

MALVERN BANCORP, INC.  
Form 424B3  
August 21, 2012

Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-181798

**PROSPECTUS OF MALVERN BANCORP, INC.**  
**(A NEW PENNSYLVANIA CORPORATION)**  
**AND**  
**PROXY STATEMENT OF MALVERN FEDERAL BANCORP, INC.**  
**(A FEDERAL CORPORATION)**

Malvern Federal Bancorp, Inc., a federal corporation (which we refer to as Malvern Federal Bancorp), Malvern Federal Savings Bank and Malvern Federal Mutual Holding Company are converting from the mutual holding company structure to a fully public ownership structure. Currently, Malvern Federal Mutual Holding Company owns 55.5% of the issued and outstanding shares of Malvern Federal Bancorp's common stock. The remaining 44.5% of Malvern Federal Bancorp's outstanding shares of common stock is owned by other shareholders, who are referred to as the public shareholders. As a result of the conversion, Malvern Bancorp, Inc., a Pennsylvania corporation which was recently formed by Malvern Federal Savings Bank (which we refer to as Malvern Bancorp New), will become the parent holding company for Malvern Federal Savings Bank.

Shares of Malvern Federal Bancorp's common stock owned by the public will be exchanged for between 1,877,961 and 2,540,771 shares of common stock of Malvern Bancorp New (subject to increase to 2,921,887 shares as a result of market demand, regulatory considerations or changes in financial markets) so that Malvern Federal Bancorp's existing public shareholders will own approximately the same percentage of the common stock of Malvern Bancorp New as they owned of the common stock of Malvern Federal Bancorp immediately prior to the conversion. The actual number of shares that you will receive will depend on the exchange ratio, which will depend on the percentage of Malvern Federal Bancorp's common stock held by the public at the completion of the conversion, the final independent appraisal of Malvern Bancorp New and the number of shares of common stock of Malvern Bancorp New stock sold in the offering described in the following paragraph. It will not depend on the market price of common stock. See The Conversion and Offering Effect of the Conversion on Public Shareholders for a discussion of the exchange ratio. Based on the \$8.74 per share closing price of Malvern Federal Bancorp's common stock as of the date of this proxy statement/prospectus, unless at least 2,957,507 shares of common stock of Malvern Bancorp New are sold in the offering (which is between the midpoint and maximum of the offering range), the initial value of the Malvern Bancorp New common stock you receive in the share exchange would be less than the market value of the Malvern Federal Bancorp common stock that you currently own. See Risk Factors The Market Value of Malvern Bancorp New Common Stock Received in the Share Exchange May be Less than the Market Value of Malvern Federal Bancorp Common Stock Exchanged.

Concurrently with the exchange offer, we are offering up to 3,162,500 shares of common stock of Malvern Bancorp New, representing the 55.5% ownership interest of Malvern Federal Mutual Holding Company in Malvern Federal Bancorp, for sale to eligible depositors and certain borrowers of Malvern Federal Savings Bank and the public at a price of \$10.00 per share. We may increase the maximum number of shares that we sell in the offering, without notice to persons who have subscribed for shares, by up to 15%, to 3,636,875 shares, as a result of market demand, regulatory considerations or changes in financial markets. The conversion of Malvern Federal Mutual Holding Company and the offering and exchange of common stock by Malvern Bancorp New are referred to herein as the conversion and offering. After the conversion and offering are completed, Malvern Federal Savings Bank will be a wholly-owned subsidiary of Malvern Bancorp New, and both Malvern Federal Mutual Holding Company and Malvern Federal Bancorp will cease to exist.

Malvern Federal Bancorp's common stock is currently listed on the Nasdaq Global Market under the symbol MLVF. We expect that the common stock of Malvern Bancorp New will trade on the Nasdaq Global Market under the symbol MLVFD for a period of 20 trading days after completion of the offering. Thereafter, the trading symbol will be MLVF.

The conversion and offering cannot be completed unless the shareholders of Malvern Federal Bancorp approve the plan of conversion and reorganization. The plan of conversion and reorganization must be approved by the affirmative vote of (i) the holders of a majority of the outstanding shares of common stock of Malvern Federal Bancorp, other than Malvern Federal Mutual Holding Company, and (ii) the holders of two-thirds of the votes eligible to be cast by shareholders of Malvern Federal Bancorp, including Malvern

---

Federal Mutual Holding Company. Malvern Federal Mutual Holding Company, which owns 55.5% of the outstanding common stock of

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

Malvern Federal Bancorp, intends to vote for the plan of conversion and reorganization. Malvern Federal Bancorp is holding a special meeting of shareholders at the Sheraton Great Valley Hotel, located at 707 East Lancaster Avenue, Frazer, Pennsylvania, on Tuesday, October 2, 2012 at 1:00 p.m., Eastern time, to consider and vote upon:

1. The Plan of Conversion and Reorganization of Malvern Federal Mutual Holding Company, Malvern Federal Bancorp, Malvern Bancorp New and Malvern Federal Savings Bank;

2. The following informational proposals:

2A Approval of a provision in the articles of incorporation of Malvern Bancorp New providing for the authorized capital stock of 50,000,000 shares of common stock and 10,000,000 shares of serial preferred stock compared to 15,000,000 shares of common stock and 5,000,000 shares of preferred stock in the charter of Malvern Federal Bancorp;

2B Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval for mergers, consolidations and similar transactions, unless they have been approved in advance by at least two-thirds of the board of directors of Malvern Bancorp New;

2C Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval of amendments to certain provisions in the articles of incorporation and bylaws of Malvern Bancorp New; and

2D Approval of a provision in the articles of incorporation of Malvern Bancorp New to limit the acquisition of shares in excess of 10% of the outstanding voting securities of Malvern Bancorp New.

