Kentucky First Federal Bancorp
Form 424B3
May 23, 2012

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| CKF Bancorp, Inc. | Kentucky First Federal Bancorp |
| Proxy Statement | Prospectus |

MERGER PROPOSAL — YOUR VOTE IS VERY IMPORTANT

Dear Stockholder of CKF Bancorp, Inc.:

Your board of directors has agreed on a transaction that will result in the merger of CKF Bancorp, Inc. with Kentucky First Federal Bancorp. You are being asked to approve the merger through the approval and adoption of the agreement of merger at a special meeting of stockholders to be held on July 2, 2012.

If the agreement of merger is approved and adopted at the special meeting, subject to the other conditions set forth therein, CKF Bancorp will be merged into Kentucky First Federal Bancorp, with Kentucky First Federal Bancorp as the surviving entity. In connection with the merger, each holder of CKF Bancorp common stock may elect to receive in exchange for 100% of his or her shares: (1) an amount equal to $9.50 in cash for each share of CKF Bancorp common stock held by such holder (the "Cash Consideration"); (2) a number of shares of Kentucky First Federal Bancorp common stock equal to the "Exchange Ratio," as defined below, for each share of CKF Bancorp common stock held by such holder (the "Stock Consideration"); or (3) a combination of the Cash Consideration for 40% of the shares held and the Stock Consideration for 60% of the shares held.

Under the agreement of merger, the Exchange Ratio will be 1.0556 if the "Kentucky First Price," as defined below, is at or above $9.00. If the Kentucky First Price is at or below $7.50, then the Exchange Ratio will be 1.2667. If the Kentucky First Price is below $9.00 but above $7.50, then the Exchange Ratio will be equal to $9.50 divided by a number equal to the Kentucky First Price (rounded to the nearest ten-thousandth). Kentucky First Price means the average of the average daily sales price (the average of the high and low sales price, rounded up to the nearest cent) of Kentucky First Federal Bancorp common stock, as reported on the NASDAQ Global Market, for the ten latest trading days preceding the date that is four business days before the closing of the merger. A trading day means any day on which at least 100 shares of Kentucky First Federal Bancorp common stock are traded, as reported on the NASDAQ Global Market.

You will be able to elect to receive cash, Kentucky First Federal Bancorp common stock or a combination of cash and Kentucky First Federal Bancorp common stock for your shares of CKF Bancorp common stock. Regardless of your choice, however, elections will be limited by the requirement that the number of shares of CKF Bancorp common stock to be converted into the Stock Consideration will be the lesser of: (1) 60% of the total number of shares of CKF Bancorp common stock issued and outstanding at the effective time of the merger, rounded down to the nearest whole number; or (2) 811,375 shares divided by the Exchange Ratio, rounded down to the nearest whole number. Therefore, all allocations of cash and Kentucky First Federal Bancorp common stock that you will receive will depend on the elections of other CKF Bancorp stockholders. The federal income tax consequences of the merger to you will depend on whether you receive cash, stock or a combination of cash and stock in exchange for your shares of CKF Bancorp common stock. The common stock of Kentucky First Federal Bancorp is listed on The NASDAQ Global Market under the symbol “KFFB.” The closing price of Kentucky First Federal Bancorp common stock on May 11, 2012 was $8.70. Based on this price, if the merger is consummated, CKF Bancorp stockholders would receive total merger consideration valued at $11.6 million.

After careful consideration, the board of directors of CKF Bancorp has unanimously determined that the merger is in the best interests of stockholders and recommends that CKF Bancorp stockholders vote “**FOR”** the proposal to approve and adopt the agreement of merger. The board of directors of CKF Bancorp strongly supports this strategic combination between Kentucky First Federal Bancorp and CKF Bancorp and appreciates your prompt attention to this very important matter.

This proxy statement/prospectus contains information that you should consider in evaluating the agreement of merger and the proposed merger. **In particular, you should carefully read the section captioned “*Risk Factors*” beginning on page 11 for a discussion of certain risk factors relating to the agreement of merger and the merger.**

We cannot complete the merger unless CKF Bancorp's stockholders approve and adopt the agreement of merger and we obtain all applicable regulatory approvals. Whether or not you plan to attend the special meeting of stockholders of CKF Bancorp, please complete and return the enclosed proxy card. **Your vote is important.** If you do not return your proxy card, the effect will be a vote against the proposed merger.

/s/ William H. Johnson

William H. Johnson

President and Chief Executive Officer

CKF Bancorp, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or completeness of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**The securities to be issued in connection with the merger are not savings or deposit accounts or other obligations of any bank or nonbank subsidiary of any of the parties, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

This proxy statement/prospectus is dated May 11, 2012 and is first being mailed to CKF Bancorp stockholders on or about May 22, 2012.

**CKF BANCORP, INC.**
**340 West Main Street**

**Danville, Kentucky 40422**

**Notice of Special Meeting of Stockholders to be held on July 2, 2012**

A special meeting of stockholders of CKF Bancorp, Inc. will be held at 4:00 p.m., local time, on Monday, July 2, 2012 at 340 West Main Street, Danville, Kentucky. Any adjournments or postponements of the special meeting will be held at the same location.

At the special meeting, you will be asked to:

1. Consider and vote upon a proposal to approve and adopt the agreement of merger, dated as of November 3, 2011, by and among Kentucky First Federal Bancorp and CKF Bancorp, Inc. and Central Kentucky Federal Savings Bank. A copy of the agreement of merger is included as Annex A to the accompanying proxy statement/prospectus;

2. Consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the agreement of merger; and

3. Transact such other business as may be properly presented at the special meeting and any adjournments or postponements of the special meeting.

The enclosed proxy statement/prospectus describes the agreement of merger and the proposed merger in detail. We urge you to read these materials carefully. The enclosed proxy statement/prospectus forms a part of this notice.

**The board of directors of CKF Bancorp unanimously recommends that CKF Bancorp stockholders vote "FOR" the proposal to approve and adopt the agreement of merger and "FOR" the proposal to adjourn the special meeting, if necessary, to solicit additional proxies to vote in favor of the agreement of merger.**

The board of directors of CKF Bancorp has fixed the close of business on May 11, 2012 as the record date for determining the stockholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

**Your vote is very important.** Your proxy is being solicited by the CKF Bancorp board of directors. The proposal to approve the agreement of merger must be approved by the affirmative vote of holders of a majority of the outstanding shares of CKF Bancorp common stock entitled to vote in order for the proposed merger to be consummated. Whether or not you plan to attend the special meeting in person, we urge you to complete and mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used.

As a stockholder of CKF Bancorp, you have the right to demand an appraisal by the Delaware Court of Chancery of the fair value of your shares of CKF Bancorp common stock under applicable provisions of Delaware law. In order to perfect appraisal rights, you must give written demand before the agreement of merger is voted on at the special meeting and must not vote in favor of the agreement of merger. A copy of the section of the Delaware General Corporation Law pertaining to appraisal rights is included as Annex C to the accompanying proxy statement/prospectus.

If you have more questions about the merger, or how to submit your proxy, please contact William H. Johnson, President and Chief Executive Officer of CKF Bancorp, at (859) 236-4181 or if you need additional copies of this proxy statement/prospectus or the enclosed proxy form, you should contact CKF Bancorp's Secretary, Virginia R.S. Stump, at (859) 236-4181.

By Order of the Board of Directors

/s/ Virginia R.S. Stump

Virginia R.S. Stump

Secretary

Danville, Kentucky

May 11, 2012

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

***Q: What am I being asked to vote on? What is the proposed transaction?***

A: You are being asked to vote on the approval of an agreement of merger that provides for the acquisition of CKF Bancorp by Kentucky First Federal Bancorp. The CKF Bancorp board of directors has determined that the proposed merger is in the best interests of CKF Bancorp stockholders, has unanimously approved the agreement of merger and recommends that CKF Bancorp stockholders vote “FOR” the approval and adoption the agreement of merger.

***Q: What will I be entitled to receive in the merger?***

A: Under the agreement of merger, each holder of CKF Bancorp common stock may elect to receive in exchange for 100% of his or her shares: (1) an amount equal to $9.50 in cash for each share of CKF Bancorp common stock held by such holder (the “Cash Consideration”); (2) a number of shares of Kentucky First Federal Bancorp common stock equal to the “Exchange Ratio,” as defined below, for each share of CKF Bancorp common stock held by such holder (the “Stock Consideration”); or (3) a combination of the Cash Consideration for 40% of the shares held and the Stock Consideration for 60% of the shares held.

Under the agreement of merger, the Exchange Ratio will be 1.0556 if the “Kentucky First Price,” as defined below, is at or above $9.00. If the Kentucky First Price is at or below $7.50, then the Exchange Ratio will be 1.2667. If the Kentucky First Price is below $9.00 but above $7.50, then the Exchange Ratio will be equal to $9.50 divided by a number equal to the Kentucky First Price (rounded to the nearest ten-thousandth). Kentucky First Price means the average of the average daily sales price (the average of the high and low sales price, rounded up to the nearest cent) of Kentucky First Federal Bancorp common stock, as reported on the NASDAQ Global Market, for the ten latest trading days preceding the date that is four business days before the closing of the merger. A trading day means any day on which at least 100 shares of Kentucky First Federal Bancorp common stock are traded, as reported on the NASDAQ Global Market.

You will be able to elect to receive cash, Kentucky First Federal Bancorp common stock or a combination of cash and Kentucky First Federal Bancorp common stock for your shares of CKF Bancorp common stock. Regardless of your choice, however, elections will be limited by the requirement that the number of shares of CKF Bancorp common stock to be converted into the Stock Consideration will be the lesser of: (1) 60% of the total number of shares of CKF Bancorp common stock issued and outstanding at the effective time of the merger, rounded down to the nearest whole number; or (2) 811,375 shares divided by the Exchange Ratio, rounded down to the nearest whole number. Therefore, all allocations of cash and Kentucky First Federal Bancorp common stock that you will receive will depend on the elections of other CKF Bancorp stockholders.

Kentucky First Federal Bancorp will not issue fractional shares in the merger. Instead, you will receive a cash payment, without interest, for the value of any fraction of a share of Kentucky First Federal Bancorp common stock that you would otherwise be entitled to receive. See "*Description of the Merger—Consideration to be Received in the Merger*" on page 40 and "*Description of Kentucky First Federal Bancorp Capital Stock*" on page 68.

***Q: What will my dividends be after the merger?***

A: Kentucky First Federal Bancorp currently pays a quarterly dividend of $.10 per share, or $.20 on a semi-annual basis. This would equate to a semi-annual dividend of $.21 on a per equivalent CKF Bancorp share basis for CKF Bancorp stockholders who receive Kentucky First Federal Bancorp common stock in the merger. See *"Comparative Per Share Data."* Although Kentucky First Federal Bancorp has paid quarterly dividends on its common stock without interruption since May 2005, there is no guarantee that Kentucky First Federal Bancorp will continue to pay dividends on its common stock. All dividends on Kentucky First Federal Bancorp common stock are declared at the discretion of the Kentucky First Federal Bancorp board of directors. The level of dividends paid by Kentucky First Federal Bancorp is enhanced by the company's ability to waive dividends to the majority stockholder, First Federal MHC. As its holding company regulator, the Board of Governors of the Federal Reserve System, has instituted requirements that make this waiver more difficult to attain. In the future, this may result in either additional cost to Kentucky First Federal Bancorp and/or a reduction in the dividend paid to Kentucky First Federal Bancorp shareholders. See *"Risk Factors – Risks Related to Kentucky First Federal Bancorp – The amount of dividends Kentucky First Federal Bancorp pays on its common stock, if any, may be limited by the ability of First Federal MHC to waive receipt of dividends."*

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**Q:** ***How do I elect to receive cash, stock or a combination of both for my CKF Bancorp stock?***

A: A form for making an election will be sent to you separately on or about the date this proxy statement/prospectus is mailed. For your election to be effective, your properly completed election form, along with your CKF Bancorp stock certificates or an appropriate guarantee of delivery, must be sent to and received by IST Shareholder Services, the exchange agent, on or before 5:00 p.m., Central time, on August 31, 2012 Do not send your election form together with your proxy card. Instead, use the separate envelope specifically provided for the election form and your stock certificates. If you do not make a timely election you will be allocated Kentucky First Federal Bancorp common stock and/or cash depending on the elections made by other stockholders.

**Q:** ***How do I exchange my stock certificates?***

A: If you make an election, you must return your CKF Bancorp stock certificates or an appropriate guarantee of delivery with your election form. Shortly after the merger, Kentucky First Federal Bancorp's transfer agent will allocate cash and Kentucky First Federal Bancorp common stock among CKF Bancorp stockholders, consistent with their elections and the allocation and proration procedures in the agreement of merger. If you do not submit an election form, Kentucky First Federal Bancorp's transfer agent will send you instructions on how and where to surrender your CKF Bancorp stock certificates after the merger is completed. Please do not send your CKF Bancorp stock certificates with your proxy card.

**Q:** ***What are the tax consequences of the merger to you?***

A: The tax consequence of the merger to you will depend on whether you receive only cash, only Kentucky First Federal Bancorp common stock, or a combination of cash and Kentucky First Federal Bancorp common stock in exchange for your shares of CKF Bancorp common stock. If you exchange your shares solely for Kentucky First Federal Bancorp common stock, you should not recognize gain or loss except with respect to the cash you receive instead of any fractional share of Kentucky First Federal Bancorp common stock. If you exchange your shares solely for cash, you should recognize gain or loss on the exchange. If you exchange your shares for a combination of Kentucky First Federal Bancorp common stock and cash, you may recognize capital gain, but not any loss, on the exchange. Because the allocations of cash and Kentucky First Federal Bancorp common stock that you receive will depend on the elections of other CKF Bancorp stockholders, you will not know the actual tax consequences of the merger to you until the allocations are completed.

**Q:** ***Am I entitled to appraisal rights?***

A: Yes. Delaware law provides you with appraisal rights in the merger. This means that you have the right to demand an appraisal by the Delaware Court of Chancery of the fair value of your shares of CKF Bancorp common stock under applicable provisions of Delaware law. In order to perfect appraisal rights, you must (1) deliver to CKF Bancorp, before the special meeting of CKF Bancorp stockholders or at the special meeting but before the vote is taken, a written demand for appraisal of your shares of CKF Bancorp common stock, and (2) not vote in favor of the merger. Notices should be addressed to CKF Bancorp's Secretary and sent to P.O. Box 400, Danville, Kentucky

40423. Your failure to follow exactly the procedures specified under Delaware law will result in the loss of your appraisal rights. A copy of the section of the Delaware General Corporation Law pertaining to dissenters' rights is provided as Annex C to this document. See "*Appraisal Rights*" on page 26.

***Q: Why do CKF Bancorp and Kentucky First Federal Bancorp want to merge?***

A: CKF Bancorp believes that the proposed merger will provide CKF Bancorp stockholders with substantial benefits, and Kentucky First Federal Bancorp believes that the merger will further its strategic growth plans. As a larger company, Kentucky First Federal Bancorp can provide the capital and resources that CKF Bancorp needs to compete more effectively and to offer a broader array of products and services to better serve its banking customers. To review the reasons for the merger in more detail, see "*Description of the Merger—Kentucky First Federal Bancorp's Reasons for the Merger*" on page 39 and "*Description of the Merger—CKF Bancorp's Reasons for the Merger and Recommendation of the Board of Directors*" on page 32.

***Q: What vote is required to approve the agreement of merger?***

A: Holders of a majority of the outstanding shares of CKF Bancorp common stock entitled to vote must vote in favor of the proposal to approve the agreement of merger. Kentucky First Federal Bancorp stockholders will not be voting on the agreement of merger.

***Q: When and where is the CKF Bancorp special meeting?***

A: The special meeting of CKF Bancorp stockholders is scheduled to take place at the offices of Central Kentucky Federal Savings Bank, 340 West Main Street, Danville, Kentucky at 4:00 p.m., local time, on July 2, 2012.

***Q: Who is entitled to vote at the CKF Bancorp special meeting?***

A: Holders of shares of CKF Bancorp common stock at the close of business on May 11, 2012, which is the record date, are entitled to vote on the proposal to adopt the agreement of merger. As of the record date, 1,225,802 shares of CKF Bancorp common stock were outstanding and entitled to vote.

***Q: If I plan to attend the CKF Bancorp special meeting in person, should I still return my proxy?***

A: Yes. Whether or not you plan to attend the CKF Bancorp special meeting, you should complete and return the enclosed proxy card. The failure of a CKF Bancorp stockholder to vote in person or by proxy will have the same effect as a vote "AGAINST" the agreement of merger.

***Q: What do I need to do now to vote my shares of CKF Bancorp common stock?***

A: After you have carefully read and considered the information contained in this proxy statement/prospectus, please complete, sign, date and mail your proxy card in the enclosed return envelope as soon as possible. This will enable your shares to be represented at the special meeting. You may also vote in person at the special meeting. If you do not return a properly executed proxy card and do not vote at the special meeting, this will have the same effect as a vote against the agreement of merger. If you sign, date and send in your proxy card, but you do not indicate how you want to vote, your proxy will be voted in favor of approval and adoption of the agreement of merger. You may change your vote or revoke your proxy before the special meeting by filing with the Secretary of CKF Bancorp a duly executed revocation of proxy, submitting a new proxy card with a later date, or voting in person at the special meeting.

***Q: If my shares are held in "street name" by my broker, will my broker automatically vote my shares for me?***

A: No. Your broker will not be able to vote your shares of CKF Bancorp common stock on the proposal to approve and adopt the agreement of merger unless you provide instructions on how to vote. Please instruct you broker how to vote your shares, following the directions that your broker provides. If you do not provide instructions to your broker on the proposal to approve and adopt the agreement of merger, your shares will not be voted, and this will have the effect of voting against the agreement of merger. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

***Q: When is the merger expected to be completed?***

A: We will try to complete the merger as soon as possible. Before that happens, the agreement of merger must be approved and adopted by CKF Bancorp's stockholders and we must obtain the necessary regulatory approvals. Assuming holders of at least a majority of the outstanding shares of CKF Bancorp common stock vote in favor of the agreement of merger and we obtain the other necessary approvals, we expect to complete the merger in the third calendar quarter of 2012.

***Q: Is completion of the merger subject to any conditions besides stockholder approval?***

A: Yes. The transaction must receive the required regulatory approvals, and there are other customary closing conditions that must be satisfied. To review the conditions of the merger in more detail, see "*Description of the Merger—Conditions to Completing the Merger*" on page 52.

***Q: Who can answer my other questions?***

A: If you have more questions about the merger, or how to submit your proxy, please contact William H. Johnson, President and Chief Executive Officer of CKF Bancorp, at (859) 236-4181 or if you need additional copies of this proxy statement/prospectus or the enclosed proxy form, you should contact CKF Bancorp's Secretary, Virginia R.S. Stump, at (859) 236-4181.

## SUMMARY

*This summary highlights selected information in this proxy statement/prospectus and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the documents attached to this proxy statement/prospectus.*

### The Companies

***Kentucky First Federal Bancorp***
479 Main Street

Hazard, Kentucky 41702

(502) 223-1638

Kentucky First Federal Bancorp, a United States corporation, is a savings and loan holding company headquartered in Hazard, Kentucky. Kentucky First Federal Bancorp's common stock is listed on the NASDAQ Global Market under the symbol "KFFB." Approximately 61.1% of Kentucky First Federal Bancorp's outstanding shares are owned by First Federal MHC, a United States corporation and mutual holding company. Kentucky First Federal Bancorp conducts its operations primarily through its two wholly owned subsidiaries, First Federal Savings and Loan Association of Hazard, a federally chartered savings and loan association ("First Federal of Hazard"), and First Federal Savings Bank of Frankfort, a federally chartered savings bank ("First Federal of Frankfort"). First Federal of Hazard operates from a single office in Hazard, Kentucky and First Federal of Frankfort operates from three offices in Frankfort, Kentucky. Both are community-oriented savings institutions offering traditional financial services to, respectively, consumers in Perry and the surrounding counties in Eastern Kentucky and in Franklin and the surrounding counties in Central Kentucky. Their business models involve attracting deposits from the general public and originating primarily one- to four-family residential mortgage loans. At December 31, 2011, Kentucky First Federal Bancorp had total assets of $236.4 million, total deposits of $136.6 million, and stockholders' equity of $59.0 million.

***CKF Bancorp, Inc.***

340 West Main Street

Danville, Kentucky 40423

(859) 236-4181

CKF Bancorp, Inc., a Delaware corporation, is a savings and loan holding company headquartered in Danville, Kentucky. Its primary business is operating its subsidiary, Central Kentucky Federal Savings Bank, which operates three full-service offices. Central Kentucky Federal Savings Bank is principally engaged in the business of accepting deposits from the general public through a variety of deposit programs and investing these funds by originating loans in its market area, which include loans secured by one- to four-family residential properties, loans secured by multi-family residential and non-residential properties, construction loans, second mortgage loans on single-family residences, home equity lines of credit and commercial non-mortgage and consumer loans, both secured and unsecured, including loans secured by deposits. At December 31, 2011 CKF Bancorp had total assets of $127.0 million, total deposits of $100.6 million and total stockholders' equity of $13.0 million.

**Special Meeting of Stockholders; Required Vote (page 24)**

A special meeting of CKF Bancorp stockholders is scheduled to be held at the offices of Central Kentucky Federal Savings Bank, 340 West Main Street, Danville, Kentucky at 4:00 p.m., local time, on July 2, 2012. At the special meeting, you will be asked to vote on a proposal to approve the agreement of merger between Kentucky First Federal Bancorp and CKF Bancorp. You also will be asked to vote on a proposal to adjourn the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the meeting to approve the agreement of merger.

Only CKF Bancorp stockholders of record as of the close of business on May 11, 2012 are entitled to notice of, and to vote at, the CKF Bancorp special meeting and any adjournments or postponements of the meeting.

Approval of the agreement of merger requires the affirmative vote of holders of a majority of the outstanding shares of CKF Bancorp common stock entitled to vote. As of May 11, 2012, there were 1,225,802 shares of CKF Bancorp common stock outstanding. The directors and executive officers of CKF Bancorp (and their affiliates), as a group, beneficially owned 177,618 shares of CKF Bancorp common stock, representing 14.5% of the outstanding shares of CKF Bancorp common stock as of May 11, 2012. The directors of CKF Bancorp, who collectively own 177,618 shares of CKF Bancorp common stock (14.5% of the outstanding shares of CKF Bancorp as of May 11, 2012) have agreed to vote their shares in favor of the merger at the special meeting. This amount does not include shares that may be acquired upon the exercise of stock options. No approval of the merger or agreement of merger by Kentucky First Federal Bancorp stockholders is required.

The Merger and the Agreement of Merger (page 29)

Kentucky First Federal Bancorp's acquisition of CKF Bancorp is governed by an agreement of merger. The agreement of merger provides that, if all of the conditions are satisfied or waived, CKF Bancorp will be merged with and into Kentucky First Federal Bancorp, with Kentucky First Federal Bancorp as the surviving entity. **We encourage you to read the agreement of merger, which is included as Annex A to this proxy statement/prospectus.**

What CKF Bancorp Stockholders Will Receive in the Merger (page 40)

Under the agreement of merger, each holder of CKF Bancorp common stock may elect to receive in exchange for 100% of his or her shares: (1) an amount equal to $9.50 in cash for each share of CKF Bancorp common stock held by such holder; (2) a number of shares of Kentucky First Federal Bancorp common stock equal to the Exchange Ratio, for each share of CKF Bancorp common stock held by such holder; or (3) a combination of the cash consideration for 40% of the shares held and the stock consideration for 60% of the shares held. Regardless of your choice, however, elections will be limited by the requirement that the number of shares of CKF Bancorp common stock to be converted into stock will be the lesser of: (1) 60% of the total number of shares of CKF Bancorp common stock issued and outstanding at the effective time of the merger, rounded down to the nearest whole number; or (2) 811,375 shares divided by the Exchange Ratio, rounded down to the nearest whole number. Therefore, all allocations of cash and Kentucky First Federal Bancorp common stock will depend on the elections of all CKF Bancorp stockholders.

Under the agreement of merger, the Exchange Ratio will be 1.0556 if the "Kentucky First Price," as defined below, is at or above $9.00. If the Kentucky First Price is at or below $7.50, then the Exchange Ratio will be 1.2667. If the Kentucky First Price is below $9.00 but above $7.50, then the Exchange Ratio will be equal to $9.50 divided by a number equal to the Kentucky First Price (rounded to the nearest ten-thousandth). "Kentucky First Price" means the average of the average daily sales price (the average of the high and low sales price, rounded up to the nearest cent) of Kentucky First Federal Bancorp common stock, as reported on the NASDAQ Global Market, for the ten latest trading days preceding the date that is four business days before the closing of the merger. A trading day means any day on which at least 100 shares of Kentucky First Federal Bancorp common stock are traded, as reported on the NASDAQ

Global Market.

**Comparative Market Prices**

The following table shows the closing price per share of Kentucky First Federal Bancorp common stock and the equivalent price per share of CKF Bancorp common stock, giving effect to the merger, on November 3, 2011, which is the last day on which shares of Kentucky First Federal Bancorp common stock traded preceding the public announcement of the proposed merger, and on May 11, 2012, the most recent practicable date before the mailing of this proxy statement/prospectus. The equivalent price per share of CKF Bancorp common stock was computed by multiplying the price of a share of Kentucky First Federal Bancorp common stock by the exchange ratio that would be used if the average closing price of Kentucky First Federal Bancorp common stock during the measurement period used to calculate the exchange ratio were equal to the closing price of Kentucky First Federal Bancorp common stock on the date indicated. See “*Description of the Merger—Consideration to be Received in the Merger.*”

| | Kentucky First Federal Bancorp Common Stock | Equivalent Price Per Share of CKF Bancorp Common Stock |
|---|---|---|
| November 3, 2011 | $ 6.40 | $ 8.11 |
| May 11, 2012 | 8.70 | 9.67 |

Recommendation of CKF Bancorp Board of Directors (page 32)

The CKF Bancorp board of directors has unanimously approved the agreement of merger and the proposed merger. The CKF Bancorp board believes that the agreement of merger, including the merger contemplated by the agreement of merger, is fair to, and in the best interests of, CKF Bancorp and its stockholders, and therefore unanimously **recommends that CKF Bancorp stockholders vote "FOR" the proposal to approve and adopt the agreement of merger.** In its reaching this decision, CKF Bancorp's board of directors considered many factors, which are described in the section captioned "*Description of the Merger—CKF Bancorp's Reasons for the Merger and Recommendation of the Board of Directors*" beginning on page 32.

**CKF Bancorp's Financial Advisor Believes the Merger Consideration is Fair to Stockholders (page 33)**

In deciding to approve the merger, CKF Bancorp's board of directors considered the opinion, dated November 3, 2011, of RP Financial, LC., which served as financial advisor to CKF Bancorp's board of directors that the merger consideration is fair to the holders of CKF Bancorp common stock from a financial point of view. A copy of this opinion is included as Annex B to the proxy statement/prospectus. You should read the opinion carefully to understand the procedures followed, assumptions made, matters considered and limitations of the review conducted by RP Financial, LC. CKF Bancorp has agreed to pay RP Financial, LC. fees totaling approximately $45,000 for its services in connection with the merger.

Regulatory Approvals (page 47)

Under the terms of the agreement of merger, the merger cannot be completed unless it is first approved by the Office of the Comptroller of the Currency (the "OCC") and the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). Kentucky First Federal Bancorp expects to file the required applications with the OCC and the Federal Reserve Board during the second quarter of calendar year 2012. As of the date of this document, Kentucky First Federal Bancorp has not received the approval of the OCC or the Federal Reserve Board. While Kentucky First Federal Bancorp does not know of any reason why it would not be able to obtain this approval in a timely manner, Kentucky First Federal Bancorp cannot be certain when or if it will receive OCC and Federal Reserve Board approval.

Conditions to the Merger (page 52)

The completion of the merger is subject to the fulfillment of a number of conditions, including:

- approval and adoption of the agreement of merger at the special meeting by the holders of a majority of the outstanding shares of CKF Bancorp common stock entitled to vote;
- approval of the transaction by the appropriate regulatory authorities;
- receipt by each party of opinions from their respective legal counsel to the effect that the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and
- the continued accuracy of representations and warranties made on the date of the agreement of merger.

Termination (page 59)

The agreement of merger may be terminated by mutual written consent of Kentucky First Federal Bancorp and CKF Bancorp at any time before the completion of the merger. Additionally, subject to conditions and circumstances described in the agreement of merger, either Kentucky First Federal Bancorp or CKF Bancorp may terminate the agreement of merger if, among other things, any of the following occur:

- the merger has not been consummated by September 30, 2012;
- CKF Bancorp stockholders do not approve the agreement of merger at the CKF Bancorp special meeting;
- a required regulatory approval is denied or a governmental authority blocks the merger; or
- there is a breach by the other party of any representation, warranty, covenant or agreement contained in the agreement of merger, which cannot be cured, or has not been cured within 30 days after the giving of written notice to such party of such breach.

Kentucky First Federal Bancorp may terminate the agreement of merger if CKF Bancorp materially breaches its agreements regarding the solicitation of other acquisition proposals and the submission of the agreement of merger to stockholders or if the board of directors of CKF Bancorp does not recommend approval of the merger in the proxy statement/prospectus or withdraws or revises its recommendation in a manner adverse to Kentucky First Federal Bancorp.

In addition, CKF Bancorp may terminate the agreement of merger if CKF Bancorp accepts a proposal to be acquired from a third party, which among other things, the CKF Bancorp board of directors determines, in good faith, would result in a transaction more favorable to the CKF Bancorp stockholders, and that failure to accept such third party proposal would constitute a breach of its fiduciary duties. At least five business days before terminating the agreement of merger as described in the preceding sentence, CKF Bancorp must provide notice to Kentucky First Federal Bancorp advising it that CKF Bancorp’s board of directors is prepared to accept such proposal, specifying the terms and conditions of the proposal and identifying the person making the proposal, and CKF Bancorp must negotiate in good faith with Kentucky First Federal Bancorp, if requested by Kentucky First Federal Bancorp, to make adjustments in the terms and conditions of the agreement of merger as would enable CKF Bancorp to proceed with the merger with Kentucky First Federal Bancorp on such adjusted terms consistent with CKF Bancorp’s board of directors’ determination in good faith that proceeding based upon such adjusted terms would not constitute a breach of its fiduciary duties.

Termination Fee (page 60)

Under certain circumstances described in the agreement of merger, Kentucky First Federal Bancorp may demand from CKF Bancorp a $600,000 termination fee in connection with the termination of the agreement of merger. The termination fee would have been $300,000 if the agreement of merger had been terminated on or before December 3, 2011.

**Litigation Related to the Merger (page 48)**

On December 7, 2011, CKF Bancorp stockholders filed putative class action lawsuits on behalf of CKF Bancorp stockholders in the Boyle Circuit Court against CKF Bancorp, the CKF Bancorp board and Kentucky First Federal Bancorp. The cases are captioned *Cassidy, et. al. v. CKF Bancorp, Inc., et al.,* Civ. Act. No. 11-C1-587 and *DeMartini, et al. v. CKF Bancorp, Inc., et al.,* Civ. Act. No. 11-C1-588. Each complaint alleged that the CKF board breached its fiduciary duties by approving the merger agreement because the merger consideration was inadequate, the CKF Bancorp directors failed to conduct a thorough and proper sales process to maximize stockholder value and the transaction unfairly benefited the CKF Bancorp board to the disadvantage of the CKF Bancorp stockholders. The complaints also alleged that Kentucky First Federal Bancorp aided and abetted the CKF Bancorp board's breach of fiduciary duties. CKF Bancorp and Kentucky First Federal Bancorp believe both complaints to be without merit.

On April 9, 2012, Circuit Court Judge Thomas D. Wingate granted motions filed by Kentucky First Federal Bancorp and CKF Bancorp to dismiss both complaints. Judge Wingate held that the plaintiffs had failed to allege facts sufficient to rebut the presumption that the CKF Bancorp directors acted within their sound business judgment within the scope of the Delaware business judgment rule. Judge Wingate also held that the plaintiffs' claims were not ripe for adjudication as the proposed merger has not yet gone to a vote of the stockholders, and that in seeking an injunction to prevent the merger the plaintiffs failed to show that a legal remedy would be inadequate, as any alleged harm suffered can be addressed by plaintiff's vote against the merger and exercise of his or her appraisal rights, which grant the dissenting shareholder the statutory right of judicial appraisal to obtain a determination of fair value. Accordingly, Judge Wingate granted the motions to dismiss the complaints with prejudice. Plaintiffs did not file a notice of appeal by the May 10, 2012 deadline and are now barred from doing so.

