Capitol Federal Financial Inc
Form POS AM
October 27, 2010

As filed with the Securities and Exchange Commission on October 27 , 2010
Registration No. 333-166578

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 2
to
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
CAPITOL FEDERAL FINANCIAL, INC.
(Exact name of registrant as specified in its charter)

Maryland	6035	27-2631712
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

700 S. Kansas Avenue, Topeka, Kansas 66603
(785) 235-1341
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)
John B. Dicus, President and Chief Executive Officer
700 S. Kansas Avenue, Topeka, Kansas 66603
(785) 235-1341
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

James S. Fleischer, P.C.
Martin L. Meyrowitz, P.C.
SILVER, FREEDMAN & TAFF, L.L.P.
(a limited liability partnership including professional corporations)
3299 K Street, NW, Suite 100
Washington, DC 20007
(202) 295-4500

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement
becomes effective.

If any of the securities being registered on this Form are being offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o	Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value $.01 per share	301,737,230	$10.00	$3,017,372,300 (1)	$215,138(2)

(1) Estimated solely for the purpose of calculating the registration fee.
(2) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

RESOLICITATION AND COMMUNITY OFFERING PROSPECTUS

Capitol Federal Financial, Inc.
(Proposed New Holding Company for Capitol Federal Savings Bank)

Up to 159,850 ,000 Shares of Common Stock
$10.00 per Share

Capitol Federal Financial, Inc., a newly formed Maryland corporation, is offering up to 159,850 ,000 shares of common stock for sale at $10.00 per share in connection with the conversion of Capitol Federal Savings Bank MHC from the mutual holding company to the stock holding company form of organization. The shares being offered represent the 71% ownership interest in Capitol Federal Financial currently owned by Capitol Federal Savings Bank MHC. Capitol Federal Financial's common stock is currently traded on the Nasdaq Global Select Market under the trading symbol CFFN. We expect that Capitol Federal Financial, Inc.'s shares of common stock will trade on the Nasdaq Global Select Market under the trading symbol CFFND for a period of 20 trading days following the completion of this stock offering. Thereafter the trading symbol will revert to CFFN. To avoid confusion, we will refer to Capitol Federal Financial in this document as CFF and Capitol Federal Financial, Inc. as Capitol Federal Financial, Inc.

This offering represents a resolicitation and extension of an offering that we initially commenced in July 2010. We are offering the stock on a best efforts basis and we must sell a minimum of 118,150,000 shares to complete the offering. We are offering the shares first to members of Capitol Federal Savings Bank MHC who exercised their subscription rights by subscribing for shares in the initial offering. Subject to the priority rights of these former subscribers, the shares are being concurrently offered to the general public in a community offering . The minimum order is 25 shares. The resolicitation and community offering is scheduled to terminate at 4:00 p.m., Central Time, on [ ] , 2010. We may extend this termination date without notice until [ ] , 2010, unless the Office of Thrift Supervision approves a later date. No single extension can exceed 90 days. If we extend the offering beyond [ ] , 2011, we will notify all subscribers and promptly return the funds of those subscribers who do not reconfirm their subscriptions , with interest. The offering must be completed by August 24, 2012.

Once submitted, orders are irrevocable unless the offering is terminated or is extended beyond [ ], 2011, or the number of shares of common stock to be sold is increased to more than 159,850,000 shares or decreased to less than 118,150,000 shares. Funds received prior to the closing of the offering will be held in a segregated account at Capitol Federal Savings Bank and will earn interest at Capitol Federal Savings Bank ' s statement savings rate, which is currently 0.25% but is subject to change at any time.

If you subscribed for shares of our common stock in the initial offering, your previous subscription order has been canceled and is no longer effective. We have returned all subscription funds submitted by you and canceled any deposit account withdrawals that you authorized. You will not receive any shares of common stock unless you place a new order in this offering; however, you are not required to place a new order in this offering.

Shares of common stock not purchased in the community offering are being offered through a syndicate of broker dealers in a syndicated offering that is being commenced concurrently with the community offering. We have not set an expiration date for the syndicated offering , which may conclude at any time on or after [ ], 2010. We retain the right to accept or reject, in whole or in part, any order received in the community offering or the syndicated offering . Neither Sandler O'Neill & Partners, L.P ., any co-manager or any member of the selling group is obligated to purchase any shares of common stock that are being offered for sale.

In addition to the shares we are selling in the offering, the remaining 29% interest in CFF common stock currently held by stockholders other than Capitol Federal Savings Bank MHC will be exchanged for shares of common stock of Capitol Federal Financial, Inc. using an exchange ratio that will result in the existing public stockholders owning approximately the same percentage of Capitol Federal Financial, Inc. common stock as they owned of CFF common stock immediately prior to the completion of the conversion. We will issue up to 66,760,835 shares of common stock in the exchange. Capitol Federal Financial, Inc. also intends to make a $40.0 million cash contribution to the Capitol Federal Foundation in connection with the conversion.

OFFERING SUMMARY
Price: $10.00 per share

	Minimum	Midpoint	Maximum
Number of shares	118,150 ,000	139 ,000,000	159,850 ,000
Gross offering proceeds	1, 181,500 $,000	1, 390 $,000,000	1, 598,500 $,000
Estimated offering expenses excluding selling agent commission and expenses	$6,215 ,000	$6,215 ,000	$6,215 ,000
Estimated selling agent commissions and expenses(1)(2)	$43,939,463	$51,695,663	$59,451,863
Net proceeds	$1,131,345,537	$1,332,089,337	$1,532,833,137
Net proceeds per share	$9. 58	$9. 58	$9. 59

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(1) Includes: (i) fees payable by us to Sandler O'Neill & Partners, L.P. in connection with the community offering equal to 0.75% of the aggregate amount of common stock sold in the community offering (net of insider purchases and shares purchased by our employee stock ownership plan) or approximately $ 1.9 million at the maximum of the offering range, assuming that 20 % of the offering is sold in the community offering, and (ii) a management fee payable by us of 1.00% of the aggregate dollar amount of the common stock sold in the syndicated offering, 45 % of which will be paid to Sandler O'Neill & Partners, L.P ., 15 % of which will be paid to Keefe, Bruyette & Woods, Inc. and 10% of which will be paid to each of Morgan Keegan & Company, Inc., RBC Capital Markets Corporation, Sterne, Agee & Leach, Inc. and Stifel, Nicolaus & Company, Incorporated , and a selling concession payable by us of 3.50% of the actual purchase price of each share of common stock sold in the syndicated offering, which will be allocated to dealers (including Sandler O'Neill & Partners, L.P ., Keefe, Bruyette & Woods, Inc. , Morgan Keegan & Company, Inc., RBC Capital Markets Corporation, Sterne, Agee & Leach, Inc. and Stifel, Nicolaus & Company, Incorporated) in accordance with the actual number of shares of common stock sold by such dealers, or approximately $ 57.5 million at the maximum of the offering range, assuming that 80 % of the offering will be sold in the syndicated offering. See "Pro Forma Data" on page [ ] of this prospectus and " Marketing Arrangements" on page [ ] of this prospectus .

(2) If all shares of common stock are sold in the syndicated offering, the maximum selling agent commissions and expenses would be $ 53.2 million at the minimum, $ 62.6 million at the midpoint, and $ 71.9 million at the maximum of the offering range.

This investment involves a degree of risk, including the possible loss of principal.

Please read "Risk Factors" beginning on page [ ] .

These securities are not deposits or savings accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. None of the Securities and Exchange Commission, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, or any state securities regulator has approved or disapproved of these securities or determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

SANDLER O'NEILL + PARTNERS, L.P.

For assistance, please contact the Stock Information Center at 1-877-518-0123.

The date of this prospectus is [ ] , 2010

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SUMMARY

The following summary explains the material aspects of the conversion, the offering and the exchange of existing shares of CFF common stock for shares of Capitol Federal Financial, Inc. common stock. It may not contain all of the information that is important to you. Before making an investment decision you should read the remainder of this prospectus carefully, including the consolidated financial statements, the notes to the consolidated financial statements and the section entitled "Risk Factors."

The Companies

Capitol Federal Financial, Inc.

Capitol Federal Financial, Inc. is a newly formed Maryland corporation that was incorporated in April 2010 to be the successor corporation to CFF upon completion of the conversion. Capitol Federal Financial, Inc. will own all of the outstanding shares of common stock of Capitol Federal Savings Bank upon completion of the conversion. Capitol Federal Financial, Inc.'s executive offices are located at 700 South Kansas Avenue, Topeka, Kansas 66603. Our telephone number at this address is (785) 235-1341.

Capitol Federal Savings Bank MHC

Capitol Federal Savings Bank MHC is the federally chartered mutual holding company of CFF. Capitol Federal Savings Bank MHC's principal business activity is the ownership of 52,192,817 shares of common stock of CFF, or 71% of the issued and outstanding shares as of October 11 , 2010. After the completion of the conversion, Capitol Federal Savings Bank MHC will cease to exist.

CFF

CFF is a federally chartered stock holding company that owns all of the outstanding common stock of Capitol Federal Savings Bank. At June 30 , 2010, CFF had consolidated assets of $8. 54 billion, deposits of $4. 37 billion and stockholders' equity of $ 960.0 million. After the completion of the conversion, CFF will cease to exist, and will be succeeded by Capitol Federal Financial, Inc. As of October 11 , 2010, CFF had 73, 992,678 shares of common stock issued and outstanding, of which 52,192,817 shares were owned by Capitol Federal Savings Bank MHC. The remaining 21, 799,861 shares of CFF common stock outstanding as of that date were held by the public.

Capitol Federal Savings Bank

Capitol Federal Savings Bank is a federally chartered stock savings bank headquartered in Topeka, Kansas. Capitol Federal Savings Bank was founded in 1893 as a mutual savings institution. In 1999, Capitol Federal Savings Bank converted to stock form and became the wholly owned subsidiary of CFF as part of a mutual holding company reorganization and stock issuance. Capitol Federal Savings Bank provides a full range of retail banking services through its 35 traditional and 11 in-store banking offices serving primarily the metropolitan areas of Topeka, Wichita, Lawrence, Manhattan, Emporia and Salina, Kansas and a portion of the greater Kansas City metropolitan area.

Our Business Strategy

We are a retail-oriented financial institution dedicated to serving the needs of customers in our market areas. Our commitment is to provide qualified borrowers the broadest possible access to home ownership through our mortgage lending programs and to offer a complete set of personal banking products and services to meet our customers ' needs . We strive to enhance stockholder value while maintaining a strong capital position. To meet these goals, we focus on the following strategies:

Residential Portfolio Lending. We are one of the largest originators of one- to four-family loans in the state of Kansas. We have primarily originated these loans for our own portfolio, rather than for sale, and generally we service the loans we originate. We provide customers with alternatives for their borrowing needs by offering both fixed- and adjustable-rate products with various terms to maturity and pricing alternatives. We offer special programs to individuals who may be first time home buyers, have low or moderate incomes or may have certain credit risk concerns in order to maximize our ability to deliver home ownership opportunities. Through our marketing efforts, our reputation, pricing and strong relationships with real estate agents, we attract mortgage loan business from walk-in customers, customers that apply online and existing customers , and we also purchase loans from correspondent lenders located within our market areas and select market areas in Missouri . To supplement our local originations and to provide some geographic diversity to our portfolio, we also purchase one- to four-family loans from nationwide lenders. Following completion of this offering, we intend to increase our emphasis on purchased one- to four-family loans that meet our underwriting standards.

Retail Financial Services. We offer a wide array of deposit products and retail services for our customers. These products include checking, savings, money market, certificates of deposit and retirement accounts. Our products and services are provided through a branch network of 46 locations, which include traditional branch and retail store locations, our call center which operates on extended hours, telephone bill payment services and Internet-based transaction services.

Cost Control. We are very effective at controlling our costs of operations. Through our technology platform, we are able to centralize our lending and deposit support functions for efficient processing. We have located our branches to serve a broad range of customers through relatively few branch locations. Our average deposit base per traditional branch was $ 113.9 million at June 30 , 2010. This large average deposit base helps to control costs. Our one- to four-family lending strategy and our effective management of credit risk allows us to service a large portfolio of loans at efficient levels because it costs less to service a portfolio of performing loans. For the nine months ended June 30 , 2010, our efficiency ratio was 42. 65 %.

Asset Quality. We utilize underwriting standards for our lending products that are designed to limit our exposure to credit risk . We require complete documentation for both originated and purchased loans , and make credit decisions based on our assessment of the borrower ' s ability to repay the loan in accordance with its terms. At June 30 , 2010, our ratio of non-performing assets to total assets was 0. 47 %.

Capital Position. Our policy has always been to protect the safety and soundness of Capitol Federal Savings Bank through conservative credit and operational risk management, balance sheet strength and sound operations. The end result of these activities is a capital ratio in excess of the well-capitalized standards set by the Office of Thrift Supervision. We believe that maintaining a strong capital position safeguards the long-term interests of Capitol Federal Savings Bank, CFF and our stockholders.

Stockholder Value. We strive to enhance stockholder value while maintaining a strong capital position. One way that we provide returns to stockholders is through our dividend payments. Total dividends declared and paid during fiscal year 2010 were $2. 29 per public share. It is our intention to continue to pay cash dividends upon completion of the conversion, to the extent justified by earnings and the capital needs of Capitol Federal Financial, Inc. Shortly following completion of the conversion, we intend to pay a one-time, special dividend of $0.60 per share to all Capitol Federal Financial, Inc. stockholders, subject to regulatory approval. For the first two fiscal years we intend to pay 100% of our net income (exclusive of our contribution to the charitable foundation) in a combination of quarterly and special year-end dividends. It is currently anticipated that the quarterly dividend will be $0.075 per share, See "Our Policy Regarding Dividends."

