

Kaiser Federal Financial Group, Inc.  
Form SC 13G/A  
February 10, 2012

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 3)\*

Kaiser Federal Financial Group, Inc.  
(Name of Issuer)

Common Stock, \$.01 par value  
(Title of Class of Securities)

483056107  
(CUSIP Number)

December 31, 2011  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

---

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No 483056107

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Castine Capital Management, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

960,000

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

960,000

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

960,000

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.99%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

OO, IA

---

CUSIP No 483056107

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Paul Magidson

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

960,000

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

960,000

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

960,000

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.99%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

---

CUSIP No 483056107

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Castine Partners II, LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

613,311

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

613,311

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

613,311

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS)

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

6.39%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

---

Item 1. (a). Name of Issuer:

Kaiser Federal Financial Group, Inc.

(b). Address of issuer's principal executive offices:

1359 N. Grand Avenue  
Covina, California 91724  
United States of America

Item 2. (a). Name of person filing:

Castine Capital Management, LLC  
Paul Magidson  
Castine Partners II, LP

(b). Address or principal business office or, if none, residence:

Castine Capital Management, LLC  
One International Place, Suite 2401  
Boston, Massachusetts 02110  
United States of America

Paul Magidson  
c/o Castine Capital Management, LLC  
One International Place, Suite 2401  
Boston, Massachusetts 02110  
United States of America

Castine Partners II, LP  
c/o Castine Capital Management, LLC  
One International Place, Suite 2401  
Boston, Massachusetts 02110  
United States of America

(c). Citizenship:

Castine Capital Management, LLC – Delaware  
Paul Magidson – United States of America  
Castine Partners II, LP - Delaware

(d). Title of class of securities:

Common Stock, \$.01 par value

(e). CUSIP No.:

483056107



Item 3. If This Statement is filed pursuant to §§.240.13d-1(b) or 240.13d-2(b), or (c), check whether the person filing is a

- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e)  An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);
- (h)  A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C.1813);
- (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with §240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Castine Capital Management, LLC: 960,000  
Paul Magidson: 960,000  
Castine Partners II, LP: 613,311

(b) Percent of class:

Edgar Filing: Kaiser Federal Financial Group, Inc. - Form SC 13G/A

Castine Capital Management, LLC: 9.99%

Paul Magidson: 9.99%

Castine Partners II, LP: 6.39%

---

(c) Number of shares as to which Castine Capital Management, LLC has:

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	960,000	,
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	960,000	.

Number of shares as to which Paul Magidson has:

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	960,000	,
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	960,000	.

Number of shares as to which Castine Partners II, LP has:

(i) Sole power to vote or to direct the vote	0	,
(ii) Shared power to vote or to direct the vote	613,311	,
(iii) Sole power to dispose or to direct the disposition of	0	,
(iv) Shared power to dispose or to direct the disposition of	613,311	.

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [ ].

N/A

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than 5 percent of the class, such person should be identified. A listing of the shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

N/A

---

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

If a parent holding company or control person has filed this schedule, pursuant to Rule 13d-1(b)(1)(ii)(G), so indicate under Item 3(g) and attach an exhibit stating the identity and the Item 3 classification of the relevant subsidiary. If a parent holding company or control person has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identification of the relevant subsidiary.

N/A

Item 8. Identification and Classification of Members of the Group.

If a group has filed this schedule pursuant to §240.13d-1(b)(1)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identity of each member of the group.

N/A

Item 9. Notice of Dissolution of Group.

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity. See Item 5.

N/A

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 10, 2012  
(Date)

Castine Capital Management, LLC\*\*

/s/ Paul Magidson  
(Signature)

Paul Magidson, Managing Member  
(Name/Title)

/s/ Paul Magidson  
(Signature)

Paul Magidson\*\*  
(Name/Title)

Castine Partners II, LP\*\*

/s/ Paul Magidson  
(Signature)

Paul Magidson, Managing Member of Castine  
Management GP, LLC, its general partner  
(Name/Title)

\*\*These Reporting Persons disclaim beneficial ownership over the securities reported herein except to the extent of their pecuniary interest therein.

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative other than an executive officer or general partner of the filing person, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement, provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See s.240.13d-7 for other parties for whom copies are to be sent.

Attention. Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

---

Exhibit 1

Joint Filing Statement

Statement Pursuant to Rule 13d-1(k)(1)

The undersigned hereby consent and agree to file a joint statement on Schedule 13G under the Securities Exchange Act of 1934, as amended, with respect to the Common Stock, \$.01 par value, of Kaiser Federal Financial Group, Inc. beneficially owned by them, together with any or all amendments thereto, when and if appropriate. The parties hereto further consent and agree to file this Statement pursuant to Rule 13d-1(k)(1)(iii) as an exhibit to Schedule 13G, thereby incorporating the same into such Schedule 13G.

Castine Capital Management, LLC

By: /s/ Paul Magidson  
Name: Paul Magidson  
Title: Managing Member

/s/ Paul Magidson  
Paul Magidson

Dated: February 10, 2012

Castine Partners II, LP

By: /s/ Paul Magidson  
Name: Paul Magidson  
Title: Managing Member of  
Castine Management GP, LLC, its  
general partner

SK 21745 0002 1260587