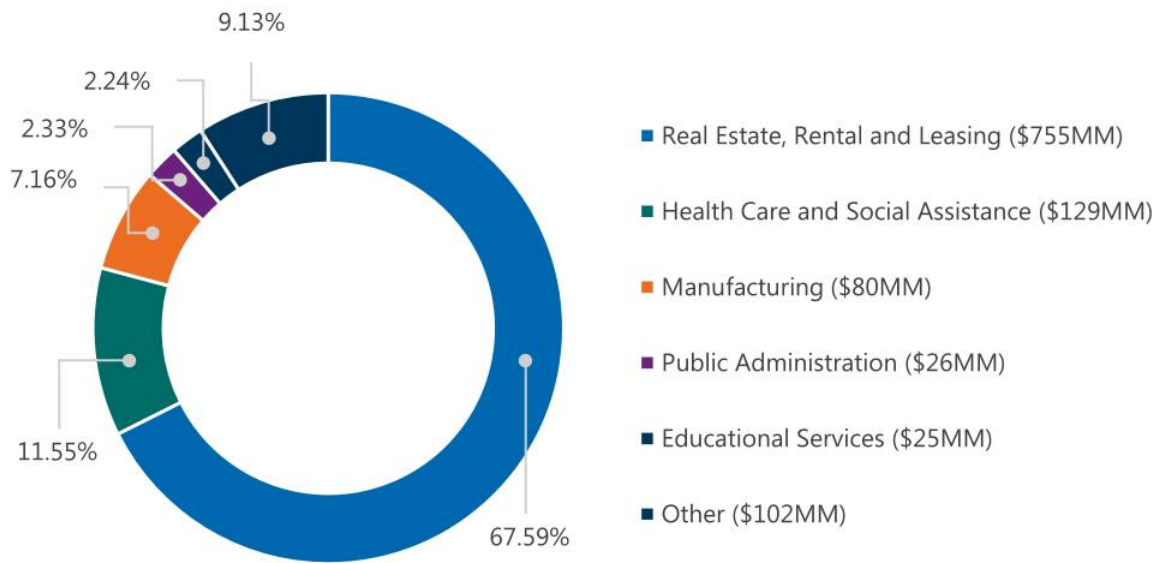
No Construction/Land Loans exposure

All financial information as of December 31, 2019 unless indicated otherwise.

Loan Portfolio Trends

| | 12/31/19 (000's) | 12/31/14 (000's) | 5-Year CAGR% |
|-----------------------------|---------------------|---------------------|-----------------|
| TARGETED LOAN TYPES | | | |
| Commercial Loans | \$145,714 | \$66,882 | 16.9% |
| Commercial Leases | \$272,629 | \$217,143 | 4.7% |
| Multi-Family | \$563,750 | \$480,349 | 3.3% |
| SUBTOTAL | \$982,093 | \$764,374 | 5.1% |
| OTHER LOAN TYPES | | | |
| Non-Residential Real Estate | \$134,674 | \$234,500 | (10.5%) |
| 1 – 4 Family & Consumer | \$57,961 | \$182,388 | (20.5%) |
| Construction and Land | \$0 | \$1,885 | (100.0%) |
| SUBTOTAL | \$192,635 | \$418,773 | (14.4%) |
| TOTAL | \$1,174,728 | \$1,183,147 | (0.1%) |

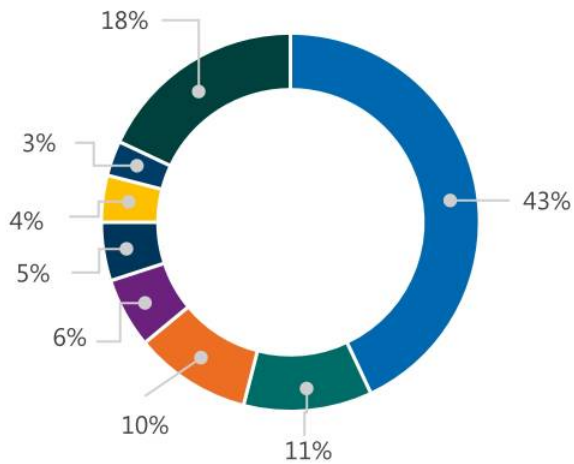
Top 5 Commercial Loan Concentration by Indust



Limited total exposure to Hospitality, Restaurant, Oil and Gas representing less than of loans.