Interest Rate Risk Management. Changes in interest rates are our primary market risk as our balance sheet is comprised of generally long-term interest-earning assets and generally short-term interest-bearing liabilities. As such, fluctuations in interest rates have a significant impact not only upon our net income but also upon the cash flows related to those assets and liabilities and the market value of our assets and liabilities. In order to maintain acceptable levels of net interest income in varying interest rate environments, we take on a moderate amount of interest rate risk consistent with board policies.

Our Current Organizational Structure

In 1999, CFF became the mid-tier stock holding company of Capitol Federal Savings Bank, owning 100% of Capitol Federal Savings Bank's stock, and conducted an initial public offering by selling a minority of CFF's common stock to the public. The majority of the outstanding shares of common stock of CFF are owned by Capitol Federal Savings Bank MHC, which is a federally chartered mutual holding company with no stockholders.

Pursuant to the terms of the Plan of Conversion and Reorganization of Capitol Federal Savings Bank MHC, which is referred to throughout this prospectus as the plan of conversion and reorganization, Capitol Federal Savings Bank will convert from the mutual holding company to the stock holding company corporate structure. As part of the conversion, we are offering for sale the majority ownership interest of CFF that is currently owned by Capitol Federal Savings Bank MHC. In addition, we intend to make a cash contribution to our existing charitable foundation. Upon completion of the conversion, Capitol Federal Savings Bank MHC will cease to exist, and we will complete the transition from partial to full public stock ownership. In addition, as part of the conversion, existing public stockholders of CFF will receive shares of common stock of Capitol Federal Financial, Inc. in exchange for their shares of CFF common stock pursuant to an exchange ratio that maintains their same percentage ownership in Capitol Federal Financial, Inc. (excluding any new shares purchased by them in the offering and their receipt of cash in lieu of fractional exchange shares) they had in CFF immediately prior to the completion of the conversion and offering. The members of Capitol Federal Savings Bank MHC and the stockholders of CFF approved the plan of conversion and reorganization and the contribution to the charitable foundation at meetings held on August 24, 2010.

The following diagram shows our current organizational structure:

Our Organizational Structure Following the Conversion

After the conversion and offering are completed, we will be organized as a fully public stock holding company, as follows:

Reasons for the Conversion and the Offering

Our primary reasons for converting and raising additional capital through the offering are:

- to eliminate some of the uncertainties associated with financial regulatory reforms, which will result in changes to our primary bank regulator and holding company regulator as well as changes in regulations applicable to us, including, but not limited to, capital requirements, payment of dividends and conversion to full stock form;

- the stock holding company structure is a more familiar form of organization, which we believe will make our common stock more appealing to investors, and will give us greater flexibility to access the capital markets through possible future equity and debt offerings, although we have no current plans, agreements or understandings regarding any additional securities offerings;

- to improve the liquidity of our shares of common stock and provide more flexible capital management strategies; and

- to finance, where opportunities are presented, the acquisition of financial institutions or their branches or other financial service companies primarily in, or adjacent to, our market areas, although we do not currently have any understandings or agreements regarding any specific acquisition transaction.

Terms of the Offering

We are offering between 118,150 ,000 and 159,850 ,000 shares of common stock in the offering . The purchase price is $10.00 per share . All investors will pay the same purchase price per share. Investors will not be charged a commission to purchase shares of common stock in the offering.

We are offering the shares first to members of Capitol Federal Savings Bank MHC who exercised their subscription rights by subscribing for shares in the initial subscription offering, although former subscribers are not required to purchase any shares in the offering. Subject to the priority rights of these former subscribers, the shares are being concurrently offered to the general public in a community offering. Sandler O'Neill & Partners, L.P . will assist us in selling the shares in the community offering on a best efforts basis , but is not required to purchase any shares in the offering. In the event of an oversubscription, shares will be allocated in accordance with the terms of the plan of conversion and reorganization. See " The Conversion and Offering " for a detailed description of the share allocation procedures for this offering.

Shares of our common stock not purchased in the community offering are being offered for sale to the general public in a syndicated offering through a syndicate of selected dealers. Sandler O'Neill & Partners, L.P. is acting as sole book-running manager and Keefe, Bruyette & Woods, Inc ., Morgan Keegan & Company, Inc., RBC Capital Markets Corporation, Sterne, Agee & Leach, Inc. and Stifel, Nicolaus & Company, Incorporated (the co-managers) are acting as co-manager s for the syndicated offering, which is also being conducted on a best efforts basis. Neither Sandler O'Neill & Partners, the co-managers nor any other member of the selling group is required to purchase any shares in the syndicated offering.

We retain the right to accept or reject, in whole or in part, any order received in the community offering or the syndicated offering .

How We Determined the Offering Range and the $10.00 Per Share Stock Price

The offering range is based on an independent appraisal of the estimated market value of Capitol Federal Financial, Inc., assuming the conversion, the exchange and the offering are completed and the charitable foundation is funded with a cash contribution. We have retained RP Financial, LC ., an appraisal firm experienced in appraisals of financial institutions , to perform our appraisal. In connection with the initial offering, RP Financial, LC. estimated that, as of May 28, 2010, our estimated pro forma market value was between $2.05 billion and $2.77 billion, with a midpoint of $2.41 billion, which was a reduction from the value determined as of April 16, 2010, due to a decline in the market value of the appraisal peer group. The valuation was updated in accordance with Office of Thrift Supervision regulations. Based on this valuation, the regulatory established range, the 71% ownership interest of Capitol Federal Savings Bank MHC being sold in the offering and the $10.00 per share price, the number of shares of common stock previously offered for sale by Capitol Federal Financial, Inc. ranged from 144,500,000 shares to 195,500,000 shares. The $10.00 per share price was selected primarily because it is the price most commonly used in mutual-to-stock conversions of financial institutions.

The initial offering was undersubscribed and interest in the syndicated offering was insufficient to sell the minimum number of shares. As required by applicable regulations, upon conclusion of the initial subscription, community and syndicated offerings, RP Financial, LC. submitted to Capitol Federal Savings Bank and the Office of Thrift Supervision an updated appraisal of the pro forma market value of the common stock of Capitol Federal Financial, Inc. RP Financial, LC. has estimated in its updated appraisal, dated as of August 30, 2010, that our pro forma market value was between $1.67 billion and $2.27 billion, with a midpoint of $1.97 billion. The updated appraisal results in an offering range of the common stock to be sold of $1.18 billion at the minimum and $1.60 billion at the maximum, with a midpoint of $1.39 billion. This is an 18.2% decrease from the midpoint valuation established by the appraisal report dated May 28, 2010. RP Financial, LC. ' s August 30, 2010 appraisal update noted that, in decreasing the appraisal value, consideration was given to a continued decline in the market value of the appraisal peer group, and an analysis of recently completed conversion offerings and the results of the initial offering. In the 70 days prior to August 30, 2010, six second-step conversion transactions were completed. Of those six offerings, five were trading below their respective public offering prices as of August 30, 2010. The weak after-market performance of these recently completed second-step conversion offerings and concerns of limited after-market support for Capitol Federal Financial, Inc. common stock based on a closing valuation consistent with the minimum of the initial offering range were factors that contributed to the shortfall in orders. Given the amount of orders received and the recent performance of second-step conversion offerings, RP Financial, LC. applied a more significant downward adjustment for marketing the issue in arriving at its updated appraisal valuation as of August 30, 2010.

As a result of the decrease in the estimated pro forma market value of the common stock as reflected in the updated appraisal, the Office of Thrift Supervision has approved a reduction in the offering range to a minimum of 118,150,000 shares and a maximum of 159,850,000 shares .

The independent appraisal is based primarily on CFF's financial condition and results of operations, the pro forma impact of the additional capital raised by the sale of shares of common stock in the offering, an analysis of a peer group of nine publicly traded savings bank and thrift holding companies that RP Financial, LC. considered comparable to Capitol Federal Financial, Inc. and the factors discussed above. The appraised value is not the same as the current book value or the current fair value of CFF, primarily because it reflects the net proceeds to be received in the offering. See "The Conversion and Offering—Stock Pricing and Number of Shares to be Issued" for a complete discussion of the valuation methodology used by RP Financial, LC. in determining the pro forma market value of Capitol Federal Financial, Inc.

The independent appraisal does not indicate actual market value. Do not assume or expect that the estimated pro forma market value as indicated above means that, after the offering, the shares of our common stock will trade at or above the $10.00 purchase price.

The following table presents a summary of selected pricing ratios for the peer group companies and Capitol Federal Financial, Inc. (on a pro forma basis). The pricing ratios are based on earnings and other information as of and for the twelve months ended June 30 , 2010, stock price information as of August 30 , 2010, as reflected in RP Financial, LC.'s appraisal report dated August 30 , 2010, and , for Capitol Federal Financial, Inc., the number of shares outstanding as described in "Pro Forma Data." Compared to the average pricing of the peer group, our pro forma pricing ratios at the maximum of the offering range indicated a premium of 87.9 % on a price-to-core earnings basis and a discount of 15.4 % on a price-to-tangible book value basis.

	Price to Core Earnings Multiple (1)		Price to Tangible Book Value Ratio	
Capitol Federal Financial, Inc. (on a pro forma basis, assuming completion of the conversion)				
Minimum	23.88	x	83.89	%
Midpoint	27.67	x	90.25	%
Maximum	31.35	x	95.51	%
Valuation of peer group companies, as of August 30 , 2010				
Average	16.68	x	112.92	%
Median	14.41	x	115.79	%

(1) Information is derived from the RP Financial, LC. appraisal report and is based upon estimated core earnings for the twelve months ended June 30 , 2010. These ratios are different from the ratios in "Pro Forma Data."

Our Board of Directors, in reviewing and approving the independent appraisal, considered the range of price-to-core earnings multiples and the range of price-to-tangible book value ratios based upon the number of shares of common stock to be sold in the offering, and did not consider one valuation approach to be more important than the other. The estimated appraised value and the resulting discounts and premiums took into consideration the potential financial impact of the offering, the contribution to the charitable foundation and the repayment of junior subordinated debentures (debentures). The cash contribution to the charitable foundation will reduce our estimated pro forma market value.

RP Financial, LC. will reconfirm the independent appraisal prior to the completion of the conversion. If the estimated appraised value changes to either below $ 1.67 billion or above $2. 27 billion, then, after consulting with the Office of Thrift Supervision, we may: terminate the offering and promptly return all funds; set a new offering range, promptly return all funds and give all subscribers updated information and the opportunity to place a new order; or take such other actions as may be permitted by the Office of Thrift Supervision and the Securities and Exchange Commission. See “The Conversion and Offering - Stock Pricing and Number of Shares to be Issued.”

The Exchange of Existing Shares of CFF Common Stock

At the conclusion of the conversion, shares held by existing stockholders of CFF will be canceled and exchanged for shares of common stock of Capitol Federal Financial, Inc. The number of shares of common stock received will be based on an exchange ratio determined as of the conclusion of the conversion, which will depend upon the number of shares sold in the offering and the percentage of CFF common stock then held by the public. The number of shares received will not be based on the market price of our currently outstanding shares. Instead, the exchange ratio will ensure that existing public stockholders of CFF will retain the same percentage ownership of our organization after the offering, exclusive of their purchase of any additional shares of common stock in the offering and their receipt of cash in lieu of fractional exchange shares. In addition, if options to purchase shares of CFF common stock are exercised before consummation of the conversion, there will be an increase in the percentage of shares of CFF held by public stockholders, an increase in the number of shares of common stock issued to public stockholders in the share exchange and a decrease in the exchange ratio.

The following table shows how the exchange ratio will adjust, based on the number of shares of common stock issued in the offering and the shares of CFF common stock issued and outstanding as of June 30 , 2010. The table also shows the number of whole shares of Capitol Federal Financial, Inc. common stock a hypothetical owner of CFF common stock would receive in exchange for 100 shares of CFF common stock owned at the completion of the conversion, depending on the number of shares of common stock sold in the offering.

	New Shares to be Sold in This Offering		New Shares to be Exchanged for Existing Shares of CFF		Total Shares of Common Stock to be Outstanding After the Offering	Exchange Ratio	New Shares That Would be Received for 100 Existing Shares
	Amount	Percent	Amount	Percent			
Minimum	118,150,000	70. 5%	49,344,965	29. 5%	167,494,965	2. 2637	226
Midpoint	139,000,000	70. 5%	58,052,900	29. 5%	197,052,900	2.6632	266
Maximum	159,850,000	70. 5%	66,760,835	29. 5%	226,610,835	3. 0627	306

No fractional shares of Capitol Federal Financial, Inc. common stock will be issued to any public stockholder of CFF. For each fractional share that would otherwise be issued to a stockholder who holds a stock certificate, Capitol Federal Financial, Inc. will pay in cash an amount equal to the product obtained by multiplying the fractional share interest to which the holder would otherwise be entitled by the $10.00 per share purchase price of the common stock in the offering.

Outstanding options to purchase shares of CFF common stock will convert into and become options to purchase shares of Capitol Federal Financial, Inc. common stock. The number of shares of common stock to be received upon exercise of these options will be determined pursuant to the exchange ratio. The aggregate exercise price, duration and vesting schedule of these options will not be affected by the conversion. At June 30 , 2010, there were 405,031 outstanding options to purchase shares of CFF common stock, 305,081 of which have vested. These outstanding options will be converted into options to purchase 916,868 shares of common stock at the minimum of the offering range and 1, 240,488 shares of common stock at the maximum of the offering range. Because Office of Thrift Supervision regulations prohibit us from repurchasing our common stock during the first year following the conversion unless compelling business reasons exist, we may use authorized but unissued shares to fund option exercises that occur during the first year following the conversion. If all existing options were exercised for authorized but unissued shares of common stock following the conversion, stockholders would experience dilution of approximately 0. 54 % at the minimum and maximum of the offering range.

