

Standard Financial Corp.
Consolidated Statements of Financial Condition
(Dollars in thousands except share and per share data)

	December 31, 2013 (Unaudited)	September 30, 2013
ASSETS		
Cash on hand and due from banks	\$ 2,631	\$ 2,559
Interest-earning deposits in other institutions	4,676	12,432
Cash and Cash Equivalents	7,307	14,991
Certificates of deposit	1,000	1,000
Investment securities available for sale	61,348	64,052
Mortgage-backed securities available for sale	38,234	29,701
Federal Home Loan Bank stock, at cost	2,769	2,757
Loans receivable, net of allowance for loan losses of \$4,207 and \$3,875	290,348	293,664
Loans held for sale	125	-
Foreclosed real estate	1,063	607
Office properties and equipment, net	3,620	3,586
Bank-owned life insurance	13,831	13,722
Goodwill	8,769	8,769
Core deposit intangible	309	351
Accrued interest receivable and other assets	3,378	3,671
TOTAL ASSETS	\$ 432,101	\$ 436,871
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Demand, savings and club accounts	\$ 193,929	\$ 195,628
Certificate accounts	129,164	130,497
Total Deposits	323,093	326,125
Federal Home Loan Bank advances	28,873	28,892
Securities sold under agreements to repurchase	3,099	4,194
Advance deposits by borrowers for taxes and insurance	45	547
Securities purchased not settled	500	-
Accrued interest payable and other liabilities	3,596	2,556
TOTAL LIABILITIES	359,206	362,314
Stockholders' Equity		
Preferred stock, \$0.01 par value per share, 10,000,000 shares authorized, none issued	-	-
Common stock, \$0.01 par value per share, 40,000,000 shares authorized, 2,990,997 and 3,111,297 shares outstanding, respectively	30	31
Additional paid-in-capital	23,234	25,327
Retained earnings	51,830	51,187
Unearned Employee Stock Ownership Plan (ESOP) shares	(2,452)	(2,490)
Accumulated other comprehensive income	253	502
TOTAL STOCKHOLDERS' EQUITY	72,895	74,557
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 432,101	\$ 436,871

Standard Financial Corp.
Consolidated Statements of Income
(Dollars in thousands except share and per share data)
(Unaudited)

	Quarter ended December 31,	
	2013	2012
Interest and Dividend Income		
Loans, including fees	\$ 3,282	\$ 3,463
Mortgage-backed securities	158	200
Investment securities:		
Taxable	161	171
Tax-exempt	231	222
Interest-earning deposits and federal funds sold	1	2
Total Interest and Dividend Income	3,833	4,058
Interest Expense		
Deposits	827	863
Federal Home Loan Bank advances	79	154
Securities sold under agreements to repurchase	1	1
Total Interest Expense	907	1,018
Net Interest Income	2,926	3,040
Provision for Loan Losses	-	225
Net Interest Income after Provision for Loan Losses	2,926	2,815
Noninterest Income		
Service charges	465	442
Earnings on bank-owned life insurance	127	114
Net securities gains (losses)	20	(1)
Net loan sale gains	11	88
Annuity and mutual fund fees	48	34
Other income	24	9
Total Noninterest Income	695	686
Noninterest Expenses		
Compensation and employee benefits	1,558	1,530
Data processing	109	99
Premises and occupancy costs	293	277
Core deposit amortization	42	42
Automatic teller machine expense	78	79
Federal deposit insurance	56	70
Other operating expenses	420	348
Total Noninterest Expenses	2,556	2,445
Income before Income Tax Expense	1,065	1,056
Income Tax Expense	296	302
Net Income	\$ 769	\$ 754
Basic and diluted earnings per common share	\$ 0.28	\$ 0.24
Cash dividends paid per common share	\$ 0.045	\$ 0.045
Basic weighted average shares outstanding	2,718,355	3,100,604
Diluted weighted average shares outstanding	2,735,832	3,100,604

Standard Financial Corp.
Consolidated Statements of Cash Flows
(Dollars in thousands)
(Unaudited)