3. The adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the special meeting to approve the plan of conversion and reorganization; and

4. Any other matters that may properly come before the special meeting or any adjournment or postponement thereof (management is not aware of any such matters).

The board of directors of Malvern Federal Bancorp unanimously recommends that shareholders vote FOR the plan of conversion and reorganization, FOR the informational proposals and FOR the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

The provisions of the articles of incorporation which are summarized as informational proposals 2A through 2D were approved as part of the process in which the board of directors of Malvern Federal Bancorp approved the plan of conversion and reorganization. These proposals are informational in nature only because the Board of Governors of the Federal Reserve System regulations governing mutual to stock conversion do not provide for votes on matters other than the plan of conversion and reorganization. While we are asking shareholders of Malvern Federal Bancorp to vote with respect to each of the informational proposals, shareholders are not being asked to approve the proposed provisions for which an informational vote is requested and the proposed provisions will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

This document serves as the proxy statement for the special meeting of shareholders of Malvern Federal Bancorp and the prospectus for the shares of common stock of Malvern Bancorp New to be issued in exchange for shares of Malvern Federal Bancorp's common stock. We urge you to read this entire document carefully. You can also obtain information about our companies from documents that we have filed with the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System. This document does not serve as the prospectus relating to the offering by Malvern Bancorp New of its shares of common stock in the subscription offering and any community offering, syndicated community offering or underwritten public offering, which will be made pursuant to a separate prospectus.

**This investment involves a degree of risk, including the possible loss of principal. Please read Risk Factors beginning on page 18.**

---

*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 Board of Governors of the Federal Reserve System or any state securities regulator has approved or disapproved of these securities or determined if this proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.*

Please read this entire proxy statement/prospectus, including the section titled **Questions and Answers for Shareholders of Malvern Federal Bancorp**. Questions about voting may be directed to our Proxy Information Agent, Phoenix Advisory Partners, by calling toll-free 1-(800) 283-2170, Monday through Friday from 9:00 a.m. to 10:00 p.m., Eastern time. Questions about the stock offering may be directed to the Stock Information Center by calling 1-(877) 643-8196, Monday through Friday, from 10:00 a.m. to 4:00 p.m., Eastern time. The Stock Information Center will be closed weekends and bank holidays.

The date of this proxy statement/prospectus is August 10, 2012, and is first being mailed to shareholders of Malvern Federal Bancorp, Inc. on or about August 22, 2012.

---

*Important Notice Regarding the Availability of Proxy Materials for the Special Meeting to Be Held on October 2, 2012.* This proxy statement/prospectus as well as driving directions to the special meeting are available on our website at [www.malvernfederal.com](http://www.malvernfederal.com) under the *Investor Relations* tab.

#### REFERENCE TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Malvern Bancorp New, Malvern Federal Bancorp, Malvern Federal Savings Bank and Malvern Federal Mutual Holding Company from other documents that are not included in, or delivered with, this proxy statement/prospectus, including the plan of conversion and reorganization. This information is available to you without charge upon your written or oral request. You can obtain these documents relating to Malvern Bancorp New, Malvern Federal Bancorp, Malvern Federal Savings Bank or Malvern Federal Mutual Holding Company by requesting them in writing or by telephone from:

Malvern Federal Bancorp, Inc.  
42 East Lancaster Avenue  
Paoli, Pennsylvania 19301  
Attention: Investor Relations  
(610) 644-9400

**If you would like to request documents, you must do so no later than September 25, 2012 in order to receive them before Malvern Federal Bancorp's special meeting of shareholders. You will not be charged for any of these documents that you request.**

For additional information, please see the section entitled **Where You Can Find Additional Information** beginning on page 168 of this proxy statement/prospectus. A copy of the plan of conversion and reorganization is available for inspection at each of Malvern Federal Savings Bank's banking offices.

**For information on submitting your proxy, please refer to the instructions on the enclosed proxy card.**

i

---

You should rely only on the information contained in this proxy statement/prospectus or to which we have referred you. We have not authorized anyone to provide you with information that is different. This proxy statement/prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities offered hereby to any person in any jurisdiction in which such offer or solicitation would be unlawful. The affairs of Malvern Bancorp New, Malvern Federal Mutual Holding Company, Malvern Federal Bancorp and Malvern Federal Savings Bank and their subsidiaries may change after the date of this proxy statement/prospectus. Delivery of this proxy statement/prospectus and the exchange of shares of common stock of Malvern Federal Bancorp New made hereunder does not mean otherwise.

#### TABLE OF CONTENTS

	<b>Page</b>
Questions and Answers for Shareholders of Malvern Federal Bancorp	1
Summary	4
Risk Factors	18
Information About the Special Meeting of Shareholders	26
Proposal 1. Approval of the Plan of Conversion and Reorganization	28