How We Intend to Use the Proceeds From the Offering

Assuming we sell 118,150 ,000 shares of common stock in the stock offering, equal to the minimum of the offering range, and we have net proceeds of $1. 13 billion, we intend to distribute the net proceeds as follows:

$565.7 million (50.0% of the net proceeds) will be invested in Capitol Federal Savings Bank;

$ 47.3 million (4.2% of the net proceeds) will be loaned by Capitol Federal Financial, Inc. to the employee stock ownership plan to fund its purchase of shares of common stock;

$40.0 million (3.5 % of the net proceeds) will be contributed by Capitol Federal Financial, Inc. to the Capitol Federal Foundation;

$53.6 million (4.7 % of the net proceeds) will be used by Capitol Federal Financial, Inc. to repay outstanding debentures; and

$ 424.8 million (37.5 % of the net proceeds) will be retained by Capitol Federal Financial, Inc.

We may use the funds that we retain for investments, to pay cash dividends, to repurchase shares of common stock and for other general corporate purposes. Capitol Federal Savings Bank may use the proceeds it receives to support increased lending, including one- to four-family loan purchases, and other products and services. The net proceeds retained also may be used for future business expansion through acquisitions of banks, thrifts and other financial services companies, and opening or acquiring branch offices. We have no current arrangements or agreements with respect to any such acquisitions. Initially, a substantial portion of the net proceeds will be invested in short-term investments and mortgage-backed securities consistent with our investment policy.

Please see “How We Intend to Use the Proceeds from the Offering” for more information on the proposed use of the proceeds from the offering.

Our Dividend Policy

CFF currently pays a quarterly cash dividend of $0.50 per share . CFF also pays a special annual dividend equal to 25% of the annual net income of CFF in excess of the total amount of dividends paid in the four regular quarterly dividends for the fiscal year. Shortly following completion of the conversion, we intend to pay a one-time, special dividend of $0.60 per share to all Capitol Federal Financial, Inc. stockholders, subject to regulatory approval . After the conversion, we also intend to continue to pay regular quarterly and special annual cash dividends each year. For the first two fiscal years we intend to pay 100% of our net income (exclusive of the contribution to the charitable foundation) in a combination of quarterly and special year-end dividends. It is currently anticipated that the quarterly dividend will be $0.075 per share, or a 3.0 % annualized yield based on the $10.00 per share offering price. We expect that the timing of quarterly and year-end special dividend payments will be consistent with our current practice.   The dividend rate and the continued payment of dividends will depend on a number of factors, including our capital requirements, our financial condition and results of operations, tax considerations, statutory and regulatory limitations and general economic conditions. No assurance can be given that we will continue to pay dividends or that they will not be reduced or eliminated in the future.

See “Selected Consolidated Financial and Other Data of CFF and Subsidiary” and “Market for the Common Stock” for information regarding our historical dividend payments.

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Purchases and Ownership by our Executive Officers and Directors

We expect our directors, executive officers and their associates to purchase approximately 164,500 shares of common stock in the offering. The purchase price paid by them will be the same $10.00 per share price paid by all other persons who purchase shares of common stock in the offering. After the conversion, as a result of purchases in the offering and the shares they will receive in exchange for shares of CFF common stock that they currently own, our directors and executive officers, together with their associates, are expected to beneficially own approximately 4,498,616 and 6,028,394 shares of common stock, or 2. 69 % and 2. 66 % of our total outstanding shares of common stock, at the minimum and the maximum of the offering range, respectively.

Benefits to Management and Potential Dilution to Stockholders Resulting from the Conversion

Employee Stock Ownership Plan. Our tax-qualified employee stock ownership plan expects to purchase up to 4.0% of the shares of common stock we sell in the offering, or 6,394 ,000 shares of common stock assuming we sell the maximum number of shares proposed to be sold. When these shares are combined with the existing shares owned by the employee stock ownership plan, the plan will own approximately 6. 09 % of the shares outstanding following the conversion. We reserve the right to purchase shares of common stock in the open market following the offering in order to fund all or a portion of the employee stock ownership plan. Assuming the employee stock ownership plan purchases 6,394 ,000 shares in the offering, 4.0% of the maximum of the offering range, we will recognize additional compensation expense, after tax, of approximately $1. 3 million annually over a 30-year period, assuming the loan to the employee stock ownership plan has a 30-year term and an interest rate equal to the prime rate as published in The Wall Street Journal, and the shares of common stock have a fair market value of $10.00 per share for the full 30-year period. If, in the future, the shares of common stock have a fair market value greater or less than $10.00, the compensation expense will increase or decrease accordingly. We also reserve the right to have the employee stock ownership plan purchase more than 4.0% of the shares of common stock sold in the offering if necessary to complete the offering at the minimum of the offering range.

Stock-Based Incentive Plan. We also intend to implement a new stock-based incentive plan no earlier than six months after completion of the conversion. Stockholder approval of this plan will be required. The stock-based incentive plan may reserve a number of shares up to 2.0% of the shares of common stock sold in the offering, or up to 3, 197 ,000 shares of common stock at the maximum of the offering range, for awards of restricted stock to key employees and directors, at no cost to the recipients, subject to adjustment as may be required by Office of Thrift Supervision regulations or policy to reflect restricted stock awards previously made by CFF. If the shares of common stock awarded under the stock-based incentive plan come from authorized but unissued shares of common stock, stockholders would experience dilution of up to approximately 1.39% in their ownership interest in Capitol Federal Financial, Inc. The stock-based incentive plan may also reserve a number of shares equal to up to 5.0% of the shares of common stock sold in the offering, or up to 7,992,500 shares of common stock at the maximum of the offering range, for issuance pursuant to grants of stock options to key employees and directors, subject to adjustment as may be required by Office of Thrift Supervision regulations or policy to reflect stock options previously granted by CFF. If the shares of common stock issued upon the exercise of options come from authorized but unissued shares of common stock, stockholders would experience dilution of up to 3.41% in their ownership interest in Capitol Federal Financial, Inc. Restricted stock awards and stock option grants made pursuant to a plan implemented within twelve months following the completion of the conversion and the offering would be subject to Office of Thrift Supervision regulations, including a requirement that stock awards and stock options vest over a period of not less than five years. If the stock-based incentive plan is adopted more than one year after the completion of the conversion, awards of restricted stock or grants of stock options under the plan would not be subject to regulatory vesting requirements. We intend to fund the stock-based incentive plan through open market purchases rather than through the issuance of authorized but unissued shares of common stock, subject to future market conditions and regulatory limitations described below. For a description of our current stock-based incentive plans, see “Management –

Compensation Discussion and Analysis" and Note 10 of the Notes to Consolidated Financial Statements.

The following table summarizes the number of shares of common stock and the aggregate dollar value of grants that are expected under the new stock-based incentive plan as a result of the conversion. The table also shows the dilution to stockholders if all such shares are issued from authorized but unissued shares, instead of shares purchased in the open market. A portion of the stock grants shown in the table below may be made to non-management employees.

	Number of Shares to be Granted or Purchased(1)				Value of Grants(2)	
	At Minimum of Offering Range	At Maximum of Offering Range	As a Percentage of Common Stock to be Sold in the Offering	Dilution Resulting From Issuance of Shares for Stock-Based Incentive Plans(3)	At Minimum of Offering Range	At Maximum of Offering Range
			(Dollars in thousands)			
Employee stock ownership plan	4,726 ,000	6,394 ,000	4.00 %	N/A	$ 47,260	$63,940
Restricted stock awards	2, 363 ,000	3, 197 ,000	2.00	1.39 %	23,630	31,970
Stock options	5,907,500	7,992,500	5.00	3.41 %	9,925	13,427
Total	12,996,500	17,583,500	11.00 %	4. 71 %	$ 80,815	$109,337

(1) The table assumes that the stock-based incentive plan awards a number of options and restricted stock equal to 5.0% and 2.0% of the shares of common stock sold in the offering, respectively.

(2) The actual value of restricted stock awards will be determined based on their fair value as of the date grants are made. For purposes of this table, fair value for stock awards is assumed to be the same as the offering price of $10.00 per share. The fair value of stock options has been estimated at $ 1.68 per option using the Black-Scholes option pricing model with the following assumptions: a grant-date share price and option exercise price of $10.00; an expected option life of 10 years; a dividend yield of 3.0%; an interest rate of 2.97% and a volatility rate of 18.12 %. The actual value of option grants will be determined by the grant-date fair value of the options, which will depend on a number of factors, including the valuation assumptions used in the option pricing model ultimately adopted.

(3) Represents the dilution of stock ownership interest. No dilution is reflected for the employee stock ownership plan because these shares are assumed to be purchased in the offering.

We may fund our plans through open market purchases, as opposed to new issuances of common stock; however, if any options previously granted under our existing equity incentive plan are exercised during the first year following completion of the offering, they will be funded with newly issued shares since Office of Thrift Supervision regulations do not permit us to repurchase our shares during the first year following the completion of this offering except to fund the grants of restricted stock under the stock-based incentive plan or, with prior regulatory approval, under extraordinary circumstances. The Office of Thrift Supervision has previously advised that the exercise of outstanding options and cancellation of treasury shares in the conversion will not constitute an extraordinary circumstance or a compelling business purpose for satisfying this test.

The following table presents information as of June 30 , 2010 regarding our existing employee stock ownership plan, our existing equity incentive plan, our proposed employee stock ownership plan purchases and our proposed stock-based incentive plan. The table below assumes that 226,610,835 shares are outstanding after the offering, which includes the sale of 159,850 ,000 shares in the offering at the maximum of the offering range and the issuance of shares in exchange for shares of CFF common stock using an exchange ratio of 3. 0627 . It also assumes that the value of the stock is $10.00 per share.

Existing and New Stock-Based Incentive Plans	Participants	Shares		Estimated Value of Shares		Percentage of Shares Outstanding After the Conversion	
Existing employee stock ownership plan	Employees	7,397,538	(1)	73,975,384		3. 26	%
New employee stock ownership plan	Employees	6,394 ,000		63,940 ,000		2.82	
Total employee stock ownership plan		13,791,538		137,915,384		6. 08	
Existing shares of restricted stock	Directors, Officers and Employees	485,398	(2)	4,853,981	(3)	0.21	
New shares of restricted stock	Directors, Officers and Employees	3, 197 ,000		31,970 ,000	(3)	1.41	
Total shares of restricted stock		3,682,398		36,823,981		1.62	
Existing stock options	Directors, Officers and Employees	3,855,492	(4)	6,477,227	(5)	1.70	
New stock options	Directors, Officers and Employees	7,992,500		13,427,400	(5)	3.53	
Total stock options		11,847,992		19,904,627		5.23	
Total of stock-based incentive plans		29,321,928		194,643,992		12.93	%

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(1) As of June 30 , 2010, CFF's existing employee stock ownership plan held 2, 415,365 shares, of which 1, 608,809 shares have been allocated.
(2) Represents shares of restricted stock authorized for grant under our existing equity incentive plan.
(3) The actual value of restricted stock awards will be determined based on their fair value as of the date grants are made. For purposes of this table, fair value is assumed to be the same as the offering price of $10.00 per share.
(4) Represents shares underlying options authorized for grant under our existing equity incentive plan.
(5) The fair value of stock options to be granted under the existing and new stock-based incentive plan s has been estimated based on an index of publicly traded thrift institutions at $ 1.68 per option using the Black-Scholes option pricing model with the following assumptions; exercise price, $10.00; trading price on date of grant, $10.00; dividend yield, 3.0%; expected life, 10 years; expected volatility, 18.12 %; and interest rate, 2.97 %.

The value of the restricted shares awarded under the stock-based incentive plan will be based on the market value of our common stock at the time the shares are awarded. The stock-based incentive plan is subject to stockholder approval, and cannot be implemented until at least six months after completion of the offering. The following table presents the total value of all restricted stock that would be available for award and issuance under the new stock-based incentive plan, assuming the market price of our common stock ranges from $8.00 per share to $14.00 per share.

	Value of Grants		
Share Price	2, 363 ,000 Shares Awarded at Minimum of Range	2,780 ,000 Shares Awarded at Midpoint of Range	3, 197 ,000 Shares Awarded at Maximum of Range
$ 8.00	$ 18,904 ,000	$ 22,240 ,000	$ 25,576 ,000
10.00	23,630 ,000	27,800 ,000	31,970 ,000
12.00	28,356 ,000	33,360 ,000	38,364 ,000
14.00	33,082 ,000	38,920 ,000	44,758 ,000

The grant-date fair value of the options granted under the new stock-based incentive plan will be based in part on the price of shares of common stock of Capitol Federal Financial, Inc. at the time the options are granted. The value will also depend on the various assumptions used in the option pricing model ultimately adopted. The following table presents the total estimated value of the options to be available for grant under the stock-based incentive plan, assuming the market price and exercise price for the stock options are equal and the range of market prices for the shares is $8.00 per share to $14.00 per share.

		Value of Grants		
Exercise Price	Option Value	5,907,500 Options at Minimum of Range	6,950 ,000 Options at Midpoint of Range	7,992,500 Options at Maximum of Range
$ 8.00	$ 1. 34	$ 7,916,050	$ 9,313 ,000	$ 10,709,950
10.00	1.68	9,924,600	11,676 ,000	13,427,400
12.00	2. 02	11,933,150	14,039 ,000	16,144,850
14.00	2.35	13,882,625	16,332,500	18,782,375

The tables presented above are provided for informational purposes only. Our shares of common stock may trade below $10.00 per share. Before you make an investment decision, we urge you to read this entire prospectus carefully, including, but not limited to, the section entitled “Risk Factors” beginning on page [ ] .

Limits on How Much Common Stock You May Purchase

The minimum number of shares of common stock that may be purchased in the offering is 25.