	Quarter Ended December 31,	
	2013	2012
Cash Flows from Operating Activities		
Net income	\$ 769	\$ 754
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	226	231
Provision for loan losses	-	225
Net (gain) loss on securities	(20)	1
Origination of loans held for sale	(829)	(2,054)
Proceeds from sale of loans held for sale	715	2,417
Net loan sale gains	(11)	(88)
Compensation expense on ESOP	67	63
Compensation expense on stock awards	113	113
Deferred income taxes	(32)	99
Decrease in accrued interest receivable and other assets	454	34
Decrease in prepaid Federal deposit insurance	-	62
Earnings on bank-owned life insurance	(127)	(114)
Increase (decrease) in accrued interest payable and other liabilities	1,040	(193)
Other, net	19	(51)
Net Cash Provided by Operating Activities	2,384	1,499
Cash Flows Provided by (Used in) Investing Activities		
Net decrease in loans receivable	2,723	278
Purchases of investment securities	(1,005)	(8,912)
Purchases of mortgage-backed securities	(10,434)	-
Proceeds from maturities/principal repayments/calls of investment securities	3,956	6,959
Proceeds from maturities/principal repayments of mortgage-backed securities	1,671	3,356
Proceeds from sales of investment securities	48	36
Purchase of Federal Home Loan Bank stock	(24)	(58)
Redemption of Federal Home Loan Bank stock	12	74
Purchases of bank-owned life insurance	-	(3,000)
Proceeds from sales of foreclosed real estate	135	217
Net purchases of office properties and equipment	(140)	(32)
Net Cash Used in Investing Activities	(3,058)	(1,082)
Cash Flows (Used in) Provided by Financing Activities		
Net decrease in demand, savings and club accounts	(1,699)	(4,642)
Net decrease in certificate accounts	(1,333)	(1,659)
Net (decrease) increase in securities sold under agreements to repurchase	(1,095)	1,222
Repayments of Federal Home Loan Bank advances	(19)	(2,489)
Decrease in advance deposits by borrowers for taxes and insurance	(502)	(71)
Dividends paid	(126)	(110)
Stock repurchases	(2,236)	(1,256)
Net Cash Used in Financing Activities	(7,010)	(9,005)
Net Decrease in Cash and Cash Equivalents	(7,684)	(8,588)
Cash and Cash Equivalents - Beginning	14,991	18,774
Cash and Cash Equivalents - Ending	\$ 7,307	\$ 10,186
Supplementary Cash Flows Information		
Interest paid	\$ 900	\$ 998
Income taxes paid	\$ 34	\$ 286
Supplementary Schedule of Noncash Investing and Financing Activities		
Foreclosed real estate acquired in settlement of loans	\$ 593	\$ 83
Securities purchased not settled	\$ 500	\$ -

Standard Financial Corp.
Consolidated Statement of Changes in Stockholders' Equity
(Dollars in thousands except share and per share data)
(Unaudited)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Unearned ESOP Shares	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance, September 30, 2013	\$ 31	\$ 25,327	\$ 51,187	\$ (2,490)	\$ 502	\$ 74,557
Net income	-	-	769	-	-	769
Other comprehensive loss	-	-	-	-	(249)	(249)
Stock repurchases (120,300 shares)	(1)	(2,235)	-	-	-	(2,236)
Cash dividends (\$0.045 per share)	-	-	(126)	-	-	(126)
Compensation expense on stock awards	-	113	-	-	-	113
Compensation expense on ESOP	-	29	-	38	-	67
Balance, December 31, 2013	<u>\$ 30</u>	<u>\$ 23,234</u>	<u>\$ 51,830</u>	<u>\$ (2,452)</u>	<u>\$ 253</u>	<u>\$ 72,895</u>

Standard Financial Corp.
Stock Repurchases During the Current Quarter
(Unaudited)