Interests of Officers and Directors in the Merger that are Different from Yours (page 49)

You should be aware that some of CKF Bancorp's directors and officers may have interests in the merger that are different from, or in addition to, the interests of CKF Bancorp's stockholders generally. These include: employment agreements that officers of CKF Bancorp and Central Kentucky Federal Savings Bank will enter into upon completion of the merger; the cancellation of stock options in exchange for a cash payment equal to $9.50 minus the exercise price for each option; interests under Central Kentucky Federal Savings Bank Retirement Plan for Non-Employee Directors, which will be terminated in connection with the change in control and the benefits paid to the participants in a lump sum; provisions in the agreement of merger relating to indemnification of directors and officers and insurance for directors and officers of CKF Bancorp for events occurring before the merger; the appointment of two directors of CKF Bancorp to the board of directors of Kentucky First Federal Bancorp; and the appointment of all of the current directors of CKF Bancorp to the board of directors of First Federal of Frankfort. CKF Bancorp's board of directors was aware of these interests and took them into account in approving the merger. See "*Description of the Merger—Interests of Certain Persons in the Merger that are Different from Yours.*"

Accounting Treatment of the Merger (page 44)

Kentucky First Federal Bancorp will account for the merger under the "acquisition" method of accounting in accordance with U.S. generally accepted accounting principles. Using the acquisition method of accounting, the assets and liabilities of CKF Bancorp will be recorded by Kentucky First Federal Bancorp at their respective fair values at the time of the completion of the merger. The excess of Kentucky First Federal Bancorp's purchase price over the net fair value of the assets acquired and liabilities assumed will then be allocated to identified intangible assets, with any remaining unallocated portion recorded as goodwill or bargain purchase gain.

Certain Differences in Stockholder Rights (page 70)

When the merger is completed, CKF Bancorp stockholders who are to receive shares of Kentucky First Federal Bancorp will become Kentucky First Federal Bancorp stockholders and their rights will be governed by United States law and by Kentucky First Federal Bancorp's charter and bylaws. See *"Comparison of Rights of Stockholders"* for a summary of the material differences between the respective rights of CKF Bancorp and Kentucky First Federal Bancorp stockholders.

Appraisal Rights (page 26)

Any stockholder of CKF Bancorp who was a stockholder of record on the record date set for the special meeting of stockholders and who continuously holds his or her shares through the date of the merger has the right to demand an appraisal by the Delaware Court of Chancery of the fair value of his or her shares of CKF Bancorp common stock under applicable provisions of Delaware law. In order to perfect appraisal rights, a stockholder must give written demand of appraisal before the agreement of merger is voted on at the special meeting and must not vote in favor of the agreement or merger. A copy of the section of the Delaware General Corporation Law pertaining to appraisal rights is attached as Annex C to this proxy statement/prospectus. **You should read the statute carefully and consult with your legal counsel if you intend to exercise these rights.**

Material Tax Consequences of the Merger (page 45)

The federal tax consequences of the merger to stockholders of CKF Bancorp will depend primarily on whether they exchange their CKF Bancorp common stock solely for Kentucky First Federal Bancorp common stock, solely for cash or for a combination of Kentucky First Federal Bancorp common stock and cash. CKF Bancorp stockholders who exchange their shares solely for Kentucky First Federal Bancorp common stock should not recognize gain or loss except with respect to the cash they receive instead of a fractional share. CKF Bancorp stockholders who exchange their shares solely for cash should recognize gain or loss on the exchange. CKF Bancorp stockholders who exchange their shares for a combination of Kentucky First Federal Bancorp common stock and cash should recognize capital gain, but not any loss, on the exchange. The actual federal income tax consequences to CKF Bancorp stockholders of electing to receive cash, Kentucky First Federal Bancorp common stock or a combination of cash and stock will not be ascertainable at the time CKF Bancorp stockholders make their election because it will not be known at that time how, or to what extent, the allocation and proration procedures will apply.

**This tax treatment may not apply to all CKF Bancorp stockholders. Determining the actual tax consequences of the merger to CKF Bancorp stockholders can be complicated. CKF Bancorp stockholders should consult their own tax advisor for a full understanding of the merger's tax consequences that are particular to each stockholder.**

To review the tax consequences of the merger to CKF Bancorp stockholders in greater detail, please see the section *"Description of the Merger—Material Tax Consequences of the Merger"* beginning on page 45.

## RISK FACTORS

*In addition to the other information included in this proxy statement/prospectus, you should consider carefully the risk factors described below in deciding how to vote. You should keep these risk factors in mind when you read forward-looking statements in this document. Please refer to the section of this proxy statement/prospectus titled "Caution About Forward-Looking Statements" beginning on page 17.*

### Risks Related to the Merger

**CKF Bancorp stockholders may receive a form of consideration different from what they elect.**

The consideration to be received by CKF Bancorp stockholders in the merger is subject to the requirement that no more than 60% of the shares of CKF Bancorp common stock be exchanged for Kentucky First Federal Bancorp common stock and 40% be exchanged for cash. The agreement of merger contains proration and allocation methods to achieve this desired result. If you elect all cash and the available cash is oversubscribed, then you will receive a portion of the merger consideration in Kentucky First Federal Bancorp common stock. If you elect all stock and the available stock is oversubscribed, then you will receive a portion of the merger consideration in cash. The type of consideration you receive may also be affected by the requirement that the value of the stock portion of the merger consideration be equal to at least 40% of the total value of merger consideration.

**The price of Kentucky First Federal Bancorp common stock might decrease after the merger.**

Following the merger, many holders of CKF Bancorp common stock will become stockholders of Kentucky First Federal Bancorp. Kentucky First Federal Bancorp common stock could decline in value after the merger. For example, during the twelve-month period ending on May 11, 2012 (the most recent practicable date before the printing of this proxy statement/prospectus), the closing price of Kentucky First Federal Bancorp common stock varied from a low of $6.08 to a high of $9.26 and ended that period at $8.70. The market value of Kentucky First Federal Bancorp common stock fluctuates based upon general market economic conditions, Kentucky First Federal Bancorp's business and prospects and other factors.

Kentucky First Federal Bancorp may be unable to successfully integrate CKF Bancorp's operations and retain CKF Bancorp's employees.

The merger involves the integration of two companies that have previously operated independently. The difficulties of combining the operations of the two companies include:

- integrating personnel with diverse business backgrounds;
- combining different corporate cultures; and
- retaining key employees.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of the business and the loss of key personnel. The integration of the two companies will require the experience and expertise of certain key employees of CKF Bancorp who are expected to be retained by Kentucky First Federal Bancorp. Kentucky First Federal Bancorp may not be successful in retaining these employees for the time period necessary to successfully integrate CKF Bancorp's operations with those of Kentucky First Federal Bancorp. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and the integration of the two companies' operations could have an adverse effect on the business and results of operations of Kentucky First Federal Bancorp following the merger.

The termination fee and the restrictions on solicitation contained in the agreement of merger may discourage other companies from trying to acquire CKF Bancorp.

Until the completion of the merger, with some exceptions, CKF Bancorp is prohibited from soliciting, initiating, encouraging or taking any other action to facilitate any inquiries, discussions or the making of any proposals that may lead to an acquisition proposal, such as a merger or other business combination transaction, with any person other than Kentucky First Federal Bancorp. In addition, CKF Bancorp has agreed to pay a termination fee to Kentucky First Federal Bancorp in specified circumstances. These provisions could discourage other companies from trying to acquire CKF Bancorp even though those other companies might be willing to offer greater value to CKF Bancorp's stockholders than Kentucky First Federal Bancorp has offered in the merger. The payment of the termination fee could also have a material adverse effect on CKF Bancorp's financial condition.

Certain of CKF Bancorp's officers and directors have interests that are different from, or in addition to, interests of CKF Bancorp's stockholders generally.

The directors and officers of CKF Bancorp have interests in the merger that are different from, or in addition to, the interests of CKF Bancorp stockholders generally. These include: employment agreements that certain officers of Central Kentucky Federal Savings Bank will enter into upon completion of the merger; the cancellation of stock options in exchange for a cash payment equal to $9.50 minus the exercise price for each option; provisions in the agreement of merger relating to indemnification of directors and officers and insurance for directors and officers of CKF Bancorp for events occurring before the merger; the appointment of two directors of CKF Bancorp to the board of directors of Kentucky First Federal Bancorp; and the appointment of all of the directors of CKF Bancorp to the board of directors of First Federal of Frankfort.

For a more detailed discussion of these interests, see "*Description of the Merger—Interests of Certain Persons in the Merger that are Different from Yours*" beginning on page 49.

**Failure to complete the merger could negatively impact the stock prices and future businesses and financial results of Kentucky First Federal Bancorp and CKF Bancorp**

If the merger is not completed, the ongoing businesses of Kentucky First Federal Bancorp and CKF Bancorp may be adversely affected and Kentucky First Federal Bancorp and CKF Bancorp will be subject to several risks, including the following:

- Kentucky First Federal Bancorp and CKF Bancorp will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor and printing fees;

- under the agreement of merger, CKF Bancorp is subject to certain restrictions on the conduct of its business before completing the merger, which may adversely affect its ability to execute certain of its business strategies; and

- matters relating to the merger may require substantial commitments of time and resources by Kentucky First Federal Bancorp and CKF Bancorp management, which could otherwise have been devoted to other opportunities that may have been beneficial to Kentucky First Federal Bancorp and CKF Bancorp as independent companies, as the case may be.

In addition, if the merger is not completed, Kentucky First Federal Bancorp and/or CKF Bancorp may experience negative reactions from the financial markets and from their respective customers and employees. Kentucky First Federal Bancorp and/or CKF Bancorp also could be subject to litigation related to any failure to complete the merger or to enforcement proceedings commenced against Kentucky First Federal Bancorp or CKF Bancorp to perform their respective obligations under the agreement of merger.

**CKF Bancorp stockholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.**

CKF Bancorp stockholders currently have the right to vote in the election of the CKF Bancorp board of directors and on various other matters affecting CKF Bancorp. Upon the completion of the merger, many of the CKF Bancorp stockholders will become stockholders of Kentucky First Federal Bancorp with a percentage ownership of the combined organization that is much smaller than the stockholder's percentage ownership of CKF Bancorp. Further, as First Federal MHC, the mutual holding company that owns 61.1% of Kentucky First federal Bancorp's common stock, will continue to own a majority of the outstanding shares of Kentucky First Federal Bancorp, CKF Bancorp stockholders will not be able to influence the management and policies of Kentucky First Federal Bancorp as they currently can with respect to CKF Bancorp.

**Risks Related to Kentucky First Federal Bancorp**

**Kentucky First Federal Bancorp may not be able to achieve sufficient growth in its retail franchise to allow it to achieve the anticipated benefits of its merger with Frankfort First Bancorp.**

Kentucky First Federal Bancorp intends to efficiently utilize excess liquidity at either First Federal of Hazard, First Federal of Frankfort or Kentucky First by buying and selling whole loans or participations in loans between First Federal of Hazard and First Federal of Frankfort, with the originating bank retaining servicing of any loans sold, or by making deposits into accounts at either bank, subject to regulatory limitations, in order to maximize the potential earnings of each bank. This strategy will not succeed if Kentucky First Federal Bancorp does not maintain sufficient loan demand at First Federal of Frankfort or sufficient deposit growth and retention at First Federal of Hazard. At December 31, 2011 First Federal of Frankfort had total real estate loans of $109.5 million, compared to $106.5 million at June 30, 2010, an increase of approximately $3.0 million, or 2.8%. Loans sold by First Federal of Frankfort to First Federal of Hazard were $44.5 million and $53.2 million for the years ended June 30, 2011 and 2010, respectively. At December 31, 2011, First Federal of Hazard had total deposits of $69.3 million, compared to total deposits of $77.2 million at June 30, 2010, a decrease of $7.9 million, or 10.2%. There can be no assurance as to if or when this strategy can be accomplished. In an attempt to increase the overall interest rate spread of the combined company, management may adopt strategies that result in decreases in the assets and/or liabilities of either or both banks.

**Rising interest rates may hurt Kentucky First Federal Bancorp's profits and asset values.**

If interest rates rise, Kentucky First Federal Bancorp's net interest income would likely decline in the short term since, due to the generally shorter terms of interest-bearing liabilities, interest expense paid on interest-bearing liabilities increases more quickly than interest income earned on interest-earning assets, such as loans and investments.  In addition, rising interest rates may hurt Kentucky First Federal Bancorp's income because of the reduced demand for new loans, the reduced demand for refinancing loans and the reduced interest and fee income earned on new loans and refinancings.  While Kentucky First Federal Bancorp believes that modest interest rate increases will not significantly hurt its interest rate spread over the long term due to Kentucky First Federal Bancorp's high level of liquidity and the presence of a significant amount of adjustable-rate mortgage loans in its loan portfolio, interest rate increases may initially reduce Kentucky First Federal Bancorp's interest rate spread until such time as Kentucky First Federal Bancorp's loans and investments reprice to higher levels.

Changes in interest rates also affect the value of Kentucky First Federal Bancorp's interest-earning assets, and in particular Kentucky First Federal Bancorp's securities portfolio.  Generally, the value of fixed-rate securities fluctuates inversely with changes in interest rates.  Unrealized gains and losses on securities available for sale are reported as separate components of equity.  Decreases in the fair value of securities available for sale resulting from increases in interest rates therefore could have an adverse effect on stockholders' equity.

**Future Federal Deposit Insurance Corporation assessments will hurt Kentucky First Federal Bancorp's earnings.**

Federal Deposit Insurance Corporation insurance assessments increased significantly during the fiscal year ended June 30, 2010, and Kentucky First Federal Bancorp expects to pay higher Federal Deposit Insurance Corporation premiums in the future. See "*Information About Kentucky First Federal Bancorp – Regulation and Supervision – Regulation of Federal Savings Institutions – Insurance of Deposit Accounts.*" Higher recurring premiums assessed by the Federal Deposit Insurance Corporation and any additional emergency special assessments imposed by the Federal Deposit Insurance Corporation will further hurt Kentucky First Federal Bancorp's earnings.

**A larger percentage of Kentucky First Federal Bancorp's loans are collateralized by real estate, and further disruptions in the real estate market may result in losses and hurt Kentucky First Federal Bancorp's earnings.**

Approximately 96.1% of Kentucky First Federal Bancorp's loan portfolio at June 30, 2011 was comprised of loans collateralized by real estate. Declining economic conditions have caused a decrease in demand for real estate, which has resulted in an erosion of some real estate values in Kentucky First Federal Bancorp's markets. Further disruptions in the real estate market could significantly impair the value of Kentucky First Federal Bancorp's collateral and its ability to sell the collateral upon foreclosure. The real estate collateral in each case provides an alternate source of repayment in the event of default by the borrower and may deteriorate in value during the time the credit is extended. If real estate values decline further, it will become more likely that Kentucky First Federal Bancorp would be required to increase its allowance for loan losses. If during a period of reduced real estate values Kentucky First Federal Bancorp is required to liquidate the collateral securing a loan to satisfy the debt or to increase its allowance for loan losses, it could materially reduce Kentucky First Federal Bancorp's profitability and adversely affect Kentucky First Federal Bancorp's financial condition.

**Strong competition within Kentucky First Federal Bancorp's market area could hurt Kentucky First Federal Bancorp's profits and slow growth.**

Although Kentucky First Federal Bancorp considers itself competitive in its market areas, Kentucky First Federal Bancorp faces intense competition both in making loans and attracting deposits. Price competition for loans and deposits might result in Kentucky First Federal Bancorp's earning less on its loans and paying more on its deposits, which reduces net interest income. Some of the institutions with which Kentucky First Federal Bancorp competes have substantially greater resources than Kentucky First Federal Bancorp has and may offer services that Kentucky First Federal Bancorp does not provide. Kentucky First Federal Bancorp expects competition to increase in the future as a result of legislative, regulatory and technological changes and the continuing trend of consolidation in the financial services industry. Kentucky First Federal Bancorp's profitability will depend upon its continued ability to compete successfully in its market areas.

**The distressed economy in First Federal of Hazard's market area could hurt Kentucky First Federal Bancorp's profits and slow Kentucky First Federal Bancorp's growth.**

First Federal of Hazard's market area consists of Perry and surrounding counties in eastern Kentucky. The economy in this market area has been distressed in recent years due to the decline in the coal industry on which the economy has been dependent. While there has been improvement in the economy from the influx of other industries, such as health care and manufacturing, and there may be signs that the coal industry is improving with the rising costs of petroleum, the economy in First Federal of Hazard's market area continues to lag behind the economies of Kentucky and the United States. As a result, First Federal of Hazard has experienced insufficient loan demand in its market area. While First Federal of Hazard will seek to use excess funds to purchase loans from First Federal of Frankfort, Kentucky First Federal Bancorp expects the redeployment of funds from securities into loans to take several years. Moreover, the slow economy in First Federal of Hazard's market area will limit Kentucky First Federal Bancorp's ability to grow its asset base in that market.

**Recently enacted regulatory reform may have a material impact on Kentucky First Federal Bancorp's operations.**

On July 21, 2010, the President signed into law the Dodd-Frank Act. The Dodd-Frank Act restructures the regulation of depository institutions. Under the Dodd-Frank Act, the Office of Thrift Supervision was merged into the Office of the Comptroller of the Currency, which regulates national banks. Savings and loan holding companies are now regulated by the Board of Governors of the Federal Reserve System. The Dodd-Frank Act contains various provisions designed to enhance the regulation of depository institutions and prevent the recurrence of a financial crisis such as occurred in 2008-2009. Also included is the creation of a new federal agency to administer and enforce consumer and fair lending laws, a function that previously was performed by the depository institution regulators. The federal preemption of state laws currently accorded federally chartered depository institutions will be reduced as well. The Dodd-Frank Act also will impose consolidated capital requirements on savings and loan holding companies effective in five years, which will limit Kentucky First Federal Bancorp's ability to borrow at the holding company and invest the proceeds from such borrowings as capital in First Federal of Hazard or First Federal of Frankfort that could be leveraged to support additional growth. The full impact of the Dodd-Frank Act on Kentucky First Federal Bancorp's business and operations will not be known for years until regulations implementing the statute are written and adopted. The Dodd-Frank Act may have a material impact on Kentucky First Federal Bancorp's operations, particularly through increased compliance costs resulting from possible future consumer and fair lending regulations.

**Kentucky First Federal Bancorp expects that its return on equity will be low compared to other companies as a result of its high level of capital.**

Return on average equity, which equals net income divided by average equity, is a ratio used by many investors to compare the performance of a particular company with other companies. For the year ended June 30, 2011, Kentucky First Federal Bancorp's return on average equity was 3.04%. Kentucky First Federal Bancorp intends to continue managing excess capital through Kentucky First Federal Bancorp's stock repurchase program. However, this program could be curtailed or rendered less effective if the market price of Kentucky First Federal Bancorp's stock increases or if Kentucky First Federal Bancorp's liquid funds are deployed elsewhere. Kentucky First Federal Bancorp's goal of generating a return on average equity that is competitive with that of other publicly held subsidiaries of mutual holding companies, by increasing earnings per share and book value per share, without assuming undue risk, could take a number of years to achieve, and Kentucky First Federal Bancorp cannot predict whether its goal will be attained. Consequently, you should not expect a competitive return on average equity in the near future. Failure to achieve a competitive return on average equity might make an investment in Kentucky First Federal Bancorp's common stock unattractive to some investors and might cause Kentucky First Federal Bancorp's common stock to trade at lower prices than stocks of comparable companies with higher returns on average equity.

**Additional annual employee compensation and benefit expenses may reduce Kentucky First Federal Bancorp's profitability and stockholders' equity.**

Kentucky First Federal Bancorp will continue to recognize employee compensation and benefit expenses for employees and executives under Kentucky First Federal Bancorp's benefit plans. With regard to the employee stock ownership plan, applicable accounting practices require that the expense be based on the fair market value of the shares of common stock at specific points in the future; therefore, Kentucky First Federal Bancorp will recognize expense for Kentucky First Federal Bancorp's employee stock ownership plan when shares are committed to be released to participants' accounts. Kentucky First Federal Bancorp will also recognize expense for restricted stock awards and options over the vesting periods of those awards. In addition, employees of both subsidiary banks participate in a defined benefit plan. Costs associated with the defined benefit plans could increase or legislation could be enacted that would increase each subsidiary bank's obligations under the plan or change the methods such banks use in accounting for the plans. Those changes could adversely affect personnel expense and Kentucky First Federal Bancorp's balance sheet.

**First Federal MHC owns a majority of Kentucky First Federal Bancorp's common stock and is able to exercise voting control over most matters put to a vote of stockholders, including preventing sale or merger transactions you may like or a second-step conversion by First Federal MHC.**

First Federal MHC owns a majority of Kentucky First Federal Bancorp's common stock and, through its board of directors, is able to exercise voting control over most matters put to a vote of stockholders. As a federally chartered mutual holding company, the board of directors of First Federal MHC must ensure that the interests of depositors of First Federal of Hazard are represented and considered in matters put to a vote of stockholders of Kentucky First. Therefore, the votes cast by First Federal MHC may not be in your personal best interests as a stockholder. For example, First Federal MHC may exercise its voting control to prevent a sale or merger transaction in which stockholders could receive a premium for their shares, prevent a second-step conversion transaction by First Federal MHC or defeat a stockholder nominee for election to the board of directors of Kentucky First. However, implementation of a stock-based incentive plan will require approval of Kentucky First's stockholders other than First Federal MHC. Applicable regulations would likely prevent an acquisition of Kentucky First Federal Bancorp other than by another mutual holding company or a mutual institution.

**There may be a limited market for Kentucky First Federal Bancorp's common stock which may lower Kentucky First Federal Bancorp's stock price.**

Although Kentucky First Federal Bancorp's shares of common stock are listed on the NASDAQ Global Market, there is no guarantee that the shares will be regularly traded. If an active trading market for Kentucky First Federal Bancorp's common stock does not develop, you may not be able to sell all of your shares of common stock on short notice and the sale of a large number of shares at one time could temporarily depress the market price.

**Kentucky First Federal Bancorp's ability to pay dividends is subject to the ability of First Federal of Hazard and First Federal of Frankfort to make capital distributions to Kentucky First.**

Kentucky First Federal Bancorp's long-term ability to pay dividends to Kentucky First Federal Bancorp's stockholders is based primarily upon the ability of First Federal of hazard and First Federal of Frankfort to make capital distributions to Kentucky First Federal Bancorp, and also on the availability of cash at the holding company level in the event earnings are not sufficient to pay dividends according to the cash dividend payout policy. Under Office of the Comptroller of the Currency safe harbor regulations, each subsidiary bank may each distribute to Kentucky First Federal Bancorp capital not exceeding net income for the current calendar year and the prior two calendar years.

**The amount of dividends Kentucky First Federal Bancorp pays on its common stock, if any, may be limited by the ability of First Federal MHC to waive receipt of dividends.**

First Federal MHC owns approximately 61.1% of Kentucky First Federal Bancorp's outstanding stock. As a result, when and if Kentucky First Federal Bancorp pays dividends to its shareholders, it also is required to pay dividends to First Federal MHC unless First Federal MHC is permitted by its federal regulator to waive the receipt of dividends. Historically, First Federal MHC's federal regulator has permitted First Federal MHC to waive its right to dividends declared by Kentucky First Federal Bancorp on the shares that it owns. First Federal MHC has received the approval of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") to waive dividends paid by Kentucky First Federal Bancorp for the quarter ended March 31, 2012.

In August 2011, the Federal Reserve Board adopted an interim final rule which requires First Federal MHC to notify the Federal Reserve Board if it proposes to waive receipt of dividends from Kentucky First Federal Bancorp. The interim final rule also requires that First Federal MHC obtain the approval of a majority of the eligible votes of members of First Federal MHC (generally First Federal of Hazard depositors) before it can waive dividends. For a grandfathered company such as First Federal MHC that waived dividends prior to December 1, 2009, the Federal Reserve Board may not object to a dividend waiver request if the board of directors of the mutual holding company expressly determines that a waiver of the dividend is consistent with its fiduciary duties to members and the waiver would not be detrimental to the safe and sound operation of the savings association subsidiaries of the holding company. The Federal Reserve Board's interim final rule regarding dividend waiver requests is subject to comment and there can be no assurances as to the form of the final dividend waiver regulations or the effect of such regulations on First Federal MHC's ability to waive dividends.

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While First Federal MHC is grandfathered for purposes of the Federal Reserve Board dividend waiver regulations, Kentucky First Federal Bancorp cannot predict whether the Federal Reserve Board will grant dividend waiver requests in the future and, if it were to grant such waiver requests, Kentucky First Federal Bancorp cannot predict the nature of conditions, if any, the Federal Reserve Board may place on future dividend waiver requests. The denial of a dividend waiver request or the imposition of burdensome conditions on an approval of a waiver request may significantly limit the amount of dividends Kentucky First Federal Bancorp pays in the future. Moreover, the Federal Reserve Board has indicated that its current position is that the dividend waiver would not be granted for ensuing quarters unless certain requirements are met which include solicitation of a positive vote among the members of First Federal MHC, a group primarily comprised of the depositors of First Federal of Hazard. While it will remain First Federal MHC's strong preference to continue to waive future dividends, except to the extent dividends are needed to fund First Federal MHC's continuing operations, it may become necessary to pay dividends to First Federal MHC until such time as the shareholder vote and other requirements can be met or until there is a regulatory change. In the long term, the inability to waive dividends to First Federal MHC will likely result in a reduction in dividends paid to Kentucky First Federal Bancorp stockholders.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

Certain statements contained in this document that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (referred to as the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (referred to as the Securities Exchange Act), and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The sections of this document which contain forward-looking statements include, but are not limited to, "*Questions And Answers About the Merger and the Special Meeting," "Summary," "Risk Factors," "Description of the Merger—Background of the Merger,*" "*Description of the Merger—Kentucky First Federal Bancorp's Reasons for the Merger,*" and "*Description of the Merger—CKF Bancorp's Reasons for the Merger and Recommendation of the Board of Directors.*" You can identify these statements from the use of the words "may," "will," "should," "could," "would," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target" and similar expressions.

These forward-looking statements are subject to significant risks, assumptions and uncertainties, including among other things, changes in general economic and business conditions and the risks and other factors set forth in the "*Risk Factors*" section beginning on page 11.

Because of these and other uncertainties, Kentucky First Federal Bancorp's actual results, performance or achievements, or industry results, may be materially different from the results indicated by these forward-looking statements. In addition, Kentucky First Federal Bancorp's and CKF Bancorp's past results of operations do not necessarily indicate Kentucky First Federal Bancorp's and CKF Bancorp's combined future results. You should not place undue reliance on any forward-looking statements, which speak only as of the dates on which they were made. Kentucky First Federal Bancorp is not undertaking an obligation to update these forward-looking statements, even though its situation may change in the future, except as required under federal securities law. Kentucky First Federal Bancorp qualifies all of its forward-looking statements by these cautionary statements.

Further information on other factors which could affect the financial condition, results of operations, liquidity or capital resources of Kentucky First Federal Bancorp before and after the merger is included in this proxy statement/prospectus under "*Information About Kentucky First Federal Bancorp—Business*" *and* "*Information About Kentucky First Federal Bancorp—Management's Discussion and Analysis and Results of Operations*."

**SELECTED HISTORICAL FINANCIAL INFORMATION**

The following tables show summarized historical financial data for Kentucky First Federal Bancorp and CKF Bancorp. You should read this summary financial information in connection with Kentucky First Federal Bancorp's and CKF Bancorp's historical financial information, which appears elsewhere in this proxy statement/prospectus.

Unaudited financial statements for Kentucky First Federal Bancorp for the six months ended December 31, 2011 and 2010 and unaudited financial statements for CKF Bancorp for the year ended December 31, 2011 include normal, recurring adjustments necessary to fairly present the data for those periods. The unaudited data is not necessarily indicative of expected results of a full year's operations.

The selected historical financial data for Kentucky First Federal Bancorp as of June 30 is derived from Kentucky First Federal Bancorp's audited financial statements.

The selected historical financial data for CKF Bancorp as of December 31, 2010 and 2009 and for the two years then ended is derived from CKF Bancorp's audited financial statements.

The following unaudited condensed financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to those rules and regulations, although Kentucky First Federal Bancorp and CKF Bancorp each believes that the respective disclosures made by it are adequate to make the information presented not misleading.

Selected Historical Financial Data of Kentucky First Federal Bancorp

| | As of or For the Six Months Ended December 31, | | As of or For the Year Ended June 30, | | |
|---|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 | 2009 |
| | (unaudited) | | | | |
| | (In thousands, except per share amounts) | | | | |
| FINANCIAL CONDITION DATA | | | | | |
| Total assets | $236,438 | $241,437 | $226,135 | $236,939 | $240,901 |
| Loans receivable, net | 184,045 | 188,639 | 182,796 | 190,618 | 188,931 |
| Investment securities | 18,454 | 19,104 | 7,013 | 9,681 | 20,450 |
| Deposits | 136,595 | 143,270 | 139,940 | 144,969 | 139,743 |
| Borrowings | 38,715 | 38,196 | 25,261 | 32,009 | 40,156 |
| Stockholders' equity | 58,981 | 58,157 | 58,697 | 57,808 | 58,538 |
| OPERATING DATA | | | | | |
| Interest income | $5,188 | $5,472 | $10,749 | $11,378 | $12,226 |
| Interest expense | 1,198 | 1,824 | 3,181 | 4,980 | 5,902 |
| Net interest income | 3,990 | 3,648 | 7,568 | 6,398 | 6,324 |
| Provision for loan losses | 82 | 68 | 668 | 1,044 | 46 |
| Net interest income after provision for loan losses | 3,908 | 3,580 | 6,900 | 5,354 | 6,278 |
| Noninterest income | 57 | 154 | 242 | 289 | 241 |
| Noninterest expense | 2,760 | 2,608 | 5,282 | 5,039 | 4,608 |
| Income before income taxes | 1,205 | 1,126 | 1,860 | 604 | 1,911 |
| Income taxes | 396 | 369 | 104 | 203 | 1,183 |
| Net income | $809 | $757 | $1,756 | $401 | $728 |
| COMMON SHARE DATA | | | | | |
| Basic net income per share | $0.11 | $0.10 | $0.23 | $0.05 | $0.10 |
| Diluted net income per share | 0.11 | 0.10 | 0.23 | 0.05 | 0.10 |
| Dividends declared per share | 0.20 | 0.20 | 0.40 | 0.40 | 0.40 |
| Book value per share (1) | 7.81 | 7.72 | 7.78 | 7.67 | 7.74 |
| Weighted average shares - basic | 7,544,432 | 7,499,750 | 7,530,603 | 7,561,705 | 7,559,903 |
| Weighted average shares - diluted | 7,544,432 | 7,499,750 | 7,530,603 | 7,589,469 | 7,559,903 |
| Shares outstanding - end of period (1) | 7,548,026 | 7,536,373 | 7,540,818 | 7,523,238 | 7,564,576 |
| KEY OPERATING RATIOS | | | | | |
| Return on average assets | 0.71 % | 0.64 % | 0.75 % | 0.17 % | 0.30 % |
| Return on average equity | 2.76 | 2.63 | 3.04 | 0.69 | 1.23 |
| Net interest margin | 3.94 | 3.40 | 3.61 | 2.96 | 2.87 |
| Dividend payout ratio | 70.09 | 73.32 | 63.58 | 283.29 | 160.58 |
| Nonperforming loans to total loans | 1.00 | 3.82 | 0.48 | 4.05 | 2.05 |
| Nonperforming assets to total assets | 1.89 | 2.85 | 2.29 | 3.60 | 1.65 |
| Allowance for loan losses to total loans | 0.46 | 0.82 | 0.42 | 0.80 | 0.36 |
| | 45.69 | 21.55 | 87.21 | 19.72 | 17.51 |

| | | | | | |
|---|---|---|---|---|---|
| Allowance for loan losses to nonperforming loans | | | | | |
| Average equity to average assets | 25.88 | 24.21 | 24.76 | 24.27 | 24.40 |
| Total equity to total assets | 24.95 | 24.09 | 25.96 | 24.40 | 24.30 |

(1) Book value per share refers to the amount of stockholders’ equity attributable to each outstanding share of common stock, after the unallocated shares held by the Kentucky First Federal Savings Bank Employee Stock Ownership Plan have been subtracted from the total number of shares outstanding.