The maximum number of shares of common stock that may be purchased by any person is 5% of the common stock sold in the offering . If any of the following persons purchase shares of common stock, their purchases, in all categories of the offering combined, when aggregated with your purchases, cannot exceed 5% of the common stock sold in the offering (5,907,500 shares at the minimum of the offering range and 7,992,500 shares at the maximum of the offering range) :

your spouse or relatives of you or your spouse living in your house;

companies, trusts or other entities in which you are a trustee, have a controlling beneficial interest or hold a senior position; or

other persons who may be your associates or persons acting in concert with you.

In addition to the above purchase limitations, there is an ownership limitation for stockholders other than our employee stock ownership plan. Shares of common stock that you purchase in the offering individually and together with persons described above, plus any shares you and they receive in exchange for existing shares of CFF common stock, may not exceed 5% of the total shares of common stock to be issued and outstanding after the completion of the conversion and offering.

Subject to Office of Thrift Supervision approval, we may increase or decrease the purchase and ownership limitations at any time. The maximum purchase limitation may be increased to 9.99%, provided that orders for Capitol Federal Financial, Inc. common stock exceeding 5% of the shares sold in the offering shall not exceed in the aggregate 10% of the total shares sold in the offering.

See the detailed description of purchase limitations and definitions of acting in concert and associate in “The Conversion and Offering — Additional Limitations on Common Stock Purchases.”

Steps We May Take if We Do Not Receive Orders for the Minimum Number of Shares

If we do not receive orders for at least 118,150 ,000 shares of common stock in the community and/or syndicated offering s , we may take the following steps in order to issue the minimum number of shares of common stock in the offering range:

increase the purchase and ownership limitations; and/or

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seek regulatory approval to extend the offering beyond [ ], 2011 , provided that any such extension will require us to resolicit subscriptions received in the offering .

Alternatively, we may terminate the offering, return funds with interest and cancel deposit account withdrawal authorizations.

Conditions to Completion of the Conversion

The Office of Thrift Supervision has conditionally approved the plan of conversion and reorganization; however, this approval does not constitute a recommendation or endorsement of the plan of conversion and reorganization by that agency. We have also received member and stockholder approvals of the plan of conversion and reorganization and the cash contribution to the Capitol Federal Foundation.

We cannot complete the conversion unless:

We sell at least the minimum number of shares of common stock offered; and

We receive the final approval of the Office of Thrift Supervision to complete the conversion; however, this approval does not constitute a recommendation or endorsement of the plan of conversion and reorganization by that agency.

Market for the Common Stock

Shares of CFF common stock currently trade on the Nasdaq Global Select Market under the symbol CFFN. Upon completion of the conversion, the shares of common stock of Capitol Federal Financial, Inc. will replace CFF's existing shares. We expect that Capitol Federal Financial, Inc.'s shares of common stock will trade on the Nasdaq Global Select Market under the trading symbol CFFND for a period of 20 trading days following the completion of the offering. Thereafter, the trading symbol will revert to CFFN. In order to list our common stock on the Nasdaq Global Select Market, we are required to have at least three broker-dealers who will make a market in our common stock. CFF currently has 21 registered market makers. Persons purchasing shares of common stock in the offering may not be able to sell their shares at or above the $10.00 price per share.

Our Contribution of Cash to the Capitol Federal Foundation

To further our commitment to the communities we serve and may serve in the future, we intend to contribute $40.0 million in cash to the charitable foundation. As a result of the cash contribution, we expect to record an after-tax expense of approximately $24.7 million during the quarter in which the conversion is completed. The Capitol Federal Foundation currently owns 1,462,287 shares of CFF common stock. Following completion of the offering and assuming closing at the midpoint of the valuation range, the foundation will own 3,894,362 shares, or 2.0% of the outstanding shares of Capitol Federal Financial, Inc. Pursuant to Office of Thrift Supervision regulations, all shares of CFF and Capitol Federal Financial Inc. common stock owned by the foundation must be voted on all matters requiring a vote of stockholders in the same ratio as all other shares of CFF or Capitol Federal Financial, Inc. are voted.

Under the Internal Revenue Code, a corporate entity is generally permitted to deduct up to 10% of its taxable income (taxable income before the charitable contributions deduction) in any one year for charitable contributions. Any contribution in excess of the 10% limit may generally be deducted for federal income tax purposes over the five years following the year in which the charitable contribution was made. Accordingly, a charitable contribution by a corporate entity to a charitable foundation could, if necessary, be deducted for federal income tax purposes over a six-year period. Our overall charitable contribution deduction could be limited if our future taxable income is insufficient to allow for the full deduction within the 10% of taxable income limitation, which would result in an increase to income tax expense.

The Capitol Federal Foundation is governed by a board of trustees, which currently consists of John C. Dicus, the former Chairman of the Board of Capitol Federal Savings Bank and CFF, John B. Dicus, the Chairman, President and Chief Executive Officer of Capitol Federal Savings Bank and CFF, Rick C. Jackson, Executive Vice President and Chief Lending Officer of Capitol Federal Savings Bank and two individuals who are not affiliated with us. None of these individuals receive compensation for their service as a trustee of the charitable foundation. In addition, some of our employees serve as executive officers of the charitable foundation. None of these individuals receive compensation for their service as an executive officer of the charitable foundation.

The Capitol Federal Foundation will continue to support charitable causes and community development activities in the communities in which we operate or may operate. During the nine months ended June 30 , 2010 and the years ended September 30, 2009 and 2008, the Capitol Federal Foundation made charitable contributions of $2. 9 million, $3.8 million and $3.7 million, respectively. The charitable foundation emphasizes grants and donations to four areas of focus: housing initiatives; education; United Way; and traditional community projects.

See “Risk Factors — The contribution to the charitable foundation will adversely affect net income,” “Risk Factors — Our contribution to the charitable foundation may not be tax deductible, which could reduce our profits” and “Capitol Federal Foundation.”

Tax Consequences

As a general matter, the conversion will not be a taxable transaction for federal or state income tax purposes to Capitol Federal Savings Bank MHC, CFF, Capitol Federal Savings Bank, Capitol Federal Financial, Inc., persons eligible to subscribe in the subscription offering or existing stockholders of CFF. The position stated above with respect to no tax consequences arising from the issuance or receipt of subscription rights is based upon a reasoned opinion by counsel that subscription rights do not have any ascertainable value at the time of receipt and is supported by the opinion of RP Financial LC. to the effect that the subscription rights have no value at the time of receipt or exercise. See “ The Conversion and Offering – Material Income Tax Consequences.” Existing stockholders of CFF who receive cash in lieu of fractional share interests in shares of Capitol Federal Financial, Inc. common stock will recognize a gain or loss equal to the difference between the cash received and the tax basis of the fractional share.

Delivery of Stock Certificates

All shares of Capitol Federal Financial, Inc. common stock being sold will be in book entry form. Paper stock certificates will not be issued. Information regarding shares of common stock sold in the community offering will be mailed by regular mail to the persons entitled thereto at the certificate registration address noted on the stock order form, within five business days following completion of the conversion and offering.

Persons Who May Order Shares of Common Stock in the Community Offering

Previous Subscribers . If you subscribed for shares of our common stock in the initial subscription and community offering, your previous order has been canceled and is no longer effective. We have returned all subscription funds submitted by you and canceled any deposit account withdrawals that you authorized. You will not receive any shares of common stock unless you place a new order in this offering, but you are not required to place a new order in this offering.

Each person who subscribed for shares in the initial subscription and community offering is again being given the opportunity to subscribe for shares of common stock of Capitol Federal Financial, Inc. by submitting a Supplemental Order Form or Community Order Form, as applicable. Previous subscribers may order the same number of shares or may increase or decrease the amount subscribed for compared to their original orders, subject to the purchase limitations in the plan of conversion and reorganization.

If you had priority rights to purchase shares under the terms of the plan of conversion and reorganization and originally placed an order in the subscription offering, you are receiving a Supplemental Order Form with this prospectus. Only eligible subscribers who subscribed for shares in the initial subscription offering have retained priority rights to purchase shares in this offering. For a description of these priority rights, see " The Conversion and Offering – Subscription Rights. " If you originally placed an order in the community offering you are receiving a Community Order Form with this prospectus. Please use this form if you wish to submit a new order in the community offering.

If you received a Supplemental Order Form with this prospectus, it reflects the stock registration that you requested on your original stock order form. If separate stock order forms were submitted for stock to be registered in separate titles, then you have received separate mailings. If you place an order on a Supplemental Order Form, you may not change the form of registration designated thereon. If you wish to order shares in any other registration(s), you may contact our Stock Information Center to request one or more Community Order Forms. Any resulting stock order will be considered an order placed by a new subscriber in the community offering.

New Subscribers. Depositors and borrowers who did not previously subscribe for shares may subscribe for shares at this time, and those orders will be considered to be received in the community offering. Members of the general public may also subscribe for shares in the community offering. Any orders by new subscribers must be placed on Community Order Forms. Orders received in the community offering will be subordinate to orders received from eligible subscribers on Supplemental Order Forms.

Orders Irrevocable; Allocation. Unless the number of shares of common stock to be offered is increased to more than 159,850,000 shares or decreased to fewer than 118,150,000 shares, or the offering is extended beyond [ ] , 2011, purchasers will not have the opportunity to modify or cancel their stock orders once submitted. If the offering is extended beyond [ ] , 2011, we will resolicit purchasers, and you will have the opportunity to maintain, change or cancel your order. If you do not provide us with a written indication of your intent, your order will be canceled and your funds will be returned to you, with interest and any deposit account withdrawal authorizations will be canceled. If there is a change in the offering range, we will promptly return all funds with interest, and all subscribers will be provided with updated information and given the opportunity to place a new order.

If we receive orders for more shares than we are offering, we may not be able to fully or partially fill your order. Shares will be allocated in accordance with the plan of conversion and reorganization. A detailed description of share allocation procedures can be found in the section of this prospectus entitled " The Conversion and Offering. "

How You May Purchase Shares of Common Stock in the Community Offering

If you subscribed for shares in the initial subscription and community offering and you wish to purchase shares, please complete, sign and return the order form provided with this prospectus. If you did not previously submit an order but wish to subscribe for shares of common stock in the community offering, you must complete, sign and return a Community Order Form. Community Order Forms may be obtained by calling the Stock Information Center.

Your Supplemental Order Form or Community Order Form must be accompanied by full payment for the shares ordered. You may pay for your shares only by:

(i) personal check, bank check or money order made payable directly to Capitol Federal Financial, Inc.; or

(ii) authorizing us to withdraw funds from the Capitol Federal Savings Bank deposit accounts designated by you on the stock order form.

Capitol Federal Savings Bank is not permitted to lend funds to anyone for the purpose of purchasing shares of common stock in the offering. Additionally, you may not use a Capitol Federal Savings Bank line of credit check or any type of third party check or wire transfer to pay for shares of common stock. Please do not submit cash.

You may deliver your stock order form in one of three ways: by mail, using the stock order reply envelope provided; by overnight delivery to the Stock Information Center at the address indicated on the stock order form; or by hand-delivery to our Stock Information Center, which is located at 700 S. Kansas Avenue, Topeka, Kansas. Please do not deliver stock order forms to other Capitol Federal Savings Bank offices or mail stock order forms to Capitol

Federal Savings Bank. Your order form and payment must be received by us (not postmarked) before 4:00 p.m., Central Time, on [ ] , 2010, which is the end of the community offering period.

Checks and money orders will be immediately deposited in a segregated account with Capitol Federal Savings Bank upon receipt. We will pay interest calculated at Capitol Federal Savings Bank's statement savings rate from the date funds are processed until completion of the conversion, at which time a subscriber will be issued a check for interest earned. On your stock order form, you may not authorize direct withdrawal from a Capitol Federal Savings Bank retirement account. If you wish to use funds in an individual or other retirement account to purchase shares of our common stock, please see "— Using Retirement Account Funds to Purchase Shares" below. You also may not designate on your stock order form a withdrawal from Capitol Federal Savings Bank accounts with check-writing privileges. Please provide a check instead.

Withdrawals from certificates of deposit to purchase shares of common stock in the offering may be made without incurring an early withdrawal penalty. If a withdrawal results in a certificate of deposit account with a balance less than the applicable minimum balance requirement, the certificate of deposit will be canceled at the time of withdrawal without penalty and the remaining balance will earn interest at the current statement savings rate subsequent to the withdrawal. All funds authorized for withdrawal from deposit accounts at Capitol Federal Savings Bank must be available in the accounts at the time the stock order is received. A hold will be placed on those funds when your stock order is received, making the designated funds unavailable to you during the offering period. Funds will not be withdrawn from an account until the completion of the conversion and offering and will earn interest within the account at the applicable deposit account rate until that time.

We are not required to accept copies or facsimiles of stock order forms. By signing the stock order form, you are acknowledging both the receipt of this prospectus and that the shares of common stock are not federally insured deposits or savings accounts or otherwise guaranteed by Capitol Federal Savings Bank, Capitol Federal Financial, Inc. or the federal or any state governments.

Using Retirement Account Funds to Purchase Shares

If you previously submitted an order through a self-directed retirement account, your refund has been provided to the custodian/trustee indicated on the original stock order form. We recommend that you contact your account representative at that firm immediately for guidance if you decide to submit a Supplemental Order Form for a stock purchase using your retirement account funds. Other persons interested in purchasing common stock using funds currently in an individual retirement account (IRA) or any other retirement account, whether held through Capitol Federal Savings Bank or elsewhere, should contact our Stock Information Center for guidance. Please contact the Stock Information Center as soon as possible, preferably at least two weeks prior to the [ ] , 2010 offering deadline, because processing such transactions takes additional time, and whether such funds can be used may depend on limitations imposed by the institution where the funds are currently held. Due to timing constraints and the additional processing requirements of placing orders through custodians/trustees for retirement accounts, we cannot guarantee your ability to use such funds for your purchase of shares .