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum number of Shares That May Yet Be Purchased Under the Plans or Programs
October 1-31, 2013	84,200	\$ 18.56	84,200	125,624
November 1-30, 2013	-	-	-	125,624
December 1-31, 2013	36,100	18.64	36,100	89,524
Total	<u>120,300</u>	<u>\$ 18.59</u>	<u>120,300</u>	

Standard Financial Corp.
Average Balance and Yield Table
(Dollars in thousands)
(Unaudited)

For the Three Months Ended December 31,

	2013			2012		
	Average Outstanding Balance	Interest	Yield/ Rate	Average Outstanding Balance	Interest	Yield/ Rate
	(Dollars in thousands)					
Interest-earning assets:						
Loans	\$ 295,473	\$ 3,282	4.44%	\$ 295,873	\$ 3,463	4.68%
Investment and mortgage-backed securities	96,544	550	2.28%	101,534	593	2.34%
Interest earning deposits	<u>9,505</u>	<u>1</u>	0.04%	<u>9,330</u>	<u>2</u>	0.09%
Total interest-earning assets	401,522	<u>3,833</u>	3.82%	406,737	<u>4,058</u>	3.99%
Noninterest-earning assets	<u>34,397</u>			<u>31,428</u>		
Total assets	<u>\$ 435,919</u>			<u>\$ 438,165</u>		
Interest-bearing liabilities:						
Savings accounts	\$ 110,683	60	0.22%	\$ 109,605	37	0.14%
Certificates of deposit	130,098	746	2.29%	137,268	810	2.36%
Money market accounts	8,264	2	0.10%	6,806	2	0.12%
Demand and NOW accounts	<u>77,138</u>	<u>19</u>	0.10%	<u>72,696</u>	<u>14</u>	0.08%
Total deposits	326,183	827	1.01%	326,375	863	1.06%
Federal Home Loan Bank advances	28,879	79	1.09%	26,488	154	2.33%
Securities sold under agreements to repurchase	<u>2,874</u>	<u>1</u>	0.14%	<u>3,484</u>	<u>1</u>	0.11%
Total interest-bearing liabilities	357,936	<u>907</u>	1.01%	356,347	<u>1,018</u>	1.14%
Noninterest-bearing liabilities	<u>4,147</u>			<u>1,801</u>		
Total liabilities	362,083			358,148		
Stockholders' equity	<u>73,836</u>			<u>80,017</u>		
Total liabilities and stockholders' equity	<u>\$ 435,919</u>			<u>\$ 438,165</u>		
Net interest income		<u>\$ 2,926</u>			<u>\$ 3,040</u>	
Net interest rate spread ⁽¹⁾			2.81%			2.85%
Net interest-earning assets ⁽²⁾	<u>\$ 43,586</u>			<u>\$ 50,390</u>		
Net interest margin ⁽³⁾			2.91%			2.99%
Average interest-earning assets to interest-bearing liabilities	112.18%			114.14%		

(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.

Standard Financial Corp.
Investment Securities
(Dollars in thousands)
(Unaudited)

	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
December 31, 2013:				
U.S. government and agency obligations due:				
Beyond 1 year but within 5 years	\$ 6,998	\$ 18	\$ (58)	\$ 6,958
Beyond 5 years but within 10 years	12,000	-	(694)	11,306
Corporate bonds due:				
Beyond 1 year but within 5 years	7,000	55	(20)	7,035
Municipal obligations due:				
Beyond 1 year but within 5 years	4,940	172	-	5,112
Beyond 5 years but within 10 years	26,882	833	(182)	27,533
Beyond 10 years	1,708	-	(66)	1,642
Equity securities	<u>1,587</u>	<u>202</u>	<u>(27)</u>	<u>1,762</u>
	<u>\$ 61,115</u>	<u>\$ 1,280</u>	<u>\$ (1,047)</u>	<u>\$ 61,348</u>
	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
September 30, 2013:				
U.S. government and agency obligations due:				
Beyond 1 year but within 5 years	\$ 10,997	\$ 26	\$ (47)	\$ 10,976
Beyond 5 years but within 10 years	12,000	-	(618)	11,382
Corporate bonds due:				
Beyond 1 year but within 5 years	7,000	54	(7)	7,047
Municipal obligations due:				
Beyond 1 year but within 5 years	4,932	152	-	5,084
Beyond 5 years but within 10 years	25,498	940	(134)	26,304
Beyond 10 years	1,708	-	(44)	1,664
Equity securities	<u>1,468</u>	<u>145</u>	<u>(18)</u>	<u>1,595</u>
	<u>\$ 63,603</u>	<u>\$ 1,317</u>	<u>\$ (868)</u>	<u>\$ 64,052</u>

