

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): January 30, 2015

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.)

15W060 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 or former address, 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))

Item 2.02 Results of Operations and Financial Condition

On January 30, 2015, the Company issued a press release announcing the results for the fourth quarter and year ended December 31, 2014 and issued the Fourth Quarter 2014 Quarterly Financial and Statistical Supplement for the latest five quarters. The press release and Quarterly Financial and Statistical Supplement are included as Exhibits 99.1 and 99.2 to this report.

Item 7.01. Regulation FD Disclosure

The press release referenced in Item 2.02, above, included certain predictions as to the Company's performance for the year ending December 31, 2014.

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>
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99.1	Press Release dated January 30, 2015
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99.2	Quarterly Financial and Statistical Supplement
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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

Date: January 30, 2015

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

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press Release dated January 30, 2015
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99.2	Quarterly Financial and Statistical Supplement
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**FOR IMMEDIATE RELEASE****BANKFINANCIAL CORPORATION ANNOUNCES 2014 FINANCIAL RESULTS**

Burr Ridge, Illinois - (January 30, 2015) BankFinancial Corporation (Nasdaq - BFIN) (the "Company") announced today the Company recorded net income of \$40.6 million and earnings per share of common stock of \$2.01 for the year ended December 31, 2014. The Company's pre-tax, pre-provision income was \$10.8 million in 2014, compared to \$5.5 million in 2013.

For the year 2014, the Company's total loans increased by \$74.3 million (7%), and total investment and business loans increased by \$93.2 million (10%). The Company enjoyed balanced loan growth between its multifamily / commercial real estate portfolio (\$50.5 million) and its commercial / industrial loan and lease portfolio (\$42.7 million). The Company's asset quality continued to strengthen, with non-performing loans representing 1.03% of loans receivable compared to 1.66% at December 31, 2013, and non-performing assets representing 1.27% of total assets compared to 1.70% at December 31, 2013. The Company's core deposits remained stable, with the ratio of core deposits to total deposits increasing to 80.8%. The Company's liquid assets exceeded 12% of total assets. The Company's capital ratios increased and remained strong with a Tier 1 capital ratio of 13.04% and a Tier 1 risk-based capital ratio of 17.21%.

The Company's financial results for 2014 included a tax benefit of \$35.1 million reflecting the recovery of a deferred tax asset valuation allowance established in 2011. The Company's recovery of this allowance was supported by numerous positive factors including eight consecutive quarters of sustained pre-tax income, strengthened asset quality trends and the absence of other previously-existing negative factors.

"Our 2014 results reflect the successful execution of key business plan objectives, including achieving and maintaining sustainable loan growth in our targeted loan categories, restoring our historical asset quality and improving our overall efficiency. We look forward to further improvements in these very positive trends in 2015," said F. Morgan Gasior, the Chairman and CEO of the Company.

The Company expects to release its schedule for the filing of its Form 10-K by March 13, 2015. The Quarterly Financial and Statistical Supplement will be available today on BankFinancial's website, www.bankfinancial.com on the "Stockholder Information" 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 Corporation is the holding company for BankFinancial, F.S.B., a full-service, community-oriented bank providing financial services to individuals, families and businesses through 19 full-service banking offices, located in Cook, DuPage, Lake and Will Counties, Illinois. 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. 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 <http://www.sec.gov> or on BankFinancial's web site at <http://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:

Elizabeth A. Doolan

Senior Vice President – Controller

BankFinancial Corporation

Telephone: 630-242-7151

Media Inquiries:

Gregg T. Adams

Executive Vice President – Marketing & Sales

BankFinancial F.S.B.