	<b>Page</b>
Proposal 2. Informational Proposals Related to the Articles of Incorporation of Malvern Bancorp New	33
Informational Proposal 2A	33
Informational Proposal 2B	33
Informational Proposal 2C	34
Informational Proposal 2D	35
Proposal 3. Adjournment of the Special Meeting	36
Selected Consolidated Financial and Other Data	37
Recent Developments of Malvern Federal Bancorp	39
Forward-Looking Statements	51
Use of Proceeds	52
Our Dividend Policy	53
Market for Our Common Stock	54
Regulatory Capital Requirements	55
Our Capitalization	56
Pro Forma Data	57
Management's Discussion and Analysis of Financial Condition and Results of Operations	60
Business	81
Regulation	109
Taxation	119
Management	121
Beneficial Ownership of Common Stock	127
Proposed Management Purchases	129
Interests of Certain Persons in Matters to be Acted Upon	130
The Conversion and Offering	131
Comparison of Shareholder Rights	156
Restrictions on Acquisition of Malvern Bancorp New and Malvern Federal Savings Bank and Related Anti-Takeover Provisions	164
Description of Our Capital Stock	167
Experts	168
Transfer Agent, Exchange Agent and Registrar	168
Legal and Tax Opinions	168
Registration Requirements	168
Where You Can Find Additional Information	168
Shareholder Proposals for the 2013 Annual Meeting	169
Index to Consolidated Financial Statements	F-1

**MALVERN FEDERAL BANCORP, INC.**  
**42 East Lancaster Avenue**  
**Paoli, Pennsylvania 19301**  
**(610) 644-9400**  
**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**  
**To Be Held on October 2, 2012**

NOTICE IS HEREBY GIVEN that a special meeting of shareholders of Malvern Federal Bancorp, Inc., a federal corporation (which we refer to as Malvern Federal Bancorp ) will be held at the Sheraton Great Valley Hotel, located at 707 East Lancaster Avenue, Frazer, Pennsylvania on Tuesday, October 2, 2012 at 1:00 p.m., Eastern time, to consider and vote upon:

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

1. The approval of a Plan of Conversion and Reorganization and the transactions contemplated thereby pursuant to which, among other things, Malvern Bancorp, Inc., a newly formed Pennsylvania corporation (which we refer to as Malvern Bancorp New ), will offer for sale shares of its common stock, and shares of common stock of Malvern Federal Bancorp currently held by shareholders other than Malvern Federal Mutual Holding Company (which we refer to as the public shareholders ) will be exchanged for shares of common stock of Malvern Bancorp New upon the conversion of Malvern Federal Mutual Holding Company, Malvern Federal Savings Bank and Malvern Federal Bancorp from the mutual holding company structure to the stock holding company form;

2. The following informational proposals:

2A Approval of a provision in the articles of incorporation of Malvern Bancorp New providing for the authorized capital stock of 50,000,000 shares of common stock and 10,000,000 shares of serial preferred stock compared to 15,000,000 shares of common stock and 5,000,000 shares of preferred stock in the charter of Malvern Federal Bancorp;

2B Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval for mergers, consolidations and similar transactions, unless they have been approved in advance by at least two-thirds of the board of directors of Malvern Bancorp New;

2C Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval of amendments to certain provisions in the articles of incorporation and bylaws of Malvern Bancorp New; and

2D Approval of a provision in the articles of incorporation of Malvern Bancorp New to limit the acquisition of shares in excess of 10% of the outstanding voting securities of Malvern Bancorp New;

3. The adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the special meeting to approve the plan of conversion and reorganization; and

4. Any other matters that may properly come before the special meeting or an adjournment or postponement thereof. Management is not aware of any such other business at this time.

The provisions of the articles of incorporation which are summarized as informational proposals 2A through 2D were approved as part of the process in which the board of directors of Malvern Federal Bancorp approved the plan of conversion and reorganization. These proposals are informational in nature only because the Board of Governors of the Federal Reserve System ( Federal Reserve Board or FRB ) regulations governing mutual to stock conversion do not provide for votes on matters other than the plan of conversion and reorganization. While we are asking shareholders of Malvern Federal Bancorp to vote with respect to each of the informational proposals, we are not required to receive the separate approval of the proposed provisions for which an informational vote is requested. The proposed provisions will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

---

The board of directors has fixed August 9, 2012, as the record date for the determination of shareholders entitled to notice of and to vote at the special meeting and at an adjournment or postponement thereof.

**Upon written request addressed to the Secretary of Malvern Federal Bancorp at the address given above, shareholders may obtain an additional copy of this proxy statement/prospectus and/or a copy of the plan of conversion and reorganization. In order to assure timely receipt of the additional copy of the proxy statement/prospectus and/or the plan of conversion and reorganization, the written request should be received by Malvern Federal Bancorp, Inc. by September 25, 2012. In addition, all such documents may be obtained by calling our Stock Information Center at 1-(877) 643-8196.**

**BY ORDER OF THE BOARD OF DIRECTORS**

Shirley Stanke  
Corporate Secretary

Paoli, Pennsylvania  
August 10, 2012

---

## QUESTIONS AND ANSWERS

### FOR SHAREHOLDERS OF MALVERN FEDERAL BANCORP, INC.

**You should read this document and the plan of conversion and reorganization for more information about the conversion and offering. The application for conversion has been conditionally approved by our regulators.**

**Q. What are shareholders being asked to approve?**

**A.** Malvern Federal Bancorp's shareholders as of August 9, 2012 are being asked to vote on the plan of conversion and reorganization. Under the plan of conversion and reorganization, Malvern Federal Savings Bank will convert from the mutual holding company form of ownership to the fully public stock holding company form of ownership, and as part of such conversion, a new Pennsylvania company, Malvern Bancorp New, will offer for sale, in the form of shares of its common stock, Malvern Federal Mutual Holding Company's 55.5% ownership interest in Malvern Federal Bancorp. In addition to the shares of common stock to be issued to those who purchase shares in the stock offering, public shareholders of Malvern Federal Bancorp as of the completion of the conversion, will receive shares of common stock of Malvern Bancorp New in exchange for their existing shares. In addition, informational proposals relating to the articles of incorporation of Malvern Bancorp New are also described in this proxy statement/prospectus. Due to Federal Reserve Board regulations, the proposed provisions of the articles of incorporation described in the informational proposals will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

**Q. What is the conversion?**

**A.** Malvern Federal Savings Bank, Malvern Federal Bancorp and Malvern Federal Mutual Holding Company are converting from a mutual holding company structure to a fully-public ownership structure. Currently, Malvern Federal Mutual Holding Company owns 55.5% of Malvern Federal Bancorp's common stock. The remaining 44.5% of common stock is owned by public shareholders. As a result of the conversion, our newly formed Pennsylvania company, Malvern Bancorp, Inc., will become the parent of Malvern Federal Savings Bank.