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Selected Historical Financial Data of CKF Bancorp

| | As of or For the Year Ended December 31, | | |
|---|---|---|---|
| | 2011 | 2010 | 2009 |
| | (In thousands, except per share amounts) | | |
| FINANCIAL CONDITION DATA | | | |
| Total assets | $126,976 | $130,475 | $130,752 |
| Loans receivable | 108,763 | 108,490 | 110,462 |
| Allowance for loan losses | (1,848) | (1,699) | (1,355) |
| Investment securities | 11,401 | 10,912 | 11,388 |
| Deposits | 100,605 | 101,087 | 95,549 |
| Borrowings | 13,000 | 15,000 | 21,000 |
| Stockholders’ equity | 12,985 | 13,958 | 13,753 |
| OPERATING DATA | | | |
| Interest income | $6,315 | $6,734 | $7,453 |
| Interest expense | 1,987 | 2,398 | 3,373 |
| Net interest income | 4,328 | 4,336 | 4,080 |
| Provision for loan losses | 725 | 780 | 730 |
| Net interest income after provision for loan losses | 3,603 | 3,556 | 3,350 |
| Noninterest income | 139 | (48) | 68 |
| Noninterest expense | 4,531 | 3,119 | 3,224 |
| Income (loss) before income taxes | (789) | 389 | 194 |
| Income taxes | 107 | 133 | 63 |
| Net (loss) income | $(896) | $256 | $131 |
| COMMON SHARE DATA | | | |
| Basic net income (loss) per share | $(0.73) | $0.21 | $0.11 |
| Diluted net income (loss) per share | (0.73) | 0.21 | 0.11 |
| Dividends declared per share | 0.06 | 0.02 | 0.30 |
| Book value per share | 10.60 | 11.40 | 11.22 |
| Weighted average shares - basic | 1,224,786 | 1,225,406 | 1,236,283 |
| Weighted average shares - diluted | 1,224,786 | 1,225,406 | 1,236,283 |
| Shares outstanding - end of period | 1,225,802 | 1,226,053 | 1,226,983 |
| KEY OPERATING RATIOS | | | |
| Return on average assets | (0.69)% | 0.19% | 0.10% |
| Return on average equity | (6.40) | 1.84 | 0.93 |
| Net interest margin | 3.46 | 3.42 | 3.14 |
| Dividend payout ratio | 9.77 | 9.58 | 286.50 |
| Nonperforming loans to total loans | 4.00 | 3.98 | 4.88 |
| Nonperforming assets to total assets | 4.28 | 4.23 | 5.31 |
| Allowance for loan losses to total loans | 1.70 | 1.57 | 1.23 |
| Allowance for loan losses to nonperforming loans | 42.42 | 39.39 | 25.12 |

| | | | |
|---|---|---|---|
| Average equity to average assets | 10.71 | 10.50 | 10.29 |
| Total equity to total assets | 10.23 | 10.70 | 10.52 |

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**SUMMARY SELECTED PRO FORMA CONDENSED COMBINED DATA**

The following table shows selected financial information on a pro forma combined basis giving effect to the merger as if the merger had become effective as of the date presented, in the case of balance sheet information, and as of July 1, 2010, in the case of income statement information. The pro forma information reflects the acquisition method of accounting.

Kentucky First Federal Bancorp anticipates that the merger will provide the combined company with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of Kentucky First Federal Bancorp following the merger under one set of assumptions, does not reflect all of these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of Kentucky First Federal Bancorp would have been had our companies been combined during these periods.

An exchange ratio of 1.0556 was used in preparing this pro forma information. Because the exchange ratio will be based on the price of Kentucky First Federal Bancorp common stock during a measurement period before the completion of the merger, the actual exchange ratio may be more than 1.0556. You should read this summary pro forma information in conjunction with the information under *"Pro Forma Financial Information"* and with the historical information in this document on which it is based.

| | Six Months Ended December 31, 2011 | Year Ended June 30, 2011 |
|---|---|---|
| | (In thousands, except per share data) | |
| Pro forma condensed combined income statement data: | | |
| Interest income | $8,338 | $ 17,211 |
| Interest expense | 1,738 | 4,674 |
| Net interest income | 6,600 | 12,537 |
| Provision for loan losses | 357 | 1,538 |
| Net interest income after provision for loan losses | 6,243 | 10,999 |
| Noninterest income | 95 | 347 |
| Noninterest expense | 5,716 | 8,454 |
| Income before income taxes | 622 | 2,892 |
| Income tax expense | 572 | 455 |
| Net income | $50 | $ 2,437 |

| | | |
|---|---|---|
| Pro forma per share data: | | |
| Basic net income | $0.01 | $ 0.29 |
| Diluted net income | 0.01 | 0.29 |

| | December 31, 2011 (In thousands) |
|---|---|
| Pro forma combined balance sheet data: | |
| Total assets | $ 361,631 |
| Loans receivable, net | 290,288 |
| Deposits | 238,316 |
| Total stockholders' equity | 66,224 |

**COMPARATIVE PER SHARE DATA**

The following table shows information about Kentucky First Federal Bancorp's and CKF Bancorp's income per common share, dividends per share and book value per share, and similar information giving effect to the merger (which we refer to as "pro forma" information). In presenting the comparative pro forma information for the time periods shown, we assumed that we had been merged on the dates or at the beginning of the periods indicated. See *"Pro Forma Financial Information."*

The information listed as "per equivalent CKF Bancorp share" was obtained by multiplying the pro forma amounts by an exchange ratio of 1.0556. We present this information to reflect that some CKF Bancorp stockholders will receive shares of Kentucky First Federal Bancorp common stock for each share of CKF Bancorp common stock exchanged in the merger. Because the exchange ratio will be based on the price of Kentucky First Federal Bancorp common stock during a measurement period before the completion of the merger, the actual exchange ratio may be more than 1.0556. Kentucky First Federal Bancorp anticipates that the combined company will derive financial benefits from the merger that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of Kentucky First Federal Bancorp following the merger under one set of assumptions, does not reflect these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of Kentucky First Federal Bancorp would have been had our companies been combined during these periods.

The information in the following table is based on, and should be read together with, the historical financial information that we have presented in this document. See *"Pro Forma Financial Information."*

| | Kentucky First Federal Bancorp Historical | CKF Bancorp Historical (1) | Pro Forma Combined (2) (3) | Per Equivalent CKF Bancorp Share |
|---|---|---|---|---|
| Book value per share: | | | | |
| At December 31, 2011 | $ 7.81 | $ 10.60 | $ 7.77 | $ 8.21 |
| Cash dividends declared per share: | | | | |
| Six months ended December 31, 2011 | $ 0.20 | $ 0.05 | $ 0.20 | $ 0.21 |
| Year ended June 30, 2011 | 0.40 | 0.02 | 0.40 | 0.42 |
| Diluted net income (loss) per share: | | | | |
| Six months ended December 31, 2011 | $ 0.11 | $ (0.83) | $ 0.01 | $ 0.01 |
| Year ended June 30, 2011 | 0.23 | 0.18 | 0.29 | 0.31 |

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(1) Since CKF Bancorp has a December 31 fiscal year end and Kentucky First Federal Bancorp has a June 30 fiscal year end, CKF Bancorp's historical data for the year ended June 30, 2011 was calculated by adding the results from the third and fourth quarters of fiscal 2010 to the first six months of fiscal 2011.

(2) Pro forma dividends per share represent Kentucky First Federal Bancorp's historical dividends per share.

(3) The pro forma combined book value per share of Kentucky First Federal Bancorp common stock is based upon the pro forma combined common stockholders' equity for Kentucky First Federal Bancorp and CKF Bancorp divided by total pro forma common shares of the combined entities.

MARKET PRICE AND DIVIDEND INFORMATION

Kentucky First Federal Bancorp common stock is listed on The NASDAQ Global Market under the symbol KFFB. CKF Bancorp common stock is quoted on the OTC Bulletin Board under the symbol CKFB. The following table lists the high and low prices per share for Kentucky First Federal Bancorp common stock and CKF Bancorp common stock and the cash dividends declared by each company for the periods indicated.

| | Kentucky First Federal Bancorp Common Stock | | | CKF Bancorp Common Stock | | |
|---|---|---|---|---|---|---|
| | High | Low | Dividends | High | Low | Dividends |
| Quarter Ended | | | | | | |
| June 30, 2012 (through May 11, 2012) | $ 9.24 | $ 8.50 | $ 0.10 | $ 9.25 | $ 9.15 | $ — |
| March 31, 2012 | 9.14 | 8.76 | 0.10 | 9.30 | 8.95 | 0.05 |
| December 31, 2011 | 9.11 | 6.08 | 0.10 | 9.25 | 7.05 | — |
| September 30, 2011 | 9.18 | 6.10 | 0.10 | 7.85 | 7.00 | 0.05 |
| June 30, 2011 | 9.25 | 7.73 | 0.10 | 8.75 | 7.50 | — |
| March 31, 2011 | 9.95 | 8.40 | 0.10 | 8.75 | 7.80 | 0.01 |
| December 31, 2010 | 10.38 | 9.00 | 0.10 | 8.25 | 7.25 | — |
| September 30, 2010 | 10.40 | 7.95 | 0.10 | 9.00 | 7.00 | 0.01 |
| June 30, 2010 | 11.42 | 7.80 | 0.10 | 9.75 | 5.75 | — |
| March 31, 2010 | 12.46 | 9.75 | 0.10 | 6.10 | 4.75 | 0.01 |
| December 31, 2009 | 13.40 | 10.15 | 0.10 | 6.25 | 5.00 | — |
| September 30, 2009 | 15.00 | 11.59 | 0.10 | 6.75 | 5.75 | 0.01 |

You should obtain current market quotations for Kentucky First Federal Bancorp common stock, as the market price of Kentucky First Federal Bancorp common stock will fluctuate between the date of this document and the date on which the merger is completed, and thereafter. You can get these quotations from a newspaper, on the Internet or by calling your broker.

As of May 11, 2012, there were approximately 651 holders of record of Kentucky First Federal Bancorp common stock. As of May 11, 2012 , there were approximately 157 holders of record of CKF Bancorp common stock. These numbers do not reflect the number of persons or entities who may hold their stock in nominee or “street name” through brokerage firms.

Following the merger, the declaration of dividends will be at the discretion of Kentucky First Federal Bancorp’s board of directors and will be determined after consideration of various factors, including earnings, cash requirements, the financial condition of Kentucky First Federal Bancorp, applicable state law and government regulations and other factors deemed relevant by Kentucky First Federal Bancorp’s board of directors.

**SPECIAL MEETING OF CKF BANCORP STOCKHOLDERS**

Date, Place, Time and Purpose

CKF Bancorp's board of directors is sending you this document for the purpose of requesting that you allow your shares of CKF Bancorp to be represented at the special meeting by the persons named in the enclosed proxy card. At the special meeting, the CKF Bancorp board of directors will ask you to vote on a proposal to approve and adopt the agreement of merger. You also may be asked to vote on a proposal to adjourn the special meeting if necessary to permit further solicitation of proxies if there are not sufficient votes at the time of the meeting to approve the agreement of merger. The special meeting will be held at the offices of Central Kentucky Federal Savings Bank, 340 West Main Street, Danville, Kentucky at 4:00 p.m., local time, on July 2, 2012. We intend to mail this proxy statement/prospectus and the enclosed proxy card to shareholders of record beginning on or about May 22, 2012.

Who Can Vote at the Meeting

You are entitled to vote if the records of CKF Bancorp showed that you held shares of CKF Bancorp common stock as of the close of business on May 11, 2012. As of the close of business on that date, a total of 1,225,802 shares of CKF Bancorp common stock were outstanding. Each share of common stock has one vote. If you are a beneficial owner of shares of CKF Bancorp common stock held by a broker, bank or other nominee (*i.e.*, in "street name") and you want to vote your shares in person at the meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

Quorum; Vote Required

The special meeting will conduct business only if one-third of the outstanding shares of CKF Bancorp common stock entitled to vote is represented in person or by proxy at the meeting. If you return valid proxy instructions or attend the meeting in person, your shares will be counted for purposes of determining whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted for purposes of determining the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of CKF Bancorp common stock for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

Approval and adoption of the agreement of merger will require the affirmative vote of the holders of a majority of the outstanding shares of CKF Bancorp common stock entitled to vote at the meeting. Failure to return a properly executed proxy card or to vote in person will have the same effect as a vote against the agreement of merger. Broker non-votes and abstentions from voting will have the same effect as voting against the agreement of merger.

The affirmative vote of the majority of votes cast is required to approve the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement of merger.

**Shares Held by CKF Bancorp Officers and Directors and by Kentucky First Federal Bancorp**

As of May 11, 2012, directors and executive officers of CKF Bancorp beneficially owned 177,618 shares of CKF Bancorp common stock, not including shares that may be acquired upon the exercise of stock options. This equals 14.5% of the outstanding shares of CKF Bancorp common stock. As of the same date, Kentucky First Federal Bancorp and its directors and executive officers owned 4,426 shares of CKF Bancorp common stock. CKF Bancorp's directors, who collectively own 14.5% of CKF Bancorp's outstanding shares, entered into voting agreements with Kentucky First Federal Bancorp to vote all shares of CKF Bancorp common stock owned by them in favor of the proposal to approve the agreement of merger.

Voting and Revocability of Proxies

You may vote in person at the special meeting or by proxy. To ensure your representation at the special meeting, CKF Bancorp recommends that you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

CKF Bancorp stockholders whose shares are held in "street name" by their broker, bank or other nominee must follow the instructions provided by their broker, bank or other nominee to vote their shares. Your broker or bank may allow you to deliver your voting instructions via the telephone or the Internet.

Voting instructions are included on your proxy form. If you properly complete and timely submit your proxy, your shares will be voted as you have directed. You may vote for, against, or abstain with respect to the approval and adoption of the agreement of merger. If you are the record holder of your shares of CKF Bancorp common stock and submit your proxy without specifying a voting instruction, your shares of CKF Bancorp common stock will be voted "FOR" the proposal to approve and adopt the agreement of merger and "FOR" the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement of merger. CKF Bancorp's board of directors recommends a vote **"FOR"** approval and adoption of the agreement of merger and "FOR" approval of the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve the agreement of merger.

You may revoke your proxy before it is voted by:

- filing with the Secretary of CKF Bancorp a duly executed revocation of proxy;
- submitting a new proxy with a later date; or
- voting in person at the special meeting.

Attendance at the special meeting will not, in and of itself, constitute a revocation of a proxy. All written notices of revocation and other communication with respect to the revocation of proxies should be addressed to:

CKF Bancorp, Inc.

Virginia R.S. Stump, Secretary

340 West Main Street

Danville, Kentucky 40422

If any matters not described in this document are properly presented at the special meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares. CKF Bancorp does not know of any other matters to be presented at the meeting.

**Participants in the Central Kentucky Federal Savings Bank Employee Stock Ownership Plan**

If you participate in the Central Kentucky Federal Savings Bank employee stock ownership plan, you will receive voting instruction cards for that plan that reflects all shares you may vote under the plan. Under the terms of the employee stock ownership plan, the employee stock ownership plan trustee votes all shares held by the employee stock ownership plan, but each employee stock ownership plan participant may direct the trustee how to vote the shares of common stock allocated to his or her account. The employee stock ownership plan trustee, subject to the exercise of its fiduciary duties, will vote all unallocated shares of CKF Bancorp common stock held by the employee stock ownership plan and allocated shares for which no voting instructions are received in the same proportion as shares for which it has received timely voting instructions. **The deadline for submitting your voting instructions is 5:00 p.m., Eastern time, on Monday, June 25, 2012.**

Solicitation of Proxies

CKF Bancorp will pay for this proxy solicitation. In addition to the solicitation of proxies by mail, Morrow & Co., LLC, a proxy solicitation firm, will assist CKF Bancorp in soliciting proxies for the annual meeting. CKF Bancorp will pay a fee of up to $5,000 for these services, plus reasonable out of pocket expenses. CKF Bancorp will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of CKF Bancorp. Additionally, directors, officers and other employees of CKF Bancorp may solicit proxies personally or by telephone. None of these persons will receive additional compensation for these activities.

**APPRAISAL RIGHTS**

Under Delaware law, holders of CKF Bancorp common stock that do not wish to accept the merger consideration may elect to have the value of their shares of CKF Bancorp common stock judicially determined and paid in cash, together with a fair rate of interest, if any. The valuation, which could be higher or lower than, or the same as, the value of the merger consideration, will exclude any element of value arising from the accomplishment or expectation of the merger. A stockholder may only exercise such appraisal rights by complying with the provisions of Section 262 of the Delaware General Corporation Law.

The following summary of the provisions of Section 262 of the Delaware General Corporation Law is not a complete statement of the law pertaining to appraisal rights under the Delaware General Corporation Law and is qualified in its entirety by reference to the full text of Section 262 of the Delaware General Corporation Law, a copy of which is attached to this proxy statement/prospectus as Annex C and incorporated into this summary by reference. If you wish to exercise appraisal rights or wish to preserve your right to do so, you should carefully review Section 262 and are urged to consult a legal advisor before electing or attempting to exercise these rights.

All references in Section 262 and in this summary to a “stockholder” are to the record holder of the shares of CKF Bancorp common stock as to which appraisal rights are asserted. A person having a beneficial interest in shares of CKF Bancorp common stock held of record in the name of another person, such as a bank, broker or other nominee, must act promptly to cause the record holder to follow properly the steps summarized below and in a timely manner to perfect appraisal rights.

Under Section 262, where a proposed merger is to be submitted for approval at a meeting of stockholders, as in the case of CKF Bancorp’s special meeting, which is scheduled for July 2, 2012, the corporation, not less than 20 days before the meeting, must notify each of its stockholders entitled to appraisal rights that these appraisal rights are available and include in the notice a copy of Section 262. This document constitutes notice to the CKF Bancorp stockholders of the availability of appraisal rights, and the applicable statutory provisions of the Delaware General Corporation Law are attached to this document as Annex C.

Any CKF Bancorp stockholder wishing to exercise the right to demand appraisal under Section 262 of the Delaware General Corporation Law must satisfy each of the following conditions:

- The stockholder must deliver to CKF Bancorp a written demand for appraisal of its shares before the vote on the agreement of merger at CKF Bancorp's special meeting, which is scheduled for July 2, 2012. This demand will be sufficient if it reasonably informs CKF Bancorp of the identity of the stockholder and that the stockholder intends by that writing to demand the appraisal of its shares.

- The stockholder must not vote its shares of common stock in favor of the agreement of merger. A proxy that does not contain voting instructions will, unless revoked, be voted in favor of the agreement of merger. Therefore, a CKF Bancorp stockholder who votes by proxy and who wishes to exercise appraisal rights must vote against the agreement of merger or affirmatively indicate on the proxy that such stockholder is abstaining from voting on the agreement of merger. Neither voting against, abstaining from voting, or failing to vote on the adoption of the agreement of merger will constitute a written demand for appraisal within the meaning of Section 262. The written demand for appraisal must be in addition to and separate from any failure to vote, abstention from voting, or any vote, in person or by proxy, cast against approval of the merger.

- The stockholder must continuously hold its shares from the date of making the written demand through the completion of the merger. A stockholder who is the record holder of shares of common stock on the date the written demand for appraisal is made but who thereafter transfers those shares before the completion of the merger will lose any right to appraisal in respect of those shares.

Only a holder of shares of CKF Bancorp common stock who held such shares on the record date for the special meeting of stockholders to vote on the agreement of merger, is entitled to assert appraisal rights for those shares registered in that holder's name. A demand for appraisal should:

- be executed by or on behalf of the stockholder of record, fully and correctly, as the stockholder's name appears on the stock transfer records of CKF Bancorp;
- specify the stockholder's name and mailing address;
- specify the number of shares of CKF Bancorp common stock owned by the stockholder; and
- specify that the stockholder intends thereby to demand appraisal of its common stock.

If the shares are owned of record by a person in a fiduciary capacity, such as a trustee, guardian or custodian, the demand should be executed in that capacity. If the shares are owned of record by more than one person as in a joint tenancy or tenancy in common, the demand should be executed by or on behalf of all owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a stockholder; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is acting as agent for such owner or owners. A record holder such as a bank or broker who holds shares as nominee for several beneficial owners may exercise appraisal rights with respect to the shares held for one or more beneficial owners while not exercising these rights with respect to the shares held for one or more other beneficial owners. In this case, the written demand should set forth the number of shares as to which appraisal is sought, and where no number of shares is expressly mentioned the demand will be presumed to cover all shares held in the name of the record owner.

Stockholders who hold their shares in brokerage accounts or other nominee forms and who wish to exercise appraisal rights are urged to consult with their nominees to determine appropriate procedures for the making of a demand for appraisal by such nominee.

A stockholder who elects to exercise appraisal rights pursuant to Section 262 should mail or deliver a written demand to:

CKF Bancorp, Inc.

340 West Main Street

Danville, Kentucky 40422

Attention: Virginia R. S. Stump, Secretary

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Within ten days after the completion of the merger, Kentucky First Federal Bancorp must send a notice as to the completion of the merger to each of CKF Bancorp's former stockholders who has made a written demand for appraisal in accordance with Section 262 and who has not voted in favor of or consented to adoption of the agreement of merger. Within 120 days after the effective date of the merger, but not after that date, either Kentucky First Federal Bancorp or any former CKF Bancorp stockholder who has complied with the requirements of Section 262 may file a petition in the Delaware Court of Chancery demanding a determination of the value of the shares of common stock held by all former CKF Bancorp stockholders demanding appraisal of their shares. Kentucky First Federal Bancorp is under no obligation to, and has no present intent, to file a petition for appraisal and CKF Bancorp stockholders seeking to exercise appraisal rights should not assume that Kentucky First Federal Bancorp will file a petition or that it will initiate any negotiations with respect to the fair value of the shares. Accordingly, CKF Bancorp stockholders who desire to have their shares appraised should initiate any petitions necessary for the perfection of their appraisal rights within the time periods and in the manner prescribed in Section 262. Since Kentucky First Federal Bancorp has no obligation to file a petition, the failure of affected former CKF Bancorp stockholders to do so within the period specified could nullify any previous written demand for appraisal. Under the agreement of merger, CKF Bancorp has agreed to give Kentucky First Federal Bancorp prompt notice of any demands for appraisal it receives. Kentucky First Federal Bancorp has the right to participate in all negotiations and proceedings with respect to demands for appraisal. CKF Bancorp will not, except with the prior written consent of Kentucky First Federal Bancorp, make any payment with respect to any demands for appraisal, offer to settle, or settle, any demands.

Within 120 days after the effective date of the merger, any stockholder that complies with the provisions of Section 262 to that point in time will be entitled to receive from Kentucky First Federal Bancorp, upon written request, a statement setting forth the aggregate number of shares not voted in favor of the agreement of merger and with respect to which CKF Bancorp received demands for appraisal and the aggregate number of holders of those shares. Kentucky First Federal Bancorp must mail this statement to the stockholder by the later of ten days after receipt of the request or ten days after expiration of the period for delivery of demands for appraisals under Section 262.

A stockholder who timely files a petition for appraisal with the Delaware Court of Chancery must serve a copy upon Kentucky First Federal Bancorp. Kentucky First Federal Bancorp must, within 20 days of receipt of the petition, file with the Delaware Register in Chancery a duly verified list containing the names and addresses of all stockholders who have demanded appraisal of their shares and who have not reached agreements with it as to the value of their shares. After notice to stockholders is given, may be ordered by the Delaware Court of Chancery, the Delaware Court of Chancery is empowered to conduct a hearing on the petition to determine which stockholders are entitled to appraisal rights. The Delaware Court of Chancery may require stockholders who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates to the Register in Chancery for notation on the certificates of the pendency of the appraisal proceedings, and if any stockholder fails to comply with the requirement, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder. After determining which stockholders are entitled to an appraisal, the Delaware Court of Chancery will appraise the "fair value" of their shares. This value will exclude any element of value arising from the accomplishment or expectation of the merger, but will include a fair rate of interest, if any, to be paid upon the amount determined to be the fair value. The costs of the action may be determined by the Delaware Court of Chancery and taxed upon the parties as the Delaware Court of Chancery deems equitable. Upon application of a stockholder, the Delaware Court of Chancery may also order that all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding be charged pro rata against the value of all of the shares entitled to appraisal. These expenses may include, without limitation, reasonable attorneys' fees and the fees and expenses of experts. Stockholders considering seeking appraisal should be aware that the fair value of their shares as determined under Section 262 could be more than, the same as, or less than the merger consideration they would be entitled to receive pursuant to the agreement of merger if they did not seek appraisal of their shares. Stockholders should also be aware that investment banking opinions as to fairness from a financial point of view are not necessarily opinions as to fair value under Section 262.

In determining fair value and, if applicable, a fair rate of interest, the Delaware Court of Chancery is to take into account all relevant factors. In Weinberger v. UOP, Inc., the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that “proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court” should be considered, and that “fair price obviously requires consideration of all relevant factors involving the value of a company.”

Section 262 provides that fair value is to be "exclusive of any element of value arising from the accomplishment or expectation of the merger." In Cede & Co. v. Technicolor, Inc., the Delaware Supreme Court stated that such exclusion is a "narrow exclusion [that] does not encompass known elements of value," but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In Weinberger, the Delaware Supreme Court construed Section 262 to mean that "elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered." Any stockholder who has duly demanded an appraisal in compliance with Section 262 will not, after the completion of the merger, be entitled to vote the shares subject to that demand for any purpose or be entitled to the payment of dividends or other distributions on those shares. However, stockholders will be entitled to dividends or other distributions payable to holders of record of shares as of a record date before the completion of the merger.

Any stockholder may withdraw his or her demand for appraisal and accept the merger consideration by delivering to Kentucky First Federal Bancorp, within 60 days of the effective date of the merger, a written withdrawal of the stockholder's demands for appraisal. Any attempt to withdraw made more than 60 days after the effective date of the merger will require written approval of Kentucky First Federal Bancorp. Moreover, no appraisal proceeding before the Delaware Court of Chancery as to any stockholder shall be dismissed without the approval of the Delaware Court of Chancery and such approval may be conditioned upon any terms the Delaware Court of Chancery deems just. If Kentucky First Federal Bancorp does not approve a stockholder's request to withdraw a demand for appraisal when the approval is required or if the Delaware Court of Chancery does not approve the dismissal of an appraisal proceeding, the stockholder would be entitled to receive only the appraised value determined in any such appraisal proceeding. This value could be higher or lower than, or the same as, the value of the merger consideration.

Failure to follow the steps required by Section 262 of the Delaware General Corporation Law for perfecting appraisal rights may result in the loss of appraisal rights, in which event a CKF Bancorp shareholder will be entitled to receive the consideration with respect to his, her or its dissenting shares in accordance with the agreement of merger. In view of the complexity of the provisions of Section 262 of the Delaware General Corporation Law, if you are a CKF Bancorp stockholder and are considering exercising your appraisal rights under the Delaware General Corporation Law, you should consult your own legal advisor.

## DESCRIPTION OF THE MERGER

*The following summary of the agreement of merger is qualified by reference to the complete text of the agreement of merger. A copy of the agreement of merger is attached as Annex A to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus. You should read the agreement of merger completely and carefully as it, rather than this description, is the legal document that governs the merger.*

### General

The agreement of merger provides for the merger of CKF Bancorp with and into Kentucky First Federal Bancorp, with Kentucky First Federal Bancorp as the surviving entity. Immediately following the merger of CKF Bancorp with Kentucky First Federal Bancorp, Central Kentucky Federal Savings Bank will merge with and into First Federal of Frankfort, with First Federal of Frankfort as the surviving entity.

## Background of the Merger

Since completing its initial public offering in August 1994, the CKF Bancorp board of directors has periodically discussed and reviewed with management the business, strategic direction, performance and prospects of CKF Bancorp in the context of the then-current and prospective business and regulatory environment, and Central Kentucky Federal Savings Bank's size and resources relative to its competitors.

From December 31, 1994 until December 31, 2009, CKF Bancorp grew its assets from $56.4 million to $130.8 million, its loan portfolio from $41.7 million to $110.5 million, and its branch network from one to three offices. However, the board of directors has noted the difficulty in profitably growing and operating a financial institution under current economic conditions. At the same time, like most small financial institutions, CKF Bancorp has experienced increasing costs for technology and regulatory compliance. Finally, CKF Bancorp's ability to deliver additional value to its stockholders has recently been limited by various dividend restrictions, the relative illiquidity of its stock and the poor performance of the bank stock market during recent years.

Management of CKF Bancorp has from time to time communicated informally with representatives of other financial institutions regarding industry trends and issues, including representatives of Kentucky First Federal Bancorp. In a number of these communications, discussions were held as to whether CKF Bancorp could more effectively enhance stockholder value and address its operational and regulatory challenges through a combination with Kentucky First Federal Bancorp. In particular, discussions regarding these matters were held during October 2008 and on a regular basis between June and September, 2010. In September 2010, the parties determined to contact the Office of Thrift Supervision, as the primary federal banking regulator of CKF Bancorp and Kentucky First Federal Bancorp, to discuss the possibility of a merger between the parties. CKF Bancorp and Kentucky First Federal Bancorp had a conference call with representatives of the Office of Thrift Supervision in November 2010.

During the period from November 2010 to March 2011, the parties spoke only sporadically as they studied the possible impact of the Dodd-Frank Act on their operations and on any possible transaction between them. However, because it was becoming apparent that Kentucky First Federal Bancorp might make a proposal to enter into a merger transaction with CKF Bancorp, during March 2011, the board of directors discussed the retention of a financial consultant in the merger process, and authorized management to interview financial consultants and find one management would be comfortable working with. Management reviewed RP Financial, LC.'s experience and background as well as its proposed fee structure, part of which was payable immediately prior to the completion of a successful transaction, and in March 2011, CKF Bancorp retained RP Financial, LC. ("RP Financial") to provide advisory and related valuation services in connection with the proposed merger with Kentucky First Federal Bancorp.

On June 28, 2011, the board of directors reviewed with management and legal counsel the process to that point. Counsel again discussed the board's fiduciary obligations with respect to a merger transaction. The board of directors also reviewed again CKF Bancorp's business plan, including its economic, operating and regulatory challenges, the financial and operational profile of Kentucky First Federal Bancorp and its common stock, and current economic and merger markets. The board of directors authorized management to continue negotiations with Kentucky First Federal Bancorp. The board of directors also took note of Kentucky First Federal Bancorp's repeated statements that it would withdraw its proposal if CKF Bancorp opened negotiations with third parties and directed management to acquire additional information from RP Financial as to the likelihood, in the current environment, that CKF Bancorp could obtain a more favorable merger proposal from other third parties.

The parties continued to discuss the potential terms of the transaction and, in July 2011, representatives of Kentucky First Federal Bancorp provided CKF Bancorp with an initial term sheet that provided for the acquisition of the shares of CKF Bancorp in exchange for a mixture of stock and cash. The consideration included a fixed exchange ratio for the stock consideration portion of the transaction of 1.0556 shares of Kentucky First Federal Bancorp common stock in exchange for each share of common stock of CKF Bancorp common stock. The stock consideration portion of the transaction also included a floating exchange ratio if Kentucky First Federal Bancorp's average stock price over the applicable measurement period was below or above specific levels. The term sheet also stated that the proposal was contingent upon CKF Bancorp not soliciting competing offers.

There was extreme volatility in the stock market during August 2011, and management of CKF Bancorp and its financial advisor negotiated to obtain a measure of protection against a decline in the price of Kentucky First Federal Bancorp's stock. As a result, and after extensive discussions, the parties negotiated various proposed changes to the exchange ratios between August and October 2011.

In August 2011, legal counsel to Kentucky First Federal Bancorp provided an initial draft of the agreement of merger. In September 2011, the board of directors of CKF Bancorp held a special meeting, during which management and legal counsel reviewed with the board of directors the draft agreement of merger. The legal counsel and financial advisor to Kentucky First Federal Bancorp and CKF Bancorp continued negotiations regarding the definitive agreement of merger and other related agreements with respect to the proposed merger.

Subsequent to the distribution of the initial draft of the agreement of merger, as a result of declines in the trading price of Kentucky First Federal Bancorp common stock, CKF Bancorp and its financial advisor negotiated an increase in the exchange ratios to the levels included in the final agreement of merger.