Telephone: 630-242-7234

BANKFINANCIAL CORPORATION

FOURTH QUARTER 2014

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)

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
PERFORMANCE MEASUREMENTS					
Return on assets (ratio of net income to average total assets) ⁽¹⁾	9.76%	1.01%	0.39%	0.26%	0.42%
Return on equity (ratio of net income to average equity) ⁽¹⁾	75.56	7.98	3.15	2.12	3.43
Net interest rate spread ⁽¹⁾	3.39	3.35	3.37	3.30	3.25
Net interest margin ⁽¹⁾	3.44	3.40	3.43	3.34	3.31
Efficiency ratio	81.24	83.45	82.15	88.79	97.51
Noninterest expense to average total assets ⁽¹⁾	3.08	3.13	3.04	3.15	3.53
Average interest-earning assets to average interest-bearing liabilities	124.17	123.12	122.57	121.85	121.97
Number of full service offices	19	19	19	19	20
Employees (full time equivalents)	269	270	276	281	301
SUMMARY STATEMENT OF FINANCIAL CONDITION					
ASSETS					
Cash and due from other financial institutions	\$ 9,693	\$ 11,078	\$ 13,715	\$ 13,869	\$ 15,781
Interest-bearing deposits in other financial institutions	49,888	81,847	119,790	137,855	145,176
Securities, at fair value	121,174	115,001	108,979	115,977	110,907
Loans held for sale	—	—	—	—	—
Loans receivable, net	1,172,356	1,134,442	1,117,593	1,097,888	1,098,077
Other real estate owned, net	6,358	5,990	7,704	8,670	6,306
Stock in Federal Home Loan Bank, at cost	6,257	6,257	6,257	6,068	6,068
Premises and equipment, net	34,286	34,030	34,432	34,882	35,328
Intangible assets	1,855	1,998	2,141	2,284	2,433
Bank owned life insurance	22,193	22,140	22,083	22,022	21,958
Deferred taxes	31,643	—	—	—	—
Other assets	9,707	8,150	9,612	9,027	11,560
Total assets	\$ 1,465,410	\$ 1,420,933	\$ 1,442,306	\$ 1,448,542	\$ 1,453,594
LIABILITIES AND STOCKHOLDERS' EQUITY					
Deposits	\$ 1,211,713	\$ 1,218,302	\$ 1,237,340	\$ 1,252,819	\$ 1,252,708
Borrowings	12,921	2,834	3,068	2,668	3,055
Other liabilities	24,655	18,521	23,579	16,191	22,204
Total liabilities	1,249,289	1,239,657	1,263,987	1,271,678	1,277,967
Stockholders' equity	216,121	181,276	178,319	176,864	175,627
Total liabilities and stockholders' equity	\$ 1,465,410	\$ 1,420,933	\$ 1,442,306	\$ 1,448,542	\$ 1,453,594

(1) Annualized

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

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
SUMMARY STATEMENT OF OPERATIONS					
Total interest income	\$ 12,413	\$ 12,368	\$ 12,482	\$ 12,086	\$ 12,296
Total interest expense	714	746	774	812	842
Net interest income before provision	11,699	11,622	11,708	11,274	11,454
Provision for (recovery of) loan losses	(756)	(1,413)	957	476	(1,178)
Net interest income	12,455	13,035	10,751	10,798	12,632
Noninterest income	1,769	1,748	1,660	1,532	1,665
Noninterest expense	10,941	11,157	10,982	11,371	12,792
Income before income tax	3,283	3,626	1,429	959	1,505
Income tax expense (benefit)	(31,395)	36	25	17	—
Net income	\$ 34,678	\$ 3,590	\$ 1,404	\$ 942	\$ 1,505
Basic earnings per common share	\$ 1.72	\$ 0.17	\$ 0.07	\$ 0.05	\$ 0.07
Diluted earnings per common share	\$ 1.72	\$ 0.17	\$ 0.07	\$ 0.05	\$ 0.07
NONINTEREST INCOME AND EXPENSE					
Noninterest Income					
Deposit service charges and fees	\$ 516	\$ 519	\$ 465	\$ 433	\$ 477
Other fee income	566	571	600	527	537
Insurance commissions and annuities income	152	106	86	87	173
Gain on sales of loans, net	51	39	44	24	24
Loss on sale of securities	—	—	—	(7)	—
Gain (loss) on disposition of premises and equipment	—	—	3	2	(43)
Loan servicing fees	108	102	104	104	112
Amortization of servicing assets	(29)	(36)	(38)	(32)	(40)
Recovery (impairment) of servicing assets	(2)	4	(6)	(4)	24
Earnings on bank owned life insurance	53	57	61	64	77
Trust income	178	171	170	164	175
Other	176	215	171	170	149
Total noninterest income	\$ 1,769	\$ 1,748	\$ 1,660	\$ 1,532	\$ 1,665
Noninterest Expense					
Compensation and benefits	\$ 5,828	\$ 5,492	\$ 5,596	\$ 5,958	\$ 6,614
Office occupancy and equipment	1,651	1,687	1,626	1,914	1,997
Advertising and public relations	363	271	304	162	316
Information technology	672	674	691	639	697
Supplies, telephone, and postage	410	394	384	391	463
Amortization of intangibles	143	143	143	149	150
Nonperforming asset management	219	418	97	104	607
Loss (gain) on sales of other real estate owned	75	52	(98)	6	(34)
Valuation adjustments of other real estate owned	46	315	33	44	79
Operations of other real estate owned	127	127	474	207	159
FDIC insurance premiums	259	208	470	479	468
Other	1,148	1,376	1,262	1,318	1,276
Total noninterest expense	\$ 10,941	\$ 11,157	\$ 10,982	\$ 11,371	\$ 12,792