You May Not Sell or Transfer Your Subscription Rights

Office of Thrift Supervision regulations prohibit you from transferring your subscription rights. If you previously ordered shares of common stock in the subscription offering and wish to re-subscribe for shares , you will be required to state that you are purchasing the common stock for yourself and that you have no agreement or understanding to sell or transfer your subscription rights. We intend to take legal action, including reporting persons to federal agencies, against anyone who we believe has sold or transferred his or her subscription rights. We will not accept your order if we have reason to believe that you have sold or transferred your subscription rights. When registering your stock purchase on the Supplemental Order Form , you must register the stock in the same name as appearing on the original order form or your order will not retain any priority rights.

How You Can Obtain Additional Information — Stock Information Center

Our banking office personnel may not, by law, assist with investment-related questions about the offering. If you have any questions regarding the conversion or offering, please call or visit our Stock Information Center, located at 700 S. Kansas Avenue, Topeka, Kansas 66603. The Stock Information Center will be open Monday through Friday between 10:00 a.m. and 4:00 p.m., Central Time. The Stock Information Center will be closed weekends and bank holidays. The Stock Information Center's toll-free telephone number is 877-518-0123.

RISK FACTORS

You should consider carefully the following risk factors in evaluating an investment in the shares of common stock. An investment in our common stock is subject to risks inherent in our business. Before making an investment decision, you should carefully consider the risks and uncertainties described below together with all of the other information included in this prospectus. The value or market price of our common stock could decline due to any of these identified or other risks, and you could lose all or part of your investment.

Risks Related to Our Business

The United States economy remains weak and unemployment levels are high. A prolonged economic downturn, especially one affecting our geographic market area, will adversely affect our business and financial results.

We are particularly exposed to downturns in the U.S. housing market. Dramatic declines in the housing market over the past two years, with falling home prices and increasing foreclosures, unemployment and under-employment, have negatively impacted the credit performance of mortgage loans and resulted in significant write-downs of asset values by financial institutions, including government-sponsored entities, major commercial and investment banks and regional financial institutions such as Capitol Federal Savings Bank.

Capitol Federal Savings Bank's net loan charge-offs during fiscal years 2007, 2008 and 2009, and the nine months ended June 30 , 2010 were $27 thousand, $441 thousand, $2.0 million and $ 2.5 million, respectively. Historically, Capitol Federal Savings Bank's net loan charge-offs have been low due to the low level of non-performing loans and the amount of equity in the properties collateralizing the related loans. During fiscal year 2009 and the nine months ended June 30 , 2010, Capitol Federal Savings Bank recorded a provision for loan losses of $6.4 million and $ 8.1 million, respectively, compared to $2.1 million in fiscal year 2008 and a recovery of $225 thousand in fiscal year 2007. The increases in the provision for loan losses and net loan charge-offs were directly related to the increases in delinquent loans, non-performing loans, and losses on foreclosed property transactions; which were primarily a result of the decline in home prices, the economic recession and lingering negative economic conditions. The overall amount of the provision for loan losses and net loan charge-offs has not been significant to date because of Capitol Federal Savings Bank's traditional underwriting standards and the relative economic stability of the geographic areas in our primary lending areas.

Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors have reduced or ceased providing funding to borrowers, including to other financial institutions. This market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, increased market volatility and widespread reduction of business activity generally. A worsening of these conditions, especially in our geographic market area, would likely exacerbate the adverse effects of these difficult market conditions on us and could result in a material decrease in our interest income and/or a material increase in our loan losses.

The geographic concentration of our loan portfolio and lending activities makes us vulnerable to a downturn in the local economy.

We are currently one of the largest mortgage loan originators in the state of Kansas. Approximately 70% of our loan portfolio is comprised of loans secured by property located in Kansas, and approximately 15% is comprised of loans secured by property located in Missouri. This makes us vulnerable to a downturn in the local economy and real estate markets. Adverse conditions in the local economy such as inflation, unemployment, recession or other factors beyond our control could impact the ability of our borrowers to repay their loans, which could impact our net interest income. Decreases in local real estate values could adversely affect the value of the property used as collateral for our loans, which could cause us to realize a loss in the event of a foreclosure . Currently there is not a single employer or industry in the area on which a significant number of our customers are dependent.

If our allowance for loan losses is not sufficient to cover actual loan losses, our earnings could decrease.

Our borrowers may not repay their loans in accordance with their terms, and, as a result of the declines in home prices, the collateral securing the payment of these loans may be insufficient to pay any remaining loan balance. We may experience significant loan losses, which could have a material adverse effect on our operating results. When determining the amount of the allowance for loan losses, we make various assumptions and judgments about the collectibility of our loan portfolio, including the creditworthiness of our borrowers and the value of the real estate and other assets serving as collateral for the repayment of many of our loans. In determining the amount of the allowance for loan losses, we rely on our loan quality reviews, our experience and our evaluation of economic conditions, among other factors. If our assumptions prove to be incorrect, our allowance for loan losses may not be sufficient to cover losses inherent in our loan portfolio, resulting in additions to our allowance which is maintained through provisions for loan losses. Material additions to our allowance would materially decrease our net income.

In order to utilize a portion of the proceeds raised in the conversion, Capitol Federal Savings Bank intends to increase the amount of one- to four-family loans purchased compared to its historical levels. Our policies currently require that we maintain a higher allowance for loan losses on loans we purchase as compared to the allowance maintained on those we originate. This is expected to result in an increase in the allowance for loan losses, through a provision for loan losses, which will have an adverse effect on net income.

Our allowance for loan losses at September 30, 2007, 2008, 2009 and June 30 , 2010 was $4.2 million, $5.8 million, $10.2 million and $ 15 .7 million, respectively. The increase in our allowance for loan losses has primarily been a result of a decline in the performance of some of our mortgage loans due to the economic recession, lingering negative economic conditions and the related collateral values not being sufficient to pay the outstanding loan balance due to the decline in home prices. Capitol Federal Savings Bank's non-performing loans at September 30, 2007, 2008 and 2009 and June 30 , 2010 were $7.4 million, $13.7 million, $30.9 million and $ 33.2 million, respectively. Non-performing loans as a percentage of total loans at September 30, 2007, 2008 and 2009 and June 30 , 2010 was 0.14%, 0.26%, 0.55% and 0. 62 %, respectively.

Changes in interest rates could have an adverse impact on our results of operations and financial condition.

Our results of operations are primarily dependent on net interest income, which is the difference between the interest earned on loans, mortgage-backed securities and investment securities, and the interest paid on deposits and borrowings. Changes in interest rates could have an adverse impact on our results of operations and financial condition because the majority of our interest-earning assets are long-term, fixed-rate loans, while the majority of our interest-bearing liabilities are shorter term, and therefore subject to a greater degree of interest rate fluctuation . This type of risk is known as interest rate risk, and is affected by prevailing economic and competitive conditions.

The impact of changes in interest rates on assets is generally observed on the balance sheet and income statement in later periods than the impact of changes on liabilities due to the duration of assets versus liabilities, and also to the time lag between our commitment to originate or purchase a loan and the time we fund the loan, during which time interest rates may change. Interest-bearing liabilities tend to reflect changes in interest rates closer to the time of market rate changes, so the difference in timing may have an adverse effect on our net interest income.

Changes in interest rates can also have an adverse effect on our financial condition, as our available for sale securities are reported at their estimated fair value, and therefore are impacted by fluctuations in interest rates. We increase or decrease our stockholders' equity, specifically accumulated other comprehensive income (loss), by the amount of change in the estimated fair value of the available for sale securities, net of deferred taxes. Decreases in the fair value of available for sale securities would, therefore, adversely impact our stockholders' equity. The balance of accumulated other comprehensive income (loss) at September 30, 2007, 2008, 2009 and June 30 , 2010 was $1.3 million, $(6.0) million, $33.9 million and $ 36.4 million, respectively.

Changes in interest rates, as they relate to customers, can also have an adverse impact on our financial condition and results of operations. In times of rising interest rates, default risk may increase among customers with adjustable rate loans as the rates on their loans adjust upward and their payments increase. Rising interest rate environments also entice customers with adjustable rate loans to refinance into fixed-rate loans, exposing Capitol Federal Savings Bank to additional interest rate risk. If the loan is refinanced externally, we could be unable to reinvest cash received from the resulting prepayments at rates comparable to existing loans, which subjects us to reinvestment risk. In decreasing interest rate environments, prepayments on loans and loans underlying mortgage-backed securities generally increase. Payments received will likely be reinvested at the prevailing (decreased) market rate wich could adversely affect interest income and net interest income. An influx of prepayments can also result in an excess of liquidity, which could impact our net interest income if profitable reinvestment opportunities are not immediately available. Prepayment rates are based on demographics, local economic factors and seasonality, with the main factors affecting prepayment rates being prevailing interest rates and competition. Fluctuations in interest rates also affect customer demand for deposit products. Local competition for deposit dollars could affect our ability to attract deposits, or could result in us paying more for deposits.

Capitol Federal Savings Bank's one-year cumulative excess of interest-earning assets over interest-bearing liabilities as a percentage of assets at June 30 , 2010 was 16.11 % which signifies a positive gap position, meaning we have more interest-earning assets expected to reprice over the next 12 months than interest-bearing liabilities. In a rising rate environment, a positive gap position would tend to result in an increase in our net interest income. In a decreasing rate environment, a positive gap position would tend to result in a decrease in our net interest income. For additional information about interest rate risk, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosures About Market Risk."

Our strategies to modify our interest rate risk profile may be difficult to implement.

Our asset management strategies are designed to decrease our interest rate risk sensitivity. One such strategy is increasing the amount of adjustable-rate and/or short-term assets. We offer adjustable rate loan products and work with correspondent lenders to purchase adjustable rate loans as a means to achieve this strategy. However, lower interest rates would generally create a decrease in borrower demand for adjustable-rate assets, and adjustable-rate assets tend to refinance into fixed-rate loans when rates are low. Conventional mortgage loans may be sold on a bulk basis for portfolio restructuring or on a flow basis as loans are originated, which also subjects us to pricing risk in the secondary market. Additionally, we attempt to invest in shorter-term assets in the investment portfolio as a way to reduce our interest rate sensitivity.

We are also managing our liabilities to moderate our interest rate risk sensitivity. Customer demand has recently been primarily for short-term maturity certificates of deposit. Using short-term liabilities to fund long-term fixed-rate assets will generally increase the interest rate sensitivity of any financial institution. We are using our maturing Federal Home Loan Bank (FHLB) advances and repurchase agreements to mitigate the impact of the customer demand for long-term fixed-rate mortgages in our local markets by lengthening the maturities of these advances and repurchase agreements, depending on the liquidity or investment opportunities at the time we undertake additional FHLB advances or repurchase agreements. In fiscal year 2009, we prepaid $875.0 million of FHLB advances to decrease the interest rate and extend the maturities of the advances. FHLB advances and repurchase agreements will be entered into as liquidity is needed or to fund the purchase of assets that provide for spreads at levels acceptable to management.

If we are unable to originate or purchase adjustable-rate assets at favorable rates or fund loan originations or securities purchases with long-term funding, we may have difficulty executing this asset management strategy and/or it may result in a reduction in profitability.

We may have unanticipated credit risk in our investment and mortgage-backed securities portfolio.

At June 30 , 2010, $2. 82 billion, or 33 .1% of our assets, consisted of investment and mortgage-backed securities, most of which were issued by, or have principal and interest payments guaranteed by , the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC).

On September 7, 2008, the Federal Housing Finance Agency placed FNMA and FHLMC into federal conservatorship. Although the federal government has committed substantial capital to FNMA and FHLMC, if the financial support is inadequate, or if additional support is not provided when needed, these companies could continue to suffer losses and could fail to honor their guarantees and other obligations. The U.S. Treasury Secretary has suggested that the guarantee payment structure of FNMA and FHLMC should be re-examined. The future roles of FNMA and FHLMC could be significantly reduced and the nature of their guarantees could be eliminated or considerably limited relative to historical measurements. Any changes to the nature of the guarantees provided by FNMA and FHLMC could have a significant adverse affect on the market value and cash flows of the investment and mortgage-backed securities we hold, resulting in substantial losses.

Passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act will increase our operational and compliance costs.

On July 21, 2010, the President of the United States signed The Dodd-Frank Wall Street Reform and Consumer Protection Act (the " Dodd-Frank Act "). This new law will significantly change the current bank regulatory structure and affect the lending, deposit, investment, trading and operating activities of financial institutions and their holding companies. Capitol Federal Savings Bank ' s primary federal regulator, the Office of Thrift Supervision, will be eliminated and existing federal thrifts will be subject to regulation and supervision by the Office of the Comptroller of the Currency, which supervises and regulates all national banks. Existing savings and loan holding companies will be subject to regulation and supervision by the Federal Reserve Board (" FRB "). The Dodd-Frank Act requires various federal agencies to adopt a broad range of new rules and regulations, and to prepare numerous studies and reports for Congress. The federal agencies are given significant discretion in drafting the rules and regulations, and consequently, many of the details and much of the impact of the Dodd-Frank Act may not be known for many months or years.

The Dodd-Frank Act creates a new Consumer Financial Protection Bureau (" CFPB ") with broad powers to supervise and enforce consumer protection laws. The CFPB has broad rule-making authority for a wide range of consumer protection laws that apply to all banks and savings institutions, including the authority to prohibit " unfair, deceptive or abusive " acts and practices. The CFPB has examination and enforcement authority over all banks with more than $10 billion in assets. Banks with $10 billion or less in assets will continue to be examined for compliance with the consumer laws by their primary bank regulators. The Dodd-Frank Act also weakens the federal preemption rules that have been applicable for national banks and federal savings associations, and gives state attorneys general the ability to enforce federal consumer protection laws.