All financial information as of December 31, 2019 unless indicated otherwise.

Multi-Family Loan Portfolio



- Chicago, IL (\$242MM)
- Dallas, TX (\$62MM)
- Denver, CO (\$57MM)
- Tampa, FL (\$33MM)
- Spartanburg - Greenville, SC (\$29MM)
- San Antonio, TX (\$22MM)
- Minneapolis, MN (\$19MM)
- Other Markets (\$100MM)

Focus on Stabilized Class B & C Apartment Buildings

- Chicago MSA and selected geographic markets with strong macroeconomic employment growth trends
- "Rent By Necessity" / Affordable Housing tenants – no Class A luxury prop
- Tenant base and geographic location result in assets with high demand and limited new supply

Strong Underwriting Metrics

- Weighted Average DSCR – 1.98x
- Weighted Average LTV – 53%
- 60% of Total Portfolio / 80% of Seasoned Portfolio qualifies for 50% Risk-B Capital Treatment

Geographic Diversification in Selected High-Performing Ma

- Risk assessments & concentration of credit limits maintained for all market

Direct Loan Originations Supported by Independent Underwriting

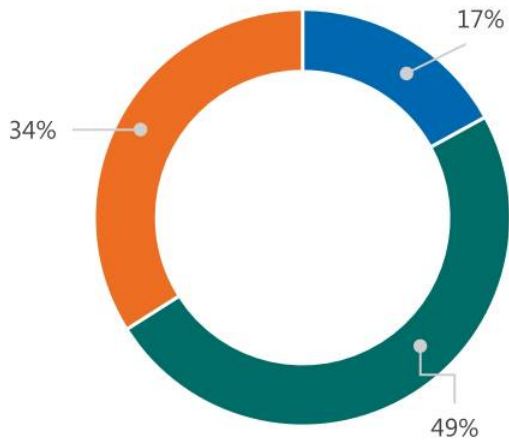
- Commercial Bankers located in all targeted geographic markets
- Loan-level stress parameters: NOI, Debt Service & Valuation
- Independent credit analysis & collateral inspection practices

Strong Asset Quality

- Targeted MSA's: 0.00% Past Due; 0.00% Nonaccrual at 12/31/19
- Chicago MSA: 0.52% Past Due; 0.00% Nonaccrual at 12/31/19

All financial information as of December 31, 2019 unless indicated otherwise.

Commercial & Industrial Loan Portfolio



- Chicago Regional Banking (\$25MM)
- National Healthcare Lending (\$70MM)
- Equipment Finance - Direct Lessor Finance (\$50MM)

Chicago MSA Commercial Banking

- Focus on companies \$2MM to \$10MM in sales
- Working capital, equipment, and owner-occupied CRE
- \$45 million in total commitments with 54% utilization at 12/31/19

National Healthcare Lending

- Working capital, equipment, acquisition & HUD bridge financing
- \$145 million in total commitments with 49% utilization at 12/31/19

Equipment Finance: Direct Lessor Finance

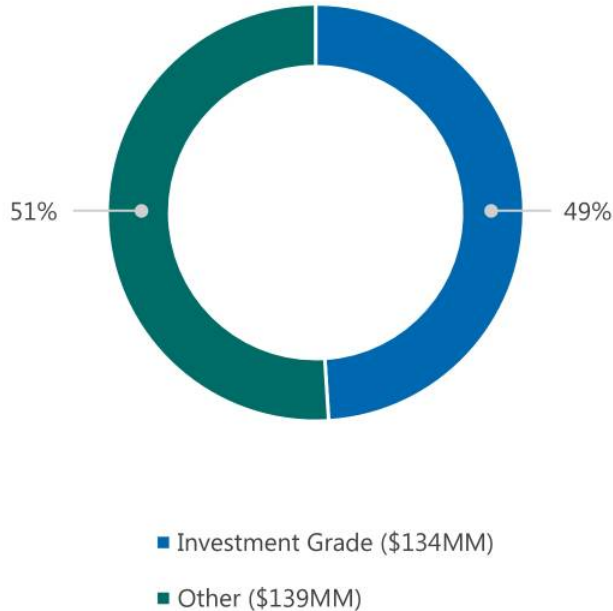
- Bridge/warehouse, working capital, residual equity loan/equipment pool credit products
- \$105 million in total commitments with 48% utilization at 12/31/19

Strong Asset Quality

- 0.00% Past Due; 0.00% Nonaccrual at 12/31/19

All financial information as of December 31, 2019 unless indicated otherwise.