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

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
LOANS					
One-to-four family residential real estate loans	\$ 180,337	\$ 187,318	\$ 193,826	\$ 197,831	\$ 201,382
Multi-family mortgage loans	480,349	453,720	439,318	416,356	396,058
Nonresidential real estate loans	234,500	243,047	246,962	251,873	263,567
Construction and land loans	1,885	2,356	2,882	3,396	6,570
Commercial loans	66,882	53,962	45,803	53,661	54,255
Commercial leases	217,143	203,563	199,908	185,474	187,112
Consumer loans	2,051	2,458	2,290	2,476	2,317
	<u>1,183,147</u>	<u>1,146,424</u>	<u>1,130,989</u>	<u>1,111,067</u>	<u>1,111,261</u>
Net deferred loan origination costs	1,199	1,069	1,056	1,002	970
Allowance for loan losses	(11,990)	(13,051)	(14,452)	(14,181)	(14,154)
Loans, net	<u>\$ 1,172,356</u>	<u>\$ 1,134,442</u>	<u>\$ 1,117,593</u>	<u>\$ 1,097,888</u>	<u>\$ 1,098,077</u>
LOAN ORIGINATIONS ⁽¹⁾					
One-to-four family residential real estate loans	\$ 4,119	\$ 5,584	\$ 3,740	\$ 2,548	\$ 6,316
Multi-family mortgage loans	47,929	26,342	40,191	24,419	37,351
Nonresidential real estate loans	7,024	3,477	5,927	6,088	26,009
Construction and land loans	—	—	—	—	1,118
Commercial loans	52,810	47,332	45,611	49,659	56,222
Commercial leases	38,454	32,743	43,266	22,870	47,101
Consumer loans	803	798	779	870	962
	<u>\$ 151,139</u>	<u>\$ 116,276</u>	<u>\$ 139,514</u>	<u>\$ 106,454</u>	<u>\$ 175,079</u>
LOAN PAYMENTS and PAYOFFS ⁽²⁾					
One-to-four family residential real estate loans	\$ 10,489	\$ 10,735	\$ 6,069	\$ 5,811	\$ 8,749
Multi-family mortgage loans	21,284	12,299	16,072	6,539	13,966
Nonresidential real estate loans	13,637	8,409	10,456	12,663	9,673
Construction and land loans	176	402	509	791	979
Commercial loans	39,955	42,153	54,471	48,638	54,744
Commercial leases	22,923	31,354	26,593	26,097	19,480
Consumer loans	895	902	950	1,057	951
	<u>\$ 109,359</u>	<u>\$ 106,254</u>	<u>\$ 115,120</u>	<u>\$ 101,596</u>	<u>\$ 108,542</u>
LOAN PAYMENTS and PAYOFFS (Loans rated 5 or higher) ⁽²⁾					
One-to-four family residential real estate loans	\$ 1,151	\$ 927	\$ 1,420	\$ 28	\$ 1,022
Multi-family mortgage loans	5,000	829	6,275	2,724	1,651
Nonresidential real estate loans	5,869	2,135	6,632	6,899	3,055
Construction and land loans	141	263	407	748	926
Commercial loans	3,149	2,569	2,064	4,441	6,262
Commercial leases	—	—	—	26	35
Consumer loans	—	—	—	2	—
	<u>\$ 15,310</u>	<u>\$ 6,723</u>	<u>\$ 16,798</u>	<u>\$ 14,868</u>	<u>\$ 12,951</u>