In view of Kentucky First Federal Bancorp's statements that it would withdraw its proposal if CKF Bancorp solicited third-party offers, CKF Bancorp's board of directors balanced the possibility that a third party would make a superior proposal to acquire CKF Bancorp against the possible withdrawal of the Kentucky First Federal Bancorp proposal. In this regard, CKF Bancorp instructed RP Financial to analyze (i) the extent to which other regional banking companies might have an interest in a merger with CKF Bancorp and (ii) the price such other potential acquirers would likely be prepared to pay in such a transaction. At a meeting of the board of directors on August 25, 2011, RP Financial reviewed other potential acquirers based upon numerous factors, including pro forma capital, earnings and market share of the resulting company as well as the likelihood of regulatory approval. Based upon these criteria, RP Financial expressed its view that Kentucky First Federal Bancorp had the highest strategic interest and financial ability to complete a transaction with CKF Bancorp. RP Financial further noted that Kentucky First Federal Bancorp was the only potential partner that could offer shares that could be subject to a price increase upon a "second-step" conversion of a mutual holding company. Based upon the information presented, including a discussion of the then-current stock market volatility, the board of directors determined that it was in the best interests of stockholders that discussions with Kentucky First Federal Bancorp should proceed on an exclusive basis. However, the Board instructed management, RP Financial and CKF Bancorp's legal counsel to negotiate the termination and third-party proposal provisions of the agreement of merger as aggressively as possible.

As a result of this decision, CKF Bancorp's legal counsel and financial advisor negotiated the termination fee and third-party proposal provisions of the agreement of merger such that CKF Bancorp would owe Kentucky First Federal Bancorp a lower fee ($300,000 instead of $600,000) if CKF Bancorp terminated the agreement of merger on or before December 3, 2011 (30 days after the date of the agreement of merger). Although the board of directors, with the advice of RP Financial, did not believe that a third party could successfully offer higher merger consideration than Kentucky First Federal Bancorp, such provision better enabled any hypothetically interested third party to offer a higher price to acquire CKF Bancorp.

Over the following months, legal counsel to Kentucky First Federal Bancorp and CKF Bancorp continued negotiations regarding the draft agreement of merger and other related agreements with respect to the proposed merger. On November 2, 2011, the board of directors of CKF Bancorp held a special meeting. President and Chief Executive Officer William H. Johnson, together with CKF Bancorp's legal counsel, reviewed with the board of directors the terms of the proposed merger with Kentucky First Federal Bancorp. Legal counsel again discussed the fiduciary obligations of the board of directors, and reviewed the legal terms of the proposed merger and the related agreements. Management, RP Financial and legal counsel also discussed with the board the results of its due diligence review of Kentucky First Federal Bancorp.

At the same meeting, representatives of RP Financial discussed a range of matters, including the matters set forth in *"—Opinion of CKF Bancorp, Inc's Financial Advisor."* After this discussion, RP Financial provided the board of directors its oral opinion (subsequently confirmed in writing) that, as of the date of the board meeting and based upon and subject to the considerations described in its opinion, the proposed merger consideration was fair, from a financial point of view, to holders of CKF Bancorp common stock.

Following these presentations, the CKF Bancorp board meeting continued with discussions and questions among the members of the CKF Bancorp board, RP Financial and legal counsel. After further discussion, and taking into consideration the factors described under *"—CKF Bancorp, Inc.'s Reasons for the Merger and Recommendation of the Board of Directors,"* the CKF Bancorp board determined that the proposed merger with Kentucky First Federal Bancorp presented the best opportunity for enhancing CKF Bancorp stockholder value. Accordingly, the CKF Bancorp board determined that the transaction was advisable and in the best interests of CKF Bancorp and its stockholders, and the CKF Bancorp board unanimously approved the merger with Kentucky First Federal Bancorp.

Following approval of the board of directors, on November 3, 2011 the parties executed the merger agreement and publicly announced the transaction by issuing a joint press release.

On November 7, 2011, CKF Bancorp President and Chief Executive Officer William H. Johnson received a telephone call from the chief executive officer of another bank holding company indicating that the other bank holding company had an interest in acquiring CKF Bancorp in a cash transaction. On November 10, 2011, Mr. Johnson received a letter indicating a non-binding conditional interest in acquiring all of the outstanding shares of CKF Bancorp common stock at a price of $10.50 per share. CKF Bancorp's board of directors held a special meeting on November 14, 2011. Based upon presentations by management, legal counsel and RP Financial, the board of directors authorized Mr. Johnson, with the assistance of legal counsel, to negotiate a confidentiality agreement with the third party and to enter into discussions with this third party with respect to its proposal. On November 18, 2011, following further discussions and the third party's review of certain of CKF Bancorp's books and records, the third party informed Mr. Johnson that it was no longer interested in pursuing a transaction with CKF Bancorp.

CKF Bancorp's Reasons for the Merger and Recommendation of the Board of Directors

CKF Bancorp's board of directors determined that agreement of merger and the merger consideration were in the best interests of CKF Bancorp and its stockholders and recommends that CKF Bancorp stockholders vote in favor of the approval and adoption of the agreement of merger and the transactions contemplated by the agreement of merger.

In its deliberations and in making its determination, CKF Bancorp's board of directors considered many factors including, without limitation, the following:

- CKF Bancorp's community banking orientation and its compatibility with Kentucky First Federal Bancorp and its subsidiaries;
- the business, earnings, operations, financial condition, management, prospects, capital levels and asset quality of both CKF Bancorp and Kentucky First Federal Bancorp;
- Kentucky First Federal Bancorp's access to capital and managerial resources relative to that of CKF Bancorp;
- the premium represented by the value of the merger consideration over the trading prices of the stock before the announcement of the merger;
- its desire to provide stockholders with the prospects for greater future appreciation on their investments in CKF Bancorp common stock than the amount the board of directors believed that CKF Bancorp could achieve independently;

- the greater liquidity of Kentucky First Federal Bancorp common stock, which is traded on the NASDAQ Global Market;
- the presentation by RP Financial, LC. as to Kentucky First Federal Bancorp's interest and ability to complete a transaction with CKF Bancorp as compared to other potential acquirers;
- the opinion delivered by RP Financial, LC. that the merger consideration is fair, from a financial standpoint, to the stockholders of CKF Bancorp;
- Central Kentucky Federal Savings Bank's potential to better serve its customers and enhance its competitive position in the communities in which it operates due the ability to offer more diverse financial products and services through a larger and more highly capitalized institution;
- the effect of the merger on CKF Bancorp's employees, customers and community;
- Kentucky First Federal Bancorp's long-term growth strategy;

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- the greater current dividend paid by Kentucky First Federal Bancorp on its common stock relative to the dividend paid by CKF Bancorp on its common stock;

- the possibility of a second-step conversion of Kentucky First Federal Bancorp to a full stock company; and

- the anticipated acceleration of the termination of the memoranda of understanding to which CKF Bancorp and Central Kentucky Federal Savings Bank are subject.

The above discussion of the information and factors considered by CKF Bancorp's board of directors is not intended to be exhaustive, but includes all material factors considered by the board in arriving at its determination to approve, and to recommend that the CKF Bancorp stockholders vote to approve the agreement of merger and related transactions. The CKF Bancorp board of directors did not assign any relative or specific weights to the above factors, and individual directors may have given differing weights to different factors. The CKF Bancorp board of directors unanimously recommends that CKF Bancorp's stockholders vote to approve the agreement of merger and the related transactions.

**Opinion of CKF Bancorp's Financial Advisor**

CKF Bancorp retained RP® Financial, LC. ("RP Financial") in March 2011 to provide certain valuation and related financial advisory services in connection with the consideration by CKF Bancorp's board of directors of a prospective merger transaction with Kentucky First Federal Bancorp, specifically with respect to: (1) determining a range of value of CKF Bancorp's common stock pursuant to a change of control; (2) conducting the merger negotiations with Kentucky First Federal Bancorp and communicating between Kentucky First Federal Bancorp and CKF Bancorp's senior management and board of directors; (3) evaluating the proposed terms of the merger proposal that may be received by CKF Bancorp from Kentucky First Federal Bancorp, including Kentucky First Federal Bancorp's ability to pay and the estimated pro forma financial and market valuation impact on Kentucky First Federal Bancorp (including pro forma analyses) and evaluating the pro forma business plan and outlook of the merged company; and (4) should CKF Bancorp enter into an agreement to merge or be acquired, rendering a fairness opinion with respect to the merger consideration to be received by CKF Bancorp stockholders in such transaction. In engaging RP Financial for these services and requesting RP Financial's opinion as to the fairness of the merger consideration to be received from Kentucky First Federal Bancorp, the CKF Bancorp Board did not give any special instructions to RP Financial, nor did it impose any limitations upon the scope of the investigation that RP Financial wished to conduct to enable it to give its opinion as to fairness. RP Financial has delivered to CKF Bancorp its written opinion, dated November 3, 2011, to the effect that, based upon and subject to the matters set forth therein, as of that date, the consideration to be received in connection with the merger with Kentucky First Federal Bancorp was fair to the CKF Bancorp stockholders from a financial point of view. The opinion of RP Financial is directed toward the consideration to be received by CKF Bancorp stockholders and does not constitute a recommendation to any CKF Bancorp stockholder to vote in favor of approval of the merger agreement. A copy of the RP Financial opinion is set forth as Annex B to this proxy statement/prospectus, and CKF Bancorp stockholders should read it in its entirety. RP Financial has consented to the inclusion and description of its written opinion in this proxy statement/prospectus.

RP Financial has represented CKF Bancorp in a number of engagements since 1994, including: (1) preparing the appraisal and business plan for CKF Bancorp's initial public offering completed in 1995 in connection with its mutual-to-stock conversion; (2) serving as CKF Bancorp's financial advisor with respect to the 2001 acquisition of First Lancaster Bancshares, Inc., along with preparing the merger business plan and providing purchase accounting valuation services related to the acquisition; (3) strategic planning and merger advisory services in connection with the evaluation of other potential acquisition or merger transactions in 1995, 1999 and 2002; and, (4) since 2005, preparing an annual valuation of the CKF Bancorp shares owned by Central Kentucky Federal Savings Bank's employee stock ownership plan ("ESOP"). Over this period, RP Financial received approximately $136,000 in professional fees from CKF Bancorp prior to its March 2011 engagement for certain valuation and related financial advisory services in connection with the merger, as described above.

RP Financial was selected by CKF Bancorp to provide such valuation and related financial advisory services because of RP Financial's expertise in the valuation of financial institutions and their securities for a variety of purposes, including its expertise in connection with mergers and acquisitions of financial institutions and their holding companies, including such transactions in the midwestern U.S. Pursuant to a letter agreement dated March 29, 2011 and executed by CKF Bancorp on March 30, 2011 (the "Engagement Letter"), and additional services supplementally agreed to, including the performance of a review of other potential strategic alternatives for CKF Bancorp, RP Financial estimates that it will receive from CKF Bancorp total professional fees of approximately $50,000, of which $35,000 has been paid to date, plus reimbursement of certain out-of-pocket expenses, for its valuation and related financial advisory services in connection with the merger.

In addition, CKF Bancorp has agreed to indemnify and hold harmless RP Financial, any affiliates of RP Financial, and the respective directors, officers, agents and employees of RP Financial or their successors and assigns who act for or on behalf of RP Financial in connection with the services called for under the Engagement Letter, from and against any and all losses, claims, damages and liabilities, including, but not limited to, all losses and expenses in connection with claims under the federal securities laws, actually incurred by RP Financial and attributable to: (i) any untrue statement of a material fact contained in the financial statements or other information furnished or otherwise provided by an authorized officer of CKF Bancorp to RP Financial; (ii) the omission of a material fact from the financial statements or other information furnished or otherwise made available by an authorized officer of CKF Bancorp to RP Financial, or (iii) any action or omission to act by CKF Bancorp, or CKF Bancorp's respective officers, directors, employees or agents, which action or omission is willful. Notwithstanding the foregoing, CKF Bancorp will be under no obligation to indemnify RP Financial hereunder if a court determines that RP Financial was negligent or acted in bad faith or willfully with respect to any actions or omissions of RP Financial related to a matter for which indemnification is sought.

In addition, if RP Financial is entitled to indemnification from CKF Bancorp under the Engagement Letter, and in connection therewith incurs legal expenses in defending any legal action challenging the opinion of RP Financial where RP Financial is not negligent or otherwise at fault or is found by a court of law to be not negligent or otherwise at fault, CKF Bancorp will indemnify RP Financial for all reasonable expenses.

In rendering its opinion, RP Financial reviewed the following material and/or conducted the following analyses:

- the Agreement, dated November 3, 2011, including exhibits and appendices;

- the following information for CKF Bancorp – (1) Annual Reports to stockholders for the three fiscal years ended December 31, 2010; (2) other stockholder reports and securities filings during the three fiscal years ended December 31, 2010 and the current year to date through June 30, 2011; (3) unaudited financial data through September 30, 2011, including financial statements, regulatory financial reports and other financial, management and board reports with regard to balance sheet composition, off-balance sheet and contingent assets and liabilities, profitability, interest rate risk, credit risk, liquidity risk and operational characteristics; (4) trading characteristics of CKF Bancorp's stock for the last three calendar years and the current year to date; (5) stockholder proxy statements for the last three years; and, (6) other information furnished to RP Financial by CKF Bancorp for purposes of its analysis;

- the following information for Kentucky First Federal Bancorp – (1) Annual Reports to stockholders and on Form 10-K for the three fiscal years ended June 30, 2011; (2) other stockholder reports and securities filings during the three fiscal years ended June 30, 2011: (3) unaudited financial data for fiscal year 2011, including financial statements, regulatory financial reports and other financial, management and board reports with regard to balance sheet composition, off-balance sheet and contingent assets and liabilities, profitability, interest rate risk, credit risk, liquidity risk and operational characteristics; (4) trading characteristics of Kentucky First Federal Bancorp's stock the last three calendar years and the current calendar year to date through November 2, 2011; (5) stockholder proxy statements for the last three fiscal years; and, (6) other information furnished to RP Financial by Kentucky First Federal Bancorp for purposes of its analysis.

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- discussions with the executive management of CKF Bancorp and Kentucky First Federal Bancorp regarding the past and current operations, regulatory relations, financial condition and future prospects of the respective companies individually and general information on a post-merger basis;
- discussions with CKF Bancorp's executive management and Board of Directors regarding their reasons for the merger;
- the financial performance and stock market information for CKF Bancorp and Kentucky First Federal Bancorp in comparison to similar publicly-traded banking companies;
- analysis of the financial terms set forth in the agreement of merger and the ratios of the value of the merger consideration relative to CKF Bancorp's per share financial data and recent stock price in comparison to recent acquisitions of similar banking companies, both regionally and nationally as well as those with similar financial characteristics at the time the acquisition was announced;
- analysis of the estimated pro forma pricing ratios in connection with CKF Bancorp's merger with Kentucky First Federal Bancorp compared to the average and median pricing ratios indicated by similar banking company merger transactions;
- the estimated pro forma effect of the merger on the balance sheet, earnings, capital and key financial and market pricing ratios of Kentucky First Federal Bancorp on a post-merger basis, including the merger of Central Kentucky Federal into First Federal of Frankfort with estimated fair valuation and other merger adjustments, intangible assets and synergies, as well as the hypothetical pro forma impact if the merged company completed a second step conversion to full stock form under the current regulatory structure for such transactions;
- the competitive, economic and demographic characteristics nationally, regionally and in the local market area;
- the potential impact of regulatory and legislative changes on financial institutions, including CKF Bancorp and Kentucky First Federal Bancorp, including the interim financial rule by the Federal Reserve Board pertaining to savings and loan holding companies;
- the prospective strategic benefits of the Merger to Kentucky First Federal Bancorp as well as to CKF Bancorp;
- the proposed corporate governance on a post-merger basis and the expected merger of First Federal-Hazard with First Federal of Frankfort subsequent to the merger;
- the termination provisions of the agreement of merger, including the break-up fee which increases after 30 days and a comparison of such fees to similar fees in other comparable merger transactions; and

- other financial and regulatory considerations.

In conducting its review and rendering its opinion, RP Financial relied, without independent verification, on the accuracy and completeness of the information concerning CKF Bancorp and Kentucky First Federal Bancorp furnished by the respective institutions to RP Financial for review for purposes of its opinion, as well as publicly available information regarding other financial institutions and competitive, economic and demographic data for the markets served by CKF Bancorp and Kentucky First Federal Bancorp. RP Financial further relied on the assurances of management of CKF Bancorp and Kentucky First Federal Bancorp that they were not aware of any facts or circumstances that would make any of such information inaccurate or misleading. RP Financial was not asked to, and did not, undertake an independent verification of any of such information and did not assume any such responsibility or liability for the accuracy or completeness thereof. CKF Bancorp and Kentucky First Federal Bancorp did not restrict RP Financial as to the material it was permitted to review. RP Financial did not perform or obtain any independent appraisals or evaluations of the assets and liabilities, the collateral securing the assets or the liabilities (contingent or otherwise) of CKF Bancorp or Kentucky First Federal Bancorp or the collectability of any such assets, nor was RP Financial furnished with any such evaluations or appraisals. RP Financial did not make an independent evaluation of the adequacy of the allowance for loan losses of CKF Bancorp or Kentucky First Federal Bancorp nor did RP Financial review any individual credit files relating to CKF Bancorp or Kentucky First Federal Bancorp. RP Financial assumed, with CKF Bancorp’s and Kentucky First Federal Bancorp’s consent, that the respective allowances for loan losses for both CKF Bancorp and Kentucky First Federal Bancorp were adequate to cover such losses and would be adequate on a pro forma basis for the combined entity. RP Financial also assumed that there was no material change in CKF Bancorp’s or Kentucky First Federal Bancorp’s assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements made available to RP Financial.

RP Financial, with CKF Bancorp’s consent, has relied upon the advice CKF Bancorp received from its legal, accounting and tax advisors as to all legal, accounting and tax matters relating to the merger and other transactions contemplated by the agreement of merger.

With respect to estimates and projections of transaction costs, fair valuation adjustments, merger adjustments, estimated cost savings and other synergies used by RP Financial in its analyses, RP Financial assumed, with CKF Bancorp’s consent, that such estimates reflect reasonable estimates as CKF Bancorp and/or Kentucky First Federal Bancorp had not specifically quantified such information. RP Financial expresses no opinion as to such estimates or projections or the assumptions on which they are based.

In rendering its opinion, RP Financial assumed that, in all respects material to the analyses in arriving at its opinion: (1) the merger will be completed substantially in accordance with the terms set forth in the agreement of merger; (2) the representations and warranties of each party in the agreement of merger and in all related documents and appendices were true and correct; (3) each party to the agreement of merger and all related documents would perform all of the covenants and agreements required to be performed by such party under such documents; (4) all conditions to the completion of the merger will be satisfied without any waivers; and (5) in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the merger, no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, will be imposed that will have a material adverse effect on the future results of operations or financial condition of the combined entity or the estimated pro forma impact of the merger on Kentucky First Federal Bancorp.

RP Financial considered such financial and other factors as it deemed appropriate under the circumstances, including, among others, the following: (i) the historical and current financial position and results of operations of CKF Bancorp and Kentucky First Federal Bancorp; (ii) the assets and liabilities of CKF Bancorp and Kentucky First Federal Bancorp; (iii) the nature and terms of certain other merger transactions involving banks and thrifts and their holding companies; and, (iv) the estimated pro forma impact of a second step conversion of Kentucky First Federal Bancorp on a post-merger basis and the anticipated accretive impact to the tangible book value and earnings per share for the public stockholders, which would include those CKF Bancorp stockholders that elect and hold Kentucky First Federal Bancorp shares on a post-merger basis. RP Financial also took into account its assessment of general economic, market and financial conditions, the attractiveness of CKF Bancorp in a strategic transaction, and its experience in other transactions, as well as its experience in securities valuation and knowledge of the banking industry generally. RP Financial's opinion was based upon conditions as they existed at November 3, 2011. RP Financial's opinion does not address the underlying business decision of CKF Bancorp to engage in the merger, or the relative merits of the merger as compared to any strategic alternatives that may be available to CKF Bancorp.

RP Financial's opinion was based solely upon the information available to it and the economic, market and other circumstances as they existed as of November 3, 2011. Events occurring after November 3, 2011 could materially affect the assumptions used in preparing the opinion. In connection with rendering its opinion dated November 3, 2011, RP Financial performed a variety of financial analyses that are summarized below. Although the evaluation of the fairness, from a financial point of view, of the merger consideration was to some extent subjective based on the experience and judgment of RP Financial, and not merely the result of mathematical analyses of financial data, RP Financial relied, in part, on the financial analyses summarized below in its determinations. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analyses or summary description. RP Financial believes its analyses must be considered as a whole and that selecting portions of such analyses and factors considered by RP Financial without considering all such analyses and factors could create an incomplete view of the process underlying RP Financial's opinion. In its analyses, RP Financial took into account its assessment of general business, market, monetary, financial and economic conditions, industry performance and other matters, many of which are beyond the control of CKF Bancorp and Kentucky First Federal Bancorp, as well as RP Financial's experience in securities valuation, its knowledge of financial institutions, and its experience in similar transactions. With respect to the comparable transactions analysis described below, no public company utilized as a comparison is identical to CKF Bancorp and such analyses necessarily involve complex considerations and judgments concerning the differences in financial and operating characteristics of the companies and other factors that could affect the acquisition values of the companies concerned. The analyses were prepared solely for purposes of RP Financial providing its opinion as to the fairness of the merger consideration, and they do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold. Any estimates contained in RP Financial's analyses are not necessarily indicative of future results of values, which may be significantly more or less favorable than such estimates. None of the analyses performed by RP Financial was assigned a greater significance by RP Financial than any other.

Comparable Transactions Analysis. RP Financial compared the merger on the basis of the multiples or ratios of reported earnings, book value, tangible book value, assets, and tangible book premium to core deposits with the same multiples or ratios of three groups of selected comparable recently completed and pending bank and/or thrift mergers and acquisitions. These three groups included:

(1) all acquisitions of commercial banks and commercial bank holding companies, and savings institutions and thrift holding companies, in the U.S., with assets between $50 million and $250 million that were announced between April 1, 2010 and October 31, 2011, but excluding mergers of equals transactions and those deals with limited or no available deal data ("National Group");

(2) all acquisitions of commercial banks and bank holding companies, and savings institutions and thrift holding companies in the U.S. with assets between $50 million and $250 million that were announced between April 1, 2010 and October 31, 2011, with the target institution reporting positive earnings on a trailing twelve-month basis, but excluding mergers of equals transactions and those deals with limited or no available deal data ("Positive Earnings Group");

(3) all acquisitions of commercial banks and bank holding companies, and savings institutions and thrift holding companies in the midwestern U.S. with assets between $50 million and $250 million that were announced between April 1, 2010 and October 31, 2011, but excluding mergers of equals transactions and those deals with limited or no available deal data (“Midwestern Group”);

RP Financial evaluated selected financial data immediately prior to the acquisition announcement and acquisition pricing multiples or ratios at announcement for the acquisition targets included in the three selected peer groups and compared that data relative to the CKF Bancorp financial data and pricing multiples or ratios at acquisition announcement based on the terms of the merger with Kentucky First Federal Bancorp, as shown below. In conducting these comparative analyses, RP Financial considered the average, median, high and low data points of the three groups to CKF Bancorp.

In comparison to the three groups, CKF Bancorp: maintained a higher level of assets than the average and median of all groups; maintained a higher ratio of tangible equity to assets than all groups except the average for the National Group and maintained lower profitability relative to average assets and average equity than the Positive Earnings Group and the median of the Midwestern Group. In each case, CKF Bancorp’s selected key financial ratios fell within the range of average and median ratios of each of the banks and thrifts included in the three peer groups.

The CKF Bancorp merger consideration of $8.72 per share at announcement is equal to 82.3% of tangible book value, 48.4 times trailing twelve months earnings and 8.16% of assets, based on financial data as of or for the trailing twelve months ended June 30, 2011. CKF Bancorp’s merger pricing multiple relative to earnings was substantially above the average and median price/earnings ratio for all three groups, reflecting CKF Bancorp’s lower comparative profitability. CKF Bancorp’s merger pricing ratios relative to tangible book value and assets were below the averages and medians of all three groups. CKF Bancorp’s merger pricing ratio on a tangible book value premium/core deposits basis was below the average and medians of all three groups.

Control Premium Approach. RP Financial compared the merger on the basis of a market based control premium relative to the appraised fair value of CKF Bancorp's common stock on a minority basis. As CKF Bancorp's common stock experiences limited trading activity, is not listed on NASDAQ or an exchange and there are no analyst research reports regarding the common stock, the most recent appraised fair value of the CKF Bancorp's common stock was utilized. Since this December 31, 2010 valuation was for the ESOP shares, and the ESOP shares carry a put option which increases the liquidity of such shares over non-ESOP shares, this valuation was adjusted to exclude the put option benefit. This adjusted value for the non-ESOP shares, the "public equivalent value", was determined to equal $5.75 per share. RP Financial then applied a 50% control premium to the public equivalent value for the CKF Bancorp shares, based on the median premium paid above pre-acquisition trading prices for recent acquisitions of publicly-traded banking companies. Accordingly, the 50% control premium applied to the $5.75 per share public equivalent value resulted in a Control Premium Value of $8.60 per share. The CKF Bancorp merger consideration of $8.72 per share at announcement is 1.4% higher than this Control Premium Value.

Discounted Cash Flow ("DCF") Analysis. Using the DCF analysis, RP Financial estimated the present value per share of future dividends and the terminal value to CKF Bancorp's current stockholders over a five-year period assuming that CKF Bancorp remained independent for the next five years executing a reasonable business plan and then sold control at the end of the fifth year. The DCF analysis utilized CKF Bancorp's internal budget plan through fiscal year 2013 (December 31, 2013), and assumed a modest increase in financial performance for years 2014 and 2015 based on discussions with CKF Bancorp management.

Terminal values representing a sale of control were derived from the median price/earnings pricing multiples and the price/tangible book value ratios for the three comparable transactions groups referenced earlier. In arriving at the terminal value conclusion, RP Financial gave greater weight to the price/tangible book value approach and lesser weight to the price/earnings multiple approach.

Specifically, RP Financial applied the following assumptions into the DCF analyses:

- Limited asset growth for the first two years, followed by slow asset growth of 0.75% in the third year and 1.20% in the fourth and fifth years;
- Return on average assets ("ROAA") gradually increasing to 0.63% in third year and stabilizing at 0.65% for the remaining two years;
- A constant annual cash dividend of $0.10 per share for all five years;
- Fifth year terminal value multipliers for earnings per share of 17.26 times earnings and 1.17 times tangible book value per share.

The annual cash flows from the dividends and terminal value were discounted to present value using a 15% discount rate, based on the Capital Asset Pricing Model and empirical data from Ibbotson Associates for the approximate return generated over the long term by small capitalization stocks.

Based on the present value of the dividends plus the terminal value of $8.09 per share based on the tangible book value approach and $6.45 per share based on the earnings approach, RP Financial concluded with a DCF value of $7.55 per share, with greater weight given to the tangible book value approach. The CKF Bancorp merger consideration of $8.72 per share at announcement is above this DCF value and the range of the present values based on the terminal value for earnings and tangible book value.

Pro Forma Impact Analysis. Since the Merger Consideration will result in CKF Bancorp stockholders owning shares in Kentucky First Federal Bancorp, RP Financial considered the estimated pro forma impact of the merger on Kentucky First Federal Bancorp's financial condition, operating results and stock pricing ratios. Specifically, RP Financial considered that the merger is anticipated to:

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- Be accretive to Kentucky First Federal Bancorp’s pro forma earnings per share and tangible book value per share within the first year of completing the merger, assuming minimal synergies;
- Result in Kentucky First Federal Bancorp remaining well capitalized from a regulatory capital perspective, with additional capacity to grow organically or through acquisition;
- Increase Kentucky First Federal Bancorp’s market capitalization and shares outstanding; and,
- Increase Kentucky First Federal Bancorp’s stock liquidity.

In addition, RP Financial analyzed the pro forma impact of the merger on Kentucky First Federal Bancorp in terms of the prospects for a second-step conversion offering, given that Kentucky First Federal Bancorp is currently in mutual holding company form, and the estimated pro forma impact on Kentucky First Federal Bancorp‘s financial condition, operating results and stock pricing ratios. Specifically, RP Financial considered that, should Kentucky First Federal Bancorp immediately complete a second-step conversion subsequent to completing the merger, the merger is estimated to:

- Be neutral to Kentucky First Federal Bancorp’s fully-converted pro forma earnings per share and slightly dilutive to pro forma tangible book value per share;
- Result in Kentucky First Federal Bancorp remaining well-capitalized from a regulatory capital perspective on a merged basis;
- Increase Kentucky First Federal Bancorp’s market capitalization and shares outstanding; and,
- Increase Kentucky First Federal Bancorp’s stock liquidity.

Furthermore, RP Financial considered the increased size and competitive profile of Kentucky First Federal Bancorp on a pro forma basis, as well as the expanded geographic footprint and elimination of a competitor. RP Financial considered the pro forma impact of the merger on Kentucky First Federal Bancorp’s per share data and pricing ratios. RP Financial also considered other benefits of the merger, including the potential for increased liquidity of the stock for CKF Bancorp stockholders given Kentucky First Federal Bancorp’s larger size, greater market capitalization and higher shares outstanding, the enhanced ability to pursue growth within the expanded market area, enhanced products and services and delivery systems for customers, and expanded management team and board of directors. In comparing the pro forma impact of the merger, RP Financial also took into consideration that following the merger, CKF Bancorp stockholders will hold stock in a larger, more actively traded savings and loan holding company; and, on a pro forma basis, CKF Bancorp stockholders will own approximately 9% of the common stock in Kentucky First Federal Bancorp.

As described above, RP Financial's opinion and presentation to the CKF Bancorp Board was one of many factors taken into consideration by the CKF Bancorp Board in making its determination to approve the agreement of merger. Although the foregoing summary describes the material components of the analyses presented by RP Financial to the board of directors of CKF Bancorp on November 2, 2011 in connection with its opinion as of that date, it does not purport to be a complete description of all the analyses performed by RP Financial and is qualified by reference to the written opinion of RP Financial set forth as Annex B to this proxy statement/prospectus, which CKF Bancorp stockholders are urged to read in its entirety.

Kentucky First Federal Bancorp's Reasons for the Merger

Kentucky First Federal Bancorp's board of directors believes that the merger is in the best interests of Kentucky First Federal Bancorp and its stockholders. In deciding to approve the merger, Kentucky First Federal Bancorp's board of directors considered a number of factors, including:

- CKF Bancorp's community banking orientation, its favorable reputation within its local community and its compatibility with Kentucky First Federal Bancorp and its subsidiaries;

- Management's review of the business, operations, earnings, and financial condition, including capital levels and asset quality of CKF Bancorp;

- The resulting expansion of Kentucky First Federal Bancorp's customer base;
- The anticipated enhancement to the future revenue and earnings growth potential of Kentucky First Federal Bancorp; and
- The likelihood of regulators approving the merger without undue conditions or delay.

While Kentucky First Federal Bancorp's board of directors considered these and other factors, the board of directors did not assign any specific or relative weights to the factors considered and did not make any determination with respect to any individual factor. Kentucky First Federal Bancorp's board of directors collectively made its determination with respect to the merger based on the conclusion reached by its members, based on the factors that each of them considered appropriate, that the merger is in the best interests of Kentucky First Federal Bancorp's stockholders. The terms of the merger were the result of arm's-length negotiations between representatives of Kentucky First Federal Bancorp and representatives of CKF Bancorp.