Standard Financial Corp.
Mortgage-Backed Securities
(Dollars in thousands)
(Unaudited)

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2013:				
Government pass-throughs:				
Ginnie Mae	\$ 11,746	84	(61)	\$ 11,769
Fannie Mae	18,219	217	(65)	18,371
Freddie Mac	5,223	109	(82)	5,250
Private pass-throughs	111	-	-	111
Collateralized mortgage obligations	2,784	4	(55)	2,733
	<u>\$ 38,083</u>	<u>\$ 414</u>	<u>\$ (263)</u>	<u>\$ 38,234</u>
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
September 30, 2013:				
Government pass-throughs:				
Ginnie Mae	\$ 10,443	\$ 66	\$ (5)	\$ 10,504
Fannie Mae	14,047	273	(44)	14,276
Freddie Mac	1,914	115	-	2,029
Private pass-throughs	114	-	(1)	113
Collateralized mortgage obligations	2,871	4	(96)	2,779
	<u>\$ 29,389</u>	<u>\$ 458</u>	<u>\$ (146)</u>	<u>\$ 29,701</u>

Standard Financial Corp.
Loans Receivable
(Dollars in thousands)
(Unaudited)

	Real Estate Loans					Total
	One-to-four- family Residential and Construction	Commercial Real Estate	Home Equity Loans and Lines of Credit	Commercial	Other Loans	
December 31, 2013:						
Collectively evaluated for impairment	\$ 123,822	\$ 95,367	\$ 61,805	\$ 11,593	\$ 1,628	\$ 294,215
Individually evaluated for impairment	<u>-</u>	<u>306</u>	<u>-</u>	<u>34</u>	<u>-</u>	<u>340</u>
Total loans before allowance for loan losses	<u>\$ 123,822</u>	<u>\$ 95,673</u>	<u>\$ 61,805</u>	<u>\$ 11,627</u>	<u>\$ 1,628</u>	<u>\$ 294,555</u>
September 30, 2013:						
Collectively evaluated for impairment	\$ 126,956	\$ 94,606	\$ 61,587	\$ 11,499	\$ 1,686	\$ 296,334
Individually evaluated for impairment	<u>-</u>	<u>1,165</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>1,205</u>
Total loans before allowance for loan losses	<u>\$ 126,956</u>	<u>\$ 95,771</u>	<u>\$ 61,587</u>	<u>\$ 11,539</u>	<u>\$ 1,686</u>	<u>\$ 297,539</u>

Standard Financial Corp.
 Impaired Loans
 (Dollars in thousands)
 (Unaudited)

	Impaired Loans With Allowance		Impaired Loans Without Allowance	Total Impaired Loans	
	Recorded Investment	Related Allowance	Recorded Investment	Recorded Investment	Unpaid Principal Balance
December 31, 2013:					
Commercial real estate	\$ 306	\$ -	\$ -	\$ 306	\$ 306
Commercial	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>34</u>
Total impaired loans	<u>\$ 340</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 340</u>	<u>\$ 340</u>
September 30, 2013:					
Commercial real estate	\$ 1,165	\$ 175	\$ -	\$ 1,165	\$ 1,165
Commercial	<u>40</u>	<u>6</u>	<u>-</u>	<u>40</u>	<u>40</u>
Total impaired loans	<u>\$ 1,205</u>	<u>\$ 181</u>	<u>\$ -</u>	<u>\$ 1,205</u>	<u>\$ 1,205</u>

Standard Financial Corp.