(1) Loan originations include 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)

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
CREDIT QUALITY:					
Nonperforming Assets:					
Nonaccrual loans:					
One-to-four family residential real estate loans	\$ 4,356	\$ 4,226	\$ 5,156	\$ 5,008	\$ 4,641
Multi-family mortgage loans	4,481	6,223	4,274	6,617	7,098
Nonresidential real estate loans	3,245	4,384	4,959	8,715	4,214
Construction and land loans	—	120	118	269	382
Commercial loans	76	82	77	77	77
Commercial leases	—	—	8	8	—
Consumer loans	3	1	—	—	12
Nonaccrual loans	<u>12,161</u>	<u>15,036</u>	<u>14,592</u>	<u>20,694</u>	<u>16,424</u>
Loans past due over 90 days, still accruing	—	—	16	—	228
Loans held for sale	—	—	—	—	—
Other real estate owned:					
One-to-four family residential real estate loans	806	945	979	1,098	901
Multi-family real estate	2,307	1,502	2,572	3,220	1,921
Nonresidential real estate	885	1,448	1,887	2,086	1,181
Land	135	181	258	258	275
Other real estate owned	<u>4,133</u>	<u>4,076</u>	<u>5,696</u>	<u>6,662</u>	<u>4,278</u>
Nonperforming assets (excluding purchase impaired loans and purchased other real estate owned)	<u>16,294</u>	<u>19,112</u>	<u>20,304</u>	<u>27,356</u>	<u>20,930</u>
Purchased impaired loans:					
One-to-four family residential real estate loans	\$ 52	\$ 51	\$ 102	\$ 101	\$ 100
Nonresidential real estate loans	—	161	157	153	1,633
Commercial loans	—	—	—	23	23
Purchased impaired loans	<u>52</u>	<u>212</u>	<u>259</u>	<u>277</u>	<u>1,756</u>
Purchased other real estate owned:					
One-to-four family residential real estate	457	132	156	156	176
Land	1,768	1,782	1,852	1,852	1,852
Purchased other real estate owned	<u>2,225</u>	<u>1,914</u>	<u>2,008</u>	<u>2,008</u>	<u>2,028</u>
Purchased impaired loans and OREO	<u>2,277</u>	<u>2,126</u>	<u>2,267</u>	<u>2,285</u>	<u>3,784</u>
Nonperforming assets	<u>\$ 18,571</u>	<u>\$ 21,238</u>	<u>\$ 22,571</u>	<u>\$ 29,641</u>	<u>\$ 24,714</u>
Asset Quality Ratios					
Nonperforming assets to total assets	1.27%	1.49%	1.56%	2.05%	1.70%
Nonperforming assets to total assets ⁽¹⁾	1.11	1.35	1.41	1.89	1.44
Nonaccrual loans to total loans	1.03	1.33	1.31	1.89	1.66
Nonaccrual loans to total loans ⁽¹⁾	1.03	1.31	1.29	1.86	1.50
Allowance for loan losses to nonperforming loans	98.17	85.59	97.21	67.62	76.89
Allowance for loan losses to nonperforming loans ⁽¹⁾	98.59	86.80	98.93	68.53	85.00

(1) Asset quality ratios exclude purchased impaired loans and acquired other real estate owned resulting from the Downers Grove National Bank merger.