The Dodd-Frank Act requires minimum leverage (Tier 1) and risk-based capital requirements for savings and loan holding companies (effective in five years) and bank holding companies that are no less stringent than those applicable to banks, which will limit our ability to borrow at the holding company level and invest the proceeds from such borrowings as capital in Capitol Federal Savings Bank, and will exclude certain instruments that previously have been eligible for inclusion by bank holding companies as Tier 1 capital, such as trust preferred securities.

A provision of the Dodd-Frank Act, which will become effective one year after enactment, eliminates the federal prohibitions on paying interest on demand deposits, thus allowing businesses to have interest-bearing checking accounts. Depending on competitive responses, this significant change to existing law could have an adverse impact on our interest expense.

The Dodd-Frank Act also broadens the base for FDIC deposit insurance assessments. Assessments will now be based on the average consolidated total assets less tangible equity capital of a financial institution, rather than deposits. The Dodd-Frank Act also permanently increases the maximum amount of deposit insurance for banks, savings institutions and credit unions to $250 thousand per depositor, retroactive to January 1, 2008, and non-interest-bearing transaction accounts have unlimited deposit insurance through December 31, 2012. The legislation also increases the required minimum reserve ratio for the Deposit Insurance Fund, from 1.15% to 1.35% of insured deposits, and directs the FDIC to offset the effects of increased assessments on depository institutions with less than $10 billion in assets.

The Dodd-Frank Act will require publicly traded companies to give stockholders a non-binding vote on executive compensation and so-called " golden parachute " payments, and authorizes the Securities and Exchange Commission to promulgate rules that would allow stockholders to nominate their own candidates using a company ' s proxy materials. The legislation also directs the FRB to promulgate rules prohibiting excessive compensation paid to bank holding company executives, regardless of whether the company is publicly traded.

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It is difficult to predict at this time what specific impact the Dodd-Frank Act and the yet to be written implementing rules and regulations will have on community banks. However, it is expected that at a minimum they will increase our operating and compliance costs and could increase our interest expense.

Changes in laws and regulations and the cost of regulatory compliance with new laws and regulations may adversely affect our operations and our income.

We are subject to extensive regulation, supervision and examination by the Office of Thrift Supervision and the Federal Deposit Insurance Corporation. These regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities, including the ability to impose restrictions on a bank's operations, reclassify assets, determine the adequacy of a bank's allowance for loan losses and determine the level of deposit insurance premiums assessed. Because our business is highly regulated, the laws and applicable regulations are subject to frequent change. Any change in these regulations and oversight, whether in the form of regulatory policy, new regulations or legislation or additional deposit insurance premiums could have a material impact on our operations.

In response to the financial crisis, Congress has taken actions that are intended to strengthen confidence and encourage liquidity in financial institutions, and the Federal Deposit Insurance Corporation has taken actions to increase insurance coverage on deposit accounts. In addition, there have been proposals made by members of Congress and others that would reduce the amount delinquent borrowers are otherwise contractually obligated to pay under their mortgage loans and limit an institution's ability to foreclose on mortgage collateral. A number of the largest mortgage lenders in the United States have voluntarily suspended all foreclosures due to document verification deficiencies.

The potential exists for additional federal or state laws and regulations, or changes in policy, affecting lending and funding practices and liquidity standards. Moreover, bank regulatory agencies have been active in responding to concerns and trends identified in examinations, and have issued many formal enforcement orders requiring capital ratios in excess of regulatory requirements. Bank regulatory agencies, such as the Office of Thrift Supervision and the Federal Deposit Insurance Corporation, govern the activities in which we may engage, primarily for the protection of depositors, and not for the protection or benefit of potential investors. In addition, new laws and regulations may increase our costs of regulatory compliance and of doing business, and otherwise affect our operations. New laws and regulations may significantly affect the markets in which we do business, the markets for and value of our loans and investments, the fees we can charge and our ongoing operations, costs and profitability.

Higher Federal Deposit Insurance Corporation insurance premiums and special assessments will adversely affect our earnings.

In 2009, the Federal Deposit Insurance Corporation levied a five basis point special assessment on each insured depository institution's assets minus Tier 1 capital as of June 30, 2009. We recorded an expense of $3.8 million during the quarter ended June 30, 2009, to reflect the special assessment. In addition, the Federal Deposit Insurance Corporation increased the base assessment rate by 7 basis points effective January 1, 2009, and effective April 1, 2009, included additional factors to be used in calculating a financial institution's total assessment rate. This has resulted in our annual assessment rate increasing from 5 basis points prior to January 1, 2009 to a current rate of approximately 16 basis points and, therefore, our Federal Deposit Insurance Corporation insurance premium expense increasing compared to prior periods.

The Federal Deposit Insurance Corporation also required all insured institutions to prepay their estimated assessments for the fourth quarter of calendar year 2009, and for all of calendar years 2010, 2011 and 2012. This pre-payment was due on December 30, 2009. The assessment rate for the fourth quarter of calendar year 2009 and for calendar year 2010 was based on each institution's total base assessment rate for the third quarter of calendar year 2009, modified to assume that the assessment rate in effect on September 30, 2009 had been in effect for the entire calendar year third quarter, and the assessment rate for calendar years 2011 and 2012 was calculated as the modified third quarter assessment rate plus an additional three basis points. In addition, every institution's base assessment rate for each period was calculated using its third quarter assessment base, adjusted quarterly for an estimated 5% annual growth rate in the assessment base through the end of calendar year 2012. We recorded the pre-payment as a prepaid expense, which will be amortized to expense over three years based upon actual balances insured. Our prepayment amount for calendar years 2010, 2011 and 2012 was $25.7 million. Future increases in our assessment rate or special assessments would decrease our earnings.

Strong competition may limit growth and profitability.

While we are one of the largest mortgage loan originators in the state of Kansas, we compete in the same market areas as local, regional, and national banks, credit unions, mortgage brokerage firms, investment banking firms, investment brokerage firms and savings institutions. We must also compete with online investment and mortgage brokerages and online banks that are not confined to any specific market area. Many of these competitors operate on a national or regional level, are a conglomerate of various financial services housed under one corporation, or otherwise have substantially greater financial or technological resources than Capitol Federal Savings Bank. We compete primarily on the basis of the interest rates offered to depositors and the terms of loans offered to borrowers. Should we face competitive pressure to increase deposit rates or decrease loan rates, our net interest income could be adversely affected. Additionally, our competitors may offer products and services that we do not or cannot provide, as certain deposit and loan products fall outside of our accepted level of risk. Our profitability depends upon our ability to compete in our local market areas.

Risks Related to the Offering

We have broad discretion to deploy our net proceeds and our failure to effectively deploy the net proceeds may have an adverse impact on our financial performance and the value of our common stock.

Capitol Federal Financial, Inc. intends to contribute between $ 565.7 million and $766 .4 million of the net proceeds of the offering to Capitol Federal Savings Bank. Capitol Federal Financial, Inc. may use the remaining net proceeds to purchase investment securities, repurchase shares of common stock, pay dividends or for other general corporate purposes. Capitol Federal Financial, Inc. also expects to use a portion of the net proceeds it retains to fund a loan for the purchase of shares of common stock in the offering by the employee stock ownership plan, to fund the cash contribution to the charitable foundation and to repay outstanding debentures. Capitol Federal Savings Bank may use the net proceeds it receives to fund new loans, purchase investment securities, increase the volume of purchased loans, acquire financial institutions or financial services companies, build new branches or acquire branches, repay debt or for other general corporate purposes. Capitol Federal Savings Bank intends to increase the amount of one- to four-family loans purchased compared to its historical levels. If additional volumes of one- to four-family loans meeting our underwriting criteria are not available for purchase at acceptable prices, these funds will be used to purchase mortgage backed securities (MBS) and other investment securities, which may generate a lower yield.

With the exception of the loan to the employee stock ownership plan, the cash contribution to the charitable foundation and the repayment of outstanding debentures, we have not allocated specific amounts of the net proceeds for any of these purposes, and we will have significant flexibility in determining the amount of the net proceeds we apply to different uses and the timing of such applications. We have not established a timetable for reinvesting the net proceeds, and we cannot predict how long reinvesting the net proceeds will require.

The future price of the shares of common stock may be less than the $10.00 purchase price per share in the offering.

If you purchase shares of common stock in the offering, you may not be able to sell them later at or above the $10.00 purchase price in the offering. In several cases, shares of common stock issued by newly converted savings institutions or mutual holding companies have traded below the initial offering price. The aggregate purchase price of the shares of common stock sold in the offering will be based on an independent appraisal. The independent appraisal is not intended, and should not be construed, as a recommendation of any kind as to the advisability of purchasing shares of common stock. The independent appraisal is based on certain estimates, assumptions and projections, all of which are subject to change from time to time. After our shares begin trading, the trading price of our common stock will be determined by the marketplace, and may be influenced by many factors, including prevailing interest rates, the overall performance of the economy, investor perceptions of Capitol Federal Financial, Inc. and the outlook for the financial services industry in general. Price fluctuations may be unrelated to the operating performance of particular companies.

You may not revoke your decision to purchase Capitol Federal Financial, Inc. common stock in the offering after you send us your subscription.

Funds submitted or automatic withdrawals authorized in the connection with a purchase of shares of common stock in the offering will be held by us until the completion or termination of the conversion and offering, including any extension of the expiration date. Because completion of the conversion and offering will be subject to regulatory approvals and a reconfirmation of the independent appraisal prepared by RP Financial, LC., among other factors, there may be one or more delays in the completion of the conversion and offering. Orders submitted in the offering are irrevocable, and subscribers will have no access to subscription funds unless the offering is terminated, or extended beyond [ ], 2011 , or the number of shares to be sold in the offering is increased to more than 159,850 ,000 shares or decreased to less than 118,150 ,000 shares.

Our return on equity initially will be low compared to our historical performance. A lower return on equity may negatively impact the trading price of our common stock.

Net income divided by average stockholders' equity, known as return on average equity, is a ratio many investors use to compare the performance of a financial institution to its peers. Our return on average equity ratio, annualized, for the nine months ended June 30 , 2010 was 7. 33 % compared to an average return on equity of [ ]% based on trailing twelve-month earnings for all publicly traded fully converted savings institutions as of June 30 , 2010. Although we expect that our net income will increase following the offering, our return on average equity may decrease as a result of the additional capital that we will raise in the offering. For example, our pro forma return on equity for the nine months ended June 30 , 2010 was [ ] % assuming the sale of shares at the maximum of the offering range. Over time, we intend to use the net proceeds from the offering to increase earnings per share and book value per share, without assuming undue risk, with the goal of achieving a return on equity that is comparable to our historical performance. This goal may take a number of years to achieve, and we may never achieve it. Consequently, you should not expect a return on equity similar to our current return on equity in the near future. Failure to achieve a competitive return on equity may make an investment in our common stock unattractive to some investors and may cause our common stock to trade at lower prices than comparable companies with higher returns on equity. See "Pro Forma Data" for an illustration of the financial impact of the offering.

The ownership interest of management and employees could enable insiders to make more difficult a merger that may provide stockholders a premium for their shares.

The shares of common stock that our directors and officers intend to purchase in the offering, when combined with the shares that they will receive in exchange for their existing shares of CFF common stock, are expected to result in management and the board controlling approximately 2. 7 % of our outstanding shares of common stock at the midpoint of the offering range. In addition, our employee stock ownership plan is expected to own [ ] % of the shares of common stock outstanding upon completion of the conversion and offering. Additional stock options and shares of common stock also would be granted to our directors and employees if a stock-based incentive plan is adopted in the future. This would result in management and employees controlling a significant percentage of our shares of common stock. If these individuals were to act together, they could have influence over the outcome of any stockholder vote. This voting power may discourage a potential sale of Capitol Federal Financial, Inc. that our stockholders may desire.

The implementation of the stock-based incentive plan may dilute your ownership interest.

We intend to adopt a new stock-based incentive plan following the offering, subject to receipt of stockholder approval. This stock-based incentive plan may be funded either through open market purchases or from the issuance of authorized but unissued shares of common stock of Capitol Federal Financial, Inc. While our intention is to fund this plan through open market purchases, stockholders would experience a [ ] % reduction in ownership interest at the maximum of the offering range in the event newly issued shares of our common stock are used to fund stock options and shares of restricted common stock under the plan in an amount equal to 5.0% and 2.0%, respectively, of the shares sold in the offering.

The implementation of the stock-based benefit plan will be subject to stockholder approval. Historically, the overwhelming majority of stock-based benefit plans adopted by savings institutions and their holding companies following mutual-to-stock conversions have been approved by stockholders.

Additional expenses following the conversion from the compensation and benefit expenses associated with the implementation of the new stock-based incentive benefit plan will adversely affect our profitability.

We intend to adopt a new stock-based incentive plan after the offering, subject to stockholder approval, pursuant to which plan participants would be awarded restricted shares of our common stock (at no cost to them) and options to purchase shares of our common stock.

Following the offering, our non-interest expenses are likely to increase as we will recognize additional annual employee compensation and benefit expenses related to the shares granted to employees and executives under our stock-based incentive plan. The actual amount of these new stock-related compensation and benefit expenses is subject to applicable accounting practices which require that expenses be based on the fair market value of the shares of common stock at specific points in the future; however, we expect them to be material. In addition, we will recognize expense for our employee stock ownership plan when shares are committed to be released to participants' accounts (i.e., as the loan used to acquire these shares is repaid), and we will recognize expense for restricted stock awards and stock options over the vesting period of awards made to recipients. The expense in the first year following the offering has been estimated to be approximately $ [ ] million ($ [ ] million after tax), assuming all restricted shares are awarded and all options are granted under the plan, at the maximum of the offering range as set forth in the pro forma financial information under "Pro Forma Data," assuming the $10.00 per share purchase price as fair market value. Actual expenses, however, may be higher or lower, depending on the price of our common stock and the actual number of restricted shares awarded or options granted. For further discussion of our proposed stock-based plans, see "Management — Compensation Discussion and Analysis" and "Note 10 of the Notes to Consolidated Financial Statements."

