

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): March 1, 2006

BANKFINANCIAL CORPORATION

(Exact Name of Registrant as Specified in Charter)

Maryland	0-25233	75-3199276
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(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

15W060 North Frontage Road, Burr Ridge, Illinois	60527
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (630) 242-7700  
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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  
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On March 1, 2006, the Company issued a press release reporting earnings for the three months and for the year ended December 31, 2005. The press release is included as Exhibit 99 to this report. The information included in Exhibit 99 is considered to be "furnished" under the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits  
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The Index of Exhibits immediately precedes the attached exhibits.

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: March 1, 2006

By: /s/ F. Morgan Gasior

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F. Morgan Gasior  
Chairman of the Board, Chief Executive Officer  
and President

EXHIBIT INDEX

The following exhibits are furnished as part of this report:

Exhibit No. -----	Description -----
99	Press Release of BankFinancial Corporation

EXHIBIT 99

PRESS RELEASE OF BANKFINANCIAL CORPORATION

15W060 North Frontage Road  
Burr Ridge, Illinois 60527

FOR IMMEDIATE RELEASE

BankFinancial Corporation Reports Net Income of  
\$2.9 million, or \$0.13 per Share for Fourth Quarter of 2005.

Burr Ridge, Illinois - (March 1, 2006) BankFinancial Corporation (Nasdaq - BFIN) ("BankFinancial") today reported net income of \$2.9 million for the three months ended December 31, 2005, and basic earnings per share of \$0.13 for this three-month period. For the year ended December 31, 2005, BankFinancial reported net income of \$11.1 million, and basic earnings per share of \$0.29. BankFinancial's basic earnings per share for 2005 only reflect earnings during the period after June 23, 2005, the date of BankFinancial's mutual-to-stock conversion, because no common shares were outstanding before then.

#### Overview

Net income for the fourth quarter of 2005 was \$2.9 million, compared to \$3.7 million for the third quarter of 2005. Our third quarter net income was favorably affected by two non-recurring items - a tax recovery of \$473,000 and approximately \$150,000 in pre-tax net interest income on stock subscription order receipts relating to our mutual-to-stock conversion that we refunded during the third quarter. Our fourth quarter net income included a \$281,000 pre-tax expense relating to the accelerated amortization of a purchase accounting adjustment resulting from the pre-payment of a loan that we acquired in our acquisition of Success Bancshares. We also increased our allowance for loan and lease losses with a provision of \$524,000 in the fourth quarter primarily to support loan growth, compared to a \$334,000 provision in the third quarter.

Net loans receivable increased by \$96.2 million during the fourth quarter. We maintained our focus on deploying conversion proceeds into targeted loan categories such as multi-family real estate loans (an increase of \$37.3 million, or 15.4%), commercial leases (an increase of \$29.6 million, or 32.1%) and commercial loans (an increase of \$4.5 million, or 6.9%). This level of loan growth was caused in part by seasonal and market factors and is not necessarily indicative of future loan growth. Future loan growth could also be adversely affected by our unwillingness to compete for loans by relaxing our historical underwriting standards.

Our allowance for loan and lease losses totaled \$11.5 million at the end of the fourth quarter - an increase of approximately \$583,000 primarily due to fourth quarter loan growth - representing 0.93% of total loans and 201% of nonperforming loans. Our ratio of nonperforming loans to total loans declined from 0.63% in the third quarter to 0.46% in the fourth quarter.

We experienced some net interest margin compression in the fourth quarter due to the flat yield curve and highly competitive loan and deposit pricing in the Chicago banking market. Although the loan growth that we experienced improved interest income - yields on loans increased by 4 basis points and yield on earning assets increased by 17 basis points - this increase was surpassed by a 39 basis point increase in our deposit costs. As a result, our net interest margin declined 4 basis points from 3.65% in the third quarter to 3.61% in the

fourth quarter, and our net interest rate spread declined 16 basis points from 3.07% in the third quarter to 2.91% in the fourth quarter. The accelerated purchase accounting adjustment that we recorded in the fourth quarter reduced our net interest rate spread by 7 basis points, while the net interest earned on subscription order receipts in the third quarter added 4 basis points to our third quarter net interest margin and interest rate spread.