Equipment Finance Portfolio



Direct origination relationships with independent lessors throughout US, including several ELFA Top 25 Independent Lessors

Typical structure is fully amortizing commercial equipment lease or financing agreement

- Weighted average life of the portfolio is 1.08 years based on expected cash flows
- Lease terms range from 24 months to 84 months, depending on lessee credit and equipment type
- Support both Fair Market Value and Capital Lease structures

Equipment types are predominantly Information Technology & Material Handling

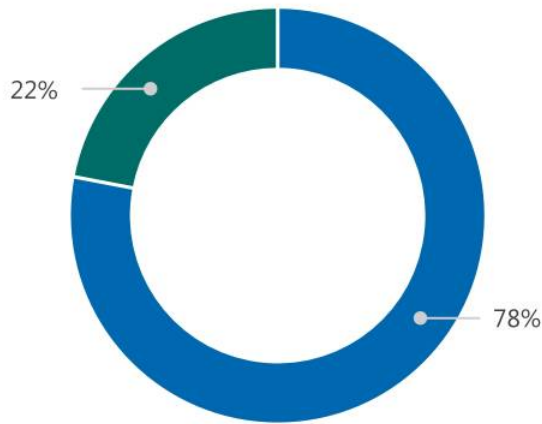
- "Essential-use/Mission-critical" hardware and software to lessee operations

Strong Asset Quality

- Lessee distribution governed by concentration of credit limits
- 0.90% Past Due; 0.00% Nonaccrual at 12/31/19

All financial information as of December 31, 2019 unless indicated otherwise.

Non-Residential Real Estate Loan Portfolio



- Non-Owner Occupied (\$105MM)
- Owner Occupied (\$29MM)

Top Three Portfolios – Non-Owner Occupied

- Retail - \$53MM
- Mixed Use Building - \$19MM
- Office Building - \$13MM

Strong Underwriting Metrics

- Weighted Average DSCR – 2.00x
- Weighted Average LTV – 49%

Concentrated in Chicago MSA

No Significant Tenant Concentrations

- No Big Box/Anchor Exposure
- Minimal Single Tenant Exposures

Largest Exposure is Less Than 5% of Capital and ALLI

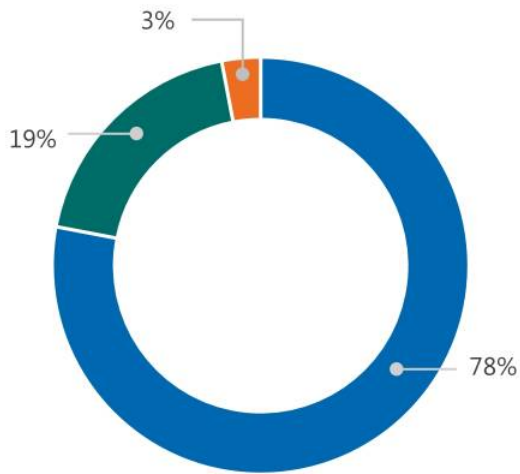
- Average Loan Size - \$713,000

Strong Asset Quality

- 0.21% Past Due; 0.21% Nonaccrual at 12/31/19

All financial information as of December 31, 2019 unless indicated otherwise.

1 – 4 Family and Consumer Loan Portfolio



- 1 – 4 Family - Owner Occupied (\$45MM)
- 1 – 4 Family – Non-Owner Occupied (\$11MM)
- Consumer (\$2MM)

Concentrated in Chicago MSA

Legacy Portfolio Status

- 68% decline in Residential / Home Equity loan portfolio balances since 2014

92% of the 1 – 4 Family Loans are 1st Liens

Asset Quality

- 3.41% Past Due; 0.88% Nonaccrual at 12/31/19

Portfolio Status

- Residential / Home Equity Loans: Legacy portfolio status new loans since 2017
- Consumer Loans: Micro-credit loans & lines of credit for deposit customers

All financial information as of December 31, 2019 unless indicated otherwise.