Consideration to be Received in the Merger

When the merger becomes effective, each holder of CKF Bancorp common stock may elect to receive in exchange for 100% of his or her shares: (1) an amount equal to $9.50 in cash for each share of CKF Bancorp common stock held by such holder; (2) a number of shares of Kentucky First Federal Bancorp common stock equal to the Exchange Ratio for each share of CKF Bancorp common stock held by such holder; or (3) a combination of the Cash Consideration for 40% of the shares held and the Stock Consideration for 60% of the shares held. The Exchange Ratio, which represents the number of shares of Kentucky First Federal Bancorp common stock into which each CKF Bancorp share will be exchanged, will be based on the price of Kentucky First Federal Bancorp common stock over a measurement period before the closing. The measurement period will consist of the ten latest trading days preceding the date that is four business days before the closing of the merger. A trading day means any day on which at least 100 shares of Kentucky First common stock are traded, as reported on the NASDAQ Global Market.

| ***If the average daily sales price, rounded up to the nearest cent, of Kentucky First Federal Bancorp common stock during the measurement period is:*** | then you will receive: |
|---|---|
| • $7.50 or less | • 1.2667 shares of Kentucky First Federal Bancorp common stock |
| • above $7.50 and below $9.00 | • a number of shares of Kentucky First Federal Bancorp common stock equal to $9.50 divided by the average daily sales price over the measurement period rounded up to the nearest cent |

| | |
|---|---|
| • $9.00 or more | • 1.0556 shares of Kentucky First Federal Bancorp common stock |

The following table illustrates the calculation of the Exchange Ratio and the value of the shares of Kentucky First Federal Bancorp common stock that you may receive in the merger. On May 11, 2012, the closing price of Kentucky First Federal Bancorp common stock was $8.70. You are advised to obtain current market quotations for Kentucky First Federal Bancorp common stock. In addition, because the tax consequences of receiving cash will differ from the tax consequences of receiving Kentucky First Federal Bancorp common stock, you should carefully read the information included below under "— *Material Tax Consequences of the Merger*."

| Average Daily Sales Price, Rounded Up to the Nearest Cent, of Kentucky First Federal Bancorp Common Stock During Measurement Period | Exchange Ratio | Value of Kentucky First Federal Bancorp Common Stock to be Received (1) | |
|---|---|---|---|
| $9.60 | 1.0556 | $10.13 | |
| 9.55 | 1.0556 | 10.08 | |
| 9.50 | 1.0556 | 10.03 | |
| 9.45 | 1.0556 | 9.98 | |
| 9.40 | 1.0556 | 9.92 | |
| 9.35 | 1.0556 | 9.87 | |
| 9.30 | 1.0556 | 9.82 | |
| 9.25 | 1.0556 | 9.76 | |
| 9.20 | 1.0556 | 9.71 | |
| 9.15 | 1.0556 | 9.66 | |
| 9.10 | 1.0556 | 9.61 | |
| 9.05 | 1.0556 | 9.55 | |
| 9.00 | 1.0556 | 9.50 | Exchange ratio limitation |
| 8.95 | 1.0615 | 9.50 | |
| 8.90 | 1.0674 | 9.50 | |
| 8.85 | 1.0734 | 9.50 | |
| 8.80 | 1.0795 | 9.50 | |
| 8.75 | 1.0857 | 9.50 | |
| 8.70 | 1.0920 | 9.50 | |
| 8.65 | 1.0983 | 9.50 | |
| 8.62 | 1.1021 | 9.50 | |
| 8.60 | 1.1047 | 9.50 | |
| 8.55 | 1.1111 | 9.50 | |
| 8.50 | 1.1176 | 9.50 | |
| 8.45 | 1.1243 | 9.50 | |
| 8.40 | 1.1310 | 9.50 | |
| 8.35 | 1.1377 | 9.50 | |
| 8.30 | 1.1446 | 9.50 | |
| 8.25 | 1.1515 | 9.50 | |
| 8.20 | 1.1585 | 9.50 | |
| 8.15 | 1.1656 | 9.50 | |
| 8.10 | 1.1728 | 9.50 | |
| 8.05 | 1.1801 | 9.50 | |
| 8.00 | 1.1875 | 9.50 | |
| 7.95 | 1.1950 | 9.50 | |
| 7.90 | 1.2025 | 9.50 | |
| 7.85 | 1.2102 | 9.50 | |
| 7.80 | 1.2179 | 9.50 | |
| 7.75 | 1.2258 | 9.50 | |
| 7.70 | 1.2338 | 9.50 | |
| 7.65 | 1.2418 | 9.50 | |

| | | | |
|---|---|---|---|
| 7.60 | 1.2500 | 9.50 | |
| 7.55 | 1.2583 | 9.50 | |
| 7.50 | 1.2667 | 9.50 | Exchange ratio limitation |
| 7.45 | 1.2667 | 9.43 | |
| 7.40 | 1.2667 | 9.37 | |
| 7.35 | 1.2667 | 9.31 | |
| 7.30 | 1.2667 | 9.24 | |
| 7.25 | 1.2667 | 9.18 | |
| 7.20 | 1.2667 | 9.12 | |
| 7.15 | 1.2667 | 9.06 | |
| 7.10 | 1.2667 | 8.99 | |
| 7.05 | 1.2667 | 8.93 | |
| 7.00 | 1.2667 | 8.87 | |
| 6.95 | 1.2667 | 8.80 | |
| 6.90 | 1.2667 | 8.74 | |

(1) Calculated by multiplying the average daily sales price of Kentucky First Federal Bancorp common stock during the measurement period by the exchange ratio. The actual value of the shares at the time Kentucky First Federal Bancorp common stock certificates are delivered or the shares become available may be more or less than the amounts shown due to fluctuations in the market price of Kentucky First Federal Bancorp common stock.

Although stockholders of CKF Bancorp are being given the choice of whether to receive cash, Kentucky First Federal Bancorp common stock or a combination of cash and Kentucky First Federal Bancorp common stock in exchange for their shares of CKF Bancorp common stock, all elections will be subject to the allocation and proration procedures as well as other provisions in the agreement of merger.

If Kentucky First Federal Bancorp declares a stock dividend or distribution on shares of its common stock or subdivides, splits, reclassifies or combines the shares of Kentucky First Federal Bancorp common stock before the effective time of the merger, then the exchange ratio will be adjusted to provide CKF Bancorp stockholders with the same economic effect as contemplated by the agreement of merger before any of these events.

CKF Bancorp's stockholders will not receive fractional shares of Kentucky First Federal Bancorp common stock. Instead, CKF Bancorp's shareholders will receive a cash payment for any fractional shares in an amount equal to the product of (1) the fraction of a share of Kentucky First Federal Bancorp common stock to which he, she or it is entitled multiplied by (2) the average daily sales price of Kentucky First Federal Bancorp common stock during the measurement period.

**Cash, Stock or Mixed Election**

Under the terms of the agreement of merger and as described above, CKF Bancorp stockholders may elect to convert their shares into cash, Kentucky First Federal Bancorp common stock or a mixture of cash and Kentucky First Federal Bancorp common stock. All elections of CKF Bancorp stockholders are further subject to the allocation and proration procedures described in the agreement of merger. These procedures provide that the number of shares of CKF Bancorp common stock to be converted into the Stock Consideration will be the lesser of: (1) 60% of the total number of shares of CKF Bancorp common stock issued and outstanding at the effective time of the merger, rounded down to the nearest whole number; or (2) 811,375 shares divided by the Exchange Ratio, rounded down to the nearest whole number. In addition, for federal income tax purposes and solely so as to ensure that the merger will qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code, Kentucky First Federal Bancorp in its sole discretion may elect to increase the number of shares of CKF Bancorp common stock that will be converted into shares of Kentucky First Federal Bancorp common stock to ensure that the total value of the stock portion of the merger consideration will equal to at least 40% of the value of the aggregate merger consideration. Neither Kentucky First Federal Bancorp nor CKF Bancorp is making any recommendation as to whether CKF Bancorp stockholders should elect to receive cash, Kentucky First Federal Bancorp common stock or a mixture of cash and Kentucky First Federal Bancorp common stock in the merger. Each holder of CKF Bancorp common stock must make his or her own decision with respect to such election.

It is unlikely that elections will be made in the exact proportions provided for in the agreement of merger. As a result, the agreement of merger describes procedures to be followed if CKF Bancorp stockholders in the aggregate elect to receive more or less of the Kentucky First Federal Bancorp common stock than Kentucky First Federal Bancorp has agreed to issue. These procedures are summarized below.

- ***If Stock Is Oversubscribed:*** If CKF Bancorp stockholders elect to receive more Kentucky First Federal Bancorp common stock than Kentucky First Federal Bancorp has agreed to issue in the merger, then all CKF Bancorp stockholders who have elected to receive cash or who have made no election will receive cash for their CKF Bancorp shares and all stockholders who elected to receive Kentucky First Federal Bancorp common stock will receive a pro rata portion of the available Kentucky First Federal Bancorp shares plus cash for those shares not converted into Kentucky First Federal Bancorp common stock.

- ***If Stock Is Undersubscribed:*** If CKF Bancorp stockholders elect to receive fewer shares of Kentucky First Federal Bancorp common stock than Kentucky First Federal Bancorp has agreed to issue in the merger, then all CKF Bancorp stockholders who have elected to receive Kentucky First Federal Bancorp common stock will receive Kentucky First Federal Bancorp common stock and those stockholders who elected to receive cash or who have made no election will be treated in the following manner:

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- If the number of shares held by CKF Bancorp stockholders who have made no election is sufficient to make up the shortfall in the number of Kentucky First Federal Bancorp shares that Kentucky First Federal Bancorp is required to issue, then all CKF Bancorp stockholders who elected cash will receive cash, and those stockholders who made no election will receive both cash and Kentucky First Federal Bancorp common stock in such proportion as is necessary to make up the shortfall.

- If the number of shares held by CKF Bancorp stockholders who have made no election is insufficient to make up the shortfall, then all CKF Bancorp stockholders who made no election will receive Kentucky First Federal Bancorp common stock and those CKF Bancorp stockholders who elected to receive cash will receive cash and Kentucky First Federal Bancorp common stock in such proportion as is necessary to make up the shortfall.

Notwithstanding these rules, as described under "*—Material Tax Consequences of the Merger,*" it may be necessary for Kentucky First Federal Bancorp to reduce the number of shares of CKF Bancorp common stock that will be converted into the right to receive cash and correspondingly increase the number of shares of CKF Bancorp common stock that will be converted into Kentucky First Federal Bancorp common stock. If this adjustment is necessary, stockholders who elect to receive cash or a mixture of cash and stock may be required on a pro rata basis to receive a greater amount of Kentucky First Federal Bancorp common stock than they otherwise would have received.

**No guarantee can be made that you will receive the amounts of cash and/or stock you elect. As a result of the allocation procedures and other limitations outlined in this document and in the agreement of merger, you may receive Kentucky First Federal Bancorp common stock or cash in amounts that vary from the amounts you elect to receive.**

**Election Procedures; Surrender of Stock Certificates**

An election form is being mailed separately from this proxy statement/prospectus to holders of shares of CKF Bancorp common stock on or about the date this proxy statement/prospectus is being mailed. Each election form entitles the holder of the CKF Bancorp common stock to elect to receive cash, Kentucky First Federal Bancorp common stock, or a combination of cash and stock, or make no election with respect to the merger consideration you wish to receive.

**To make an effective election, you must submit a properly completed election form, along with your CKF Bancorp stock certificates representing all shares of CKF Bancorp common stock covered by the election form (or an appropriate guarantee of delivery), to IST Shareholder Services on or before 5:00 p.m., Central Time, on August 31, 2012.** IST Shareholder Services will act as exchange agent in the merger and in that role will process the exchange of CKF Bancorp stock certificates for cash and/or Kentucky First Federal Bancorp common stock. Shortly after the merger, the exchange agent will allocate cash and stock among CKF Bancorp stockholders, consistent with their elections and the allocation and proration procedures. If you do not submit an election form, you will receive instructions from the exchange agent on how to surrender your CKF Bancorp stock certificates after the merger is completed. **In any event, do not forward your CKF Bancorp stock certificates with your proxy cards.**

You may change your election at any time before the election deadline by written notice accompanied by a properly completed and signed later-dated election form received by the exchange agent before the election deadline or by withdrawal of your stock certificates by written notice before the election deadline. All elections will be revoked automatically if the agreement of merger is terminated. If you have a preference for receiving either Kentucky First Federal Bancorp stock and/or cash for your CKF Bancorp stock, you should complete and return the election form. If you do not make an election, you will be allocated Kentucky First Federal Bancorp common stock and/or cash depending on the elections made by other stockholders.

Neither Kentucky First Federal Bancorp nor CKF Bancorp makes any recommendation as to whether you should elect to receive cash, stock or a combination of cash and stock in the merger. You must make your own decision with respect to your election. Generally, the merger will be a tax-free transaction for CKF Bancorp stockholders to the extent they receive Kentucky First Federal Bancorp common stock. See *"–Material Tax Consequences of the Merger."*

If your certificates for CKF Bancorp common stock are not immediately available or you are unable to send the election form and other required documents to the exchange agent before the election deadline, CKF Bancorp shares may be properly exchanged, and an election will be effective, if:

- such exchanges are made by or through a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, or by a commercial bank or trust company having an office, branch or agency in the United States;

- the exchange agent receives, before the election deadline, a properly completed and duly executed notice of guaranteed delivery substantially in the form provided with the election form (delivered by hand, mail, telegram, telex or facsimile transmission); and

- the exchange agent receives, within three business days after the election deadline, the certificates for all exchanged CKF Bancorp shares, or confirmation of the delivery of all such certificates into the exchange agent's account with The Depository Trust Company in accordance with the proper procedures for such transfer, together with a properly completed and duly executed election form and any other documents required by the election form.

CKF Bancorp stockholders who do not submit a properly completed election form or revoke their election form before the election deadline will have their shares of CKF Bancorp common stock designated as non-election shares. CKF Bancorp stock certificates represented by elections that have been revoked will be promptly returned without charge to the CKF Bancorp stockholder revoking the election upon written request.

After the completion of the merger, the exchange agent will mail to CKF Bancorp stockholders who do not submit election forms or who have revoked such forms a letter of transmittal, together with instructions for the exchange of their CKF Bancorp common stock certificates for the merger consideration. Until you surrender your CKF Bancorp stock certificates for exchange after completion of the merger, you will not be paid dividends or other distributions declared after the merger with respect to any Kentucky First Federal Bancorp common stock into which your CKF Bancorp shares have been converted. When you surrender your CKF Bancorp stock certificates, Kentucky First Federal Bancorp will pay any unpaid dividends or other distributions, without interest. After the completion of the merger, there will be no further transfers of CKF Bancorp common stock. CKF Bancorp stock certificates presented for transfer after the completion of the merger will be canceled and exchanged for the merger consideration.

If your CKF Bancorp stock certificates have been either lost, stolen or destroyed, you will have to prove your ownership of these certificates and that they were lost, stolen or destroyed before you receive any consideration for your shares. The election form includes instructions on how to provide evidence of ownership. Kentucky First Federal Bancorp will require you to make an affidavit with respect to your certificates, and may require that you post a bond as indemnity against any claim that may be made with respect to your certificates.

## Accounting Treatment

Kentucky First Federal Bancorp will account for the merger under the “acquisition” method of accounting in accordance with U.S. generally accepted accounting principles. Using the acquisition method of accounting, the assets and liabilities of CKF Bancorp will be recorded by Kentucky First Federal Bancorp at their respective fair values at the time of the completion of the merger. Intangible assets will also be identified and recorded at the time of the merger. The difference between the Kentucky First Federal Bancorp's purchase price and the net fair value of the assets acquired and liabilities assumed will be recorded as either goodwill (if the purchase price exceeds the fair value of net assets acquired) or bargain purchase gain (if the purchase price is less than the fair value of net assets acquired).

Material Tax Consequences of the Merger

***General.*** The following summary discusses the material anticipated U.S. federal income tax consequences of the merger applicable to a holder of shares of CKF Bancorp common stock who surrenders all of his or her common stock for shares of Kentucky First Federal Bancorp common stock and/or cash in the merger. This discussion is based upon the Internal Revenue Code, Treasury Regulations, judicial authorities, published positions of the Internal Revenue Service ("IRS"), and other applicable authorities, all as in effect on the date of this document and all of which are subject to change or differing interpretations (possibly with retroactive effect). This discussion is limited to U.S. residents and citizens who hold their shares as capital assets for U.S. federal income tax purposes (generally, assets held for investment). No attempt has been made to comment on all U.S. federal income tax consequences of the merger and related transactions that may be relevant to holders of shares of CKF Bancorp common stock. This discussion also does not address all of the tax consequences that may be relevant to a particular person or the tax consequences that may be relevant to persons subject to special treatment under U.S. federal income tax laws (including, among others, tax-exempt organizations, dealers in securities or foreign currencies, banks, insurance companies, financial institutions or persons who hold their shares of CKF Bancorp common stock as part of a hedge, straddle, constructive sale or conversion transaction, persons whose functional currency is not the U.S. dollar, holders that exercise appraisal rights, persons that are, or hold their shares of CKF Bancorp common stock through, partnerships or other pass-through entities, or persons who acquired their shares of CKF Bancorp common stock through the exercise of an employee stock option or otherwise as compensation). In addition, this discussion does not address any aspects of state, local, non-U.S. taxation or U.S. federal taxation other than income taxation. No ruling has been requested from the IRS regarding the U.S. federal income tax consequences of the merger. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences set forth below.

**CKF Bancorp stockholders are urged to consult their tax advisors as to the U.S. federal income tax consequences of the merger, as well as the effects of state, local, non-U.S. tax laws and U.S. tax laws other than income tax laws.**

***Opinion Conditions.*** It is a condition to the obligations of Kentucky First Federal Bancorp and CKF Bancorp that Kentucky First Federal Bancorp receive an opinion by Kilpatrick Townsend & Stockton LLP and that CKF Bancorp receive an opinion by Luse, Gorman, Pomerenk & Schick, P.C. to the effect that the merger will constitute a "reorganization" for U.S. federal income tax purposes within the meaning of Section 368(a) of the Internal Revenue Code. Kentucky First Federal Bancorp and CKF Bancorp both expect to be able to obtain the tax opinions if, as expected:

- Kentucky First Federal Bancorp and CKF Bancorp are able to deliver customary representations to Kentucky First Federal Bancorp's and CKF Bancorp's respective tax counsel; and
- there is no adverse change in U.S. federal income tax law.

Although the agreement of merger allows both Kentucky First Federal Bancorp and CKF Bancorp to waive the condition that tax opinions be delivered by Kilpatrick Townsend & Stockton LLP and Luse, Gorman, Pomerenk & Schick, P.C., neither party currently anticipates doing so.

In addition, in connection with the filing of the registration statement of which this proxy statement/prospectus forms a part, Kilpatrick Townsend Stockton LLP has delivered its opinion to Kentucky First Federal Bancorp, that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code. A copy of this opinion has been filed as Exhibit 8.1 to Kentucky First Federal Bancorp's registration statement, which has been filed with the Securities and Exchange Commission. Such opinion has been rendered on the basis of facts, representations and assumptions set forth or referred to in such opinion and factual representations contained in a certificate of officers of Kentucky First Federal Bancorp, all of which must continue to be true and accurate in all material respects as of the effective time of the merger.

If any of the representations or assumptions upon which the opinions are based are inconsistent with the actual facts, the tax consequences of the merger could be adversely affected. The determination by tax counsel as to whether the proposed merger will be treated as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code will depend upon the facts and law existing at the effective time of the proposed merger. The following discussion assumes that the merger will constitute a "reorganization" for U.S. federal income tax purposes within the meaning of Section 368(a) of the Internal Revenue Code.

***Exchange Solely for Kentucky First Federal Bancorp Common Stock.*** No gain or loss will be recognized by a CKF Bancorp stockholder who receives solely shares of Kentucky First Federal Bancorp common stock (except for cash received in lieu of fractional shares, as discussed below) in exchange for all of his or her shares of CKF Bancorp common stock. The tax basis of the shares of Kentucky First Federal Bancorp common stock received by a CKF Bancorp stockholder in such exchange will be equal (except for the basis attributable to any fractional shares of Kentucky First Federal Bancorp common stock, as discussed below) to the basis of the CKF Bancorp common stock surrendered in exchange for the Kentucky First Federal Bancorp common stock. The holding period of the Kentucky First Federal Bancorp common stock received will include the holding period of shares of CKF Bancorp common stock surrendered in exchange for the Kentucky First Federal Bancorp common stock, provided that such shares were held as capital assets of the CKF Bancorp stockholder at the effective time of the merger.

***Exchange Solely for Cash.*** A CKF Bancorp stockholder who receives solely cash in exchange for all of his or her shares of CKF Bancorp common stock (and is not treated as constructively owning Kentucky First Federal Bancorp common stock after the merger under the circumstances referred to below under *"—Possible Dividend Treatment"*) will recognize gain or loss for federal income tax purposes equal to the difference between the cash received and such stockholder's tax basis in the CKF Bancorp common stock surrendered in exchange for the cash. Such gain or loss will be a capital gain or loss, provided that such shares were held as capital assets of the CKF Bancorp stockholder at the effective time of the merger. Such gain or loss will be long-term capital gain or loss if the CKF Bancorp stockholder's holding period is more than one year. The Internal Revenue Code contains limitations on the extent to which a taxpayer may deduct capital losses from ordinary income.

***Exchange for Kentucky First Federal Bancorp Common Stock and Cash.*** A CKF Bancorp stockholder who receives a combination of Kentucky First Federal Bancorp common stock and cash in exchange for his or her CKF Bancorp common stock will not be permitted to recognize any loss for federal income tax purposes. Such a stockholder will recognize gain, if any, equal to the lesser of (1) the amount of cash received or (2) the amount of gain "realized" in the transaction. The amount of gain a CKF Bancorp stockholder "realizes" will equal the amount by which (a) the cash plus the fair market value at the effective time of the merger of Kentucky First Federal Bancorp common stock received exceeds (b) the stockholders' basis in the CKF Bancorp common stock to be surrendered in the exchange for the cash and Kentucky First Federal Bancorp common stock. Any recognized gain could be taxed as a capital gain or a dividend, as described below. The tax basis of the shares of Kentucky First Federal Bancorp common stock received by such CKF Bancorp stockholder will be the same as the basis of the shares of CKF Bancorp common stock surrendered in exchange for the shares of Kentucky First Federal Bancorp common stock, adjusted as provided in Section 358(a) of the Internal Revenue Code for the cash received in exchange for such shares of CKF Bancorp common stock. The holding period for shares of Kentucky First Federal Bancorp common stock received by such CKF Bancorp stockholder will include such stockholder's holding period for the CKF Bancorp common stock surrendered in exchange for the Kentucky First Federal Bancorp common stock, provided that such shares were held as capital assets of the stockholder at the effective time of the merger.

A CKF Bancorp stockholder's federal income tax consequences will also depend on whether his or her shares of CKF Bancorp common stock were purchased at different times at different prices. If they were, the CKF Bancorp stockholder could realize gain with respect to some of the shares of CKF Bancorp common stock and loss with respect to other shares. Such CKF Bancorp stockholder would have to recognize such gain to the extent such stockholder receives cash with respect to those shares in which the stockholder's adjusted tax basis is less than the amount of cash plus the fair market value at the effective time of the merger of the Kentucky First Federal Bancorp common stock received, but could not recognize loss with respect to those shares in which the CKF Bancorp stockholder's adjusted tax basis is greater than the amount of cash plus the fair market value at the effective time of the merger of the Kentucky First Federal Bancorp common stock received. Any disallowed loss would be included in the adjusted basis of the Kentucky First Federal Bancorp common stock. Such a CKF Bancorp stockholder is urged to consult his or her own tax advisor respecting the tax consequences of the merger to that stockholder.

***Possible Dividend Treatment.*** In certain circumstances, a CKF Bancorp stockholder who receives solely cash or a combination of cash and Kentucky First Federal Bancorp common stock in the merger may receive ordinary income, rather than capital gain, treatment on all or a portion of the gain recognized by that stockholder if the receipt of cash "has the effect of the distribution of a dividend." The determination of whether a cash payment has such effect is based on a comparison of the CKF Bancorp stockholder's proportionate interest in Kentucky First Federal Bancorp after the merger with the proportionate interest the stockholder would have had if the stockholder had received solely Kentucky First Federal Bancorp common stock in the merger. This could happen because of your purchase (or the purchase by a family member) of additional Kentucky First Federal Bancorp stock or a repurchase of shares by Kentucky First Federal Bancorp. For purposes of this comparison, the CKF Bancorp stockholder may be deemed to constructively own shares of Kentucky First Federal Bancorp common stock held by certain members of the stockholder's family or certain entities in which the stockholder has an ownership or beneficial interest and certain stock options may be aggregated with the stockholder's shares of Kentucky First Federal Bancorp common stock. The amount of the cash payment that may be treated as a dividend is limited to the stockholder's ratable share of the accumulated earnings and profits of CKF Bancorp at the effective time of the merger. Any gain that is not treated as a dividend will be taxed as a capital gain, provided that the stockholder's shares were held as capital assets at the effective time of the merger. Because the determination of whether a cash payment will be treated as having the effect of a dividend depends primarily upon the facts and circumstances of each CKF Bancorp stockholder, stockholders are urged to consult their own tax advisors regarding the tax treatment of any cash received in the merger.

***Cash in Lieu of Fractional Shares.*** A CKF Bancorp stockholder who holds CKF Bancorp common stock as a capital asset and who receives in the merger, in exchange for such stock, solely Kentucky First Federal Bancorp common stock and cash in lieu of a fractional share interest in Kentucky First Federal Bancorp common stock will be treated as having received such cash in full payment for such fractional share of stock and as capital gain or loss, notwithstanding the dividend rules discussed above.

***Backup Withholding.*** Unless an exemption applies under the backup withholding rules of Section 3406 of the Internal Revenue Code, the exchange agent will be required to withhold, and will withhold, 28% of any cash payments to which a CKF Bancorp stockholder is entitled pursuant to the merger, unless the CKF Bancorp stockholder signs the substitute Internal Revenue Service Form W-9 enclosed with the letter of transmittal sent by the exchange agent. Unless an applicable exemption exists and is proved in a manner satisfactory to the exchange agent, this completed form provides the information, including the CKF Bancorp stockholder's taxpayer identification number, and certification necessary to avoid backup withholding.

***Tax Treatment of the Entities.*** No gain or loss will be recognized by CKF Bancorp as a result of the merger. However, if the total consideration for the transaction is less than the fair value of net assets acquired, a bargain purchase gain will be recognized by Kentucky First Federal Bancorp. Such gain is subject to the normal tax treatment as ordinary income.

Regulatory Matters Relating to the Merger

Completion of the merger is subject to prior approval of the Comptroller of the Currency and the Federal Reserve Board. In reviewing applications for transactions of this type, the Office of the Comptroller of the Currency must consider, among other factors, the financial and managerial resources and future prospects of the existing and resulting institutions, and the convenience and needs of the communities to be served. In addition, the Office of the Comptroller of the Currency may not approve a transaction if it will result in a monopoly or otherwise be anticompetitive. Kentucky First Federal Bancorp expects to file applications with the Federal Reserve Board and the Office of the Comptroller of the Currency in the second quarter of calendar year 2012.

Under the Community Reinvestment Act of 1977, the Office of the Comptroller of the Currency must take into account the record of performance of First Federal of Frankfort and Central Kentucky Federal Savings Bank in meeting the credit needs of the entire community, including low- and moderate-income neighborhoods, served by each institution. As part of the review process, bank regulatory agencies frequently receive comments and protests from community groups and others. First Federal of Frankfort and Central Kentucky Federal Savings Bank each received a “Satisfactory” rating during their last federal Community Reinvestment Act examinations.

In addition, a period of 15 to 30 days must expire following approval by the Office of the Comptroller of the Currency before completion of the merger is allowed, within which period the United States Department of Justice may file objections to the merger under the federal antitrust laws. While Kentucky First Federal Bancorp and CKF Bancorp believe that the likelihood of objection by the Department of Justice is remote in this case, there can be no assurance that the Department of Justice will not initiate proceedings to block the merger or, if any proceeding is instituted or challenge is made, as to the result of the challenge.

The merger cannot proceed in the absence of the requisite regulatory approvals. See *"Description of the Merger—Conditions to Completing the Merger"* and *"—Terminating the Agreement of Merger."* There can be no assurance that the requisite regulatory approvals will be obtained, and if obtained, there can be no assurance as to the date of any approval. There can also be no assurance that any regulatory approvals will not contain a condition or requirement that causes the approvals to fail to satisfy the condition set forth in the agreement of merger and described under *"Description of the Merger—Conditions to Completing the Merger."*

The approval of any application merely implies the satisfaction of regulatory criteria for approval, which does not include review of the merger from the standpoint of the adequacy of the cash consideration or the exchange ratio for converting CKF Bancorp common stock to Kentucky First Federal Bancorp common stock. Furthermore, regulatory approvals do not constitute an endorsement or recommendation of the merger.

**Litigation Related to the Merger**

On December 7, 2011, CKF Bancorp stockholders filed a class action lawsuit on behalf of CKF Bancorp stockholders in the Boyle Circuit Court against CKF Bancorp, the CKF Bancorp board and Kentucky First Federal Bancorp. The cases are captioned *Patricia Cassidy and David DeMartini v. CKF Bancorp, Inc., et al.,* Civ. Act. No. 11-C1-587 and *DeMartini, et al. v. CKF Bancorp, Inc., et al.,* Civ. Act. No. 11-C1-588. Each complaint alleged that the CKF Bancorp board breached its fiduciary duties by approving the merger agreement because the merger consideration was inadequate, the CKF Bancorp directors failed to conduct a thorough and proper sales process to maximize stockholder value and the transaction unfairly benefitted the CKF Bancorp board to the disadvantage of the CKF Bancorp stockholders. The complaints also alleged that Kentucky First aided and abetted the CKF Bancorp board's breach of fiduciary duties.

Each plaintiff sought the following relief:

- declaring that the lawsuit is a proper class action, certifying the plaintiff as class representative and certifying plaintiff's counsel as class counsel;

- declaring that the proposed merger was entered into in breach of the CKF Bancorp directors' fiduciary duties and rescinding and invalidating any merger agreement or other agreements that the CKF Bancorp board, CKF Bancorp or Kentucky First Federal Bancorp entered into in connection with or in furtherance of the proposed merger;

- Preliminarily and permanently enjoining the CKF Bancorp and Kentucky First Federal Bancorp boards of directors, CKF Bancorp, Kentucky First Federal Bancorp and all agents, counsel, and employees of, and all persons acting in concert with, the CKF Bancorp board, CKF Bancorp and Kentucky First Federal Bancorp, from completion of the merger;

- Directing the CKF Bancorp board to exercise its fiduciary duties to obtain a transaction that is in the best interests of CKF Bancorp's stockholders;

- Rescinding, to the extent already implemented, the merger agreement or any of the terms thereof; and

- Awarding plaintiff the costs and disbursements of the action, including attorneys' and experts' fees.

CKF Bancorp and Kentucky First Federal Bancorp believe that both of the complaints are without merit.

On April 9, 2012, Circuit Court Judge Thomas D. Wingate granted motions filed by Kentucky First Federal Bancorp and CKF Bancorp to dismiss both complaints. Judge Wingate held that the plaintiffs had failed to allege facts sufficient to rebut the presumption that the CKF Bancorp directors acted within their sound business judgment within the scope of the Delaware business judgment rule. Judge Wingate also held that the plaintiffs' claims were not ripe for adjudication as the proposed Merger has not yet gone to a vote of the shareholders, and that in seeking an injunction to prevent the Merger the plaintiffs failed to show that a legal remedy would be inadequate, as any alleged harm suffered can be addressed by plaintiff's vote against the Merger and exercise of his or her appraisal rights, which grant the dissenting shareholder the statutory right of judicial appraisal to obtain a determination of fair value. Accordingly, Judge Wingate granted the motions to dismiss the complaints with prejudice. Plaintiffs did not file a notice of appeal by the May 10, 2012 deadline and are now barred from doing so.

Interests of Certain Persons in the Merger that are Different from Yours

***Share Ownership.*** On the record date for the special meeting, CKF Bancorp's directors and officers beneficially owned, in the aggregate, 177,618 shares of CKF Bancorp's common stock (excluding shares that may be acquired upon the exercise of stock options), representing approximately 14.5% of the outstanding shares of CKF Bancorp common stock.

As described below, certain of CKF Bancorp's officers and directors have interests in the merger that are in addition to, or different from, the interests of CKF Bancorp's stockholders generally. CKF Bancorp's board of directors was aware of these interests and took them into account in approving the merger.

***Treatment of CKF Bancorp Stock Options.*** Each option to purchase shares of CKF Bancorp common stock outstanding and unexercised immediately before the effective time of the merger will be cancelled and all rights under such option will be extinguished in exchange for a cash payment equal to $9.50 less the exercise price per share of the stock option, multiplied by the number of shares of CKF Bancorp common stock subject to the stock option, less any required tax withholding. CKF Bancorp's directors and executive officers hold, in the aggregate, options to acquire 20,000 shares with a weighted average exercise price of $12.75. Of such options, 12,000 options have exercise prices greater than $9.50 per share and thus will have no value, and the remaining 8,000 options have a weighted average exercise price of $9.365 per share.