Our noninterest expense increased \$119,000, or 1.0%, in the fourth quarter. The increase was due in substantial part to increases in utility and real estate tax expenses, advertising expenses relating to deposit origination initiatives, and information technology expenses relating to the design and implementation of enhancements to our corporate performance management and reporting systems. Partially offsetting these increases were declines in consulting, legal and other expenses.

Our net income was \$11.1 million for the year ended December 31, 2005, compared to net income of \$1.5 million in 2004. Our 2004 net income was unfavorably affected by impairment charges that we recorded on Fannie Mae and Freddie Mac floating rate preferred stocks and yield adjustment amortization expenses resulting from our prepayment of certain Federal Home Loan Bank advances. Our mutual-to-stock conversion was completed on June 23, 2005, and our financial condition and results of operation after that date include the favorable impact of the net proceeds of the conversion. Our 2005 net income includes pre-tax compensation expenses in the amount of \$718,000 relating to the ESOP that we established in connection with the conversion.

We entered into an agreement during the fourth quarter to acquire University National Bank, a privately held community bank with \$111 million in assets located in the Hyde Park community of Chicago. The transaction is

presently scheduled to close in the second quarter of 2006. We expect University National Bank's strong core deposit base and low loan to deposit ratio will help mitigate future net interest margin compression pressures.

Conference Call

BankFinancial's executive management will hold a conference call to discuss the contents of this news release, as well as business and financial highlights, on Friday, March 3, 2006, at 9:30 a.m. CST. The telephone number for the conference call is 866-700-0133 and the participant passcode is 50155679. The conference call will also be available by webcast within the Stockholder Information section of the company's web site: [www.bankfinancial.com](http://www.bankfinancial.com).

About BankFinancial

BankFinancial Corporation is the holding company for BankFinancial F.S.B., a full-service, community-oriented savings bank providing financial services to individuals, families and businesses through our 16 full-service banking offices, located in Cook, DuPage, Lake and Will counties, Illinois. At December 31, 2005, BankFinancial Corporation had total assets of \$1.6 billion, total deposits of \$1.1 billion and stockholders' equity of \$329 million. BankFinancial Corporation's common stock is listed on the Nasdaq National Market under the symbol BFIN. Additional information may be found at the company's web site, [www.bankfinancial.com](http://www.bankfinancial.com).

Safe Harbor

Certain statements made in this release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this release, the words "may," "will," "should," "would," "anticipate," "estimate," "expect," "plan," "believe," "intend," and similar expressions identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from the results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following without limitation: general, regional, and local economic conditions and their effect on interest rates, the company and its customers; credit risks and risks from concentrations (geographic and by industry) within the loan portfolio; changes in regulations or accounting policies affecting financial institutions; the costs and effects of litigation and of unexpected or adverse outcomes of such litigation; technological changes; acquisitions and integration of acquired business; the failure of assumptions underlying the establishment of resources for loan losses and estimations of values of collateral and various financial assets and liabilities; the outcome of efforts to manage interest rate or liquidity risk; competition; and acts of war or terrorism. The Company undertakes no obligation to release revisions to these forward-looking statements or to reflect events or conditions occurring after the date of this release.

For Further Information

Shareholders, Analysts and Investors:  
Terence C. Wise  
Vice President - Investor Relations  
BankFinancial Corporation  
Telephone: 630-242-7151

Media:  
Gregg T. Adams  
Executive Vice President  
- Marketing and Sales  
BankFinancial Corporation  
Telephone: 630-242-7226

BANKFINANCIAL CORPORATION  
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION  
(Dollars in thousands; except per share) - (Unaudited)

	December 31, 2005	December 31, 2004
	-----	-----
<b>ASSETS</b>		
Cash and due from other financial institutions	\$ 34,437	\$ 27,867
Interest-bearing deposits in other financial institutions	3,589	1,431
	-----	-----
Cash and cash equivalents	38,026	29,298
Securities available-for-sale, at fair value	248,238	268,093
Loans held-for-sale	375	5,531
Loans receivable, net of allowance for loan losses:		
December 31, 2005, \$11,514; and December 31, 2004, \$11,019	1,231,891	1,091,952
Stock in Federal Home Loan Bank, at cost	25,434	24,226
Premises and equipment, net	32,819	32,954
Accrued interest receivable	6,598	5,420
Goodwill	10,865	10,865