Shares of common stock of Malvern Bancorp New, representing the current 55.5% ownership interest of Malvern Federal Mutual Holding Company in Malvern Federal Bancorp, are being offered for sale to eligible depositors and certain borrowers of Malvern Federal Savings Bank and to the public. At the completion of the conversion and offering, public shareholders of Malvern Federal Bancorp will exchange their shares of Malvern Federal Bancorp common stock for shares of common stock of Malvern Bancorp New.

After the conversion and offering are completed, Malvern Federal Savings Bank will become a wholly-owned subsidiary of Malvern Bancorp New. Upon consummation of the conversion and offering, the outstanding shares of Malvern Bancorp New will be owned by the former public shareholders of Malvern Federal Bancorp, who will exchange their shares for shares of Malvern Bancorp New, as well as those persons who purchase shares in the offering for the purchase price of \$10.00 per share. As a result of the conversion and offering, Malvern Federal Mutual Holding Company and Malvern Federal Bancorp will cease to exist.

See The Conversion and Offering beginning on page 131 of this proxy statement/prospectus, for more information about the conversion.

**Q. What will shareholders receive for their existing Malvern Federal Bancorp shares?**

**A.** As more fully described in the section entitled The Conversion and Offering, depending on the number of shares sold in the stock offering, each share of common stock that you own upon completion of the conversion and stock offering will be exchanged for between 0.6908 new shares at the minimum and 0.9346 new shares at the maximum of the offering range (cash will be paid in lieu of fractional shares). For

---

example, if you own 100 shares of Malvern Federal Bancorp common stock and the exchange ratio is 0.8127, after the conversion you will receive 81 shares of Malvern Bancorp New common stock and \$0.27 in cash, the value of the fractional share, based on the \$10.00 per share offering price. Shareholders who hold shares in street-name at a brokerage firm will receive these funds in their brokerage account. Shareholders who have stock certificates will receive checks. The number of shares you will get will depend on the number of shares sold in the offering and will be based on an exchange ratio determined as of the closing of the conversion. The actual number of shares you receive will depend upon the number of shares we sell in our offering, which in turn will depend upon the final appraised value of Malvern Bancorp New. The exchange ratio will adjust based on the number of shares sold in the offering. It will not depend on the market price of the common stock Malvern Federal Bancorp.

**Q. What are the reasons for the conversion and offering?**

**A.** In recent periods we have focused on addressing our asset quality issues. While we are continuing our efforts to further reduce our non-performing and problem assets, we feel that we have made sufficient progress such that a second-step conversion is in our best interests at this time. We are pursuing the conversion and related offering for the following reasons:

In light of the risk profile posed by, among other factors, the increased levels of our non-performing assets in recent years and also based in part upon our communications with staff of the Office of the Comptroller of the Currency, we determined to increase the amount of capital we maintain at Malvern Federal Savings Bank. The additional funds raised in the offering will increase our capital (although Malvern Federal Savings Bank is deemed to be well-capitalized) and support our ability to operate in accordance with our business plan in the future.

Conversion to the fully public form of ownership will remove the uncertainties associated with the mutual holding company structure. We believe that the conversion and offering will result in a more familiar and flexible form of corporate organization and will better position us to continue to meet all current and future regulatory requirements, including regulatory capital requirements which may be imposed on savings and loan holding companies such as Malvern Bancorp New, and, in light of the portion of the net proceeds of the offering to be retained by the new stock-form holding company, will facilitate the ability of Malvern Bancorp New to serve as a source of strength for Malvern Federal Savings Bank.

The number of our outstanding shares after the conversion and offering will be greater than the number of shares currently held by public shareholders, so we expect our stock to have greater liquidity.

**Q. Why should I vote?**

**A.** You are not required to vote, but your vote is very important. In order for us to implement the plan of conversion and reorganization, we must receive the affirmative vote of the holders of a majority of the outstanding shares of Malvern Federal Bancorp common stock, other than shares held by Malvern Federal Mutual Holding Company, in addition to the approval of two-thirds of all the outstanding shares. **The board of directors of Malvern Federal Bancorp recommends that you vote FOR approval of the plan of conversion and reorganization.**

**Q. What happens if I don't vote?**

**A.** **Your prompt vote is very important. Not voting will have the same effect as voting Against the plan of conversion and reorganization.** Without sufficient favorable votes for the conversion, we will not proceed with the conversion and offering.

---

**Q. How do I vote?**

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

**A.** You should sign your proxy card and return it in the enclosed proxy reply envelope. You may also vote by telephone or via the internet by following the instructions on the proxy card. **Please vote promptly. Not voting has the same effect as voting Against the plan of conversion and reorganization.**

**Q.** **If my shares are held in street name, will my broker automatically vote on my behalf?**

**A.** No. Your broker will not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares, using the directions that your broker provides to you.

**Q.** **What if I do not give voting instructions to my broker?**

**A.** Your vote is important. If you do not instruct your broker to vote your shares by proxy, each unvoted share will have the same effect as a vote against the plan of conversion and reorganization.

