SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

EQUITABLE FINANCIAL CORP	Mailing Address	Business Address
CIK:**1329998**| IRS No.: **141941649** | Fiscal Year End: **0630** Type: **8-K** | Act: **34** | File No.: **000-51514** | Film No.: **06815431** SIC: **6035** Savings institution, federally chartered	*113-115 NORTH LOCUST STREET* *GRAND ISLAND NE 68801*	*113-115 NORTH LOCUST STREET* *GRAND ISLAND NE 68801* *(308) 434-3136*

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 5, 2006

EQUITABLE FINANCIAL CORP.
(Exact name of registrant as specified in its charter)

United States	0-51514	14-1941649
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

113-115 North Locust Street, Grand Island, Nebraska 68801
(Address of principal executive offices) (Zip Code)

(308) 382-3136
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On May 5, 2006, Equitable Financial Corp., the holding company for Equitable Bank, announced its financial results for the three and nine months ended March 31, 2006. The press release announcing financial results for the three and nine months ended March 31, 2006 is included as Exhibit 99.1 and incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

Number	Description
99.1	Earnings Press Release Dated May 5, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EQUITABLE FINANCIAL CORP.

Date: May 8, 2006

By: /s/ Richard L. Harbaugh

Richard L. Harbaugh

EQUITABLE FINANCIAL ANNOUNCES THREE AND NINE MONTH RESULTS

Grand Island, Nebraska (May 5, 2006)--Equitable Financial Corp. (OTCBB: EQFC), the holding company for Equitable Bank, today announced net income of $116,000 for the quarter ended March 31, 2006, compared to net income of $72,000 for the quarter ended March 31, 2005. For the nine months ended March 31, 2006, the Company reported a net loss of $508,000 compared to net income of $152,000 for the nine months ended March 31, 2005. The net loss for the nine months ended March 31, 2006 was primarily due to the one-time $726,000 expense associated with the funding and establishment of the Equitable Bank Charitable Foundation in connection with Equitable Bank's mutual holding company reorganization.

Net interest income increased $57,000, or 5.8%, to $1.03 million for the quarter ended March 31, 2006 compared to $973,000 for the quarter ended March 31, 2005. The interest rate spread and net interest margin for the quarter ended March 31, 2006 were 2.1% and 2.5%, respectively, compared to 2.5% and 2.8% for the same period in 2005. Interest income increased $396,000, or 20.6%, to $2.3 million for the three-month period ended March 31, 2006 as the Company had an increase in the volume of interest-earning assets, as well as an increase in the average yield. The loan growth for the nine months ended March 31, 2006 was due to loan originations in our new North Platte and Omaha operations, as well as our recent emphasis on commercial, construction and non-residential real estate loans. Interest expense increased $340,000, or 35.9%, to $1.3 million for the quarter ended March 31, 2006, due to an increase in the average rate paid on deposits and an increase in deposit volume. For the nine-month period ended March 31, 2006, net interest income decreased $92,000 to $2.9 million due primarily to an increase in our overall funding costs. For the nine months ended March 31, 2006, the interest rate spread and net interest margin were 2.1% and 2.5%, respectively, compared to 2.5% and 2.8% for fiscal 2005.

Noninterest income increased $577,000 to $705,000 for the three months ended March 31, 2006 compared to $128,000 for the same period ended March 31, 2005. This increase was primarily due to the sale of Freddie Mac common stock in January 2006, giving the Company a pre-tax gain of $354,000. Brokerage fee income increased $207,000 to $243,000 for the three months ended March 31, 2006 compared to the same period in 2005. The increase was due to the opening of our new brokerage operations in Grand Island and North Platte during 2005. Noninterest income increased $1.2 million to $1.7 million for the nine-month period ended March 31, 2006 as a result of the sale of Freddie Mac common stock and increases in brokerage fees.

Noninterest expense increased $544,000, or 54.7%, to $1.5 million for the three-month period ended March 31, 2006. Salaries and employee benefits increased $306,000, or 56.8%, to $844,000. Occupancy and equipment increased $47,000, or 20.1%, to $281,000. Professional fees increased $101,000, or 918.2%, to $112,000. The increase in salaries and benefit expense, as well as the increase in occupancy and advertising expense, was due to the opening of three new branch facilities in Omaha, Grand Island and North Platte. The professional fees increase was due to our ongoing strategic activities, including our expansion activities. For the nine months ended March 31, 2006, noninterest expense totaled $5.3 million compared to $3.2 million for the same period in 2005. This $2.1 million increase was due to a combination of factors, including the

contribution to the Equitable Bank Charitable Foundation, the loss on the sale of loans, the cost of opening three new facilities. The professional fees increase was due to our ongoing strategic activities, including our expansion activities.

Nonperforming assets totaled $47,000 at March 31, 2006, compared to $194,000, or 0.1% of total assets, at June 30, 2005. The allowance for loan losses was $931,000, or 0.6% of total gross loans, at March 31, 2006 compared to $786,000, or 0.6% of total gross loans, at June 30, 2005. We had $12,000 and $25,000 of charge-offs for the three and nine months ended March 31, 2006, respectively, compared to $32,000 and $67,000 for the same 2005 periods, respectively. The provision for loan loss for the three months ended March 31, 2006 and 2005 was $30,000 and for the nine months ended March 31, 2006 and 2005 was $90,000. Management considered both the provision and allowance for loan loss to be adequate during all periods based on the changing composition of the loan portfolio due to loan growth particularly in commercial loans.

