THE STILWELL GROUP
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January 16, 2007

Dear Fellow Shareholder,

I believe that from the moment that management learned of my ownership in PBIP, a prime focus of theirs has been to scheme to award themselves multi-million dollar stock options and grants by silencing the public shareholders and denying us a meaningful vote. They're afraid that if we decide, we'd vote down their lucrative package -- unless they earned it by, for example, pursuing an intelligent capital allocation plan. Let's look at the insiders' shenanigans:

- In June 2005, within days after I informed them of my ownership, the Company's Washington D.C. lawyers ***secretly lobbied*** the FDIC to allow the insiders to silence the public shareholders and approve their own package.

- A few weeks later, the FDIC gave the Company a green-light but the Company ***deliberately concealed the existence of this letter*** for nine months. The FDIC told the Company they would have to wait until March 30, 2006. So they waited.

- The directors delayed the vote in order to ***intentionally deprive*** *the pubic shareholders of having a meaningful vote on their package. But they could hardly wait!*

- ***Just 7 days after the deadline***, the Company announced a special meeting for May 2006 where the public shareholders would be automatically outvoted by the director/management controlled MHC. But they jumped the gun!

- After we alerted the Federal Reserve that the Company was planning to fund the plans ***without their approval*** (management was in a big rush to get their options), the Company was forced to apply for permission from the Federal Reserve. Their beltway lawyers lobbied long and hard so that the insiders could get their big payday without public shareholder input.

- Just days after the September 2006 Federal Reserve approval came through, the insiders announced that their MHC would be "fully entitled" to outvote the public shareholders "at any meeting called" on the plans.

We then immediately started a federal lawsuit to stop them from silencing the public shareholders and grabbing their big payday. The Company responded by hiring a 650 lawyer national law firm to help them get restricted stock and stock options without a democratic vote.

I only wish that the insiders would put the same amount of attention and time into understanding capital allocation as they've devoted, and continue to devote, to feathering their own nests.

If you agree that the actions of the insiders have been deplorable, **WITHHOLD your vote from the election of directors, which is Proposal 1 on the enclosed proxy card, by marking the box "WITHHOLD." If you receive a card from the Company, THROW IT IN THE GARBAGE.**

If you've already returned the Company's card, you can still change your vote and vote for our slate by returning the GREEN card to us.

Thank you for your time and support.

Sincerely,

/s/ Joseph Stilwell

Joseph Stilwell
On behalf of the Stilwell Group:
STILWELL VALUE PARTNERS I, L.P.
STILWELL PARTNERS, L.P.
STILWELL VALUE LLC

On December 26, 2006, the Stilwell Group (the "Group") filed with the Securities and Exchange Commission (the "Commission") a definitive proxy statement in connection with the 2007 annual meeting of stockholders of Prudential Bancorp, Inc. of Pennsylvania ("Prudential Bancorp"). On the record date for the meeting, December 22, 2006, there were 12,017,750 shares of common stock of Prudential Bancorp outstanding. Copies of the Group's definitive proxy statement were mailed to stockholders beginning December 27, 2006. Investors and security holders are urged to read the Group's definitive proxy statement and additional definitive soliciting material because they contain important information. Investors and security holders may obtain a free copy of the definitive proxy statement and other documents filed by the Group with the Commission at the Commission's website at www.sec.gov. The definitive proxy statement and these other documents may also be obtained for free by writing to Mr. Joseph Stilwell at 26 Broadway, 23rd Floor, New York, New York 10004, or by contacting D.F. King & Co. at 1-800-659-6590.