**Q.** **How will my existing Malvern Federal Bancorp shares be exchanged?**

**A.** The conversion of your shares of common stock Malvern Federal Bancorp into the right to receive shares of common stock of Malvern Bancorp New will occur automatically on the effective date of the conversion, although you will need to exchange your stock certificate(s) if you hold shares in certificate form. As soon as practicable after the effective date of the conversion and reorganization, our exchange agent will send a transmittal form to you. The transmittal forms are expected to be mailed promptly after the effective date and will contain instructions on how to submit the stock certificate(s) representing existing shares of Malvern Federal Bancorp common stock. No fractional shares of Malvern Bancorp New common stock will be issued to you when the conversion is completed. For each fractional share that would otherwise be issued to a shareholder who holds a certificate, you will be paid by check an amount equal to the product obtained by multiplying the fractional share interest to which you would otherwise be entitled by \$10.00. If your shares are held in street name, you will automatically receive cash in lieu of fractional shares.

**Q.** **Should I submit my stock certificates now?**

**A.** No. If you hold your certificate(s), instructions for exchanging the shares will be sent to you after completion of the conversion and offering. If your shares are held in street name, rather than in certificate form, the share exchange will occur automatically upon completion of the conversion and offering.

**Q.** **May I place an order to purchase shares in the offering, in addition to the shares that I will receive in the exchange?**

**A.** Yes. If you would like to receive a prospectus and stock order form, you may call the Stock Information Center, toll free, at 1-(877) 643-8196, Monday through Friday between 10:00 a.m. and 4:00 p.m., Eastern time. The Stock Information Center will be closed weekends and bank holidays.

### **Further Questions?**

For answers to other questions, please read this proxy statement/prospectus. Questions about voting may be directed to our Proxy Information Agent, Phoenix Advisory Partners, by calling toll-free 1-(800) 283-2170, Monday through Friday from 9:00 a.m. to 10:00 p.m., Eastern Time. Questions about the stock offering may be directed to the Stock Information Center by calling 1-(877) 643-8196, Monday through Friday, from 10:00 a.m. to 4:00 p.m., Eastern time. The Stock Information Center will be closed weekends and bank holidays.



**SUMMARY**

*The following summary highlights the material information from this proxy statement/prospectus and may not contain all the information that is important to you. You should read this entire document carefully, including the sections entitled Risk Factors and The Conversion and Offering and the consolidated financial statements and the notes to the consolidated financial statements.*

**What This Document Is About**

The boards of directors of Malvern Federal Bancorp, Malvern Federal Mutual Holding Company, Malvern Federal Savings Bank and Malvern Bancorp New have adopted a plan of conversion and reorganization pursuant to which Malvern Federal Savings Bank will reorganize from a mutual holding company structure to a stock form holding company structure. As part of the conversion, Malvern Federal Savings Bank formed Malvern Bancorp New. Public shareholders of Malvern Federal Bancorp will receive shares in Malvern Bancorp New in exchange for their shares of Malvern Federal Bancorp common stock based on an exchange ratio. This conversion to a stock holding company structure also includes the offering by Malvern Bancorp New of shares of its common stock to eligible depositors and certain borrowers of Malvern Federal Savings Bank in a subscription offering and, if necessary, to the public in a community offering and either a syndicated community offering or underwritten public offering. Following the conversion and offering, Malvern Federal Mutual Holding Company and Malvern Federal Bancorp will no longer exist and Malvern Bancorp New will be the parent company of Malvern Federal Savings Bank.

The conversion and offering cannot be completed unless the shareholders of Malvern Federal Bancorp approve the plan of conversion and reorganization. Malvern Federal Bancorp's shareholders will vote on the plan of conversion and reorganization at the special meeting of shareholders of Malvern Federal Bancorp. This document is the proxy statement used by Malvern Federal Bancorp's board of directors to solicit proxies for the special meeting. It is also the prospectus of Malvern Bancorp New regarding the shares of common stock of Malvern Bancorp New to be issued to Malvern Federal Bancorp's shareholders in the share exchange. This document does not serve as the prospectus relating to the offering by Malvern Federal Bancorp New of its shares of common stock in the subscription offering and any community offering, syndicated community offering or underwritten public offering, which will be made pursuant to a separate prospectus.

In addition, informational proposals relating to the articles of incorporation of Malvern Bancorp New are also described in this proxy statement/prospectus, but, due to Federal Reserve Board regulations, we are not required to be approved if shareholders approve the plan of conversion and reorganization. While we are asking shareholders of Malvern Federal Bancorp to vote with respect to each of the informational proposals, we are not required to receive the separate approval of shareholders of the proposed provisions for which an informational vote is requested. The proposed provisions will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

**The Malvern Federal Bancorp Special Meeting**

**Date, Time and Place.** Malvern Federal Bancorp will hold its special meeting of shareholders to consider and vote on the plan of conversion and reorganization at the Sheraton Great Valley Hotel, located at 707 East Lancaster Avenue, Frazer, Pennsylvania on October 2, 2012 at 1:00 p.m., Eastern time.

**Record Date.** The record date for shareholders entitled to vote at the special meeting of shareholders is August 9, 2012. On the record date, shares of Malvern Federal Bancorp common stock were outstanding and entitled to vote at the special meeting.