Core deposit intangible	8,248	9,882
Other assets	11,942	14,561
	-----	-----
Total assets	\$ 1,614,436	\$ 1,492,782
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits	1,067,874	1,115,696
Borrowings	191,388	264,742
Advance payments by borrowers taxes and insurance	7,969	7,074
Accrued interest payable and other liabilities	18,428	10,382
	-----	-----
Total liabilities	1,285,659	1,397,894
Commitments and contingent liabilities		
Stockholders' equity		
Preferred Stock, \$0.01 par value, 25,000,000 shares authorized, none issued or outstanding	-	-
Common Stock, \$0.01 par value, 100,000,000 shares authorized, 24,466,250 shares issued and outstanding, at December 31, 2005, none issued and outstanding at December 31, 2004	245	-
Additional paid-in capital	240,235	-
Retained earnings, substantially restricted	107,528	96,455
Unearned Employee Stock Ownership Plan shares	(19,084)	-
Accumulated other comprehensive loss	(147)	(1,567)
	-----	-----
Total stockholders' equity	328,777	94,888
	-----	-----
Total liabilities and stockholders' equity	\$ 1,614,436	\$ 1,492,782
	=====	=====

BANKFINANCIAL CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME  
(Dollars in thousands; except per share) - (Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2005	2004	2005	2004
Interest and dividend income				
Loans, including fees	\$ 18,097	\$ 14,981	\$ 66,328	\$ 56,630
Securities	2,659	2,239	11,640	8,144
Other	354	379	1,954	1,524
Total interest income	21,110	17,599	79,922	66,298
Interest expense				
Deposits	5,852	4,233	20,598	14,198
Borrowings	1,702	1,994	8,204	9,272
Total interest expense	7,554	6,227	28,802	23,470
Net interest income	13,556	11,372	51,120	42,828
Provision (credit) for loan losses	524	190	518	(22)
Net interest income after provision (credit) for loan losses	13,032	11,182	50,602	42,850
Noninterest income				
Fees and service charges	1,557	1,491	5,950	5,503
Insurance commissions and annuities income	242	221	848	782
Gain on sale of loans	27	105	206	321
Gain on sale of securities	-	180	-	599
Loan servicing fees	249	265	1,031	987
Amortization and impairment of servicing assets	18	(257)	(508)	(772)
Operations of real estate owned	-	22	4	509
Other	441	367	1,424	1,129
Total noninterest income	2,534	2,394	8,955	9,058
Noninterest expense				
Compensation and benefits	7,398	6,388	28,227	25,875
Office occupancy and equipment	1,377	1,306	5,058	5,112
Advertising and public relations	216	215	841	856
Data processing	814	718	2,967	2,765
Supplies, telephone, and postage	468	486	1,901	1,961
Amortization of intangibles	405	422	1,634	1,701
Loss on impairment of securities available for sale	-	3,293	-	8,793
Other	832	909	3,578	3,652
Total noninterest expense	11,510	13,737	44,206	50,715
Income (loss) before income taxes	4,056	(161)	15,351	1,193
Income tax expense (benefit)	1,137	(257)	4,278	(264)
Net income	\$ 2,919	\$ 96	\$ 11,073	\$ 1,457
Earnings per basic share	\$ 0.13	N.A.	0.29	N.A.