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

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
SUBSTANDARD PERFORMING LOANS					
One-to-four family residential real estate loans	\$ 2,010	\$ 2,036	\$ 1,691	\$ 3,690	\$ 2,634
Multi-family mortgage loans	3,949	4,346	5,293	5,906	5,063
Nonresidential real estate loans	6,698	6,805	5,360	7,454	13,645
Construction and land loans	613	796	222	109	832
Commercial loans	705	845	1,020	952	977
Commercial leases	—	—	—	184	210
Consumer loans	—	—	—	1	1
	<u>\$ 13,975</u>	<u>\$ 14,828</u>	<u>\$ 13,586</u>	<u>\$ 18,296</u>	<u>\$ 23,362</u>
PERFORMING LOANS GREATER THAN 30 DAYS PAST DUE					
30 – 59 days past due	\$ 4,265	\$ 2,006	\$ 316	\$ 4,131	\$ 5,574
60 – 89 days past due	1,167	802	1,446	1,277	1,535
Matured Loans	553	4,306	1,340	2,913	3,458
	<u>\$ 5,985</u>	<u>\$ 7,114</u>	<u>\$ 3,102</u>	<u>\$ 8,321</u>	<u>\$ 10,567</u>
ALLOWANCE FOR LOAN LOSSES					
Beginning balance	\$ 13,051	\$ 14,452	\$ 14,181	\$ 14,154	\$ 15,876
Charge offs:					
One-to-four family residential real estate loans	(229)	(298)	(290)	(56)	(432)
Multi-family mortgage loans	(449)	(97)	(594)	(90)	(320)
Nonresidential real estate loans	(266)	(695)	(186)	(580)	(207)
Construction and land loans	—	—	(1)	—	—
Commercial loans	(23)	(78)	—	(22)	(62)
Commercial leases	—	(8)	—	—	—
Consumer loans	(2)	—	(4)	(6)	(5)
	<u>(969)</u>	<u>(1,176)</u>	<u>(1,075)</u>	<u>(754)</u>	<u>(1,026)</u>
Recoveries:					
One-to-four family residential real estate loans	284	26	97	11	12
Multi-family mortgage loans	69	11	6	14	17
Nonresidential real estate loans	23	116	264	20	68
Construction and land loans	90	29	8	250	267
Commercial loans	198	1,005	14	8	114
Consumer loans	—	1	—	2	4
	<u>664</u>	<u>1,188</u>	<u>389</u>	<u>305</u>	<u>482</u>
Net (charge-offs) recoveries	(305)	12	(686)	(449)	(544)
Provision for (recovery of) loan losses	(756)	(1,413)	957	476	(1,178)
Ending balance	<u>\$ 11,990</u>	<u>\$ 13,051</u>	<u>\$ 14,452</u>	<u>\$ 14,181</u>	<u>\$ 14,154</u>
Allowance for loan losses to total loans	1.01%	1.14 %	1.28%	1.28%	1.27%
Net charge-off ratio ⁽¹⁾	0.11	—	0.25	0.16	0.20

(1) Annualized

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

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
DEPOSITS					
Noninterest-bearing demand	\$ 130,711	\$ 128,498	\$ 131,775	\$ 129,732	\$ 126,680
Savings deposits	154,532	152,545	154,263	156,174	149,602
Money market accounts	338,499	345,331	349,639	353,656	347,017
Interest-bearing NOW accounts	355,112	348,293	349,874	353,338	353,787
Certificates of deposits	232,859	243,635	251,789	259,919	275,622
	<u>\$ 1,211,713</u>	<u>\$ 1,218,302</u>	<u>\$ 1,237,340</u>	<u>\$ 1,252,819</u>	<u>\$ 1,252,708</u>