**The Proposals.** Shareholders will be voting on the following proposals at the special meeting:

1. Approval of the plan of conversion and reorganization;
2. The following informational proposals:

---

2A Approval of a provision in the articles of incorporation of Malvern Bancorp New providing for the authorized capital stock of 50,000,000 shares of common stock and 10,000,000 shares of serial preferred stock compared to 15,000,000 shares of common stock and 5,000,000 shares of preferred stock in the charter of Malvern Federal Bancorp;

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

2B Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval for mergers, consolidations and similar transactions, unless they have been approved in advance by at least two-thirds of the board of directors of Malvern Bancorp New;

2C Approval of a provision in the articles of incorporation of Malvern Bancorp New requiring a super-majority shareholder approval of amendments to certain provisions in the articles of incorporation and bylaws of Malvern Bancorp New; and

2D Approval of a provision in the articles of incorporation of Malvern Bancorp New to limit the acquisition of shares in excess of 10% of the outstanding voting securities of Malvern Bancorp New;

3. The adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the special meeting to approve the plan of conversion and reorganization; and

4. Any other matters that may properly come before the special meeting or any adjournment or postponement thereof (management is not aware of any such matters).

**The Informational Proposals.** The provisions of the articles of incorporation of Malvern Bancorp New which are summarized as informational proposals 2A through 2D were approved as part of the process in which the board of directors of Malvern Federal Bancorp approved the plan of conversion and reorganization. These proposals are informational in nature only because the Federal Reserve Board regulations governing mutual to stock conversion do not provide for votes on matters other than the plan of conversion and reorganization. The proposed provisions described in the informational proposals will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

### Vote Required

**Proposal 1: Approval of the Plan of Conversion and Reorganization.** We must obtain the affirmative vote of (i) the holders of a majority of the outstanding shares of common stock of Malvern Federal Bancorp, other than Malvern Federal Mutual Holding Company, and (ii) the holders of two-thirds of the votes eligible to be cast by shareholders of Malvern Federal Bancorp, including Malvern Federal Mutual Holding Company.

**Informational Proposals 2A through 2D Related to the Articles of Incorporation of Malvern Bancorp New.** While we are asking you to vote with respect to each of the informational proposals, the proposed provisions will become effective if shareholders approve the plan of conversion and reorganization, regardless of whether shareholders vote to approve any or all of the informational proposals.

**Proposal 3: Adjournment of the special meeting, if necessary, to solicit additional proxies.** We must obtain the affirmative vote of a majority of the total votes present at the special meeting in person and by proxy to approve the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

**Other Matters.** We must obtain the affirmative vote of a majority of the total votes present at the special meeting in person or by proxy to approve other proposals.

As of the voting record date, the directors and executive officers of Malvern Federal Bancorp owned 72,815 shares, or approximately 1.2% of the outstanding shares of Malvern Federal Bancorp common stock and Malvern Federal Mutual Holding Company owned 3,383,875 shares, or approximately 55.5% of the outstanding shares of Malvern Federal Bancorp common stock. Malvern Federal Mutual Holding Company is expected to vote all of its shares FOR the plan of conversion and reorganization, FOR each of the informational proposals and FOR the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

### *Solicitation of Proxies*

This proxy statement/prospectus and the accompanying proxy card are being furnished to you in connection with the solicitation of proxies for the special meeting by the board of directors of Malvern Federal Bancorp. Malvern Federal Bancorp will pay the costs of soliciting proxies from its shareholders. To the extent necessary to permit approval of the plan of conversion and reorganization and the other proposals being

considered, Phoenix Advisory Partners, our independent proxy solicitor, and directors, officers or employees of Malvern Federal Bancorp and Malvern Federal Savings Bank may solicit proxies by mail, telephone and other forms of communication. We will reimburse such persons for their reasonable out-of-pocket expenses incurred in connection with such solicitation. For its services as shareholder information agent and shareholder proxy solicitor, we will pay Phoenix Advisory Partners \$3,000 for shareholder solicitation services and \$1,500 for shareholder information agent services, plus reasonable out-of-pocket expenses and charges for telephone calls made and received in connection with the solicitation.

We will also reimburse banks, brokers, nominees and other fiduciaries for the expenses they incur in forwarding the proxy material to you.

**The board of directors of Malvern Federal Bancorp unanimously recommends that you vote FOR approval of the plan of conversion and reorganization and FOR the other proposals described above.**

## **The Companies**

### **Malvern Bancorp New**

Malvern Bancorp New is a newly formed Pennsylvania corporation. Malvern Bancorp New is conducting this offering in connection with the conversion of Malvern Federal Mutual Holding Company from the mutual to the stock form of organization. The shares of common stock of Malvern Bancorp New to be sold represent the 55.5% ownership interest in Malvern Federal Bancorp currently owned by Malvern Federal Mutual Holding Company. The remaining 44.5% ownership interest in Malvern Federal Bancorp is currently owned by other shareholders (who are sometimes referred to as the public shareholders) and will be exchanged for shares of common stock of Malvern Bancorp New based on an exchange ratio which will range from 0.6908 shares at the minimum of the offering range to 0.9346 shares at the maximum of the offering range. The exchange ratio may be increased to as much as 1.0748 shares in the event the maximum of the offering range is increased by 15%. The actual exchange ratio will be determined at the closing of the offering and will depend on the number of shares of common stock sold in the stock offering. The executive offices of Malvern Bancorp New are located at 42 East Lancaster Avenue, Paoli, Pennsylvania 19301, and its telephone number is (610) 644-9400.

### **Malvern Federal Savings Bank**

Malvern Federal Savings Bank is a federally chartered stock savings bank operating out of its headquarters in Paoli, Pennsylvania and eight full service financial center offices in Chester and Delaware Counties, Pennsylvania. Our headquarters office in Paoli, Pennsylvania, is approximately 25 miles west of the City of Philadelphia. In addition to Chester County, our lending efforts are focused in neighboring Montgomery County and Delaware County, both of which are also in southeastern Pennsylvania. To a lesser extent, we provide services to other areas in the greater Philadelphia market.