N.A. = not applicable



BANKFINANCIAL CORPORATION  
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY AND  
COMPREHENSIVE INCOME (LOSS)  
(Dollars in thousands) - (Unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Unearned Employee Stock Ownership Plan Shares	Accumulated Other Comprehensive Income (Loss)	Total	Comprehensiv Income (Loss)
	-----	-----	-----	-----	-----	-----	-----
Balance at December 31, 2003	\$ -	\$ -	\$94,998	\$ -	\$ 1,689	\$ 96,687	
Comprehensive loss							
Net income	-	-	1,457	-	-	1,457	\$ 1,457
Change in other comprehensive loss, net of tax effects	-	-	-	-	(3,256)	(3,256)	(3,256)
Total comprehensive loss							\$ (1,799) =====
Balance at December 31, 2004	\$ -	\$ -	\$96,455	\$ -	\$ (1,567)	\$ 94,888	
Comprehensive income							
Net income	-	-	11,073	-	-	11,073	\$ 11,073
Change in other comprehensive income, net of tax effects	-	-	-	-	1,420	1,420	1,420
Total comprehensive income							\$ 12,493 =====
Net proceeds from common stock issued	245	240,007	-	(19,573)	-	220,679	
ESOP shares earned	-	228	-	489	-	717	
Balance at December 31, 2005	\$ 245 =====	\$ 240,235 =====	107,528 =====	\$(19,084) =====	\$ (147) =====	\$ 328,777 =====	

BANKFINANCIAL CORPORATION  
AVERAGE BALANCE SHEET AND NET INTEREST MARGIN  
Three Months Ended December 31, 2005 and 2004  
(Dollars in thousands) - (Unaudited)

	Three months ended December 31, 2005			Three months ended December 31, 2004		
	Average Outstanding Balance	Interest	Yield/Rate(1)	Average Outstanding Balance	Interest	Yield/Rate(1)
	-----	-----	-----	-----	-----	-----
Interest-earning assets:						
Loans	\$1,197,545	\$ 18,097	6.04%	\$1,095,117	\$ 14,981	5.47%
Securities available-for-sale	266,167	2,659	4.00	267,589	2,239	3.35
Stock in FHLB	25,311	237	3.75	24,047	357	5.94
Other	12,182	117	3.84	4,411	22	2.00
	-----	-----	-----	-----	-----	-----
Total interest-earning assets	1,501,205	21,110	5.62	1,391,164	17,599	5.06
	-----	-----	-----	-----	-----	-----
Noninterest-earning assets	72,662			84,843		
	-----			-----		
Total assets	\$1,573,867			\$1,476,007		
	=====			=====		
Interest-bearing liabilities:						
Savings deposits	\$ 120,373	239	0.79	\$ 131,193	254	0.77
Money market deposits	246,569	2,123	3.44	209,671	980	1.87
NOW deposits	216,246	653	1.21	225,632	408	0.72
Certificates of deposit	348,707	2,837	3.25	448,133	2,591	2.31
	-----	-----	-----	-----	-----	-----
Total deposits	931,895	5,852	2.51	1,014,629	4,233	1.67
Borrowings	182,613	1,702	3.73	242,543	1,994	3.29
	-----	-----	-----	-----	-----	-----
Total interest-bearing liabilities	1,114,508	7,554	2.71	1,257,172	6,227	1.98
	-----	-----	-----	-----	-----	-----
Noninterest-bearing liabilities	132,810			124,204		
	-----			-----		
Total liabilities	1,247,318			1,381,376		
Equity	326,549			94,631		
	-----			-----		
Total liabilities and equity	\$1,573,867			\$1,476,007		
	=====			=====		
Net interest income		\$ 13,556			\$ 11,372	
		=====			=====	
Net interest rate spread (2)			2.91%			3.08%
Net interest-earning assets (3)	\$ 386,697			\$ 133,992		
	=====			=====		
Net interest margin (4)			3.61%			3.27%
Ratio of interest-earning assets to interest-bearing liabilities	134.70%			110.66%		

(1) Annualized.

(2) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.

(3) Net interest-earning assets represents total interest-earning assets less total interest-bearing liabilities.

(4) Net interest margin represents net interest income divided by average total interest-earning assets.

BANKFINANCIAL CORPORATION  
AVERAGE BALANCE SHEET AND NET INTEREST MARGIN  
Three Months Ended December 31, 2005 and September 30, 2005  
(Dollars in thousands) - (Unaudited)