The contribution to the charitable foundation will adversely affect net income.

We have received member and stockholder approval to contribute $40 million in cash to the Capitol Federal Foundation in connection with the conversion. The contribution will have an adverse effect on our net income for the quarter and year in which we make the contribution to the charitable foundation. The after-tax expense of the contribution will reduce net income by approximately $24.7 million. We had net income of $ 52.4 million for the nine months ended June 30 , 2010 and $66.3 million for the year ended September 30, 2009, respectively.

Various factors may make takeover attempts more difficult to achieve.

Our Board of Directors has no current intention to sell control of Capitol Federal Financial, Inc. Provisions of our articles of incorporation and bylaws, federal regulations, Maryland law and various other factors may make it more difficult for companies or persons to acquire control of Capitol Federal Financial, Inc. without the consent of our Board of Directors. You may want a takeover attempt to succeed because, for example, a potential acquiror could offer a premium over the then prevailing price of our common stock. The factors that may discourage takeover attempts or make them more difficult include:

Office of Thrift Supervision Regulations. Office of Thrift Supervision regulations prohibit, for three years following the completion of a conversion, the direct or indirect acquisition of more than 10% of any class of equity security of a savings institution or holding company regulated by the Office of Thrift Supervision without the prior approval of the Office of Thrift Supervision.

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Articles of incorporation and statutory provisions. Provisions of the articles of incorporation and bylaws of Capitol Federal Financial, Inc. and Maryland law may make it more difficult and expensive to pursue a takeover attempt that management opposes, even if the takeover is favored by a majority of our stockholders. These provisions also would make it more difficult to remove our current Board of Directors or management, or to elect new directors. Specifically, under our articles of incorporation, any person who acquires more than 10% of the common stock of Capitol Federal Financial, Inc. without the prior approval of its Board of Directors would be prohibited from engaging in any type of business combination with Capitol Federal Financial, Inc. unless such business combination was approved by a super-majority stockholder vote or met minimum price requirements. Additional provisions include limitations on voting rights of beneficial owners of more than 10% of our common stock, the election of directors to staggered terms of three years and not permitting cumulative voting in the election of directors. Our bylaws also contain provisions regarding the timing and content of stockholder proposals and nominations and qualification for service on the Board of Directors.

Charter of Capitol Federal Savings Bank. The charter of Capitol Federal Savings Bank provide s that for a period of five years from the closing of the conversion and offering, no person other than Capitol Federal Financial, Inc. may offer directly or indirectly to acquire the beneficial ownership of more than 10% of any class of equity security of Capitol Federal Savings Bank. This provision does not apply to any tax-qualified employee benefit plan of Capitol Federal Savings Bank or Capitol Federal Financial, Inc. or to an underwriter or member of an underwriting or selling group involving the public sale or resale of securities of Capitol Federal Financial, Inc. or any of its subsidiaries, so long as after the sale or resale, no underwriter or member of the selling group is a beneficial owner, directly or indirectly, of more than 10% of any class of equity securities of Capitol Federal Savings Bank. In addition, during this five-year period, all shares owned over the 10% limit may not be voted on any matter submitted to stockholders for a vote.

Issuance of stock options and restricted stock. We also intend to issue stock options and shares of restricted stock to key employees and directors that will require payments to these persons in the event of a change in control of Capitol Federal Financial, Inc. These payments may have the effect of increasing the costs of acquiring Capitol Federal Financial, Inc., thereby discouraging future takeover attempts.

Change in control severance agreements. Capitol Federal Financial, Inc. intends to enter into change in control severance agreements with its president and each of its four current executive vice presidents upon completion of the stock offering. These agreements may have the effect of increasing the costs of acquiring Capitol Federal Financial, Inc., thereby discouraging future takeover attempts.

RECENT DEVELOPMENTS

The following tables set forth selected financial and other data of CFF at and for the dates indicated. The information at September 30, 2009 is derived in part from the audited consolidated financial statements of CFF that appear in this prospectus. The operations data for the two months and eleven months ended August 31, 2010 and 2009 and the balance sheet data at August 31, 2010 were not audited. However, in the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations for the unaudited periods have been made. The results of operations for the two months and eleven months ended August 31, 2010 are not necessarily indicative of the results of operations that may be expected for the entire fiscal year.

	At August 31, 2010	At June 30, 2010	At September 30, 2009
	(Dollars in thousands, except per share amounts)		
Selected Balance Sheet Data:			
Total assets	$ 8,590,047	$ 8,543,357	$ 8,403,680
Loans receivable, net	5,225,823	5,316,172	5,603,965
Investment securities:			
Available-for-sale (AFS)	56,459	56,601	234,784
Held-to-maturity (HTM)	1,228,952	1,146,463	245,920
Mortgage-backed securities (MBS):			
AFS	1,036,070	1,106,815	1,389,211
HTM	537,313	513,808	603,256
Capital stock of Federal Home Loan Bank (FHLB)	136,055	136,055	133,064
Deposits	4,381,972	4,373,844	4,228,609
Advances from FHLB	2,347,803	2,396,637	2,392,570
Other borrowings	693,609	713,609	713,609
Stockholders ' equity	959,772	960,000	941,298
Book value per share	13.09	13.09	12.85

	For the Two Months Ended August 31,		For the Eleven Months Ended August 31,	
	2010	2009	2010	2009
	(Dollars and share counts in thousands, except per share amounts)			
Selected Operations Data:				
Total interest and dividend income	$ 60,178	$ 66,862	$ 344,257	$ 379,548
Total interest expense	33,134	38,162	188,789	217,846
Net interest and dividend income	27,044	28,700	155,468	161,702
Provision for loan losses	180	340	8,311	6,108
Net interest and dividend income after provision for loan losses	26,864	28,360	147,157	155,594
Retail fees and charges	2,932	3,229	16,549	16,500
Other income	2,021	1,355	15,825	9,933
Total other income	4,953	4,584	32,374	26,433
Total other expenses	15,323	14,874	81,796	85,506
Income before income tax expense	16,494	18,070	97,735	96,521
Income tax expense	5,931	6,651	34,779	35,642
Net income	$ 10,563	$ 11,419	$ 62,956	$ 60,879
Basic earnings per share	$ 0.14	$ 0.16	$ 0.86	$ 0.83
Average shares outstanding	73,325	73,226	73,265	73,137
Diluted earnings per share	$ 0.14	$ 0.16	$ 0.86	$ 0.83
Average diluted shares outstanding	73,333	73,268	73,284	73,204
Dividends paid per public share (1)	$ 0.50	$ 0.50	$ 2.29	$ 2.11

(footnotes begin on next page)

	At or For the Two Months Ended August 31,				At or For the Eleven Months Ended August 31,			
	2010		2009		2010		2009	
Selected Performance and Financial Ratios and Other Data:								
Performance Ratios:								
Return on average assets (2)	0.74	%	0.82	%	0.81	%	0.81	%
Return on average equity (2)	6.56		7.34		7.19		7.30	
Dividend payout ratio	99.37	%	91.51		76.88		72.39	
Ratio of operating expense to average total assets (2)	1.08		1.07		1.06		1.14	
Efficiency ratio(3)	47.89		44.69		43.55		45.45	
Ratio of average interest-earning assets to average interest- bearing liabilities	1.11	x	1.12	x	1.11	x	1.12	x
Interest rate spread information:								
Average during period (2)	1.73	%	1.85	%	1.78	%	1.87	%
End of period	1.75		1.87		1.75		1.87	
Net interest margin (2)	1.96		2.11		2.06		2.20	
Asset Quality Ratios:								
Non-performing assets to total assets	0.47		0.45		0.47		0.45	
Non-performing loans to total loans	0.60		0.55		0.60		0.55	
Allowance for loan losses to non-performing loans	47.95		32.46		47.95		32.46	
Allowance for loan losses to loans receivable, net	0.29		0.18		0.29		0.18	
Net charge-offs during the period to average loans outstanding	0.02		0.01		0.06		0.03	
Capital Ratios:								
Equity to total assets at end of period (4)	11.17		11.05		11.17		11.05	
Average equity to average assets	11.31		11.17		11.30		11.08	
Other Data:								
Number of traditional offices	35		33		35		33	
Number of in-store offices(5)	10		9		10		9	

(1) For all periods shown, Capitol Federal Savings Bank MHC, which owns a majority of the outstanding shares of CFF common stock, waived its right to receive dividends paid on CFF common stock with the exception of the $0.50 per share dividend paid on 500,000 shares in February 2010. Public shares exclude shares held by Capitol Federal Savings Bank MHC, as well as unallocated shares held in the employee stock ownership plan.
(2) Annualized.
(3) Non-interest expense divided by net interest and dividend income plus non-interest income.
(4) CFF has no intangible assets.
(5) Capitol Federal Savings Bank opened its 11 th in-store office in September, 2010.

Comparison of Financial Condition at August 31, 2010, and September 30, 2009

Assets. Total assets increased $186.4 million from $8.40 billion at September 30, 2009 to $8.59 billion at August 31, 2010, due primarily to growth in the deposit portfolio which was used to fund investment security purchases.

Loans Receivable. The loans receivable portfolio decreased $378.1 million from $5.60 billion at September 30, 2009 to $5.23 billion at August 31, 2010. The decrease in the portfolio was partially a result of the loan swap transaction that took place during the first quarter of fiscal year 2010, in which $194.8 million of originated fixed-rate mortgage loans were swapped for mortgage-backed securities. The remaining decrease was due to principal repayments on loans exceeding originations, refinances, and purchases during the period. Mortgage origination volume, in general, has decreased from the prior year as the market demand for lending has been reduced. Additionally, Capitol Federal Savings Bank has been purchasing fewer loans under the our nationwide purchase loan program during fiscal year 2010 due to the lack of loans meeting our underwriting criteria from our existing relationships. Capitol Federal Savings Bank is working to expand the number of relationships from which it may buy loans in the future.

Loans 30-89 days delinquent decreased $2.8 million from $26.8 million at September 30, 2009 to $24.0 million at August 31, 2010. Of the $24.0 million at August 31, 2010, $16.7 million were originated one- to four-family loans, $6.3 million were purchased one- to four family loans and $1.0 million were consumer loans. The percentage of 30-89 days delinquent loans to total loans was 0.46% and 0.48% at August 31, 2010 and September 30, 2009, respectively.

Non-performing loans increased $400 thousand from $30.9 million at September 30, 2009 to $31.3 million at August 31, 2010. Of the $31.3 million at August 31, 2010, $19.1 million were purchased one- to four-family loans, $11.8 million were originated one- to four-family loans and $400 thousand were consumer loans. The percentage of non-performing loans to total loans was 0.60% and 0.55% at August 31, 2010 and September 30, 2009, respectively.

The allowance for loan losses to non-performing loans was 47.95% and 32.83% at August 31, 2010 and September 30, 2009, respectively. The allowance for loan losses to total loans, net was 0.28% and 0.18% at August 31, 2010 and September 30, 2009, respectively.

Mortgage-Backed Securities. The balance of mortgage-backed securities decreased $419.1 million from $1.99 billion at September 30, 2009 to $1.57 billion at August 31, 2010. The decrease was a result of an increase in principal repayments which were reinvested in investment securities.

Investment Securities. Investment securities increased $804.7 million from $480.7 million at September 30, 2009 to $1.29 billion at August 31, 2010. The increase was a result of purchases of $1.41 billion, partially offset by maturities and calls.

Liabilities. Total liabilities increased $167.9 million from $7.46 billion at September 30, 2009 to $7.63 billion at August 31, 2010, due primarily to an increase in deposits of $153.4 million. The increase in deposits was primarily the result of increases in the money market and checking portfolios. During the first 11 months of fiscal year 2010, $200.0 million of fixed-rate FHLB advances with a weighted average contractual rate of 4.63% were prepaid and replaced with $200.0 million of fixed-rate FHLB advances with a weighted average contractual interest rate of 3.17% for a term of 84 months. Capitol Federal Savings Bank paid an $875 thousand prepayment penalty to the FHLB. The prepayment penalty is being deferred as an adjustment to the carrying value of the new advances and will be recognized as expense over the life of the new advances, which effectively increased the interest rate on the new advances 7 basis points to 3.24%. Also during the first 11 months of fiscal year 2010, a maturing $100.0 million FHLB advance with a contractual rate of 3.94% was renewed at a contractual rate of 3.23% for a term of 84 months.

Stockholders ’ Equity. Stockholders ’ equity increased $18.5 million, from $941.3 million at September 30, 2009 to $959.8 million at August 31, 2010. The increase was primarily due to net income of $63.0 million, partially offset by dividend payments of $48.4 million during the period.

Comparison of Operating Results for the Eleven Months Ended August 31, 2010 and 2009

Net Income. Net income for the eleven months ended August 31, 2010 was $63.0 million compared to $60.9 million for the same period in the prior year. The $2.1 million increase in net income between periods was a result of an increase in other income of $6.0 million, a decrease in other expenses of $3.7 million and a decrease in income tax expense of $720 thousand, partially offset by a decrease in net interest income of $6.2 million and an increase in the provision for loan losses of $2.2 million.

The net interest margin decreased 14 basis points, from 2.20% for the eleven months ended August 31, 2009 to 2.06% for the eleven months ended August 31, 2010. The decrease in the net interest margin was due to an increase in the average balance of interest-earning assets at lower yields compared to the eleven months ended August 31, 2009, partially offset by a decrease in the average cost of interest-bearing liabilities.