SELECTED AVERAGE BALANCES

Total average assets	\$ 1,421,804	\$ 1,427,550	\$ 1,444,697	\$ 1,442,667	\$ 1,450,403
Total average interest-earning assets	1,350,815	1,355,436	1,370,391	1,367,225	1,374,544
Average loans	1,144,281	1,127,735	1,119,255	1,114,433	1,061,829
Average securities	116,234	114,805	112,691	115,089	92,223
Average stock in FHLB	6,257	6,257	6,224	6,068	6,068
Average other interest-earning assets	84,043	106,639	132,221	131,635	214,424
Total average interest-bearing liabilities	1,087,860	1,100,947	1,118,088	1,122,027	1,126,973
Average interest-bearing deposits	1,084,373	1,097,762	1,115,437	1,119,445	1,123,977
Average borrowings	3,487	3,185	2,651	2,582	2,996
Average stockholders' equity	183,584	179,929	178,477	177,331	175,305

SELECTED YIELDS AND COST OF FUNDS ⁽¹⁾:

Total average interest-earning assets	3.65%	3.62%	3.65%	3.59%	3.55%
Average loans	4.17	4.22	4.33	4.26	4.44
Average securities	0.98	0.98	1.02	1.04	1.17
Average other interest-earning assets	0.40	0.36	0.32	0.27	0.26
Total average interest-bearing liabilities	0.26	0.27	0.28	0.29	0.30
Average interest-bearing deposits	0.26	0.27	0.28	0.29	0.30
Average borrowings	0.34	0.25	0.15	0.31	0.26
Net interest rate spread	3.39	3.35	3.37	3.30	3.25
Net interest margin	3.44	3.40	3.43	3.34	3.31

(1) Annualized

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

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
CAPITAL RATIOS					
BankFinancial Corporation					
Equity to total assets (end of period)	14.75	12.76%	12.36%	12.21%	12.08%
Tangible equity to tangible total assets (end of period)	13.08	12.63	12.23	12.07	11.93
Risk-based total capital ratio	18.31	17.65	17.41	17.52	17.28
Risk-based tier 1 capital ratio	17.21	16.45	16.16	16.27	16.03
Tier 1 leverage ratio	13.04	12.62	12.21	12.05	11.92
Tier 1 capital	\$ 187,290	\$ 178,904	\$ 175,778	\$ 174,580	\$ 172,775
BankFinancial FSB					
Risk-based total capital ratio	16.21%	15.48%	15.13%	15.17%	14.93%
Risk-based tier 1 capital ratio	15.11	14.28	13.88	13.92	13.68
Tier 1 leverage ratio	11.45	10.95	10.50	10.31	10.16
Tier 1 capital	\$ 164,420	\$ 155,208	\$ 151,035	\$ 148,943	\$ 147,363
COMMON STOCK AND DIVIDENDS					
Stock Prices:					
Close	\$ 11.86	\$ 10.55	\$ 11.16	\$ 9.98	\$ 9.16
High	12.17	10.69	11.24	10.33	9.74
Low	10.24	10.43	9.40	9.06	8.70
Book value per share	\$ 10.24	\$ 8.59	\$ 8.45	\$ 8.38	\$ 8.32
Tangible book value per share	\$ 10.15	\$ 8.50	\$ 8.35	\$ 8.27	\$ 8.21
Cash dividends declared on common stock	\$ 0.03	\$ 0.04	\$ 0.01	\$ —	\$ 0.02
Dividend payout ratio	1.83%	23.50%	15.05%	N.M.	28.04%
Stock repurchases	\$ —	\$ —	\$ —	\$ —	\$ —
Stock repurchases – shares	—	—	—	—	—
EARNINGS PER SHARE COMPUTATIONS					
Net income	\$ 34,678	\$ 3,590	\$ 1,404	\$ 942	\$ 1,505
Average common shares outstanding	21,101,966	21,101,966	21,101,966	21,101,966	21,101,966
Less: Unearned ESOP shares	(841,526)	(866,193)	(937,585)	(977,561)	(1,002,041)
Unvested restricted stock shares	(16,822)	(16,822)	(18,572)	(25,750)	(25,750)
Weighted average common shares outstanding	20,243,618	20,218,951	20,145,809	20,098,655	20,074,175
Plus: Dilutive common shares equivalents	9,755	16,456	14,241	12,045	9,500
Weighted average dilutive common shares outstanding	20,253,373	20,235,407	20,160,050	20,110,700	20,083,675
Basic earnings per common share	\$ 1.72	\$ 0.17	\$ 0.07	\$ 0.05	\$ 0.08
Diluted earnings per common share	\$ 1.72	\$ 0.17	\$ 0.07	\$ 0.05	\$ 0.08