	Three months ended December 31, 2005			Three months ended September 30, 2005		
	Average Outstanding Balance	Interest	Yield/Rate(1)	Average Outstanding Balance	Interest	Yield/Rate(1)
<b>Interest-earning assets:</b>						
Loans	\$1,197,545	\$18,097	6.04%	\$1,130,131	\$ 16,950	6.00%
Securities available-for-sale	266,167	2,659	4.00	337,098	3,229	3.83
Stock in FHLB	25,311	237	3.75	25,043	308	4.92
Other	12,182	117	3.84	27,962	228	3.26
	-----	-----	-----	-----	-----	-----
Total interest-earning assets	1,501,205	21,110	5.62	1,520,234	20,715	5.45
	-----	-----	-----	-----	-----	-----
Noninterest-earning assets	72,662			87,043		
	-----			-----		
Total assets	\$1,573,867			\$1,607,277		
	=====			=====		
<b>Interest-bearing liabilities:</b>						
Savings deposits	\$ 120,373	239	0.79	\$ 125,949	249	0.79
Money market deposits	246,569	2,123	3.44	222,645	1,578	2.84
NOW deposits	216,246	653	1.21	239,294	583	0.97
Certificates of deposit	348,707	2,837	3.25	369,352	2,672	2.89
	-----	-----	-----	-----	-----	-----
Total deposits	931,895	5,852	2.51	957,240	5,082	2.12
Borrowings	182,613	1,702	3.73	191,076	1,755	3.67
	-----	-----	-----	-----	-----	-----
Total interest-bearing liabilities	1,114,508	7,554	2.71	1,148,316	6,837	2.38
	-----	-----	-----	-----	-----	-----
Noninterest-bearing liabilities	132,810			134,903		
	-----			-----		
Total liabilities	1,247,318			1,283,219		
Equity	326,549			324,058		
	-----			-----		
Total liabilities and equity	\$1,573,867			\$1,607,277		
	=====			=====		
Net interest income		\$13,556			\$ 13,878	
		=====			=====	
Net interest rate spread (2)			2.91%			3.07%
Net interest-earning assets (3)	\$ 386,697			\$ 371,918		
	=====			=====		
Net interest margin (4)			3.61%			3.65%
Ratio of interest-earning assets to interest-bearing liabilities	134.70%			132.39%		

(1) Annualized.

(2) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.

(3) Net interest-earning assets represents total interest-earning assets less total interest-bearing liabilities.

(4) Net interest margin represents net interest income divided by average total interest-earning assets.

BANKFINANCIAL CORPORATION  
AVERAGE BALANCE SHEET AND NET INTEREST MARGIN  
Years Ended December 31, 2005 and 2004  
(Dollars in thousands) - (Unaudited)

	Year ended December 31, 2005			Year ended December 31, 2004		
	Average Outstanding Balance	Interest	Yield/Rate	Average Outstanding Balance	Interest	Yield/Rate
<b>Interest-earning assets:</b>						
Loans	\$1,131,374	\$ 66,328	5.86%	\$1,091,293	\$ 56,630	5.19%
Securities available-for-sale	315,379	11,640	3.69	255,999	8,144	3.18
Stock in FHLB	24,870	1,208	4.86	23,521	1,420	6.04
Other	24,219	746	3.08	9,022	104	1.15
<b>Total interest-earning assets</b>	<b>1,495,842</b>	<b>79,922</b>	<b>5.34</b>	<b>1,379,835</b>	<b>66,298</b>	<b>4.80</b>
<b>Noninterest-earning assets</b>	<b>88,837</b>			<b>86,107</b>		
<b>Total assets</b>	<b>\$1,584,679</b>			<b>\$1,465,942</b>		
<b>Interest-bearing liabilities:</b>						
Savings deposits	\$ 128,867	1,005	0.78	\$ 134,491	825	0.61
Money market deposits	223,334	6,350	2.84	181,596	2,667	1.47
NOW deposits	268,404	2,290	0.85	232,193	1,249	0.54
Certificates of deposit	391,883	10,953	2.79	449,218	9,457	2.11
<b>Total deposits</b>	<b>1,012,488</b>	<b>20,598</b>	<b>2.03</b>	<b>997,498</b>	<b>14,198</b>	<b>1.42</b>
Borrowings	229,355	8,204	3.58	251,331	9,272	3.69
<b>Total interest-bearing liabilities</b>	<b>1,241,843</b>	<b>28,802</b>	<b>2.32</b>	<b>1,248,829</b>	<b>23,470</b>	<b>1.88</b>
<b>Noninterest-bearing liabilities</b>	<b>129,204</b>			<b>122,616</b>		
<b>Total liabilities</b>	<b>1,371,047</b>			<b>1,371,445</b>		
Equity	213,632			94,497		
<b>Total liabilities and equity</b>	<b>\$1,584,679</b>			<b>\$1,465,942</b>		
<b>Net interest income</b>		<b>\$ 51,120</b>			<b>\$ 42,828</b>	
<b>Net interest rate spread (1)</b>			<b>3.02%</b>			<b>2.92%</b>
<b>Net interest-earning assets (2)</b>	<b>\$ 253,999</b>			<b>\$ 131,006</b>		
<b>Net interest margin (3)</b>			<b>3.42%</b>			<b>3.10%</b>
<b>Ratio of interest-earning assets to interest-bearing liabilities</b>	<b>120.45%</b>			<b>110.49%</b>		