***New Employment Agreements.*** Effective on the date of the merger, Kentucky First Federal Bancorp and First Federal of Frankfort will enter into employment agreements with William H. Johnson, the President and Chief Executive Officer of CKF Bancorp and Central Kentucky Federal Savings Bank, and Russell M. Brooks, the Executive Vice President and Chief Financial Officer of CKF Bancorp and Central Kentucky Federal Savings Bank. Following the merger, Mr. Johnson will serve in the position of Vice President of Kentucky First Federal Bancorp and Senior Vice President and President of Danville-Lancaster Operations of First Federal of Frankfort and will assume executive responsibilities for lending and deposit operations in the Danville-Lancaster area and Mr. Brooks will serve as Vice

President of Kentucky First Federal Bancorp and as Chief Financial Officer of First Federal of Frankfort. Each of the agreements will have a term of three years renewable annually that will begin at the closing of the merger and will provide for a salary equal to each executive's current salary. In addition to establishing a base salary, the agreements provide for, among other things, participation in stock-based and other benefit plans, as well as certain fringe benefits.

The agreements also provide that Kentucky First, First Federal of Hazard and First Federal of Frankfort may terminate the employment of Messrs. Johnson or Brooks for cause, as defined in the agreements, at any time. No compensation or benefits are payable upon termination of either officer for cause. Each of the officers may also voluntarily terminate his employment by providing 90 days prior written notice. Upon voluntary termination, the officer receives only compensation and vested benefits through the termination date.

The agreements terminate upon the officer's death and his estate receives any compensation due through the last day of the calendar month of death. The agreements also allow the appropriate boards to terminate the employment of Messrs. Johnson or Brooks due to disability, as defined in the agreements. A disabled executive receives any compensation and benefits provided for under the agreement for any period before termination during which the executive was unable to work due to disability. Messrs. Johnson and Brooks also may receive disability benefits under First Federal of Hazard's or First Federal of Frankfort's long-term disability plan(s) without reduction for any payments made under the agreement. During a period of disability, to the extent reasonably capable of doing so, Messrs. Johnson and Brooks agree to provide assistance and undertake reasonable assignments for the employers.

The agreements also require Messrs. Johnson and Brooks to agree not to compete with Kentucky First, First Federal of Hazard or First Federal of Frankfort for one year following a termination of employment, other than in connection with a change in control. Kentucky First, First Federal of Hazard or First Federal of Frankfort will pay or reimburse Messrs. Johnson and Brooks for all reasonable costs and legal fees paid or incurred by him in any dispute or question of interpretation regarding the agreements, if the executive is successful on the merits in a legal judgment, arbitration proceeding or settlement. The agreements also provide Messrs. Johnson and Brooks with indemnification to the fullest extent legally allowable.

Under the agreements, if either Kentucky First, First Federal of Hazard or First Federal of Frankfort terminates the employment of Messrs. Johnson or Brooks without cause, or if Messrs. Johnson or Brooks resigns under specified circumstances that constitute constructive termination, he receives his base salary and continued employee benefits for the remaining term of the agreement, as well as continued health, life and disability coverage under the same terms such coverage is provided to other senior executives, or comparable individual coverage.

Under the agreements, if, within one year after a change in control (as defined in the agreements), either of Messrs. Johnson or Brooks voluntarily terminate his employment under circumstances discussed in the agreement, or involuntarily terminates employment, the executive receives a cash payment equal to three times his average annual compensation over the five most recently completed calendar years preceding the change in control. He also receives continued employee benefits and health, life and disability insurance coverage for thirty-six months following termination of employment.

Section 280G of the Internal Revenue Code provides that severance payments that equal or exceed three times the individual's "base amount" are deemed to be "excess parachute payments" if they are contingent upon a change in control. Individuals receiving excess parachute payments are subject to a 20% excise tax on the amount of the payment in excess of their base amount, and the employer is not entitled to deduct any parachute payments over the base amount. The agreements limit payments made to Messrs. Johnson and Brooks in connection with a change in control to amounts that will not exceed the limits imposed by Section 280G.

***Appointment of Two Directors to the Kentucky First Federal Bancorp Board of Directors.*** Following the completion of the merger, Kentucky First Federal Bancorp will appoint W. Banks Hudson and William H. Johnson, each of whom currently is a director of CKF Bancorp, to the board of directors of Kentucky First Federal Bancorp.

***Appointment of Directors to First Federal of Frankfort Board of Directors.*** First Federal of Frankfort will appoint all of the members of the boards of directors of CKF Bancorp and Central Kentucky Federal Savings Bank to the board of directors of First Federal of Frankfort. First Federal of Frankfort has a staggered board of directors with directors divided into three classes serving terms of three years each, and the new directors will be placed into the three different classes. Upon the expiration of each director's initial term, subject to any required regulatory approvals and the exercise of their fiduciary duties, the board of directors of First Federal of Frankfort has agreed to renominate each such individual for election for one additional three-year term. Each new director joining the board of directors of First Federal of Frankfort who is not an officer of First Federal of Frankfort will receive a fee of $900 per month for each month during which he or she serves as a director. The appointment of the current CKF Bancorp directors to the board of directors of First Federal of Frankfort requires the receipt of a waiver from the Office of the Comptroller of the Currency permitting First Federal of Frankfort’s board of directors to amend First Federal of Frankfort’s Bylaws to increase the number of directors constituting the board of directors to 16, and First Federal of Frankfort has agreed to use its best efforts to obtain such a waiver. In the event the waiver cannot be obtained, one current director from each of First Federal of Frankfort and Central Kentucky Federal Savings Bank would be named as an advisory director of First Federal of Frankfort and would receive a fee of $900 per month for each month during which he or she serves as an advisory director.

***Directors' Retirement Plan.*** Upon or before the merger, Central Kentucky Federal Savings Bank will terminate its Retirement Plan for Non-Employee Directors, and the amounts due thereunder will be paid in a lump sum to the directors participating in such plan at the effective time of the merger, in accordance with the terms of the plan and applicable tax laws.

***Continued Director and Officer Liability Coverage.*** For a period of six years following the effective time of the merger, Kentucky First Federal Bancorp has agreed to indemnify and hold harmless the current and former officers and directors of CKF Bancorp and its subsidiaries against any costs or expenses incurred in connection with any claim, action, suit, proceeding or investigation that is a result of matters that existed or occurred at or before the effective time of the merger to the same extent as CKF Bancorp currently provides for indemnification of its officers and directors. Kentucky First Federal Bancorp has also agreed to use its reasonable best efforts to provide coverage for a period of three years following the effective time of the merger, to the officers and directors of CKF Bancorp immediately before the effective time of the merger under the directors' and officers' liability insurance policy currently maintained by CKF Bancorp or under a policy with comparable or better coverage, provided that, to obtain such insurance coverage, Kentucky First Federal Bancorp is not obligated to expend an annual amount exceeding 100% of the amount of the annual premiums currently paid by CKF Bancorp for such insurance.

Employee Matters

Kentucky First Federal Bancorp intends to offer employment to all employees of Central Kentucky Federal Savings Bank. Each person who is an employee of Central Kentucky Federal Savings Bank as of the closing of the merger will become an employee of First Federal of Frankfort. Kentucky First Federal Bancorp and First Federal of Frankfort will employ Central Kentucky Federal Savings Bank employees at salary rates identical to those in effect at Central Kentucky Federal Savings Bank immediately before the merger. Following the merger, Kentucky First Federal Bancorp will use its reasonable best efforts not to make any change during calendar year 2012 in any medical, dental, vision, disability, life insurance or any other welfare plan that a continuing employee was covered by immediately before the merger. Beginning in calendar year 2013 and until such time as First Federal of Frankfort and First Federal of Hazard may merge with and into each other, Kentucky First Federal Bancorp will use its reasonable best efforts to cause continuing employees to receive benefits under First Federal of Frankfort medical plans and other welfare plans substantially similar to those provided to such persons under existing CKF Bancorp and Central Kentucky Federal Savings Bank medical plans and other welfare plans. Continuing employees and their eligible dependents will receive credit under Central Kentucky's medical plans and other welfare plans for any expenses incurred by such continuing employees and their eligible dependents during the portion of the calendar year before the merger for purposes of satisfying applicable deductible, co-insurance, maximum out-of-pocket and similar expenses. Continuing employees will receive credit for service with Central Kentucky Federal Savings Bank for purposes of vesting and determination of eligibility to participate in Kentucky First Federal Bancorp's benefit plans, but not accrual of benefits.

For calendar year 2012, except as required by applicable law, there will be no change to the Central Kentucky Federal Savings Bank 401(k) Plan, and continuing employees will continue to participate in that 401(k) Plan under the same terms and conditions that were in effect immediately before the merger. Beginning with calendar year 2013, the

Central Kentucky Federal Savings Bank 401(k) Plan may be merged, terminated or frozen, at the discretion of Kentucky First Federal Bancorp.

If First Federal of Frankfort and First Federal of Hazard were to merge, upon the merger, continuing employees will become eligible to participate in the First Federal of Hazard employee stock ownership plan in accordance with the terms of that plan. In that case, continuing employees will receive prior service credit with CKF Bancorp, Central Kentucky Federal Savings Bank and/or First Federal of Frankfort for purposes of eligibility and vesting only, but not for purposes of benefit accruals with respect to the First Federal of Hazard employee stock ownership plan.

Central Kentucky Federal Savings Bank will, in cooperation with Kentucky First, terminate the Central Kentucky Federal Savings Bank employee stock ownership plan immediately before the effective time of the merger. All shares of CKF Bancorp common stock held by the Central Kentucky Federal Savings Bank employee stock ownership plan will be converted into the right to receive the merger consideration as elected by the participants in the plan, all accounts will be fully vested and all assets in the Central Kentucky Federal Savings Bank employee stock ownership plan will be distributed to plan participants after the receipt of a favorable determination letter from the IRS. Kentucky First Federal Bancorp will make available employer provided health and other employee welfare benefit plans to each continuing employee on the same basis that it provides such coverage to Kentucky First Federal Bancorp employees.

**Operations of Central Kentucky Federal Savings Bank after the Merger**

After the merger of Central Kentucky Federal Savings Bank and First Federal of Frankfort, the former offices of Central Kentucky Federal Savings Bank will operate as branch offices of First Federal of Frankfort under the name "Central Kentucky Federal Savings Bank," subject to regulatory approval.

Restrictions on Resale of Shares of Kentucky First Federal Bancorp Common Stock

The shares of Kentucky First Federal Bancorp common stock to be issued to stockholders of CKF Bancorp under the agreement of merger have been registered under the Securities Act of 1933 and may be freely traded by such stockholders without restriction (unless they are affiliates of Kentucky First Federal Bancorp, in which case certain restrictions under the securities laws may apply). Certain stockholders who are deemed to be affiliates of Kentucky First Federal Bancorp must abide by certain transfer restrictions under the Securities Act of 1933.

Time of Completion

Unless the parties agree otherwise and unless the agreement of merger has otherwise been terminated, the closing of the merger will take place on a date designated by Kentucky First Federal Bancorp that is no later than 15 days following the date on which all of the conditions to the merger contained in the agreement of merger are satisfied or waived. See "*—Conditions to Completing the Merger*." On the closing date, Kentucky First Federal Bancorp will file a certificate of merger with the Delaware Secretary of State and the Federal Reserve merging CKF Bancorp into Kentucky First Federal Bancorp. The merger will become effective at the time stated in the certificate of merger.

Kentucky First Federal Bancorp and CKF Bancorp are working hard to complete the merger as quickly as possible. It is currently expected that the merger will be completed in the third calendar quarter of 2012. However, because completion of the merger is subject to regulatory approvals and other conditions, the parties cannot be certain of the actual timing.

**Conditions to Completing the Merger**

Kentucky First Federal Bancorp's and CKF Bancorp's obligations to consummate the merger are conditioned on the following:

- approval and adoption of the agreement of merger by CKF Bancorp stockholders;
- receipt of all required regulatory approvals without any materially adverse conditions and the expiration of all statutory waiting periods;
- no party to the merger being subject to any legal order, decree or injunction that prohibits consummating any part of the transaction, no governmental entity having instituted any proceeding for the purpose of blocking the transaction, and the absence of any statute, rule or regulation that prohibits completion of any part of the transaction;
- receipt by each party of all consents and approvals from third parties (other than those required from government agencies, described above) required to complete the merger, unless failure to obtain those consents or approvals would not have a material adverse effect on Kentucky First Federal Bancorp after completion of the merger;

- the registration statement of which this proxy statement/prospectus forms a part being declared effective by the Securities and Exchange Commission, the absence of any pending or threatened proceeding by the Securities and Exchange Commission to suspend the effectiveness of the registration statement and the receipt of all required state "blue sky" approvals;

- receipt by each party of opinions from their respective legal counsel or its independent registered public accounting firm to the effect that the merger constitutes a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

- there has not been a material adverse change to the business, financial condition or results of operations of the other party;

- the other party having performed in all material respects its obligations under the agreement of merger, the other party's representations and warranties being true and correct in all material respects as of the date of the agreement of merger and as of the closing date, and receipt of a certificate signed by the other party's chief executive officer and chief financial officer to that effect; and

- to the extent required, the shares of Kentucky First Federal Bancorp common stock issuable pursuant to the merger being approved for listing on the NASDAQ Global Market.

In addition, Kentucky First Federal Bancorp's obligations to consummate the merger are conditioned on the following:

- William H. Johnson and Russell M. Brooks having terminated their existing employment agreements with CKF Bancorp and Central Kentucky Federal Savings Bank and executed new employment Agreements with Kentucky First Federal Bancorp and First Federal of Frankfort;

- the regulatory approvals required to permit consummation of the merger and other related transactions not containing any provision that would cause the provisions of certain agreements with regulators to which either CKF Bancorp or Central Kentucky Federal Savings Bank currently is subject to apply to Kentucky First Federal Bancorp or First Federal of Frankfort following the merger;

- the aggregate number of shares of CKF Bancorp common stock with respect to which the holders thereof have exercised and not withdrawn their appraisal rights not exceeding 15% of the outstanding shares of CKF Bancorp common stock as of the record date for the stockholder meeting;

- total tangible stockholders' equity of CKF Bancorp as of the most recent month end before the closing date not being less that $12.5 million, excluding the effects of: (1) the payment of or accrual for all merger-related expenses, (2) any adjustments made in accordance with Accounting Standards Codification 320; and (3) any expenses incurred or accounting or other adjustments to CKF Bancorp's valuation policies and practices made as required by the agreement of merger; and

- none of the regulatory approvals containing any condition or requirement that would so materially and adversely impact the economic or business benefits to Kentucky First Federal Bancorp of the merger that, had such condition or requirement been known, Kentucky First Federal Bancorp would not, in its reasonable judgment, have entered into the agreement of merger.

Kentucky First Federal Bancorp and CKF Bancorp cannot guarantee whether all of the conditions to the merger will be satisfied or waived by the party permitted to do so.

**Conduct of Business Before the Merger**

CKF Bancorp has agreed that, until completion of the merger and unless permitted by Kentucky First Federal Bancorp, neither it nor its subsidiaries will:

***General Business***

- conduct its business other than in the regular, ordinary and usual course consistent with past practice;
- fail to maintain and preserve intact its business organization, properties, leases, employees and advantageous business relationships and retain the services of its officers and key employees;
- take any action that would adversely affect or delay its ability to perform its obligations under the agreement of merger or to consummate the transactions contemplated by the agreement of merger;

***Indebtedness***

- incur, modify, extend or renegotiate any indebtedness or become responsible for the obligations of any person or entity, other than (a) the creation of deposit liabilities in the ordinary course of business consistent with past practice; and (b) advances from the Federal Home Loan Bank of Cincinnati with a maturity of not more than one year;
- prepay any such indebtedness so as to cause itself to incur a prepayment penalty thereunder;

***Capital Stock***

- adjust, split, combine or reclassify its capital stock;
- make, declare or pay any cash or stock dividends or make any other distribution on its capital stock, except for regular semi-annual cash dividends at an annual rate not exceeding $0.10 per share of CKF Bancorp common stock and dividends paid by any of CKF Bancorp's subsidiaries for the purpose of enabling CKF Bancorp to pay such dividends;
- grant any stock appreciation rights or grant any third party a right to acquire any of its shares of capital stock;
- issue any additional shares of capital stock or any securities convertible or exercisable for any shares of its capital stock, except pursuant to the exercise of outstanding stock options;
- redeem, purchase or otherwise acquire any shares of its capital stock;

***Dispositions***

- dispose of any of its material property or assets or cancel or release any indebtedness, other than in the ordinary course of business or pursuant to commitments existing as of the date of the agreement of merger;

***Investments***

- make any equity investment other than pursuant to commitments existing as of the date of the agreement of merger, except for the purchase of Federal Home Loan Bank of Cincinnati stock in the ordinary course of business consistent with past practice;

- enter into any futures contract, or take any other action for purposes of hedging the exposure of its interest-earning assets or interest-bearing liabilities to changes in market rates of interest;

***Contracts***

- enter into, renew, amend or terminate any contract or agreement, or make any change in any of its leases or contracts, other than with respect to those involving the payment of less than $10,000 per year, and those specifically permitted by the agreement of merger;

***Loans and Other Policies***

- make, renegotiate, renew, increase, extend, modify or purchase any loans, advances, credit enhancements or extensions, other than existing loan commitments and those in conformity with lending policies in effect as of the date of the agreement of merger, in amounts not to exceed an aggregate of $350,000 with respect to any one borrower;

- make or increase any loan or extension of credit or commit to make or increase any such loan or extension of credit to any director or executive officer of CKF Bancorp or Central Kentucky Federal Savings Bank, except for loans or extensions of credit on terms made available to the general public and other than renewals of existing loans or commitments to loan;

- make any changes in existing policies with regard to: the extension of credit, or the establishment of reserves for losses or the charge off of losses; investments; asset/liability management; or other material banking policies, except as may be required by changes in applicable law or regulations or generally accepted accounting principles;

***Employees***

except as may be required under existing agreements:

- increase the compensation or fringe benefits of any of its employees or directors;

- pay any bonus, pension, retirement allowance or contribution not required by any existing plan or agreement to any employees or directors;

- become a party to, amend or commit to any benefit plan or employment agreement, except as may be required by law or by regulation;

- voluntarily accelerate the vesting of, or the lapsing of any restrictions with respect to, any stock options or other stock-based compensation;
- elect any new senior executive officer or director;
- hire any employee;

*Claims*

- commence any action other than to enforce any obligation owed to CKF Bancorp in accordance with past practice;
- settle any claim against it for more than $20,000 or that would impose material restrictions on its operations;

*Governing Documents*

- amend its certificate of incorporation or bylaws;

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***Investment in Debt Securities***

- make any material change to its investment securities portfolio or interest rate risk position, through purchases, sales or otherwise, or in the manner in which the portfolio is classified;

- make any investment in any debt security, including mortgage-backed and mortgage-related securities, other than U.S. government and U.S. government agency securities with final maturities not greater than one year;

***Capital Expenditures***

- make any capital expenditures other than pursuant to binding commitments and other than expenditures necessary to maintain existing assets in good repair or to make payment of necessary taxes;

***Branches***

- establish or commit to establish any new branch or other office or file an application to relocate or terminate the operation of an existing banking office;

***Communication*s**

- without consulting with Kentucky First Federal Bancorp, or, in certain circumstances, without Kentucky First Federal Bancorp's prior approval, issue any communication of a general nature to employees relating to current or post-closing benefits and compensation or issue any communication of a general nature to customers, except as required by law or for communications in the ordinary course of business consistent with past practice that do not relate to the merger or the other transactions contemplated by the agreement of merger;

***Foreclosures***

- foreclose upon or take a deed or title to any commercial real estate (1) without providing prior notice to Kentucky First Federal Bancorp and conducting a Phase I environmental assessment of the property, or (2) if the Phase I environmental assessment referred to in the prior clause reflects the presence of any Hazardous Material or underground storage tank;

***Taxes***

- make, change or rescind any material tax election, file any amended tax return, enter into any closing agreement with respect to taxes, settle or compromise any material tax claim or assessment, or surrender any right to claim a tax refund or obtain any tax ruling;

***Agreement of Merger***

- take any action that is intended or expected to result in any of its representations and warranties under the agreement of merger being or becoming untrue in any material respect or in the conditions to the merger not being satisfied or in a violation of a provision of the agreement of merger;

- knowingly take any action that would prevent or impede the merger from qualifying as a reorganization under Section 368 of the Internal Revenue Code;

***Accounting***

- change its method of accounting, except as required by changes in generally accepted accounting principles or regulatory guidelines; or

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***Other Agreements***

- agree to take, commit to take any or adopt any resolutions in support of any of the foregoing actions.

Kentucky First Federal Bancorp has agreed that, until the completion of the merger and unless permitted by CKF Bancorp, it will not:

- take any action that would adversely affect or delay its ability to perform its obligations under the agreement of merger or to consummate the transactions contemplated by the agreement of merger;
- take any action that is intended or expected to result in any of its representations and warranties under the agreement of merger being or becoming untrue in any material respect or in the conditions to the merger not being satisfied or in a violation of a provision of the agreement of merger;
- knowingly take any action that would prevent or impede the merger from qualifying as a reorganization under Section 368 of the Internal Revenue Code; or
- agree to take, commit to take or adopt any resolutions in support of any of the foregoing actions.

**Covenants of CKF Bancorp and Kentucky First Federal Bancorp in the Agreement of Merger**

***Agreement Not to Solicit Other Proposals***. CKF Bancorp has agreed not to solicit, initiate, encourage or facilitate any inquiries, discussions or the making of any proposal that constitutes of could reasonably be expected to lead to an acquisition proposal by a third party, to participate in discussions or negotiations, or to communicate in any way to any person other than Kentucky First Federal Bancorp regarding an acquisition proposal, or an inquiry or indication of interest that would arguably result in an acquisition proposal, to furnish any information or data regarding CKF Bancorp or any of its subsidiaries to any person in connection with or in response to an acquisition proposal or an inquiry or indication of interest that reasonably would be expected to lead to an acquisition proposal, to approve, endorse or recommend any acquisition proposal, or to enter into any agreement requiring it to abandon or terminate the agreement of merger with Kentucky First Federal Bancorp. An acquisition proposal includes a proposal or offer with respect to any of the following:

- any merger, consolidation, share exchange, business combination, or other similar transaction involving CKF Bancorp or its subsidiaries;

- any sale, lease, exchange, mortgage, pledge, transfer or other disposition of 50% or more of the assets of CKF Bancorp;

- any tender offer or exchange offer for 20% or more of the outstanding shares of capital stock of CKF Bancorp; and

- any public announcement of a proposal, plan or intention to do any of the foregoing or any agreement to engage in any of the foregoing.

Despite the agreement of CKF Bancorp not to solicit other acquisition proposals, the board of directors of CKF Bancorp may generally negotiate or have discussions with, or provide information to, a third party who makes an unsolicited, written, bona fide acquisition proposal, provided that:

- after consultation with and based upon advice from outside legal counsel the CKF Bancorp board of directors, in good faith, determines such action to be necessary to comply with its fiduciary duties to CKF Bancorp stockholders under applicable law;

- CKF Bancorp has not violated the restrictions set forth in agreement of merger with respect to third-party proposals;

- the proposed transaction is or could reasonably result in a “superior proposal,” defined as an unsolicited, bona fide written offer made by a third party to consummate an acquisition proposal which, after consolation with its outside legal counsel and its financial advisor, the board of directors determines, in good faith, taking into account all legal, financial and regulatory aspects of the proposal and the person making the proposal, is a more favorable transaction to CKF Bancorp stockholders (including, in the written opinion of CKF Bancorp’s financial advisor, from a financial point of view) than the transaction contemplated by the agreement of merger with Kentucky First Federal Bancorp, is not conditioned on obtaining financing and is for 100% of the outstanding shares of CKF Bancorp common stock; and

- at least two business days prior furnishing nonpublic information to, or entering into discussions with, a third party, CKF Bancorp gives Kentucky First Federal Bancorp written notice of the identity of such third party and of CKF Bancorp’s intention to furnish nonpublic information to, or enter into discussions with, such third party, and CKF Bancorp enters into a confidentiality agreement with the third party on terms no less favorable to the third party than the confidentiality agreement between CKF Bancorp and Kentucky First Federal Bancorp.

If CKF Bancorp receives a proposal or nonpublic information request from a third party, CKF Bancorp must immediately notify Kentucky First Federal Bancorp and provide Kentucky First Federal Bancorp with information about the third party and its proposal.

***Certain Other Covenants.*** The agreement of merger also contains other agreements relating to the conduct of Kentucky First Federal Bancorp and CKF Bancorp before consummation of the merger, including the following:

- CKF Bancorp will give Kentucky First Federal Bancorp reasonable access during normal business hours to CKF Bancorp’s property, books, records and personnel and furnish all information Kentucky First Federal Bancorp may reasonably request, subject to exceptions for: (a) matters involving the agreement of merger; (b) information or material that CKF Bancorp or Central Kentucky Federal Savings Bank must keep confidential under applicable laws or regulations; or (c) pending or threatened litigation or investigations where the granting of access would adversely affect the confidentiality of or a privilege relating to the matters being discussed;

- CKF Bancorp will promptly provide Kentucky First Federal Bancorp with a copy of all documents filed with its banking regulators, each management report provided to its board of directors and each public press release, subject to exceptions for: (a) matters involving the agreement of merger; (b) information or material that CKF Bancorp or Central Kentucky Federal Savings Bank must keep confidential under applicable laws or regulations; or (c) pending or threatened litigation or investigations where such provision would adversely affect the confidentiality of or a privilege relating to the matters being discussed;

- CKF Bancorp will meet with Kentucky First Federal Bancorp on a regular basis to discuss and plan for the conversion of CKF Bancorp data processing and related electronic information systems;

- CKF Bancorp will invite a non-voting designee of Kentucky First Federal Bancorp to attend all regular and special board of directors or senior management committee meetings of CKF Bancorp or Central Kentucky Federal Savings Bank except that Kentucky First Federal Bancorp's designee will not attend portions of any meeting during which there is being discussed: (a) matters involving the agreement of merger; (b) information or material that CKF Bancorp or Central Kentucky Federal Savings Bank must keep confidential under applicable laws or regulations; or (c) pending or threatened litigation or investigations where the presence of the designee would adversely affect the confidentiality of or a privilege relating to the matters being discussed;

- Kentucky First Federal Bancorp and CKF Bancorp will use their reasonable best efforts to submit all necessary applications, notices, and other filings with any governmental entity, the approval of which is required to complete the merger and related transactions;
- Kentucky First Federal Bancorp and CKF Bancorp will use their reasonable best efforts to obtain all third party consents necessary to consummate the merger;
- CKF Bancorp and Central Kentucky Federal Savings Bank will take any necessary action to exempt Kentucky First Federal Bancorp and this transaction from any anti-takeover provisions contained in CKF Bancorp’s certificate of incorporation or bylaws or federal or state law;
- Kentucky First Federal Bancorp and CKF Bancorp will use all reasonable efforts to take all actions necessary to consummate the merger and the transactions contemplated by the agreement of merger;
- CKF Bancorp and Kentucky First Federal Bancorp will consult with each other regarding any public statements about the merger and any filings with any governmental entity;
- Kentucky First Federal Bancorp will file a registration statement, of which this proxy statement/prospectus forms a part, with the Securities and Exchange Commission registering the shares of Kentucky First Federal Bancorp common stock to be issued in the merger to CKF Bancorp stockholders;
- Kentucky First Federal Bancorp and CKF Bancorp will issue a joint press release announcing the merger and will consult with one another before issuing any press release or otherwise making public statements with respect to the merger;
- CKF Bancorp will take all actions necessary to convene a meeting of its stockholders to vote on the agreement of merger. The CKF Bancorp board of directors will recommend at the stockholder meeting that the stockholders vote to approve the merger and will use its reasonable best efforts to solicit stockholder approval, unless it determines that such actions would not comply with its fiduciary obligations to CKF Bancorp stockholders and, in the event such determination relates to an acquisition proposal, has provided Kentucky First Federal Bancorp the opportunity to propose revisions to the terms of the agreement of merger;
- Before completion of the merger, Kentucky First Federal Bancorp will notify the NASDAQ Global Market of the additional shares of Kentucky First Federal Bancorp common stock that Kentucky First Federal Bancorp will issue in exchange for shares of CKF Bancorp common stock; and
- Kentucky First Federal Bancorp and CKF Bancorp will notify each other of any material contract defaults and any events that would reasonably be likely to result in a material adverse effect on the other. They also will notify each other of any communication from a third party regarding the need to obtain that party’s consent in connection with the merger.

**Representations and Warranties Made by Kentucky First Federal Bancorp and CKF Bancorp and Central Kentucky Federal Savings Bank in the Agreement of Merger**

Kentucky First Federal Bancorp and CKF Bancorp and Central Kentucky Federal Savings Bank have made certain customary representations and warranties to each other in the agreement of merger relating to their businesses. For information on these representations and warranties, please refer to the agreement of merger attached as Annex A. The representations and warranties must be true in all material respects through the completion of the merger unless the change does not have a material negative impact on the parties' business, financial condition or results of operations. See *"—Conditions to Completing the Merger."*

**Terminating the Agreement of Merger**

The agreement of merger may be terminated at any time before the completion of the merger, either before or after approval of the agreement of merger by CKF Bancorp stockholders, as follows:

- by the mutual written consent of Kentucky First Federal Bancorp and CKF Bancorp;
- by either party, if the stockholders of CKF Bancorp fail to approve the agreement of merger (provided that CKF Bancorp will only be entitled to terminate for this reason if it has complied with its obligations under the agreement of merger with respect to its stockholder meeting);
- by either party, if a required regulatory approval, consent or waiver is denied or any governmental entity prohibits the consummation of the merger or the transactions contemplated by the agreement of merger;
- by either party, if the merger is not consummated by September 30, 2012, unless failure to complete the merger by that time is due to a misrepresentation, breach of a warranty or failure to fulfill a covenant by the party seeking to terminate the agreement of merger;
- by either party, if the other party makes a misrepresentation, breaches a warranty or fails to fulfill a covenant that has not been cured within 30 days following written notice to the party in default, provided that the terminating party is not in material breach of any of its representations, warranties or covenants contained in the agreement of merger;
- by Kentucky First Federal Bancorp if CKF Bancorp materially breaches its agreements regarding the solicitation of other acquisition proposals or the submission of the agreement of merger to stockholders, or if the board of directors of CKF Bancorp does not recommend approval and adoption of the agreement of merger in the proxy statement/prospectus or withdraws or revises its recommendation in a manner adverse to Kentucky First Federal Bancorp; and
- by Kentucky First Federal Bancorp, if, on the basis of one or more Phase II Environmental Site Assessment Reports regarding the real estate owned by CKF Bancorp, Kentucky First Federal Bancorp reasonably concludes that the aggregate costs of corrective action would exceed $300,000 or, if such costs cannot be reasonably estimated, if such costs could reasonably be expected to exceed $500,000 in the aggregate; or
- by CKF Bancorp, if it has received a superior proposal for a transaction with a party other than Kentucky First Federal Bancorp and CKF Bancorp's board of directors has determined to accept the superior proposal, after determining in good faith, based on advice of its outside legal counsel, that failing to terminate the agreement of merger would constitute a breach of its fiduciary duties. In the event CKF Bancorp intends to terminate the

agreement of merger in this circumstance, at least five business days before such termination, CKF Bancorp must give written notice to Kentucky First Federal Bancorp of its intent, specifying the terms and conditions of the superior proposal and identifying the person making such proposal, and negotiate in good faith with Kentucky First Federal Bancorp so as to enable CKF Bancorp to proceed with the merger with Kentucky First Federal Bancorp on adjusted terms consistent with CKF Bancorp's board of directors' determination in good faith that proceeding based upon such adjusted terms would not constitute a breach of its fiduciary duties.

**Termination Fee**

The agreement of merger requires CKF Bancorp to pay Kentucky First Federal Bancorp a fee of $600,000 if the agreement of merger is terminated in certain circumstances that involve a competing offer. The fee would have been $300,000 if the agreement of merger had been terminated on or before December 3, 2011.

Specifically, CKF Bancorp must pay the termination fee if Kentucky First Federal Bancorp terminates the agreement of merger as a result of a breach by CKF Bancorp of its covenant regarding the solicitation of competing offers or its obligation to call a stockholder meeting or if CKF Bancorp's board of directors fails to recommend approval of the merger or upon the withdrawal, qualification or revision of its recommendation to approve the merger.