Historically, Malvern Federal Savings Bank was a traditional thrift institution which emphasized the origination of loans secured by one-to four-family, or single-family residential real estate located in its market area. At March 31, 2012, single-family residential real estate loans amounted to \$220.2 million, or 46.6% of our total loans. Approximately eight years ago, we decided to focus on increasing our originations of loans secured by non-residential or commercial real estate as well as construction and development loans and home equity loans and lines of credit. Such loans were deemed attractive due to their generally higher yields and shorter anticipated lives compared to single-family residential mortgage loans. However, commercial real estate loans, construction and development loans and home equity loans and lines of credit are all deemed to have a higher risk of default than single-family residential mortgage loans. At March 31,

2012, our commercial real estate loans amounted to \$122.1 million, or 25.8% of our total loans, our total home equity loans and lines of credit amounted to \$92.9 million, or 19.7% of our loan portfolio and our total construction and development loans amounted to \$22.5 million, or 4.7% of our total loan portfolio.

Largely mirroring the effects of the national recession on the local economy, our non-performing assets have increased significantly since September 30, 2007. The increase in our non-performing assets was due primarily to increased levels of non-performing commercial real estate loans and construction and development loans. Given the increase in non-performing assets and in light of the increased risk represented by such loans, we generally ceased originating any new construction and development loans in October 2009, with certain exceptions, and we ceased originating new commercial real estate loans in August 2010. In October 2010, Malvern Federal Savings Bank, Malvern Federal Bancorp and

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

Malvern Federal Mutual Holding Company entered into Supervisory Agreements with the Office of Thrift Supervision (the OTS ) (which was our primary Federal regulator until July 2011). Among other things, the terms of the Supervisory Agreements, which remain in effect:

prohibit us from making or acquiring any new commercial real estate loans and/or commercial and industrial loans without the prior written non-objection of the Office of the Comptroller of the Currency (the OCC ) (as successor to the Office of Thrift Supervision);

required us to develop a plan to reduce our problem assets;

required us to develop enhanced policies and procedures for identifying, monitoring and controlling the risks associated with concentrations of commercial real estate loans;

required that an independent third party undertake reviews of our commercial real estate loans, construction and development loans, multi-family residential mortgage loans and commercial loans not less than once every six months; and

prohibit Malvern Federal Bancorp from declaring or paying dividends or making any other capital distributions, such as repurchases of common stock, without the prior written approval of the Board of Governors of the Federal Reserve System (as successor to the Office of Thrift Supervision).

In addition, as a result of the Supervisory Agreements, Malvern Federal Savings Bank is subject to certain additional restrictions, including a limit on its growth in assets in any quarter to an amount which does not exceed the amount of net interest credited on deposits during the quarter, a requirement that it provide the Office of the Comptroller of the Currency (as successor to the Office of Thrift Supervision) with prior written notice of any new director or senior executive officer and it generally may not enter into, renew, extend or revise any contractual agreements related to compensation or benefits with any director or officer. See Regulation The Supervisory Agreements for further information regarding the Supervisory Agreements.

In December 2011, based in part upon communications with staff of the Office of the Comptroller of the Currency and upon consideration of the risk elements inherent in our loan portfolio, the Boards of Directors of Malvern Federal Bancorp and Malvern Federal Savings Bank determined that, while Malvern Federal Savings Bank exceeded the regulatory thresholds for well-capitalized status, it was prudent to increase its capital and, accordingly, Malvern Federal Bancorp made a \$3.2 million capital infusion into the savings bank. In January 2012, the Boards of Directors adopted the plan of conversion and reorganization as a means to further augment the capital at Malvern Federal Savings Bank, put us in a stronger position to carry out our business strategy and to capitalize Malvern Bancorp New in order for it to serve as a source of strength for Malvern Federal Savings Bank.

Malvern Federal Savings Bank s headquarters is located at 42 East Lancaster Avenue, Paoli, Pennsylvania 19301 and its telephone number is (610) 644-9400.

### **Malvern Federal Mutual Holding Company**

Malvern Federal Mutual Holding Company is a federally chartered mutual holding company which currently is the parent of Malvern Federal Bancorp. As a mutual holding company, Malvern Federal Mutual Holding Company does not have shareholders. The principal business purpose of Malvern Federal Mutual

Holding Company is owning more than a majority of the outstanding shares of common stock of Malvern Federal Bancorp. Malvern Federal Mutual Holding Company currently owns 3,383,875 shares of common stock of Malvern Federal Bancorp, which is 55.5% of the shares outstanding. Malvern Federal Mutual Holding Company will no longer exist upon completion of the conversion and offering and the shares of Malvern Federal Bancorp common stock that it holds will be canceled.