- (1) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.
- (2) Net interest-earning assets represents total interest-earning assets less total interest-bearing liabilities.
- (3) Net interest margin represents net interest income divided by average total interest-earning assets.

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

PERFORMANCE MEASUREMENTS:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
Return on assets (ratio of net income to average total assets)	0.74%	0.92%	0.68%	0.44%	0.03%
Return on equity (ratio of net income to average equity)	3.58	4.56	9.12	6.65	0.41
Net interest rate spread	2.91	3.07	2.96	2.99	3.08
Net interest margin	3.61	3.65	3.18	3.19	3.27
Efficiency ratio	71.54	69.41	72.87	82.15	99.79
Noninterest expense to average total assets	2.93	2.83	2.55	2.88	3.72
Average interest-earning assets to average interest-bearing liabilities	134.70	132.39	111.42	110.21	110.66
Offices	16	16	16	16	16
Employees (full time equivalents)	451	449	429	442	446

SUMMARY INCOME STATEMENT:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
Total interest income	\$ 21,110	\$ 20,715	\$ 20,055	\$ 18,042	\$ 17,599
Total interest expense	7,554	6,837	7,577	6,834	6,227
Net interest income before provision	13,556	13,878	12,478	11,208	11,372
Provision (credit) for loan losses	524	334	(264)	(76)	190
Net interest income	13,032	13,544	12,742	11,284	11,182
Noninterest income	2,534	2,534	2,035	1,852	2,394
Noninterest expense	11,510	11,391	10,576	10,729	13,737
Income (loss) before income tax	4,056	4,687	4,201	2,407	(161)
Income tax expense (benefit)	1,137	990	1,380	771	(257)
Net income	\$ 2,919	\$ 3,697	\$ 2,821	\$ 1,636	\$ 96
Earnings per basic share	\$ 0.13	\$ 0.16	N.M.	N.A.	N.A.

N.M. = not meaningful; N.A. = not applicable

NONINTEREST INCOME AND EXPENSE:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
Noninterest Income:					
Fee income	\$ 1,557	\$ 1,623	\$ 1,489	\$ 1,281	\$ 1,491
Insurance commissions and annuities income	242	265	229	112	221
Gain on sales of loans	27	50	46	83	105
Gain on sales of investment securities	-	-	-	-	180
Loan servicing fee income	249	257	262	263	265
Amortization and impairment of servicing Assets	18	(73)	(328)	(125)	(257)
REO operations	-	(1)	(3)	8	22
Other	441	413	340	230	367
Total noninterest income	\$ 2,534	\$ 2,534	\$ 2,035	\$ 1,852	\$ 2,394
Noninterest Expense:					
Compensation	\$ 7,398	\$ 7,335	\$ 6,557	\$ 6,937	\$ 6,388
Office occupancy	1,377	1,275	1,191	1,215	1,306
Advertising	216	177	238	210	215
Data processing	814	777	710	666	718
Supplies, telephone and postage	468	490	450	493	486
Amortization of intangibles	405	410	409	410	422
Loss on impairment of securities available for sale	-	-	-	-	3,293
Other general & administrative	832	927	1,021	798	909
Total noninterest expenses	\$ 11,510	\$ 11,391	\$ 10,576	\$ 10,729	\$ 13,737