If either party terminates the agreement of merger as a result of the failure of CKF Bancorp's stockholders to approve the merger and an acquisition proposal from a third party has been publicly announced, disclosed or communicated before the date of the stockholders meeting, then CKF Bancorp must pay one-third of the termination fee. If Kentucky First Federal Bancorp terminates the agreement of merger because of a material breach by CKF Bancorp, and an acquisition proposal from a third party has been publicly announced, disclosed or communicated before the date of termination, then CKF Bancorp must pay one-third of the termination fee. If within 12 months after such termination, CKF Bancorp consummates or enters into any agreement with respect to, or consummates, an acquisition proposal, then it must pay the remainder of the fee.

CKF Bancorp also must pay the termination fee concurrently with the termination of the agreement of merger in the event CKF Bancorp terminates the agreement of merger as a result of its determination to accept a superior proposal from a party other than Kentucky First Federal Bancorp.

**Expenses**

Each of Kentucky First Federal Bancorp and CKF Bancorp will pay its own costs and expenses incurred in connection with the merger.

**Changing the Terms of the Agreement of Merger**

Before the completion of the merger, Kentucky First Federal Bancorp and CKF Bancorp may agree to waive, amend or modify any provision of the agreement of merger. However, after the vote by CKF Bancorp stockholders, Kentucky First Federal Bancorp and CKF Bancorp can make no amendment or modification that would reduce the amount or alter the kind of consideration to be received by CKF Bancorp's stockholders under the terms of the merger.

**PRO FORMA FINANCIAL INFORMATION**

The following unaudited pro forma condensed combined balance sheet as of December 31, 2011 and the unaudited pro forma condensed combined statements of income for the six months ended December 31, 2011 and the year ended June 30, 2011 give effect to the pending merger. Kentucky First Federal Bancorp’s fiscal year ends June 30 and CKF Bancorp’s fiscal year ends December 31. The historical consolidated statements of operations of CKF Bancorp as presented in the unaudited pro forma condensed combined statements of income are for the six months ended December 31, 2011 and the year ended June 30, 2011.

The unaudited pro forma condensed combined financial information is based on the historical consolidated financial statements of Kentucky First Federal Bancorp and Central Kentucky Federal Savings Bank under the assumptions and adjustments set forth in the accompanying notes. The unaudited pro forma condensed combined balance sheet gives effect to the merger as if the merger had been consummated at December 31, 2011. The unaudited pro forma condensed combined statements of income give effect to the merger as if the merger had been completed as of July 1, 2010.

You should read the unaudited pro forma condensed combined financial statements in conjunction with the historical consolidated financial statements of Kentucky First Federal Bancorp and CKF Bancorp that appear elsewhere in this document. The pro forma information is not necessarily indicative of the combined financial position or the results of operations in the future or of the combined financial position or the results of operations that would have been realized had the merger been consummated during the periods or as of the dates for which the pro forma information is presented.

Pro forma per share amounts for the combined company are based on exchange ratio of 1.0556 for 60% of the total outstanding shares, with the remaining shares redeemed for cash at $9.50 per share.

**Kentucky First Federal Bancorp and CKF Bancorp, Inc.**

**Unaudited Pro Forma Condensed Combined Balance Sheet**

**As of December 31, 2011**

| (In thousands) | Historical Kentucky First Federal Bancorp | CKF Bancorp | Pro Forma Adjustments | | Pro Forma Combined |
|---|---|---|---|---|---|
| Assets | | | | | |
| Cash and due from banks | $ 1,265 | $ 1,020 | $ — | | $ 2,285 |
| Interest-bearing demand deposits and federal funds sold | 2,893 | 1,350 | (2,159 | )C | 2,084 |
| Certificates of deposit | 100 | — | — | | 100 |
| Securities held to maturity | 5,760 | 11,395 | 413 | D | 17,568 |
| Securities available for sale | 12,694 | 6 | — | | 12,700 |
| Total loans | 184,887 | 108,763 | (2,520 | )D | 291,130 |
| Allowance for loan losses | (842 ) | (1,848 ) | 1,848 | D | (842 ) |
| Net loans | 184,045 | 106,915 | (672 | ) | 290,288 |
| Premises and equipment, net | 2,696 | 1,736 | — | | 4,432 |
| Goodwill | 14,507 | — | — | | 14,507 |
| Core deposit intangibles | 22 | — | 77 | E | 99 |
| Federal Home Loan Bank stock | 5,641 | 2,091 | — | | 7,732 |
| Other assets | 6,815 | 2,463 | 558 | F | 9,836 |
| Total assets | $ 236,438 | $ 126,976 | $ (1,783 | ) | $ 361,631 |
| | | | | | |
| Liabilities and Stockholders' Equity | | | | | |
| Deposits: | | | | | |
| Noninterest-bearing | $ 947 | $ 1,387 | $ — | | $ 2,334 |
| Interest-bearing | 135,649 | 99,218 | 1,115 | D | 235,982 |
| Total deposits | 136,596 | 100,605 | 1,115 | | 238,316 |
| Federal Home Loan Bank advances | 38,715 | 13,000 | 2,844 | C,D | 54,559 |
| Other liabilities | 2,146 | 386 | — | | 2,532 |
| Total liabilities | 177,457 | 113,991 | 3,959 | | 295,407 |
| | | | | | |
| Common stock | 86 | 10 | (10 | )G | 86 |
| Additional paid in capital | 36,882 | 10,003 | (10,003 | )G | 36,882 |
| Retained earnings | 32,102 | 10,748 | (10,694 | )D,G | 32,156 |
| Accumulated other comprehensive income (loss) | 3 | (26 ) | 26 | G | 3 |

| | | | | | |
|---|---|---|---|---|---|
| Unearned employee stock ownership plan | (1,877) | (12) | 12 | G | (1,877) |
| Treasury stock at cost | (8,215) | (7,738) | 14,927 | G | (1,026) |
| Total stockholders’ equity | 58,981 | 12,985 | (5,742) | | 66,224 |
| Total liabilities and stockholders’ equity | $236,438 | $126,976 | $(1,783) | | $361,631 |

*See Notes to the Unaudited Pro Forma Condensed Combined Financial Statements.*

**Kentucky First Federal Bancorp and CKF Bancorp, Inc.**

**Unaudited Pro Forma Condensed Combined Statement of Operations**

**Six months Ended December 31, 2011**

| (In thousands, except per share data) | Historical Kentucky First Federal Bancorp | CKF Bancorp | Pro Forma Adjustments | | Pro Forma Combined |
|---|---|---|---|---|---|
| Interest Income: | | | | | |
| Loans, including fees | $4,936 | $2,949 | $ 61 | H | $7,946 |
| Investment securities | 140 | 213 | (73 | )H | 280 |
| Other | 112 | — | — | | 112 |
| Total interest income | 5,188 | 3,162 | (12 | ) | 8,338 |
| Interest Expense: | | | | | |
| Deposits | 887 | 774 | (348 | )H | 1,313 |
| Borrowings | 311 | 179 | (65 | )H | 425 |
| Total interest expense | 1,198 | 953 | (413 | ) | 1,738 |
| Net interest income | 3,990 | 2,209 | 401 | | 6,600 |
| Provision for loan losses | 82 | 275 | — | | 357 |
| Net interest income, after provision for loan losses | 3,908 | 1,934 | 401 | | 6,243 |
| Noninterest Income: | | | | | |
| Earnings on bank-owned life insurance | 44 | — | — | | 44 |
| Net gains (losses) on real estate owned | (61) | (91) | — | | (152) |
| Other noninterest income | 74 | 129 | — | | 203 |
| Total noninterest income | 57 | 38 | — | | 95 |
| Non-Interest Expense: | | | | | |
| Salaries and employee benefits | 1,520 | 921 | — | | 2,441 |
| Occupancy and equipment | 168 | 132 | — | | 300 |
| Other noninterest expense | 1,072 | 796 | 7 | I | 1,875 |
| Impairment of goodwill | — | 1,100 | — | I | 1,100 |
| Total noninterest expense | 2,760 | 2,949 | 7 | | 5,716 |
| Income before income taxes | 1,205 | (977) | 394 | | 622 |
| Income tax expense | 396 | 42 | 134 | | 572 |
| Net income | $809 | $(1,019) | $ 260 | | $50 |
| Net Income Per Share Amounts: | | | | | |
| Basic | $0.11 | $(0.83) | — | | $0.01 |
| Diluted | 0.11 | (0.83) | — | | $0.01 |
| Weighted Average Common Shares: | | | | | |
| Basic | 7,544,432 | 1,224,719 | 776,373 | J | 8,320,805 |
| Diluted | 7,544,432 | 1,224,719 | 776,373 | J | 8,320,805 |

*See Notes to the Unaudited Pro Forma Condensed Combined Financial Statements.*

**Kentucky First Federal Bancorp and CKF Bancorp, Inc.**

**Unaudited Pro Forma Condensed Combined Statement of Operations**

**Year Ended June 30, 2011**

| (In thousands, except per share data) | Historical Kentucky First Federal Bancorp | CKF Bancorp | Pro Forma Adjustments | | Pro Forma Combined |
|---|---|---|---|---|---|
| Interest Income: | | | | | |
| Loans, including fees | $10,146 | $6,051 | $ 123 | | $16,320 |
| Investment securities | 357 | 432 | (145 | )H | 644 |
| Other | 246 | 1 | — | H | 247 |
| Total interest income | 10,749 | 6,484 | (22 | ) | 17,211 |
| Interest Expense: | | | | | |
| Deposits | 2,486 | 1,782 | (555 | )H | 3,713 |
| Borrowings | 695 | 391 | (125 | )H | 961 |
| Total interest expense | 3,181 | 2,173 | (680 | ) | 4,674 |
| Net interest income | 7,568 | 4,311 | 658 | | 12,537 |
| Provision for loan losses | 668 | 870 | — | | 1,538 |
| Net interest income, after provision for loan losses | 6,900 | 3,441 | 658 | | 10,999 |
| Noninterest Income: | | | | | |
| Earnings on bank-owned life insurance | 90 | — | — | | 90 |
| Net losses on real estate owned | (107) | (217) | — | | (324) |
| Net gains on sales of loans | 155 | — | — | | 155 |
| Other noninterest income | 104 | 268 | — | | 372 |
| Bargain purchase gain | — | — | 54 | D | 54 |
| Total noninterest income | 242 | 51 | 54 | | 347 |
| Noninterest Expense: | | | | | |
| Salaries and employee benefits | 3,057 | 1,794 | — | | 4,851 |
| Occupancy and equipment | 355 | 264 | — | | 619 |
| Other non-interest expense | 1,870 | 1,100 | 14 I | | 2,984 |
| Total non-interest expense | 5,282 | 3,158 | 14 | | 8,454 |
| Income before income taxes | 1,860 | 334 | 698 | | 2,892 |
| Income tax expense | 104 | 114 | 237 | | 455 |
| Net income | $1,756 | $220 | $ 461 | | $2,437 |
| Net Income Per Share Amounts: | | | | | |
| Basic | $0.23 | $0.18 | — | | $0.29 |
| Diluted | 0.23 | 0.18 | — | | 0.29 |
| Weighted Average Common Shares: | | | | | |
| Basic | 7,519,347 | 1,224,945 | 776,373 | J | 8,295,720 |
| Diluted | 7,519,347 | 1,224,945 | 776,373 | J | 8,295,720 |

*See Notes to the Unaudited Pro Forma Condensed Combined Financial Statements.*

**Kentucky First Federal Bancorp and CKF Bancorp, Inc.**

**Notes to Unaudited Pro Forma Condensed**

**Combined Financial Statements**

**Note A**

The unaudited pro forma condensed combined balance sheet of Kentucky First Federal Bancorp and subsidiaries and CKF Bancorp and subsidiaries at December 31, 2011 has been prepared as if the merger had been consummated on that date. The unaudited pro forma condensed combined statements of income for the six months ended December 31, 2011 and year ended June 30, 2011 have been prepared as if the merger had been consummated as of July 1, 2010. The unaudited pro forma condensed combined financial statements are based on the historical financial statements of Kentucky First Federal Bancorp and CKF Bancorp and give effect to the merger under the acquisition method of accounting and the assumptions and adjustments in the notes that follow.

Since CKF Bancorp has a December 31 fiscal year end and Kentucky First Federal Bancorp has a June 30 fiscal year end, CKF Bancorp's historical data for the year ended June 30, 2011 was calculated by adding the results from the third and fourth quarters of fiscal 2010 to the first six months of fiscal 2011.

Assumptions relating to the pro forma adjustments set forth in the unaudited pro forma condensed combined financial statements are summarized as follows:

(i) Estimated fair values—The estimated fair value and resulting net discount/premium on securities held-to-maturity, for purposes of these pro forma financial statements, is being accreted/amortized to interest income on a sum-of-the-years digits method over five years. The actual discount/premium will be accreted/amortized to interest income to produce a constant yield to maturity. The resulting net premium and discount on deposits and borrowings, respectively, is being amortized/accreted into interest expense on a sum-of-the-years digits method over their remaining estimated lives.

(ii) Income taxes—A net deferred tax asset was recorded equal to the deferred tax consequences associated with the differences between the tax basis and book basis of the assets acquired and liabilities assumed, using a marginal tax rate of 34.0%.

Certain reclassifications have been made to CKF Bancorp’s financial information to conform to Kentucky First Federal Bancorp’s financial information.

**Note B**

Purchase Price of CKF Bancorp

| | | | | |
|---|---|---|---|---|
| CKF Bancorp common stock outstanding | 1,225,802 | (1) | | |
| Stock component percentage | 60 | % | | |
| CKF Bancorp stock subject to exchange ratio | 735,481 | | | |
| Exchange ratio | 1.0556 | | | |
| Total Kentucky First Federal Bancorp common stock to be issued | 776,374 | | | |
| Fair value per Kentucky First Federal Bancorp common share | $9.26 | (2) | | |
| | $7,189,223 | | | |
| Cash payment to CKF Bancorp stockholders | | | $ 4,658,050 | (1) |
| Cash-out of stock options | | | 1,040 | (3) |
| Total purchase price | | | $ 11,848,313 | |

(1) Based on shares of CKF Bancorp common stock outstanding as of December 31, 2011.
(2) Based on the per share closing price of Kentucky First Federal Bancorp common stock on March 16, 2012.

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(3) At December 31, 2011, there were 8,000 options to purchase shares of CKF Bancorp common stock at a weighted average price of $9.37. There were 12,000 options with exercise prices greater than $9.50. Since the exercise price exceeds the cash price, these options will not be cashed out.

**Note C**

Reflects cash paid in exchange for CKF Bancorp common stock totaling $4,658,000 (490,321 shares x $9.50 per share), plus cash assumed to be paid to common option holders totaling $1,040 (8,000 options outstanding with a weighted average exercise price of $9.37 per share), less borrowings by Kentucky First Federal Bancorp of $2,500,000 at an annual rate of 3.50%.

**Note D**

Acquisition accounting adjustments are estimated as follows:

| | (In thousands) | |
|---|---|---|
| CKF Bancorp's net assets at December 31, 2011 | | $12,985 |
| Fair value adjustment (4): | | |
| Loans | $(672) | |
| Borrowings | (344) | |
| Certificates of deposits | (1,115) | |
| Securities held-to-maturity | 413 | |
| Core deposit intangibles | 77 | |
| | (1,641) | |
| Deferred taxes on purchase accounting adjustments (34%) | 558 | |
| Total net fair value adjustments to net assets acquired | | (1,083) |
| Adjusted net assets acquired | | $11,902 |

The excess of cost over the fair value of the net assets acquired is set forth below:

| | (In thousands) | |
|---|---|---|
| Total purchase price | $ | 11,848 |
| Net assets acquired | | 11,902 |

| | | | |
|---|---|---|---|
| Total excess (deficit) of cost over fair value of net assets acquired | $ | (54 | ) |

(4) Fair value adjustments in accordance with acquisition accounting under U.S. generally accepted accounting principles. At the time of the preparation of the pro forma financial statements the parties did not have appraisals to support the fair market value of the real property to be acquired in the merger. As a result, there could be adjustments to the carrying value of such fixed assets after the merger is completed.

**Note E**

Reflects core deposit intangible, which is estimated to be $77,000.

**Note F**

Reflects $558,000 of additions to deferred tax assets as a result of fair value adjustments.

**Note G**

Issuance of Kentucky First Federal Bancorp common stock of $7,189,000 and elimination of CKF Bancorp's equity of $12,985,000.

**Note H**

Pro forma adjustments to interest income and interest expense were calculated as follows:

| | For the Year Ended June 30, 2011 | For the Six Months Ended December 31, 2011 |
|---|---|---|
| Accretion of loan fair value adjustment (7 years using level yield method) | $ 123 | $ 61 |
| Amortization of investment fair value adjustment (5 years using level yield method) | (145) | (73) |
| Total net adjustments—interest income | $ (22) | $ (12) |
| Accretion of time deposit fair value adjustment (4 years using level yield method) | $ (555) | $ (348) |
| Interest expense on $2.5 million of additional borrowings at a rate of 3.50% | 88 | 44 |
| Accretion of borrowings fair value adjustment (2 years using level yield method) | (213) | (109) |
| Total net adjustments—interest expense | $ (680) | $ (413) |

**Note I**

The core deposit intangible of $77,000 is estimated to have a useful life of 10 years and is amortized over 10 years using the level yield method.

**Note J**

Basic and fully diluted weighted average number of common and common stock equivalents utilized for the calculation of earnings per share for the periods presented were calculated using Kentucky First Federal Bancorp's historical weighted average basic and diluted shares plus 776,373 shares to be issued to CKF Bancorp's stockholders under the terms of the agreement of merger.

**Note K**

The transaction costs associated with the merger and expected to be incurred by Kentucky First Federal Bancorp in the twelve months ending December 31, 2012 are projected to total $510,000. These costs include legal, financial advisor, accounting, printing and mailing and transfer agent fees. These costs are not included in the pro forma income statements. Transaction costs expected to be incurred by CKF Bancorp during such period are estimated to total $110,000. Additionally, both companies will incur costs to defend litigation as described under *"Description of the Merger-Litigation Related to the Merger."* These costs are not included in the pro forma income statements.

DESCRIPTION OF KENTUCKY FIRST FEDERAL BANCORP CAPITAL STOCK

The following summary describes the material terms of Kentucky First Federal Bancorp's capital stock and is subject to, and qualified by, Kentucky First Federal Bancorp's charter and bylaws and federal law. See *"Where You Can Find More Information"* as to how to obtain a copy of Kentucky First Federal Bancorp's charter and bylaws.

**General**

Kentucky First Federal Bancorp is authorized to issue 20,000,000 shares of our common stock having a par value of $0.01 per share and 5,000,000 shares of preferred stock having a par value of $0.01 per share. At May 11, 2012, 7,725,703 shares of common stock were outstanding. At that date, no shares of preferred stock were outstanding.

**Common Stock**

***Dividends.*** The holders of Kentucky First Federal Bancorp's common stock are entitled to receive and share equally in dividends as may be declared by the board of directors out of funds legally available for dividends, after payment of all dividends on preferred stock, if any is outstanding. Kentucky First Federal Bancorp is not subject to regulatory restrictions on the payment of dividends. However, its ability to pay dividends may depend, in part, upon dividends it receives from First Federal of Hazard and First Federal of Frankfort. Applicable regulations limit dividends and other distributions by First Federal of Hazard and First Federal of Frankfort.

If Kentucky First Federal Bancorp pays dividends to its stockholders, it also will be required to pay dividends to First Federal MHC, unless First Federal MHC elects to waive the receipt of dividends. Federal Reserve Board regulations require First Federal MHC to notify the Federal Reserve Board if it proposes to waive receipt of dividends from Kentucky First Federal Bancorp. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") addresses the issue of dividend waivers in the context of the transfer of the supervision of savings and loan holding companies to the Federal Reserve Board. The Dodd-Frank Act specified that dividends may be waived if certain conditions are met, including that the Federal Reserve Board does not object after being given written notice of the dividend and proposed waiver. The Dodd-Frank Act indicates that the Federal Reserve Board may not object to such a waiver (1) if the mutual holding company involved has, before December 1, 2009, reorganized into a mutual holding company structure, engaged in a minority stock offering and waived dividends; (2) the board of directors of the mutual holding company expressly determines that a waiver of the dividend is consistent with its fiduciary duties to members, and (3) the waiver would not be detrimental to the safe and sound operation of the savings association subsidiaries of the holding company. The Federal Reserve has not previously permitted dividend waivers by mutual bank holding companies and may object to dividend waivers involving mutual savings and loan holding companies, notwithstanding the referenced language in the Dodd-Frank Act. The Federal Reserve Board will not consider the amount of dividends waived by the mutual holding company in determining an appropriate exchange ratio in the event of a full conversion to stock form. Kentucky First Federal Bancorp has been granted such a waiver, and dividends paid to Kentucky First Federal Bancorp's stockholders on May 17, 2011, August 16, 2011**,** November 22, 2011 and February 21, 2012 were waived by First Federal MHC. The Federal Reserve Board has adopted an interim final rule which requires First Federal MHC to notify the Federal Reserve Board if it proposes to waive receipt of dividends from Kentucky First Federal Bancorp. The interim final rule also requires that First Federal MHC obtain the approval of a majority of the eligible votes of members of First Federal MHC (generally First Federal of Hazard depositors) before it can waive dividends. Kentucky First Federal Bancorp cannot predict whether the Federal Reserve Board will grant dividend waiver requests in the future and, if it were to grant such waiver requests, Kentucky First Federal Bancorp cannot predict the nature of conditions, if any, the Federal Reserve Board may place on future dividend waiver requests. The denial of a dividend waiver request or the imposition of burdensome conditions on an approval of a waiver request may significantly limit the amount of dividends Kentucky First Federal Bancorp pays in the future, if any. Moreover, the Federal Reserve Board has indicated that its current position is that the dividend waiver would not be granted for ensuing quarters unless certain requirements are met which include solicitation of a positive vote among the members of First Federal MHC, a group primarily comprised of the depositors of First Federal of Hazard. While it will remain First Federal MHC's strong preference to continue to waive future dividends, except to the extent dividends are needed to fund First Federal MHC's continuing operations, it may become necessary to pay dividends to First Federal MHC until such time as the stockholder vote and other requirements can be met or until there is a regulatory change. In the long term, the inability to waive dividends to First Federal MHC will likely result in a reduction in dividends paid to Kentucky First Federal Bancorp stockholders. For more information, see "*Risk Factors – Risks Related to Kentucky First Federal Bancorp – The amount of dividends Kentucky First Federal Bancorp pays on its common stock, if any, may be limited by the ability of First Federal MHC to waive receipt of dividends.*"

***Voting Rights.*** The holders of Kentucky First Federal Bancorp’s common stock possess exclusive voting rights in Kentucky First Federal Bancorp. They elect its board of directors and act on other matters as are required to be presented to them under federal law or as are otherwise presented to them by the board of directors. Each holder of common stock is entitled to one vote per share on all matters presented to stockholders. Holders of common stock are not entitled to cumulate their votes in the election of directors.

***Liquidation.*** Upon liquidation, dissolution or winding up of Kentucky First Federal Bancorp, holders of common stock are entitled to receive all of the assets of Kentucky First Federal Bancorp available for distribution after payment or provision for payment of all its debts and liabilities. If Kentucky First Federal Bancorp issues preferred stock, the preferred stockholders may have a priority over the holders of the common stock upon liquidation or dissolution.

***Preemptive Rights; Redemption.*** Holders of Kentucky First Federal Bancorp’s common stock are not entitled to preemptive rights with respect to any shares that may be issued. The common stock cannot be redeemed.

**Preferred Stock**

Kentucky First Federal Bancorp’s charter authorizes its board of directors, without stockholder action, to issue preferred stock in one or more series and to establish the designations, powers, preferences, dividend rates and rights as the board of directors may from time to time determine. The issuance of preferred stock with voting, dividend, liquidation and conversion rights could dilute the voting strength of the holders of the common stock and may assist management in impeding an unfriendly takeover or attempted change in control.

**Restrictions on Acquisition**

First Federal MHC owns a majority of the issued and outstanding common stock of Kentucky First Federal Bancorp. As a result, management of First Federal MHC is able to exert voting control over Kentucky First Federal Bancorp, First Federal of Hazard and First Federal of Frankfort and restricts the ability of Kentucky First Federal Bancorp’s minority stockholders to effect a change of control of management. First Federal MHC, as long as it remains in the mutual form of organization, will control a majority of Kentucky First Federal Bancorp’s voting stock.

Under the Federal Change in Bank Control Act, a notice must be submitted to the Federal Reserve Board if any person (including a company), or group acting in concert, seeks to acquire direct or indirect “control” of a savings and loan holding company or savings association. Under certain circumstances, a change in control may occur, and prior notice is required, upon the acquisition of 10% or more of the outstanding voting stock of Kentucky First Federal Bancorp, unless the Federal Reserve Board has found the acquisition will not result in a change in control. Under the Change in Control Act, the Federal Reserve Board has 60 days from the filing of a complete notice to act, taking into consideration certain factors, including the financial and managerial resources of the acquirer and the anti-trust effects of the acquisition. Any company that so acquires control would then be subject to regulation as a savings and loan holding company.

**Transfer Agent and Registrar**

The Transfer Agent and Registrar for Kentucky First Federal Bancorp’s common stock is IST Shareholder Services, 209 West Jackson Boulevard, Chicago, Illinois.

**COMPARISON OF RIGHTS OF STOCKHOLDERS**

The rights of stockholders of Kentucky First Federal Bancorp are currently governed by Kentucky First Federal Bancorp's charter, bylaws and federal law. The rights of stockholders of CKF Bancorp are currently governed by CKF Bancorp's certificate of incorporation, bylaws and the Delaware General Corporation Law. If the merger is completed, CKF Bancorp stockholders who receive Kentucky First Federal Bancorp common stock will become Kentucky First Federal Bancorp stockholders and their rights will likewise be governed by Kentucky First Federal Bancorp's charter and bylaws and federal law.

The following is a summary of the material differences between the rights of a CKF Bancorp stockholder and the rights of a Kentucky First Federal Bancorp stockholder. This summary is not a complete statement of the differences between the rights of CKF Bancorp stockholders and the rights of Kentucky First Federal Bancorp stockholders and is qualified in its entirety by reference to the governing law of each corporation and to the charter or certificate of incorporation and bylaws of each corporation. Copies of Kentucky First Federal Bancorp's charter and bylaws are on file with the Securities and Exchange Commission. Copies of CKF Bancorp's certificate of incorporation and bylaws are available upon written request addressed to Virginia R.S. Stump, Secretary, CKF Bancorp, Inc., 340 West Main Street, Danville, Kentucky 42422.

| Authorized Stock | |
|---|---|
| Kentucky First Federal Bancorp | CKF Bancorp |
| · The Kentucky First Federal Bancorp charter authorizes 25,000,000 shares of capital stock, consisting of 20,000,000 shares of common stock, $0.01 par value, and 5,000,000 shares of preferred stock, $0.01 par value. | · The CKF Bancorp certificate of incorporation authorizes 4,100,000 shares of capital stock, consisting of 4,000,000 shares of common stock, $0.01 par value and 100,000 shares of preferred stock, $0.01 par value. |
| · At May 11, 2012, there were 7,725,703 shares of Kentucky First Federal Bancorp common stock issued and outstanding. | · As of May 11, 2012, there were 1,225,802 shares of CKF Bancorp common stock issued and outstanding. |
| · As of May 11, 2012, there were no shares of preferred stock issued or outstanding. | · As of May 11, 2012, there were no shares of preferred stock issued or outstanding. |
| Voting Rights | |
| Kentucky First Federal Bancorp | CKF Bancorp |
| · The holders of the common stock exclusively possess all voting power, subject to the authority of the board of directors to offer voting rights to the holders of preferred stock. | · The holders of the common stock exclusively possess all voting power, subject to the authorization of the board of directors to offer voting rights to the holders of preferred stock. |
| · Holders of common stock may not cumulate their votes for the election of directors. | · Each share of common stock is entitled to one vote. Beneficial owners of 10% or more of the outstanding stock are subject to voting limitations. |

· Holders of common stock may not cumulate their votes for the election of directors.

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Required Vote for Authorization of Certain Actions

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · The Kentucky First Federal Bancorp charter does not contain any supermajority voting requirement for the approval of certain actions. However, because First Federal MHC owns a majority of Kentucky First Federal Bancorp's outstanding common stock, no action requiring a stockholder vote can occur without First Federal MHC's concurrence. | · At least 80% of the outstanding shares of voting stock must approve certain "business combinations" involving a "related person" or any affiliate of a "related person." However, if two-thirds of directors not affiliated with the related person approves the business combination, a majority vote of the outstanding shares is sufficient to approve a business combination. |

Dividends

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · Holders of common stock are entitled, when declared by the Kentucky First Federal Bancorp Board, to receive dividends, subject to the rights of holders of preferred stock. | · Holders of common stock are entitled, when declared by the CKF Board, to receive dividends, subject to the rights of holders of preferred stock. |

Stockholders' Meetings

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · Kentucky First Federal Bancorp must deliver notice of the meeting and, in the case of a special meeting, a description of its purpose no fewer than 20 days and no more than 50 days before the meeting to each stockholder entitled to vote. | · CKF Bancorp must deliver notice of the meeting and, in the case of a special meeting, a description of its purpose no fewer than ten days and no more than 50 days before the meeting to each stockholder entitled to vote. |
| · Only the chairman of the board, the president or a majority of the board of directors may call a special meeting. | · Special meetings may be called only by the board of directors. |
| · For purposes of determining stockholders entitled to vote at a meeting, the board of directors may fix a record date that is not less than ten days and not more than 60 days before the meeting. | · For purposes of determining stockholders entitled to vote at a meeting, the board of directors may fix a record date that is not less than 10 days and not more than 60 days before the meeting. |
| · The board of directors or any stockholder entitled to vote may nominate directors for election or propose new business. | · The board of directors or any stockholder entitled to vote may nominate directors for election or propose new business. |
| · To nominate a director or propose new business, stockholders must give written notice to the Secretary of Kentucky First Federal Bancorp not less than 30 days before the meeting. However, if Kentucky First Federal Bancorp gives less than 40 days' notice or prior public disclosure of the meeting, written notice of the stockholder proposal or nomination must be delivered to the Secretary not later than ten days following the date notice of the meeting was mailed to stockholders or public disclosure of the meeting was | · To nominate a director or propose new business, stockholders must give written notice to the Secretary of CKF Bancorp not less than 30 days nor more than 60 days before the meeting. However, if CKF Bancorp gives less than 40 day's notice of the meeting, written notice of the stockholder proposal or nomination must be delivered to the Secretary not later than ten days following the date notice of the meeting was mailed to stockholders. Each notice given by a stockholder with |

made. Each notice given by a stockholder with respect to a nomination to the board of directors or proposal for new business must include certain information regarding the nominee or proposal and the stockholder making the nomination or proposal.

respect to a nomination to the board of directors or proposal for new business must include certain information regarding the nominee or proposal and the stockholder making the nomination or proposal.

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Action by Stockholders Without a Meeting

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · Action that may be taken at a meeting of stockholders may be taken by the unanimous written consent of the stockholders. | · Action that may be taken at a meeting of stockholders may be taken by the written consent of the holders of outstanding stock in such amount necessary to authorize such action at a meeting. |

Board of Directors

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · The charter provides that the number of directors, to be fixed by resolution, shall be between five and 15. | · The certificate of incorporation provides that the number of directors, to be fixed in the bylaws, shall be between five and 15. |
| · The board of directors is divided into three classes as equal in number as possible and approximately one-third of the directors are elected at each annual meeting. | · The board of directors is divided into three classes as equal in number as possible and approximately one-third of the directors are elected at each annual meeting. |
| · Vacancies on the board of directors will be filled by a vote of a majority of the remaining directors. | · Vacancies on the board of directors will be filled by a two-thirds vote of the remaining directors. |
| · Directors may be removed only for cause by the vote of a majority of the outstanding shares entitled to vote for directors. | · Directors may be removed only for cause by the vote of at least 80% of the outstanding shares entitled to vote for directors. |

Amendment of the Bylaws

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · The bylaws may be amended or repealed only with the approval of at least a majority of the board of directors. | · The bylaws may be amended or repealed with the approval of at least two-thirds of the board of directors or at least 80% of the outstanding share entitled to vote. |

Amendment of the Charter or Certificate of Incorporation

| Kentucky First Federal Bancorp | CKF Bancorp |
|---|---|
| · The charter may be amended or repealed upon approval of at least a majority of the shares entitled to vote on the matter. | · The certificate of incorporation may be amended or repealed upon approval of at least a majority of the shares entitled to vote on the matter, unless otherwise provided in the certificate of incorporation or Delaware law. |

MANAGEMENT AND OPERATIONS AFTER THE MERGER

**Board of Directors**

After the completion of the merger, the board of directors of Kentucky First Federal Bancorp will consist of all of the current directors of Kentucky First Federal Bancorp and CKF Bancorp directors W. Banks Hudson and William H. Johnson. Information regarding the directors of Kentucky First Federal Bancorp and the members of CKF Bancorp's board of directors who will be joining the board of directors of Kentucky First Federal Bancorp is provided below. The age indicated for each individual is as of December 31, 2011.