BANKFINANCIAL CORPORATION
NON-GAAP FINANCIAL MEASURES

BankFinancial Corporation, a Maryland corporation (“the Company”) utilizes a number of different financial measures, both GAAP and non-GAAP, in making operating, budgeting and planning decisions for future periods. Generally, a non-GAAP financial measure is a numerical measure of a company’s performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles in the United States, or GAAP. The Company believes that the use of the non-GAAP financial measures described below provides the Board of Directors and management, and may provide some investors, with a more complete understanding of the Company’s operating results and trends, and facilitate comparisons to historical and peer performance. The Company’s non-GAAP financial measures should be considered supplemental in nature and should not be considered in isolation, or as superior to or a substitute for, financial measures that are prepared in accordance with GAAP. In addition, the Company’s non-GAAP financial measures may differ from similar non-GAAP financial measures that are used by other companies, thus limiting their usefulness as a comparative tool.

These measures include pre-tax pre-provision earnings from core operations and pre-tax pre-provision earnings from core operations to average total assets. Management believes that by excluding gain on sale of owner-occupied and investor-owned one-to-four family residential loans that we designated as held for sale from noninterest income, and other real estate owned related income and expense items and nonperforming asset management expenses from noninterest expense, these measures better reflect our core operating performance.

BANKFINANCIAL CORPORATION
NON-GAAP FINANCIAL MEASURES
(Dollars in thousands, except per share) - (Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
Pre-tax pre-provision earnings from core operations				
Income before income taxes	\$ 3,283	\$ 1,505	\$ 9,297	\$ 3,298
Recovery of loan losses	(756)	(1,178)	(736)	(687)
	2,527	327	8,561	2,611
Adjustments:				
Gain on sale of owner-occupied and investor-owned one-to-four family residential loans designated as held for sale	—	—	—	(1,340)
Nonperforming asset management	219	607	838	2,638
Loss (gain) on sale of other real estate owned	75	(34)	35	148
Valuation adjustments of other real estate owned	46	79	438	550
Operations of other real estate owned	127	159	935	915
Adjustments	467	811	2,246	2,911
Pre-tax pre-provision earnings from core operations	\$ 2,994	\$ 1,138	\$ 10,807	\$ 5,522
Pre-tax pre-provision earnings from core operations to average total assets (1)	0.84%	0.31%	0.75%	0.38%

(1) Annualized

BANKFINANCIAL CORPORATION
NON-GAAP FINANCIAL MEASURES
(Dollars in thousands, except per share) - (Unaudited)

FOR THE LATEST FIVE QUARTERS

	2014				2013
	IVQ	IIIQ	IIQ	IQ	IVQ
Pre-tax pre-provision earnings from core operations					
Income before income taxes	\$ 3,283	\$ 3,626	\$ 1,429	\$ 959	\$ 1,505
Provision for (recovery of) loan losses	(756)	(1,413)	957	476	(1,178)
	2,527	2,213	2,386	1,435	327
Adjustments:					
Nonperforming asset management	219	418	97	104	607
Loss (gain) on sale of other real estate owned	75	52	(98)	6	(34)
Valuation adjustments of other real estate owned	46	315	33	44	79
Operations of other real estate owned	127	127	474	207	159
	467	912	506	361	811
Pre-tax pre-provision earnings from core operations	\$ 2,994	\$ 3,125	\$ 2,892	\$ 1,796	\$ 1,138
Pre-tax pre-provision earnings from core operations to average total assets (1)	0.84%	0.88%	0.80%	0.50%	0.31%

(1) Annualized