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

SUMMARY BALANCE SHEET:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>ASSETS:</b>					
Cash	\$ 34,437	\$ 28,016	\$ 26,035	\$ 27,096	\$ 27,867
Interest-bearing deposits and short term					
Investments	3,589	54,373	87,720	1,484	1,431
Securities available for sale, net	248,238	258,981	476,702	274,506	268,093
Loans held for sale	375	523	1,042	5,737	5,531
Loans receivable, net	1,231,891	1,135,709	1,100,119	1,090,316	1,091,952
Federal Home Loan Bank stock	25,434	25,197	24,889	24,558	24,226
Premises and equipment	32,819	32,810	33,008	33,046	32,954
Intangible assets	19,113	19,518	19,928	20,337	20,747
Other assets	18,540	17,953	17,280	18,417	19,981
<b>Total assets</b>	<b>\$1,614,436</b>	<b>\$1,573,080</b>	<b>\$1,786,723</b>	<b>\$1,495,497</b>	<b>\$1,492,782</b>

<b>LIABILITIES AND EQUITY:</b>					
Deposits	\$1,067,874	\$1,044,242	\$1,230,945	\$1,108,637	\$1,115,696
Borrowings	191,388	181,252	213,775	272,073	264,742
Other liabilities	26,397	22,260	19,823	15,778	17,456
<b>Total liabilities</b>	<b>1,285,659</b>	<b>1,247,754</b>	<b>1,464,543</b>	<b>1,396,488</b>	<b>1,397,894</b>
Stockholders' equity	328,777	325,326	322,180	99,009	94,888
<b>Total liabilities and equity</b>	<b>\$1,614,436</b>	<b>\$1,573,080</b>	<b>\$1,786,723</b>	<b>\$1,495,497</b>	<b>\$1,492,782</b>

CAPITAL RATIOS:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>BankFinancial Corporation:</b>					
Equity to total assets (end of period)	20.36%	20.68%	18.03%	6.62%	6.36%
Tangible equity to total assets (end of period)	19.41	19.68	17.11	5.33	5.04
<b>BankFinancial FSB:</b>					
Risk-based total capital ratio	19.01	19.91	19.75	10.50	10.35
Risk-based tier 1 capital ratio	18.21	19.11	18.96	9.68	9.53
Tier 1 leverage ratio	13.82	13.96	12.05	7.24	7.12

TOTAL DEPOSITS:	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
Non-interest-bearing demand	\$ 117,443	\$ 109,022	\$ 281,227	\$ 104,893	\$ 104,448
Interest-bearing NOW	227,893	219,457	222,759	227,764	232,968
Money market	248,871	236,285	210,251	209,617	205,933
Savings	123,260	122,783	130,761	132,933	132,009
Certificates of deposit	350,407	356,695	385,947	433,430	440,338
<b>Total deposits</b>	<b>\$1,067,874</b>	<b>\$1,044,242</b>	<b>\$1,230,945</b>	<b>\$1,108,637</b>	<b>\$1,115,696</b>

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

	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>LOANS:</b>					
One- to four-family residential real estate	\$ 404,196	\$ 395,499	\$ 363,952	\$ 357,661	\$ 362,701
Multi-family mortgage loans	280,238	242,910	236,467	239,363	241,713
Nonresidential real estate	275,418	266,898	271,949	276,330	277,380
Construction and land loans	80,705	74,523	77,070	68,606	59,369
Commercial loans	68,988	64,527	62,977	60,904	63,727
Commercial leases	121,898	92,268	87,427	87,352	86,362
Consumer loans	2,022	1,975	2,391	2,638	2,755
Other loans (including municipal)	5,219	5,492	5,754	5,785	6,044
<b>Total loans</b>	<b>1,238,684</b>	<b>1,144,092</b>	<b>1,107,987</b>	<b>1,098,639</b>	<b>1,100,051</b>
Loans in process	2,541	193	604	457	824
Net deferred loan origination costs	2,180	2,355	2,124	2,161	2,096
Allowance for loan losses	(11,514)	(10,931)	(10,596)	(10,941)	(11,019)
<b>Loans, net</b>	<b>\$1,231,891</b>	<b>\$1,135,709</b>	<b>\$1,100,119</b>	<b>\$1,090,316</b>	<b>\$1,091,952</b>