***The following directors of Kentucky First Federal Bancorp have terms ending in 2012:***

***Stephen G. Barker*** has been a director of Kentucky First Federal Bancorp since its inception in March 2005. Mr. Barker is the Executive Vice President and General Counsel for Kentucky River Properties LLC, which owns significant land, mineral, oil and gas and timber resources in Kentucky. Kentucky River's lessees include several nationally known publicly traded resource producers. Mr. Barker has been employed by Kentucky River Coal Corporation and Kentucky River Properties LLC since 1985, and has served as Assistant General Counsel and Assistant Secretary. Mr. Barker is a Director and a member of the Executive Committee of the National Council of Coal Lessors in Washington, D.C. Mr. Barker has been in the private practice of law in Hazard since 1980 and has provided legal representation to First Federal of Hazard since 1982. Mr. Barker also served as Master Commissioner for the Perry Circuit Court and is a member and past President of the Perry County Bar Association. He is a member of the Kentucky Bar Association and the American Bar Association and is admitted to practice before the Kentucky Supreme Court and the U.S. District Court for the Eastern District of Kentucky. Before obtaining his Juris Doctorate from the University of Kentucky College of Law, Mr. Barker received a Bachelor of Science in Forestry from the University of Kentucky and was a forester and served as District Conservationist with the United States Department of Agriculture Soil Conservation Service in eastern Kentucky. Mr. Barker continues to serve as a District Supervisor and Secretary and Treasurer of the Perry County Conservation District. He is a member of the Society of American Foresters. Mr. Barker is a private pilot and a member of the Aircraft Owners and Pilots Association and is Chairman of the Hazard Perry County Airport Board which manages the Wendell H. Ford Regional Airport near Hazard. Age 58.

Mr. Barker's long service to First Federal of Hazard represents a valuable level of expertise and commitment, along with his extensive knowledge of real estate derived from his legal career make him an exceptional member of the board.

***Tony D. Whitaker*** has served as Chairman of the Board and Chief Executive Officer of Kentucky First Federal Bancorp since its inception in March 2005. Since 1997, he has served as President and Chief Executive Officer of First Federal of Hazard. He has also served First Federal of Hazard as a director since 1993. Mr. Whitaker was

President of First Federal Savings Bank in Richmond, Kentucky from 1980 until 1994. From 1994 until 1996, Mr. Whitaker was the President of the central Kentucky region and served on the Board of Great Financial Bank, a $3 billion savings and loan holding company located in Louisville, Kentucky. Mr. Whitaker served as a director of the Federal Home Loan Bank of Cincinnati from 1991 to 1997, including a term as Vice-Chairman. He served on the Board of America's Community Bankers, a national banking trade group, from 2001 to 2007. Mr. Whitaker has served on the Board of Directors of Pentegra Group, Inc., a financial services company specializing in retirement benefits, since 2002. He is currently that board's Chairman. He also currently serves as Chairman of the Kentucky Bankers Association. Age 66.

Based on his level of experience and the breadth of his career, Mr. Whitaker has few peers among bankers still actively working. His expertise in the Kentucky thrift community is incomparable. He is both the architect and ongoing leader of Kentucky First Federal Bancorp and as such provides extremely valuable service to our board.

***David R. Harrod*** has been a director of Kentucky First Federal Bancorp since its inception in March 2005. He has served as a Director of First Federal of Frankfort since 2003. He also previously served as Director and Chairman of the Audit Committee of First Federal of Frankfort. He currently serves as a Director and Treasurer of the Franklin County Industrial Development Authority. Mr. Harrod is a certified public accountant and is a principal of Harrod and Associates, P.S.C., a Frankfort, Kentucky-based accounting firm. Age 52.

Mr. Harrod's financial expertise is a necessary component of the board. His career in public accounting, which has included audit work for a publicly-traded financial institution, affords him an exceptional level of knowledge that is highly appropriate as he chairs Kentucky First Federal Bancorp's audit committee and, as such, is the liaison between the board and the independent public accountants.

***The following directors of Kentucky First Federal Bancorp have terms ending in 2013:***

***William D. Gorman, Jr.*** was elected as a director of First Federal of Hazard on December 16, 2010. He follows in the footsteps of his late father, Mayor William D. Gorman, who served as a director of First Federal of Hazard and Kentucky First Federal Bancorp. Mr. Gorman is President and Chief Executive Officer of Hazard Insurance Agency. Mr. Gorman is a graduate of the University of Kentucky. He has served as Vice President and General Manager of WKYH-TV in Hazard. He was the founder of radio station WYZQ, now WQXY in Hazard. In 2004, he served as President of the Independent Insurance Agents of Kentucky. He is a member and past president of the Hazard Lions Club. He has served on the Hazard-Perry County Tourism Commission and on the Board of Directors of both Kentucky Education Television and Hazard Appalachian Regional Hospital. Age 62.

Mr. Gorman's many years as an important part of the business and civic communities of Hazard and Perry County, as well as his past service to First Federal of Hazard, make him an excellent candidate for the board.

***Herman D. Regan, Jr.*** has been a director of Kentucky First Federal Bancorp since its inception in March 2005. He has served as a Director of First Federal of Frankfort since 1988. Mr. Regan served as Chairman of the Board and President of Kenvirons, Inc., a civil and environmental engineering consulting firm, from 1975 until his retirement in August 1994. Age 82.

Mr. Regan's long history in the Frankfort business community allows him to provide valuable insight to the Board. His experience as a director of First Federal of Frankfort and with its holding company, Frankfort First Bancorp (a public company from 1995 through 2005), illustrates a high level of knowledge and dedication. After completing a B.S. degree in Civil Engineering at the University of Kentucky and a Masters degree in Sanitary Engineering at the University of North Carolina, Mr. Regan went on to a distinguished career in environmental engineering which climaxed in his receipt of the Kentucky Environmental Quality Commission's prestigious Lifetime Achievement Award, which stated that Mr. Regan's career is "a stellar example of dedication to cleaner air and water quality for future Kentuckians." Mr. Regan has also served on the board of Baptist Health Care, Inc., in Louisville and of Central Baptist Hospital in Lexington.

***The following directors of Kentucky First Federal Bancorp have terms ending in 2014:***

***Walter G. Ecton, Jr.*** has been a director of Kentucky First Federal Bancorp since its inception in March 2005. He has served as a director of First Federal of Hazard since 2004. Mr. Ecton has been engaged in the private practice of law in Richmond, Kentucky since 1979. Age 58.

Mr. Ecton is a graduate of Centre College and received his Juris Doctorate of law from the University of Kentucky where he was a member of the Kentucky Law Journal. Mr. Ecton also earned a Masters Degree in Business Administration from the University of Kentucky. In addition to his private practice, Mr. Ecton served as an Assistant Commonwealth's Attorney from 1981-1993. Mr. Ecton previously served as legal counsel to First Federal of Richmond, Kentucky and as an advisory director of Great Financial Bank. His knowledge of the banking industry through this service and through his extensive education and legal career provides the board invaluable expertise.

***Don D. Jennings*** has served as President and Chief Operating Officer and as a Director of Kentucky First Federal Bancorp since its inception in March 2005. He served as President and Chief Executive Officer of Frankfort First and now serves as Vice Chairman and Chief Executive Officer of First Federal of Frankfort. He has been employed by First Federal of Frankfort since 1991. He currently serves on the board of the Kentucky Bankers Association and is president of the Central Kentucky League of Savings Institutions. Age 46.

Mr. Jennings has extensive knowledge of the workings of both public companies and banks. He was intimately involved in the formation of both Kentucky First Federal Bancorp and Frankfort First Bancorp and has played a major role in the structure of the entire corporation.

***Proposed appointees from CKF Bancorp:***

***W. Banks Hudson*** is an attorney with the firm of Hudson & Hudson, PLLC which has its practice in Danville, Kentucky. Mr. Hudson specializes in real estate, estate planning and business law. He has served on the Board of Directors of the Boyle County Industrial Foundation, the Bluegrass Community Foundation, the Lottie B. Ellis Scholarship and Discretionary Fund Advisory Board as Chairman, the Danville-Boyle County Chamber of Commerce, and Heart of Danville, Inc. (Main Street Program). Mr. Hudson has served as a director of CKF Bancorp since 1981. Age 64.

Mr. Hudson brings a wealth of experience from his law practice and service to CKF Bancorp as Director and as Chairman. That, coupled with his longstanding prominence in the Danville community, makes Mr. Hudson extremely well-qualified to guide Kentucky First Federal Bancorp into its new markets and new endeavors.

***William H. Johnson*** was named President and Chief Executive Officer of Central Kentucky Federal Savings Bank and CKF Bancorp in August 2005. He joined Central Kentucky Federal Savings Bank as Senior Vice President in September 1998 and was named Secretary in April 1999. Prior to that, he served for 16 years as Vice President and Regional Manager of Great Financial Bank, F.S.B. and for seven years as Managing Officer of Commonwealth First Federal Savings and Loan Association, Danville, Kentucky. He has served on the Board of Directors of the Kentucky Bankers Association and is currently President of the Kentucky Thrift Foundation. Age 61.

Mr. Johnson’s experience in the Danville community and the Danville banking market are nearly unequalled. His knowledge of the area as well as his experience in managing Central Kentucky Federal puts him in position to provide invaluable insight to the board of Kentucky First Federal Bancorp.

**Director Compensation**

Each nonemployee director of Kentucky First Federal Bancorp receives a quarterly retainer of $900, and each member of the Audit Committee receives $900 per meeting attended on a date on which there is not also a meeting of the full board of directors. Officers of Kentucky First Federal Bancorp who are directors are not compensated for their service as directors. Directors who also serve as directors of First Federal of Hazard receive $10,800 annually plus $400 for serving on the investment committee. Directors who also serve as directors of First Federal of Frankfort receive $10,800 annually plus $100 for certain committee meetings. Officers of either bank who are also directors are not compensated for their service as directors.

**Executive Officers Who are Not Directors**

The executive officers of Kentucky First Federal Bancorp and First Federal of Frankfort will consist of the same individuals as existed before the merger plus the appointment of Russell M. Brooks and William H. Johnson. Information regarding the executive officers of Kentucky First Federal Bancorp and First Federal of Frankfort who are not also directors is provided below. The age indicated for each individual is as of December 31, 2011.

***Russell M. Brooks*** served as Vice President, Treasurer and Chief Financial Officer of CKF Bancorp and of Central Kentucky Federal Savings Bank since November 2001. He became Executive Vice President in August 2005. Prior to joining CKF Bancorp he served as Executive Vice President of First Federal Savings Bank, Cynthiana, Kentucky, from 1998 to 2001 and served as Vice President of Kentucky Bank, Paris, Kentucky, from 1996 to 1998. He was Chief Executive Officer of Jessamine First Federal Savings and Loan, Nicholasville, Kentucky, from 1989 until its acquisition by Kentucky Bank in 1996. Age 61.

***R. Clay Hulette*** has served as Vice President, Treasurer and Chief Financial Officer of Kentucky First Federal Bancorp since its inception in March 2005. Since 2000, he has served as Vice President and Chief Financial Officer of Frankfort First Bancorp. In March 2007, he was named President of First Federal of Frankfort, having served as Vice President and Treasurer since 2000. He has been employed by First Federal of Frankfort since 1997. He is a Certified Public Accountant. Age 50.

**Executive Compensation**

The following table is furnished for all individuals serving as the principal executive officer or principal financial officer of Kentucky First Federal Bancorp during the year ended June 30, 2011 and for the other most highly compensated executive officers of Kentucky First Federal Bancorp who received a salary of $100,000 or more during the year ended June 30, 2011.

| Name and Principal Position | Year | Salary ($) | All Other Compensation ($) (1) | Total ($) |
|---|---|---|---|---|
| Tony D. Whitaker, | 2011 | $164,400 | $ 98,621 | $263,021 |
| Chairman and Chief Executive Officer | 2010 | 164,400 | 57,988 | 222,388 |
| R. Clay Hulette, | 2011 | 114,732 | 6,576 | 121,308 |
| Vice *President, Chief* Financial Officer and Treasurer | 2010 | 105,961 | 17,009 | 122,970 |
| Don D. Jennings, | 2011 | 120,850 | 6,876 | 127,726 |
| President and Chief Operating Officer | 2010 | 109,200 | 7,151 | 116,351 |

(1) Details of the amounts reported in the “All Other Compensation” column for 2011 are provided in the table below.

| | Tony D. Whitaker | Clay R. Hulette | Don D. Jennings |
|---|---|---|---|
| ESOP Allocation | $89,765 | $— | $— |
| Dividends on Restricted Stock | 1,680 | 610 | 610 |
| Medical Insurance | 4,775 | 4,756 | 5,070 |
| Cell Phone Usage | 956 | — | — |
| Disability Insurance | 657 | — | 644 |
| Parking | 154 | 252 | 252 |
| Cancer Insurance | 348 | — | — |
| Life Insurance | 53 | 57 | 57 |
| Career Apparel | — | 327 | — |
| Dental Insurance | 233 | 574 | 243 |
| Total | $98,621 | $6,576 | $6,876 |

Executive officers receive indirect compensation in the form of certain perquisites and other personal benefits. The amount of such benefits received by any named executive officer in fiscal 2011 did not exceed $10,000.

**Employment Agreements**

Kentucky First Federal Bancorp and First Federal of Hazard entered into separate employment agreements with Tony D. Whitaker, Chairman of the Board of Kentucky First and President and Chief Executive Officer of First Federal of Hazard.  Kentucky First Federal Bancorp and First Federal of Frankfort entered into separate employment agreements with Don D. Jennings, President and Chief Operating Officer of Kentucky First and Vice Chairman and Chief Executive Officer of First Federal of Frankfort and with R. Clay Hulette, Vice President and Chief Financial Officer of Kentucky First Federal Bancorp and President of First Federal of Frankfort.  Such employment agreements are referred to herein as the "Agreements." The Agreements provide for three-year terms, expiring on August 15, 2014, renewable on an annual basis for an additional year upon review and extension by the respective Boards of Directors of Kentucky First, First Federal of Hazard and First Federal of Frankfort.  The Agreements establish a base salary of $164,400, $132,500 and $122,500 for Messrs. Whitaker, Jennings, and Hulette, respectively.  In addition to establishing a base salary, the Agreements provide for, among other things, participation in stock-based and other benefit plans, as well as certain fringe benefits.

The Agreements also provide that Kentucky First, First Federal of Hazard and First Federal of Frankfort may terminate the employment of Messrs. Whitaker, Jennings, or Hulette for cause, as defined in the Agreements, at any time. No compensation or benefits are payable upon termination of either officer for cause. Each of the officers may also voluntarily terminate his employment by providing 90 days prior written notice. Upon voluntary termination, the officer receives only compensation and vested benefits through the termination date.

The Agreements terminate upon the officer's death, and his estate receives any compensation due through the last day of the calendar month of death. The Agreements also allow the appropriate boards to terminate the employment of Messrs. Whitaker, Jennings, or Hulette due to disability, as defined in the Agreements. A disabled executive receives any compensation and benefits provided for under the agreement for any period before termination during which the executive was unable to work due to disability. Messrs. Whitaker, Jennings, and Hulette also may receive disability benefits under First Federal of Hazard's or First Federal of Frankfort's long-term disability plan(s) without reduction for any payments made under the Agreement. During a period of disability, to the extent reasonably capable of doing so, Messrs. Whitaker and Jennings agree to provide assistance and undertake reasonable assignments for the employers.

The Agreements also require Messrs. Whitaker, Jennings, and Hulette to agree not to compete with Kentucky First, First Federal of Hazard or First Federal of Frankfort for one year following a termination of employment, other than in connection with a change in control. Kentucky First, First Federal of Hazard or First Federal of Frankfort will pay or reimburse Messrs. Whitaker, Jennings, and Hulette for all reasonable costs and legal fees paid or incurred by him in any dispute or question of interpretation regarding the Agreements, if the executive is successful on the merits in a legal judgment, arbitration proceeding or settlement. The Agreements also provide Messrs. Whitaker, Jennings, and Hulette with indemnification to the fullest extent legally allowable.

Under the Agreements, if either Kentucky First, First Federal of Hazard or First Federal of Frankfort terminates the employment of Messrs. Whitaker, Jennings, or Hulette without cause, or if Messrs. Whitaker, Jennings, or Hulette resigns under specified circumstances that constitute constructive termination, he receives his base salary and continued employee benefits for the remaining term of the Agreement, as well as continued health, life and disability coverage under the same terms such coverage is provided to other senior executives, or comparable individual coverage.

Under the Agreements, if, within one year after a change in control (as defined in the Agreements), any of Messrs. Whitaker, Jennings, or Hulette voluntarily terminate his employment under circumstances discussed in the Agreement, or involuntarily terminates employment, the executive receives a cash payment equal to three times his average annual compensation over the five most recently completed calendar years preceding the change in control. He also receives continued employee benefits and health, life and disability insurance coverage for thirty-six months following termination of employment.

Section 280G of the Internal Revenue Code provides that severance payments that equal or exceed three times the individual's "base amount" are deemed to be "excess parachute payments" if they are contingent upon a change in control. Individuals receiving excess parachute payments are subject to a 20% excise tax on the amount of the payment in excess of their base amount, and the employer is not entitled to deduct any parachute payments over the base amount. The Agreements limit payments made to Messrs. Whitaker and Jennings in connection with a change in control to amounts that will not exceed the limits imposed by Section 280G.

**Equity Grants**

Kentucky First Federal Bancorp granted each of the named executive officers equity awards of restricted stock and stock options in 2006. Upon a change in control, all outstanding stock options become immediately exercisable and the restrictions on restricted stock immediately lapse. As of June 30, 2011, Messrs. Whitaker, Jennings and Hulette had no unvested shares or options.

**Outstanding Equity Awards at Fiscal Year End**

The following table provides certain information with respect to the number of shares of Company common stock represented by outstanding stock options held by the named executive officers as of June 30, 2011.

| Name | Option Awards Number of Securities Underlying Unexercised Options (#) Exercisable | Number of Securities Underlying Unexercised Options (#) Unexercisable | Option Exercise Price ($) | Option Expiration Date |
|---|---|---|---|---|
| Tony D. Whitaker | 105,000 | — | $ 10.10 | 12/13/2015 |
| R. Clay Hulette | 52,000 | — | 10.10 | 12/13/2015 |
| Don D. Jennings | 52,000 | — | 10.10 | 12/13/2015 |

***Retirement Plan.*** First Federal of Hazard employees, including Mr. Whitaker, participate in the Financial Institution Retirement Plan (the “Retirement Plan”) to provide retirement benefits for eligible employees. Messrs. Jennings and Hulette participate in a similar plan for First Federal of Frankfort employees. Employees are eligible to participate in the Retirement Plan after the completion of one year of employment and attainment of age 21. The formula for normal retirement benefits payable annually is 2%, under the First Federal of Hazard Retirement Plan, and 1.25%, under the First Federal of Frankfort Retirement Plan, of the average of the participant’s highest five years of compensation multiplied by the participant’s years of service. Participants in the First Federal of Hazard Retirement Plan may also receive a reduced early retirement benefit under the Retirement Plan upon attainment of age 45 and satisfaction of the Retirement Plan’s vesting requirements. Participants generally have no vested interest in Retirement Benefits before their completion of five years of service. Following the completion of five years of vesting service, or upon attainment of age 65, death or termination of employment due to disability, participants automatically become 100% vested in their accrued benefit under the Retirement Plan. The amounts of benefits paid under the Retirement Plan are not reduced for any social security benefit payable to participants. Benefits under the First Federal of Frankfort Retirement Plan may be paid in a lump sum, while the First Federal of Hazard Retirement Plan does not allow for a lump sum payment of accrued benefits; however, Mr. Whitaker may elect to be paid in a lump sum as a result of previous participation in a comparable plan at another financial institution.

The present value of accumulated benefits for the First Federal of Hazard Retirement Plan is calculated using the accrued benefit multiplied by a present value factor based on an assumed age 65 retirement date, the 1994 Group Annuity Mortality table projected five years and an interest rate of 5.00% for 50% of the benefit and 7.75% for 50% of the benefit, discounted to current age at an assumed interest rate of 7.75%.

***Supplemental Executive Retirement Plan.*** First Federal of Hazard has implemented a supplemental executive retirement plan ("SERP") to provide for supplemental retirement benefits with respect to the employee stock ownership plan ("ESOP") and retirement plan. The SERP provides participating executives with benefits otherwise limited by certain provisions of the Internal Revenue Code or the terms of the ESOP loan. Specifically, the SERP will provide benefits to designated officers that cannot be provided under the pension plan or the ESOP as a result of limitations imposed by the Internal Revenue Code, but that would have been provided under such plans, but for these Internal Revenue Code limitations. In addition to providing for benefits lost under tax-qualified plans as a result of the Internal Revenue Code limitations, the SERP will also provide supplemental benefits upon a change of control before the scheduled repayment of the ESOP loan. Generally, upon a change in control, the SERP will provide participants with a benefit equal to what they would have received under the ESOP, had they remained employed throughout the term of the loan, less the benefits actually provided under the ESOP on the participant's behalf. A participant's benefits generally become payable upon a change in control of Kentucky First or its subsidiaries. The Board has designated Tony D. Whitaker as a participant in the SERP.

First Federal of Hazard may utilize a grantor trust in connection with the SERP, to set aside funds that ultimately may be used to pay benefits under the SERP. The assets of the grantor trust will remain subject to the claims of general creditors in the event of insolvency, until paid to a participant according to the terms of the SERP. No amounts have been accrued to date under the SERP for Mr. Whitaker.

***Transactions with Management.*** First Federal of Hazard and First Federal of Frankfort both offer loans to their directors and executive officers. These loans were made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons not related to the banks and did not involve more than the normal risk of collectability or present other unfavorable features. Under current law, the banks' loans to directors and executive officers are required to be made on substantially the same terms, including interest rates and collateral, as those prevailing for comparable transactions with other persons who are not related to the lender and must not involve more than the normal risk of repayment or present other unfavorable features. Furthermore, all loans to such persons must be approved in advance by a disinterested majority of Kentucky First Federal Bancorp's board of directors. At June 30, 2011, loans to directors, executive officers, and the nominee for the board and their affiliates totaled $865,000, or 1.5%, of Kentucky First Federal Bancorp's stockholders' equity, at that date. Any transaction with a director, nominee for director, executive officer or 5% stockholder or with a family member of any such person must be approved in advance by the Audit Committee of Kentucky First Federal Bancorp's board of directors.

## INFORMATION ABOUT KENTUCKY FIRST FEDERAL BANCORP

### Business

Kentucky First Federal Bancorp was incorporated as a mid-tier holding company under the laws of the United States on March 2, 2005 upon the completion of the reorganization of First Federal Savings and Loan Association of Hazard into a federal mutual holding company form of organization. On that date, Kentucky First Federal Bancorp completed its minority stock offering and completed its acquisition of Frankfort First Bancorp, Inc. and its wholly owned subsidiary First Federal Savings Bank of Frankfort, Frankfort, Kentucky. Following the reorganization and merger, Kentucky First Federal Bancorp retained Frankfort First Bancorp as a wholly owned subsidiary and holds all of the capital stock of First Federal of Hazard and First Federal of Frankfort. Kentucky First Federal Bancorp is operating First Federal of Hazard and First Federal of Frankfort as two independent, community-oriented savings institutions.

***First Federal Savings and Loan Association of Hazard.*** First Federal of Hazard was formed as a federally chartered mutual savings and loan association in 1960. First Federal of Hazard operates from a single office in Hazard, Kentucky as a community-oriented savings and loan association offering traditional financial services to consumers in Perry and surrounding counties in eastern Kentucky. It engages primarily in the business of attracting deposits from the general public and using such funds to originate, when available, loans secured by first mortgages on owner-occupied, residential real estate and occasionally other loans secured by real estate. To the extent there is insufficient loan demand in its market area, and where appropriate under its investment policies, First Federal of Hazard has historically invested in mortgage-backed and investment securities, although since the reorganization, First Federal of Hazard has been purchasing whole loans and participations in loans originated at First Federal of Frankfort.

***First Federal Savings Bank of Frankfort.*** First Federal of Frankfort is a federally chartered savings bank, which is primarily engaged in the business of attracting deposits from the general public and originating primarily adjustable-rate loans secured by first mortgages on owner-occupied and nonowner-occupied one- to four-family residences in Franklin, Anderson, Scott, Shelby, Woodford and other counties in Kentucky. First Federal of Frankfort also originates, to a lesser extent, home equity loans and loans secured by churches, multi-family properties, professional office buildings and other types of property.

**Market Areas**

First Federal of Hazard and First Federal of Frankfort operate in two distinct market areas.

First Federal of Hazard's market area consists of Perry County, where the business office is located, as well as the surrounding counties of Letcher, Knott, Breathitt, Leslie and Clay Counties in eastern Kentucky. The economy in its market area has been distressed in recent years. The local economy depends on the coal industry and other industries, such as health care and manufacturing. Still, the economy in First Federal of Hazard's market area continues to lag behind the economies of Kentucky and the United States. In the most recent available data, using information from the State of Kentucky Economic Development Information System (www.thinkkentucky.com), per capita personal income in Perry County averaged $30,104 in 2009, compared to personal income of $32,258 in Kentucky and $39,635 in the United States. Total population in Perry County has remained stable over the last five years at approximately 30,000. However, as a regional economic center, Hazard tends to draw consumers and workers who commute from surrounding counties. Employment in the market area, particularly in Perry County, consists primarily of the trade, transportation and utilities industry (18.1%), the mining industry (17.4%), and the services sector, including health care (15.6%). During the last five years, the unemployment rate has been 6.9% or higher, and in June 2011, was 10.1%, compared to 9.5% in Kentucky and 9.5% in the United States.

First Federal of Frankfort's primary lending area includes the Kentucky counties of Franklin, Anderson, Scott, Shelby and Woodford, with the majority of lending originated on properties located in Franklin County. Franklin County has a population of approximately 49,000, of which approximately 27,000 live within the city of Frankfort, which serves as the capital of Kentucky. The primary employer in the area is the state government, which employs about 38.8% of the work force. In addition, there are several large industrial, financial and government employers in the community. Despite this large, relatively stable source of employment, the unemployment rate was 8.4% in June 2011 after having experienced an unemployment rate which had ranged from 4.7 to 9.0% in prior years.

**Competition**

Kentucky First Federal Bancorp faces significant competition for the attraction of deposits and origination of loans. Its most direct competition for deposits has historically come from the banks and credit unions operating in its respective market areas and, to a lesser extent, from other financial services companies, such as investment brokerage firms. Kentucky First Federal Bancorp also faces competition for depositors' funds from money market funds and other corporate and government securities. Several of its competitors are significantly larger than it and, therefore, have significantly greater resources. Kentucky First Federal Bancorp expects competition to increase in the future as a result of legislative, regulatory and technological changes and the continuing trend of consolidation in the financial services industry. Technological advances, for example, have lowered the barriers to enter new market areas, allowed banks to expand their geographic reach by providing services over the Internet and made it possible for non-depository institutions to offer products and services that traditionally have been provided by banks. Changes in federal law permit affiliation among banks, securities firms and insurance companies, which promotes a competitive environment in the financial services industry. Competition for deposits and the origination of loans could limit our growth in the future.

According to the Federal Deposit Insurance Corporation, at June 30, 2011, First Federal of Hazard had a deposit market share of 12.3% in Perry County. Its largest competitors, Peoples Bank & Trust Company of Hazard (approximately $283 million in assets), Community Trust Bank, Inc. (approximately $3.5 billion in assets) and 1st Trust Bank (approximately $131 million in assets), have Perry County deposit market shares of 41.9%, 16.4% and 20.0%, respectively. First Federal of Hazard's competition for loans comes primarily from financial institutions in its market area and, to a lesser extent, from other financial services providers, such as mortgage companies and mortgage brokers. Competition for loans also comes from the increasing number of non-depository financial services companies entering the mortgage market, such as insurance companies, securities companies and specialty finance companies.

First Federal of Frankfort's principal competitors for deposits in its market area are other banking institutions, such as commercial banks and credit unions, as well as mutual funds and other investments. First Federal of Frankfort principally competes for deposits by offering a variety of deposit accounts, convenient business hours and branch locations, customer service and a well-trained staff. According to the Federal Deposit Insurance Corporation, at June 30, 2011, First Federal of Frankfort had a deposit market share of 9.6%. Its largest competitors for depositors are the Farmers Bank and Capital Trust ($767 million in assets) at a 44.5% market share, Whitaker Bank ($1.5 billion in assets) at 16.9%, Mainsource Bank ($2.8 billion in assets) at 6.9%, Fifth Third Bank ($108.7 billion in assets) at 5.8%, and Republic Bank ($3.0 billion in assets) at 3.2%. First Federal of Frankfort also faces considerable competition from credit unions including the Commonwealth Credit Union ($893.2 million in assets) and the Kentucky Employees Credit Union ($57.9 million in assets). First Federal of Frankfort competes for loans with other depository institutions, as well as specialty mortgage lenders and brokers and consumer finance companies. First Federal of Frankfort principally competes for loans on the basis of interest rates and the loan fees it charges, the types of loans it originates and the convenience and service it provides to borrowers. In addition, First Federal of Frankfort believes it has developed strong relationships with the businesses, real estate agents, builders and general public in its market area. Despite First Federal of Frankfort's small size relative to the many and various other depository and lending institutions in its market area, First Federal of Frankfort usually ranks first with respect to the origination of single-family purchase mortgages made on properties located in Franklin County. Nevertheless, the level of competition in First Federal of Frankfort's market area has limited, to a certain extent, the lending opportunities in its market area.

**Lending Activities**

***General.*** Kentucky First Federal Bancorp's loan portfolio consists primarily of one- to four-family residential mortgage loans. As opportunities arise, Kentucky First Federal Bancorp also offers loans secured by churches, commercial real estate, and multi-family real estate. Kentucky First Federal Bancorp also offers loans secured by deposit accounts and, through First Federal of Frankfort, home equity loans. Substantially all of its loans are made within the banks' respective market areas.

The following table sets forth the composition of our loan portfolio at the dates indicated.

| | At December 31, | | At June 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2011 | | 2011 | | 2010 | | 2009 | | 2008 | | 2007 |
| | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount |
| | (Dollar in thousands) | | | | | | | | | | |
| Real estate loans: | | | | | | | | | | | |
| One- to four-family | $155,946 | 84.4% | $158,821 | 86.4% | $165,818 | 86.0% | $163,108 | 85.8% | $158,007 | 86.1% | $146,602 |
| Construction | 217 | 0.1 | 1,062 | 0.6 | 1,916 | 0.9 | 735 | 0.4 | 3,528 | 1.9 | 6,671 |
| Multi-family | 9,619 | 5.2 | 4,504 | 2.5 | 6,689 | 3.5 | 7,303 | 3.8 | 2,684 | 1.5 | 1,497 |
| Nonresidential and other | 11,654 | 6.3 | 12,211 | 6.6 | 10,943 | 5.7 | 11,460 | 6.1 | 11,318 | 6.2 | 6,898 |
| Consumer: | | | | | | | | | | | |
| Consumer and other | 5,066 | 2.7 | 4,824 | 2.6 | 4,802 | 2.5 | 4,497 | 2.4 | 4,503 | 2.5 | 4,290 |
| Loans on deposits | 2,369 | 1.3 | 2,405 | 1.3 | 2,754 | 1.4 | 2,909 | 1.5 | 3,384 | 1.8 | 3,204 |
| Total loans | 184,871 | 100 % | 183,827 | | | | | | | | |