Classified Loans

(Dollars in thousands)

(Unaudited)

Special

	<u>Pass</u>	<u>Mention</u>	<u>Substandard</u>	<u>Doubtful</u>	<u>Total</u>
December 31, 2013:					
First mortgage loans:					
One-to-four-family residential and construction	\$ 123,111	\$ -	\$ 711	\$ -	\$ 123,822
Commercial real estate	94,457	-	1,216	-	95,673
Home equity loans and lines of credit	61,539	-	266	-	61,805
Commercial loans	10,503	1,090	34	-	11,627
Other loans	<u>1,623</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>1,628</u>
Total	<u>\$ 291,233</u>	<u>\$ 1,090</u>	<u>\$ 2,232</u>	<u>\$ -</u>	<u>\$ 294,555</u>

September 30, 2013:

First mortgage loans:

One-to-four-family residential and construction	\$ 126,374	\$ -	\$ 582	\$ -	\$ 126,956
Commercial real estate	93,683	-	2,088	-	95,771
Home equity loans and lines of credit	61,363	-	224	-	61,587
Commercial loans	10,229	1,270	40	-	11,539
Other loans	<u>1,681</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>1,686</u>
Total	<u>\$ 293,330</u>	<u>\$ 1,270</u>	<u>\$ 2,939</u>	<u>\$ -</u>	<u>\$ 297,539</u>

Standard Financial Corp.
Delinquent Loans
(Dollars in thousands)
(Unaudited)

	<u>Current</u>	<u>30-59 Days Past Due</u>	<u>60-89 Days Past Due</u>	<u>Non-Accrual (90 Days+)</u>	<u>90 Days Past Due & Accruing</u>	<u>Total Loans</u>
December 31, 2013:						
First mortgage loans:						
One-to-four-family residential and construction	\$ 121,477	\$ 993	\$ 641	\$ 711	\$ -	\$ 123,822
Commercial real estate	94,147	749	471	306	-	95,673
Home equity loans and lines of credit	61,301	107	131	266	-	61,805
Commercial loans	11,589	3	-	35	-	11,627
Other loans	<u>1,607</u>	<u>16</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>1,628</u>
Total	<u>\$ 290,121</u>	<u>\$ 1,868</u>	<u>\$ 1,248</u>	<u>\$ 1,318</u>	<u>\$ -</u>	<u>\$ 294,555</u>
September 30, 2013:						
First mortgage loans:						
One-to-four-family residential and construction	\$ 124,249	\$ 1,658	\$ 467	\$ 582	\$ -	\$ 126,956
Commercial real estate	93,534	1,072	-	1,165	-	95,771
Home equity loans and lines of credit	60,998	284	81	224	-	61,587
Commercial loans	11,354	141	4	40	-	11,539
Other loans	<u>1,670</u>	<u>11</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>1,686</u>
Total	<u>\$ 291,805</u>	<u>\$ 3,166</u>	<u>\$ 557</u>	<u>\$ 2,011</u>	<u>\$ -</u>	<u>\$ 297,539</u>

Standard Financial Corp.
Allowance for Loan Loss Activity
(Dollars in thousands)
(Unaudited)

	<u>Real Estate Loans</u>					<u>Total</u>
	<u>One-to-four- family Residential and Construction</u>	<u>Commercial Real Estate</u>	<u>Home Equity Loans and Lines of Credit</u>	<u>Commercial</u>	<u>Other Loans</u>	
Allowance for Loan Loss:						
Balance at September 30, 2013	\$ 1,185	\$ 1,764	\$ 457	\$ 421	\$ 48	\$ 3,875
Charge-offs	-	-	-	(2)	(10)	(12)
Recoveries	-	-	1	338	5	344
Provision	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31, 2013	<u>\$ 1,185</u>	<u>\$ 1,764</u>	<u>\$ 458</u>	<u>\$ 757</u>	<u>\$ 43</u>	<u>\$ 4,207</u>