Loan Origination **Priorities**


1

Commercial & Industrial/Healthcare

- Chicago MSA commercial lending to small and lower-middle market companies
- Working Capital finance to Equipment Finance lessors
- Working Capital and Equipment finance to selected hospitals, healthcare professional practices, ambulatory/surgical centers, residential care and medical suppliers, non-profit community healthcare providers, and home health care on national basis based on specific market underwriting

2

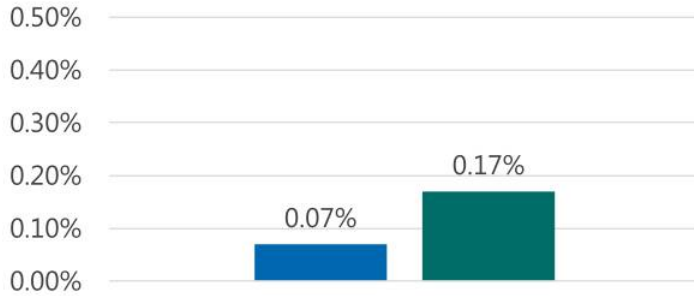
Equipment Finance

- Focus on publicly-traded/rated, governmental, middle-market and small-ticket lessees
-
- 

Asset Quality Metrics

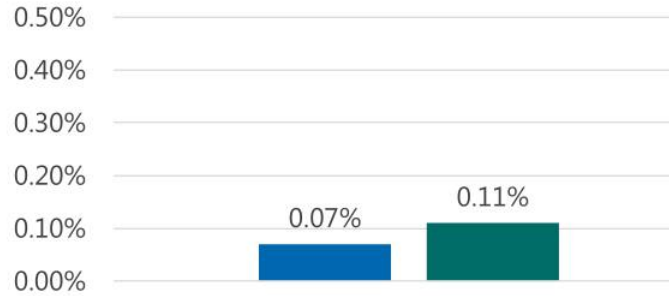
NPA to Assets

■ December 31, 2019 ■ December 31, 2018



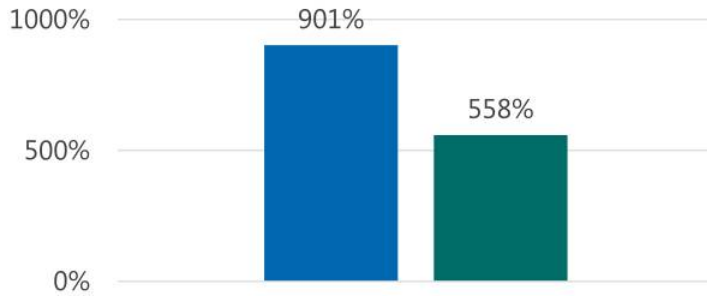
Non-Accrual Loans to Loans

■ December 31, 2019 ■ December 31, 2018



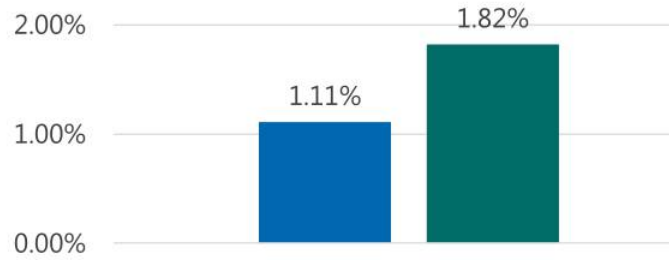
ALLL to Non-Accrual Loans

■ December 31, 2019 ■ December 31, 2018



Classified Assets as a % of Tier 1 Capital + ALLL

■ December 31, 2019 ■ December 31, 2018



COVID-19 Qualified Loan Forbearance Program


1

Limited Forbearance Program

- Borrower executed an COVID-19 Impact Certification
- Borrower pays all Interest & Escrow Payments on each scheduled due date via Automatic Payment System
- Forbearance in effect for four (4) monthly payments.
- All deferred principal payments must be paid in full by December 31, 2020.
- No forbearance fee or late fees if Borrower complies with Forbearance Program.
- No changes in loan terms, conditions or covenants.