Total assets at March 31, 2006 were $175.0 million, compared to $145.4 million at June 30, 2005. Total loans increased $27.7 million, or 22.8%, to $149.4 million at March 31, 2006, from $121.7 million at June 30, 2005. The majority of the loan portfolio growth was concentrated in the commercial and agricultural business segments. This growth was due primarily to the three new branch facilities opened since March 31, 2005. The growth was offset by the sale of $6.5 million of fixed-rate real estate loans. Investment securities decreased $1.2 million, or 10.2%, to $10.8 million at March 31, 2006, from $12.1 million at June 30, 2005. The decrease in investment securities was due primarily to the maturity of agency securities, the prepayment of principal in mortgage-backed securities and the sale of all Freddie Mac common stock. Total deposits increased $19.7 million, or 20.3%, to $116.5 million at March 31, 2006. The increase reflects the addition of $14.0 million in brokered certificates. Transaction accounts comprised 24.3% of total deposits at March 31, 2006, compared to 22.3% at June 30, 2005.

Shareholders' equity increased to $25.6 million at March 31, 2006 from $14.4 million at June 30, 2005, an increase of $11.2 million, or 78.0%. The increase reflects the sale of 1.4 million shares of common stock in connection with Equitable Bank's reorganization to a mutual holding company form.

Equitable Bank is headquartered in Grand Island, Nebraska and is a community-oriented financial institution dedicated to serving the financial services needs of consumers and businesses within our market area. We are engaged primarily in the business of attracting deposits from the general public and using such funds to originate various type loans. We offer financial services through our main office and full-service branches in Grand Island and North Platte, and have our also have our loan production offices in Grand Island and Omaha.

This news release may contain forward-looking statements, which can be identified by the use of words such as "believes," "expects," "anticipates," "estimates" or similar expressions. Such forward-looking statements and all other statements that are not historical facts are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors. These factors include, but are not limited to, changes in interest rates, general economic conditions, legislative or regulatory changes that may adversely affect our business, the quality or composition of the Company's loan or investment portfolios,

changes in competition and demand for financial services, adverse changes in the securities markets, changes in the quality or composition of the Company's loan or investment portfolios, and changes in accounting principles, policies and guidelines. Additionally, other risks and uncertainties may be described in the Company's quarterly reports on Form 10-QSB and its registration statement on Form SB-2, each filed with the Securities and Exchange Commission, which are available through the SEC's website at www.sec.gov. Should one or more of these risks materialize, actual results may vary from those anticipated, estimated or projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company assumes no obligation to update any forward-looking statements.

CONTACTS:

Equitable Financial Corp.
Richard L. Harbaugh (308) 382-3136
Kim E. Marco (308) 382-3136

EQUITABLE FINANCIAL CORP.
SELECTED FINANCIAL INFORMATION
(Unaudited)

	MARCH 31,	JUNE 30,

SELECTED FINANCIAL CONDITION DATA	2006	2005
	(In Thousands)	
Total assets	$ 174,990	$ 145,372
Cash and cash equivalents	4,274	2,160
Loans, net	149,365	121,656
Securities available for sale	10,660	12,785
Deposits	116,452	96,788
Federal Home Loan Bank advances	31,429	32,952
Stockholders' equity	25,557	14,363

<TABLE>
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	THREE MONTHS ENDED MARCH 31,		NINE MONTHS ENDED MARCH 31,	
SELECTED OPERATIONS DATA	2006	2005	2006	2005
	(In thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Total interest income	$ 2,315	$ 1,919	$ 6,561	$ 5,776
Total interest expense	1,286	946	3,674	2,797
Net interest income	1,029	973	2,887	2,979
Provision for loan losses	30	30	90	90
Net interest income after provision for loan losses	999	943	2,797	2,889
Noninterest income	705	128	1,693	497
Noninterest expense	1,539	994	5,347	3,219
Income/(loss) before taxes	165	77	(858)	167
Income tax (benefit)/expense	49	5	(350)	15
Net (loss) / income	$ 116	$ 72	$ (508)	$ 152
Basic earnings (loss) per share (1)	.04	--	(0.13)	--
Diluted earnings (loss) per share (1)	.04	--	(0.13)	--

</TABLE>

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	THREE MONTHS ENDED MARCH 31,		NINE MONTHS ENDED MARCH 31,	
SELECTED FINANCIAL RATIOS	2006	2005	2006	2005
<S>	<C>	<C>	<C>	<C>
Return on average assets	.3%	.2%	(.4)%	.1%
Return on average equity	2.8	2.0	(3.9)	1.4
Average equity to average assets	11.1	9.9	10.0	9.9
Interest rate spread during the period	2.1	2.5	2.1	2.5
Net interest margin	2.5	2.8	2.4	2.8
General and administrative expenses to average assets	3.5	2.7	4.3	3.0
Efficiency ratio	111.5	90.3	137.7	92.6

</TABLE>

	AS OF MARCH 31, 2006	AS OF MARCH 31, 2005
Nonperforming assets to total assets	0.0%	0.02%
Book value per share	$7.75	(1)
Number of shares outstanding for		

book value computation	3,297,509	(1)

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(1) The Company completed its initial stock offering and reorganization on November 8, 2005 and, as a result, shares for purposes of the 2006 earnings per share calculations were not outstanding for the nine-month periods. Prior to the Company's initial stock offering and reorganization, Equitable Bank was a mutual association without stockholders; therefore, earnings per share for the three and nine months ended March 31, 2005 are not applicable.