	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>CREDIT QUALITY RATIOS:</b>					
<b>Nonperforming Loans and Assets:</b>					
Nonperforming loans	\$ 5,723	\$ 7,280	\$ 6,873	\$ 6,176	\$ 6,524
Real estate owned	153	-	-	-	-
<b>Nonperforming assets</b>	<b>\$ 5,876</b>	<b>\$ 7,280</b>	<b>\$ 6,873</b>	<b>\$ 6,176</b>	<b>\$ 6,524</b>
<b>Asset Quality Ratios:</b>					
Nonperforming assets to total assets	0.36%	0.46%	0.38%	0.41%	0.44%
Nonperforming loans to total loans	0.46	0.63	0.62	0.56	0.59
Allowance for loan losses to nonperforming loans	201.19	150.15	154.17	177.15	168.90
Allowance for loan losses to total loans	0.93	0.96	0.96	1.00	1.00
Net charge-off ratio	(0.02)	0.00	0.03	0.00	0.01

	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>ALLOWANCE FOR LOAN LOSSES:</b>					
Beginning balance	\$ 10,931	\$ 10,596	\$ 10,941	\$ 11,019	\$ 10,850
Provision (credit) for loan losses	524	334	(264)	(76)	190
Loans charged off	(29)	(1)	(82)	(3)	(22)
Recoveries	88	2	1	1	1
<b>Ending balance</b>	<b>\$ 11,514</b>	<b>\$ 10,931</b>	<b>\$ 10,596</b>	<b>\$ 10,941</b>	<b>\$ 11,019</b>

BANKFINANCIAL CORPORATION  
 SELECTED FINANCIAL AND STATISTICAL DATA  
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	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>SELECTED AVERAGE BALANCES:</b>					
Average total assets	\$1,573,867	\$1,607,277	\$1,661,506	\$1,491,570	\$1,476,007
Average earning assets	1,501,205	1,520,234	1,568,763	1,403,804	1,391,164
Average total loans	1,197,545	1,130,131	1,104,190	1,104,598	1,095,117
Average investment securities	291,478	362,141	411,386	295,796	291,636
Average other earning assets	12,182	27,962	53,187	3,410	4,411
Average interest-bearing deposits	\$ 931,895	\$ 957,240	\$1,161,106	\$1,000,877	\$1,014,629
Average total borrowings	182,613	191,076	246,861	272,888	242,543
Average interest-bearing liabilities	1,114,508	1,148,316	1,407,967	1,273,765	1,257,172
Average total stockholders' equity	326,549	324,058	123,714	98,420	94,631

	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>SELECTED YIELDS AND COST OF FUNDS:</b>					
Average earning assets	5.62%	5.45%	5.11%	5.14%	5.06%
Average total loans	6.04	6.00	5.75	5.58	5.47
Average investment securities	3.97	3.91	3.69	3.55	3.56
Average other earning assets	3.84	3.26	2.90	1.64	2.00
Average interest-bearing deposits	2.51	2.12	1.79	1.79	1.67
Average total borrowings	3.73	3.67	3.86	3.46	3.29
Average interest-bearing liabilities	2.71	2.38	2.15	2.15	1.98
Interest rate spread	2.91	3.07	2.96	2.99	3.08
Net interest margin	3.61	3.65	3.18	3.19	3.27

	2005				2004
	IVQ	IIIQ	IIQ	IQ	IVQ
<b>EARNINGS PER SHARE COMPUTATIONS:</b>					
Net income	\$ 2,919	\$ 3,697	\$ 2,821	\$ 1,636	\$ 96
Less: net income before conversion	-	-	2,821	1,636	96
Net income available to common stockholders	\$ 2,919	\$ 3,697	\$ -	\$ -	\$ -
Average common shares outstanding	24,466,250	24,466,250	N.M.	N.A.	N.A.
Less: unearned ESOP shares	(1,920,152)	(1,935,652)	N.M.	N.A.	N.A.
Weighted average common shares outstanding	22,546,098	22,530,598	N.M.	N.A.	N.A.
Earnings per basic share	\$ 0.13	\$ 0.16	N.M.	N.A.	N.A.

N.M. = not meaningful N.A. = not applicable