### **Malvern Federal Bancorp**

## Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

Malvern Federal Bancorp is a federally chartered corporation and currently is the mid-tier stock holding company for Malvern Federal Savings Bank. At March 31, 2012, an aggregate of 2,718,625 shares of common stock, or 44.5% of the outstanding shares, of Malvern Federal Bancorp were owned by the public shareholders. The common stock of Malvern Federal Bancorp is registered under the Securities Exchange Act of 1934, as amended, and is publicly traded on the Nasdaq Global Market. At the conclusion of the offering and the conversion of Malvern Federal Mutual Holding Company, Malvern Federal Bancorp will no longer exist. The existing public shareholders of Malvern Federal Bancorp will have their shares converted into shares of Malvern Bancorp New common stock based on the exchange ratio, which will range from 0.6908 shares at the minimum of the offering range to 0.9346 shares at the maximum of the offering range, and to 1.0748 shares if the maximum of the offering range is increased by 15%. The shares of common stock being offered by Malvern Bancorp New represent Malvern Federal Mutual Holding Company's current ownership interest in Malvern Federal Bancorp. As of March 31, 2012, Malvern Federal Bancorp had \$651.6 million in total assets, \$537.0 million in total deposits and \$61.9 million in shareholders' equity. The executive offices of Malvern Federal Bancorp are located at 42 East Lancaster Avenue, Paoli, Pennsylvania 19301, its telephone number is (610) 644-9400, and its website is [www.malvernfederal.com](http://www.malvernfederal.com). Information on our website should not be treated as part of this proxy statement/prospectus.

8

---

### **Our Current and Proposed Organizational Structure**

We have been organized in the mutual holding company form since May 2008 when we completed our reorganization into the current two-tier mutual holding company structure. As a result, Malvern Federal Bancorp became the mid-tier holding company for Malvern Federal Savings Bank. As part of the 2008 reorganization, Malvern Federal Bancorp sold \$26.5 million of its common stock (2,645,575 shares), at a purchase price of \$10.00 per share, in a public offering and issued 3,383,875, or approximately 55%, of its shares of common stock to Malvern Federal Mutual Holding Company (Malvern Federal Mutual Holding Company's ownership interest has increased to 55.5% as of March 31, 2012). In addition, in the 2008 transaction, Malvern Federal Bancorp contributed 123,050 shares of its common stock to the Malvern Federal Charitable Foundation, which was a newly created foundation organized to support charitable causes and community development activities in the markets served by Malvern Federal Savings Bank.

The following chart shows our current ownership structure which is commonly referred to as the two-tier mutual holding company structure:

Pursuant to the terms of our plan of conversion and reorganization, we are now converting from the partially public mutual holding company structure to the fully public stock holding company form of organization, in what is known as a second-step conversion transaction. As part of the conversion, we are offering for sale the majority ownership interest in Malvern Federal Bancorp that is currently owned by Malvern Federal Mutual Holding Company. Upon completion of the conversion and offering, Malvern Federal Mutual Holding Company and Malvern Federal Bancorp will cease to exist, we will be fully owned by public shareholders and there will be no continuing interest by a mutual holding company. Upon completion of the conversion, public shareholders of Malvern Federal Bancorp will receive shares of common stock of Malvern Bancorp New in exchange for their shares of Malvern Federal Bancorp. We are not contributing any additional shares to the Malvern Federal Charitable Foundation in connection with the conversion and offering.

9

---

Following our conversion and this offering, we will be organized as a fully public holding company and our ownership structure will be as follows:

These transactions are commonly referred to as a second-step conversion.

**Terms of the Conversion and Offering**

The boards of directors of Malvern Federal Mutual Holding Company, Malvern Federal Bancorp and Malvern Federal Savings Bank unanimously adopted the plan of conversion and reorganization in January 2012. An application for conversion, including the plan of conversion and reorganization, has been approved by the Federal Reserve Board, subject to, among other things, approval of the plan of conversion and reorganization by the members of Malvern Federal Mutual Holding Company (who are the depositors and certain borrowers of Malvern Federal Savings Bank) and the shareholders of Malvern Federal Bancorp. The special meeting of shareholders has been called for this purpose on October 2, 2012.

The conversion to a stock holding company structure also includes the offering by Malvern Bancorp New of its outstanding shares to qualifying members of Malvern Federal Mutual Holding Company (who are the depositors and certain borrowers of Malvern Federal Savings Bank) in a subscription offering and to certain other persons in a community offering and either a syndicated community offering or underwritten public offering. The plan of conversion and reorganization has been included as an exhibit to the registration statement filed with the Securities and Exchange Commission See Where You Can Find Additional Information in this proxy statement/prospectus.

**The Exchange of Malvern Federal Bancorp Common Stock**

If you are a shareholder of Malvern Federal Bancorp, the existing publicly traded mid-tier holding company, your shares will be cancelled and exchanged for new shares of Malvern Bancorp New common stock. The number of shares you will receive will be based on an exchange ratio determined as of the closing of the conversion. The actual number of shares you receive will depend upon the number of shares we sell in our offering, which in turn will depend upon the final appraised value of Malvern Bancorp New. The following table shows how the exchange ratio will adjust, based on the number of shares sold in our offering. The table also shows how many shares a hypothetical owner of Malvern Federal Bancorp common stock would receive in the exchange, based on the number of shares sold in the offering.

Shares to be sold in the offering		Shares of Malvern Bancorp New stock to be issued in exchange for Malvern Federal Bancorp common stock		Total shares of Malvern Bancorp New common stock to be outstanding after the conversion	Exchange ratio	100 shares of Malvern Federal Bancorp common stock would be exchanged for the following number of shares of Malvern Bancorp New(1)	Equivalent Per Share Value(2)
Amount	Percent	Amount	Percent				

Edgar Filing: MALVERN BANCORP, INC. - Form 424B3

	<b>Shares to be sold in the offering</b>		<b>Shares of Malvern Bancorp New stock to be issued in exchange for Malvern Federal Bancorp common stock</b>					
Minimum	2,337,500	55.4506%	1,877,961	44.5494%	4,215,461	0.6908	69	\$ 6.91
Midpoint	2,750,000	55.4506	2,209,366	44.5494	4,959,366	0.8127	81	8.13
Maximum	3,162,500	55.4506	2,540,771	44.5494				