Interest and Dividend Income. Total interest and dividend income for the eleven months ended August 31, 2010 was $344.3 million compared to $379.5 million for the eleven months ended August 31, 2009. The $35.2 million decrease was primarily a result of decreases in interest income on mortgage-backed securities of $24.1 million and loans receivable of $21.2 million, partially offset by an increase in interest income on investment securities of $9.3 million.

Interest income on loans receivable for the current eleven month period was $259.6 million compared to $280.8 million for the prior year period. The $21.2 million decrease in interest income was a result of the 34 basis point decrease in the weighted average yield to 5.23% for the period and, to a lesser extent, a decrease of $81.5 million in the average balance of the portfolio.

Interest income on mortgage-backed securities for the current eleven month period was $66.7 million compared to $90.8 million for the prior year period. The $24.1 million decrease was a result of a $398.2 million decrease in the average balance of the portfolio and a decrease of 45 basis points in the weighted average yield to 4.21% for the current eleven months.

Interest income on investment securities for the current eleven month period was $14.1 million compared to $4.8 million for the prior year period. The $9.3 million increase was primarily a result of a $645.1 million increase in the average balance, partially offset by a decrease in the average yield of 70 basis points to 1.80% for the current eleven month period.

Interest Expense. Interest expense decreased $29.0 million to $188.8 million for the current eleven month period from $217.8 million for the prior year period. The decrease in interest expense was primarily due to a decrease in interest expense on deposits and FHLB advances.

Interest expense on deposits for the current eleven month period was $73.4 million compared to $92.7 million for the prior year period. The $19.3 million decrease in interest expense on deposits was due to a decrease in the rates on the entire deposit portfolio, primarily the certificate of deposit and money market portfolios, due to the portfolios repricing to lower market rates. The decrease in interest expense was partially offset by a $241.8 million increase in the average balance of the deposit portfolio, particularly the certificate of deposit and money market portfolios.

Interest expense on FHLB advances for the current eleven month period was $89.6 million compared to $98.4 million for the prior year period. The $8.8 million decrease in interest expense on FHLB advances was a result of the refinance of $875.0 million of FHLB advances during the second and third quarters of fiscal year 2009 and, to a lesser extent, a decrease in the average balance primarily due to maturing advances that were not renewed.

Provision for Loan Losses. The Bank recorded a provision for loan losses of $8.3 million during the current eleven month period, compared to a provision of $6.1 million for the eleven months ended August 31, 2009. The $8.3 million provision for loan losses is composed of $4.9 million related to the increase in certain loss factors in our general valuation allowance model, primarily on purchased loans, and $3.4 million related to establishing or increasing specific valuation allowances, also primarily on purchased loans. The increase in certain loss factors in our general valuation allowance model reflects the risks inherent in our loan portfolio due to decreases in real estate values in certain geographic regions where the Bank has purchased loans, the continued elevated level of unemployment, the increase in non-performing loans and loan charge-offs, and specific valuation allowances, particularly related to our purchased loan portfolio. These factors contributed to the increase in the provision for loan losses in fiscal year 2010 and resulted in an increase in our ALLL.

Other Income and Expense. Total other income was $32.4 million for the current eleven month period compared to $26.4 million for the prior year period. The $6.0 million increase was due primarily to the $6.5 million gain on the sale of trading mortgage-backed securities in conjunction with the loan swap transaction during the December 31, 2009 quarter. In response to the amendments to Regulation E by the Federal Reserve Board, Capitol Federal Savings Bank made changes to its overdraft fee schedule and informed eligible accountholders of their options for handling these overdrafts. As a result of the new fee schedule and the number of customers who elected to opt-in or opt-out, Capitol Federal Savings Bank is estimating that its overdraft fee income will be reduced by approximately $3.3 million annually. However, Capitol Federal Savings Bank is analyzing its deposit account fee structure and will likely make adjustments to certain deposit account products during fiscal year 2011 in an effort to mitigate this anticipated reduction.

Total other expenses for the eleven months ended August 31, 2010 were $81.8 million, compared to $85.5 million in the prior year period. The $3.7 million decrease was due primarily to a decrease in other expenses, net of $2.5 million and a decrease in advertising and promotional expense of $937 thousand. The decrease in other expenses, net was largely related to an impairment and valuation allowance taken on the mortgage-servicing rights assets in the prior year period, compared to a recovery in the current period.

Income Tax Expense. Income tax expense for the current eleven month period was $34.8 million compared to $35.6 million for the prior year eleven month period. The effective tax rate for the eleven months ended August 31, 2010 was 35.6%, compared to 36.9% for the prior year eleven month period. The difference in the effective tax rate between periods was primarily a result of a net decrease in nondeductible amounts associated with the ESOP in the current fiscal year, a reduction of unrecognized tax benefits due to the lapse of the statute of limitations during the first quarter of fiscal year 2010 and an increase in tax credits related to our low income housing partnerships.

Comparison of Operating Results for the Two Months Ended August 31, 2010 and 2009

Net Income. Net income for the two months ended August 31, 2010 was $10.6 million compared to $11.4 million for the same period in the prior year. The net interest margin decreased 15 basis points from 2.11% for the two months ended August 31, 2009 to 1.96% for the August 31, 2010 period. The decrease in the net interest margin was due to an increase in the average balance of interest-earning assets at lower yields compared to the two months ended August 31, 2009, partially offset by a decrease in the average cost of interest-earning liabilities.

Interest and Dividend Income. Total interest and dividend income for the current two month period was $60.2 million compared to $66.9 million for the same period in the prior year. The $6.7 million decrease was primarily a result of decreases in interest income on mortgage-backed securities of $4.7 million and loans receivable of $4.1 million, partially offset by an increase in interest income on investment securities of $2.0 million.

Interest income on loans receivable for the current two month period was $45.8 million compared to $49.9 million for the same period in the prior year. The $4.1 million decrease in interest income was due to a $281.7 million decrease in the average balance of loans and a decrease of 18 basis points in the weighted average yield to 5.19% for the current two month period.

Interest income on mortgage-backed securities for the current two month period was $10.4 million compared to $15.1 million for the same period in the prior year. The $4.7 million decrease was a result of a $477.8 million decrease in the average balance of the investment securities and a decrease of 43 basis points in the weighted average yield to 4.03% for the current two month period.

Interest income on investment securities for the current two month period was $3.2 million compared to $1.2 million for the same period in the prior year. The $2.0 million increase was primarily a result of an $809.3 million increase in the average balance of investment securities, partially offset by a decrease in the average yield of investment securities of 27 basis points to 1.64% for the current two month period.

Interest Expense. Interest expense decreased $5.1 million to $33.1 million for the current two month period from $38.2 million for the prior year period. The decrease in interest expense was primarily due to a decrease in interest expense on deposits and partially due to a decrease in interest expense on FHLB advances. Interest expense on deposits for the current two month period was $12.4 million compared $16.5 million for the prior year period. The $4.1 million decrease in interest expense on deposits was due to a decrease in the rates on the entire deposit portfolio, primarily the certificates of deposit and money market portfolios, due to the portfolios repricing to lower market rates. The decrease in interest expense was partially offset by a $161.5 million increase in the average balance of the deposit portfolio. Interest expense on FHLB advances for the two month period was $16.1 million compared to $16.9 million for the same period in the prior year.

Provision for Loan Losses. The Bank recorded a provision for loan losses of $180 thousand during the current two month period, compared to a provision of $340 thousand for the same period in the prior year. The $180 thousand provision for loan losses is primarily a result of increasing and establishing specific valuation allowances, primarily on purchased loans.

Other Income and Expense. Total other income was $5.0 million for the current two month period compared to $4.6 million for the prior year period. The $369 thousand increase was due primarily to a $609 thousand increase in net gain on loan sales, partially offset by a $297 thousand decrease in retail fees and charges, primarily due to Regulation E. Total other expenses for the current two month period were $15.3 million for the current two month period, compared to $14.9 million for the same period in the prior year.

Income Tax Expense. Income tax expense for the current two month period was $5.9 million compared to $6.7 million for the same period in the prior year. The effective tax rate for the current two month period was 36.0%, compared to 36.8% for the same period in the prior year.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA
OF
CFF AND SUBSIDIARY

The summary financial information presented below is derived in part from the consolidated financial statements of CFF and its subsidiary. The information at September 30, 2009 and 2008 and for the years ended September 30, 2009, 2008 and 2007 is derived in part from the audited consolidated financial statements of CFF that appear in this prospectus. The information at September 30, 2007, 2006 and 2005, and for the years ended September 30, 2006 and 2005, is derived in part from audited consolidated financial statements that do not appear in this prospectus. The operations data for the nine months ended June 30 , 2010 and 2009 and the balance sheet data at June 30 , 2010 were not audited. However, in the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations for the unaudited periods have been made. The results of operations for the nine months ended June 30 , 2010 are not necessarily indicative of the results of operations that may be expected for the entire fiscal year. The following information is only a summary and you should read it in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Consolidated Financial Statements and notes thereto contained elsewhere in this prospectus.

Throughout this document, the average balances of our assets, liabilities and stockholders’ equity and the related annualized yields and rates on our interest-earning assets and interest-bearing liabilities are calculated using the arithmetic mean of ending daily balances over the periods indicated, with the exception of fiscal years 2005 through 2007 where the average balances for non-interest earning assets, non-interest bearing liabilities, and stockholders’ equity was calculated based upon month-end balances. We derived the average yields and rates by dividing income or expense by the average balance of interest-earning assets or interest-bearing liabilities, respectively, for the periods shown, except when noted.

	At June 30, 2010	At September 30, 2009	2008	2007	2006	2005
	(Dollars in thousands, except per share amounts)					
Selected Balance Sheet Data:						
Total assets	8,543,357	5,603,965	5,320,780	5,290,071	5,221,117	5,464,130
Loans receivable, net	5,316,172	5,603,965	5,320,780	5,290,071	5,221,117	5,464,130
Investment securities:						
Available-for-sale (AFS)	56,601	234,784	49,586	102,424	189,480	--
Held-to-maturity (HTM)	1,146,463	245,920	92,773	421,744	240,000	430,499
Mortgage-backed securities (MBS):						
Trading	--	--	--	--	396,904	--
AFS	1,106,815	1,389,211	1,484,055	402,686	556,248	737,638
HTM	513,808	603,256	750,284	1,011,585	1,131,634	1,407,616
Capital stock of Federal Home Loan Bank (FHLB)	136,055	133,064	124,406	139,661	165,130	182,259
Deposits	4,373,844	4,228,609	3,923,883	3,922,782	3,900,431	3,960,297
Advances from FHLB	2,396,637	2,392,570	2,447,129	2,732,183	3,268,705	3,426,465
Other borrowings	713,609	713,609	713,581	53,524	53,467	53,410
Stockholders' equity	960,000	941,298	871,216	867,631	863,219	865,063
Book value per share	13.09	12.85	11.93	11.88	11.89	11.91

	Nine Months Ended June 30, 2010	2009	Year Ended September 30, 2009	2008	2007	2006	2005
	(Dollars and share counts in thousands, except per share amounts)						
Selected Operations Data:							
Total interest expense	284,079	312,686	236,144	276,638	305,110	283,905	244,201
Total interest expense	155,655	179,684	176,642	134,168	106,440	127,023	155,906
Provision (recovery) for loan losses	128,424	133,002	6,391	2,051	(225)	247	215
Provision (recovery) for loan losses	8,131	5,768	6,391	2,051	(225	247	215
Retail fees and charges	120,293	127,234	18,023	17,805	16,120	17,007	16,029
Other income	13,617	13,271	10,571	12,222	7,846	7,788	7,286
Other income	13,804	8 ,578	28,594	30,027	7,846	7,788	7,286
Total other income	27,421	21,849	93,621	81,989	77,725	72,868	73,631
	66,473	70,632	93,621	80,155	52,906	78,703	73,631

Total other expenses							
Income tax expense	81,241	78,451	38,926	29,201	20,610	30,586	40,316
Net income	28,848	28,991	$ 66,298	$ 50,954	$ 32,296	$ 48,117	$ 65,059
Net income	$ 52,393	$ 49,460	$ 66,298	$ 50,954	$ 32,296	$ 48,117	$ 65,059
Basic earnings per share	$ 0. 72	$ 0. 68	$ 0.91	$ 0.70	$ 0.44	$ 0.66	$ 0.90
Average shares outstanding	73, 252	73, 116	73,144	72,939	72,849	72,595	72,506
Diluted earnings per share	$ 0. 72	$ 0. 68	$ 0.91	$ 0.70	$ 0.44	$ 0.66	$ 0.89
Average diluted shares outstanding	73, 273	73, 190	73,208	73,013	72,970	72,854	73,082
Dividends paid per public share (1)	$ 1. 79	$ 1. 61	$ 2.11	$ 2.00	$ 2.09	$ 2.30	$ 2.00

(footnotes begin on next page)

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	At or For the Nine Months Ended June 30, 2010		At or for the Year Ended September 30, 2009		2008		2007		2006		2005	
Selected Performance and Financial Ratios and Other Data:												
Performance Ratios:												
Return on average assets	0. 83	% (2)	0.81	%	0.65	%	0.41	%	0.58	%	0.77	%
Return on average equity	7. 33	(2)	7.27		5.86		3.72		5.58		7.62	
Dividend payout ratio	72.34		66.47		81.30		133.14		97.41		62.59	
Ratio of operating expense to average total assets	1. 05	(2)	1.14		1.04		0.98		0.88		0.87	
Efficiency ratio(3)	42. 65		45.62		49.93		59.60		48.03		41.19	
Ratio of average interest-earning assets to average interest-bearing liabilities	1.11	x	1.12	x	1.12	x	1.12	x	1.11	x	1.10	x
Interest rate spread information:												
Average during period	1. 80	% (2)	1.86	%	1.35	%	0.93	%	1.19	%	1.59	%
End of period	1. 82		1.89		1.70							