2

Small Investment Property Loans: Payment Deferral Option Forbearance Program

- Borrower executed an COVID-19 Impact Certification
 - Current Loan Balance is \$750,000 or less.
 - Forbearance in effect for a total of four (4) monthly payments; including deferral of interest and escrow for the May payment due.
 - Deferred Interest & Escrow Payments must be paid in full by December 31, 2020.
 - Deferred Principal Payments must be paid in full by June 30, 2021.
 - \$750.00 Forbearance Fee paid in June, 2021, if Borrower complies with Forbearance Program.
 - No changes in loan terms, conditions or covenants.
-
- 

COVID-19 Update

Multifamily

Illinois:

- 0.54% Past Due; 0.00% Nonaccrual at 03/31/20
- CARES Act 4013 Modifications – 21 / \$11.9MM

Other:

- 0.00% Past Due; 0.00% Nonaccrual at 03/31/20
- CARES Act 4013 Modifications – 7 / \$7.6MM

Non-Residential Real Estate

- 0.22% Past Due; 0.22% Nonaccrual at 03/31/20
- CARES Act 4013 Modifications – 33 / \$31.1MM

Commercial & Industrial

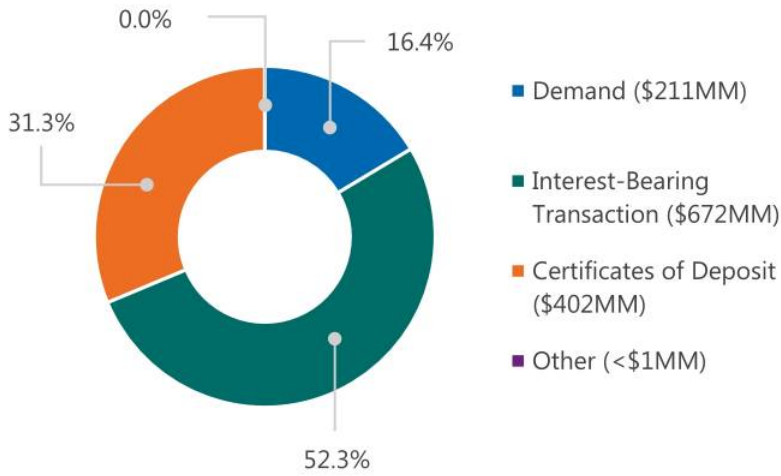
- 0.00% Past Due; 0.00% Nonaccrual at 03/31/20
- CARES Act 4013 Modifications – \$0

Equipment Finance

- 3.63% Past Due; 0.00% Nonaccrual at 03/31/20
- CARES Act 4013 Modifications – \$0

Modification totals are as of April 19, 2020.

Funding Composition



Retail: Demand (\$121MM)
Interest Bearing Transaction (\$567MM)
Certificates of Deposit (\$337MM)

Commercial: Demand (\$90MM)
Interest Bearing Transaction (\$105MM)

Other: Wholesale Certificates of Deposit (\$65MM)
Other Borrowings (<\$1MM)

Traditional and Digital Banking Channels

Over 90% of Direct Customer Transactions via Electronic/Online/Mobile

Stable Funding Composition

Other Borrowings (<\$1MM) represent less than 1% of Total Funding

All financial information as of December 31, 2019 unless indicated otherwise.

Operating Performance

Net Income (in millions) / Earnings Per Share (Diluted)



Net Interest Margin

- Stability reflects low-risk asset generation and strong asset quality
- Neutral Interest Rate Risk posture

Non-Interest Income

- No reliance on residential mortgage banking
- Improvement reflects movement to electronic/mobile channels
- Developing additional capabilities in commercial mortgage banking, residual commercial equipment investment, and Lifeline small business and retail deposit products

Non-Interest Expense

- Increased efficiency by reducing Non-Interest Expense by 13% since 2014

2020 Priorities

Continue growth & diversification of loan portfolio

- Expanded capabilities and capacity in Commercial & Industrial Lending and Equipment Finance now enable additional yield support/enhancement
- Continue progress towards goal of 50% Commercial & Industrial / 50% Multi-Family and CRE balanced portfolios

Maximize contribution of deposit infrastructure to support loan growth & stronger non-interest income

- Further improvements to operating efficiency (deposit balances and non-interest income) from existing branch and other deposit-focused channels

Maintain Asset Quality

Continue utilization of shareholder return capabilities



Total Shareholder Return Policy Elements

Dividends

- 2019 Total Dividends - \$0.40 per share
- 3.06% yield based on \$13.08 per share price as of December 31, 2019

Share Repurchases

- 39% of common shares repurchased since 2005 IPO
- 2020: As of December 31, 2019, there are 542,963 shares of common stock remaining authorized for repurchase through October 31, 2020

Mergers and Acquisitions

- Considered if 1) no asset quality issues and 2) meaningful commercial loan generation capacity, core deposit franchise, or sustainable non-interest income operations



