

WASHINGTON FEDERAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(UNAUDITED)

December 31, 2013 **September 30, 2013**
(In thousands, except per share data)

ASSETS

Cash and cash equivalents.....	\$ 967,348	\$ 203,563
Available-for-sale securities.....	2,838,504	2,360,948
Held-to-maturity securities.....	1,630,936	1,654,666
Loans receivable, net.....	7,651,558	7,528,030
Covered loans, net.....	252,693	295,947
Interest receivable.....	49,629	49,218
Premises and equipment, net.....	224,745	206,172
Real estate held for sale.....	71,537	72,925
Real estate held for investment	11,656	9,392
Covered real estate held for sale.....	24,650	30,980
FDIC indemnification asset.....	57,818	64,615
FHLB & FRB stock.....	171,480	173,009
Intangible assets, net.....	299,019	264,318
Federal and state income taxes.....	24,964	44,000
Other assets.....	127,836	125,076
	<u>\$ 14,404,373</u>	<u>\$ 13,082,859</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities

Customer accounts		
Transaction deposit accounts.....	\$ 4,713,924	\$ 3,540,842
Time deposit accounts.....	5,688,802	5,549,429
	<u>10,402,726</u>	<u>9,090,271</u>
FHLB advances.....	1,930,000	1,930,000
Advance payments by borrowers for taxes and insurance.....	17,791	42,443
Accrued expenses and other liabilities.....	100,872	82,510
	<u>12,451,389</u>	<u>11,145,224</u>

Stockholders' Equity

Common stock, \$1.00 par value, 300,000,000 shares authorized; 133,272,280 and 132,572,475 shares issued; 102,329,576 and 102,484,671 shares outstanding.....	133,272	132,573
Paid-in capital.....	1,634,772	1,625,051
Accumulated other comprehensive income, net of taxes.....	195	6,378
Treasury stock, at cost; 30,942,704 and 30,087,804 shares.....	(439,762)	(420,817)
Retained earnings.....	624,507	594,450
	<u>1,952,984</u>	<u>1,937,635</u>
	<u>\$ 14,404,373</u>	<u>\$ 13,082,859</u>

CONSOLIDATED FINANCIAL HIGHLIGHTS

Common stockholders' equity per share.....	\$ 19.09	\$ 18.91
Tangible common stockholders' equity per share.....	16.16	16.33
Stockholders' equity to total assets.....	13.56%	14.81%
Tangible common stockholders' equity to tangible assets.....	11.73	13.05
Weighted average rates at period end		
Loans and mortgage-backed securities.....	4.26%	4.34%
Combined loans, mortgage-backed securities and investment securities.....	3.65	3.92
Customer accounts.....	0.61	0.69
Borrowings.....	3.52	3.52
Combined cost of customer accounts and borrowings.....	1.07	1.19
Interest rate spread.....	2.58	2.73

WASHINGTON FEDERAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Quarter Ended December 31,	
	<u>2013</u>	<u>2012</u>
	(In thousands, except per share data)	
INTEREST INCOME		
Loans & covered assets.....	\$ 107,227	\$ 116,843
Mortgage-backed securities.....	19,368	11,732
Investment securities and cash equivalents.....	<u>4,663</u>	<u>2,734</u>
	131,258	131,309
INTEREST EXPENSE		
Customer accounts.....	15,499	18,772
FHLB advances and other borrowings.....	<u>17,447</u>	<u>17,103</u>
	32,946	35,875
Net interest income.....	98,312	95,434
Provision (reversal) for loan losses.....	<u>(4,600)</u>	<u>3,600</u>
Net interest income after provision for loan losses.....	102,912	91,834
Other Income.....	<u>5,788</u>	<u>4,957</u>
	5,788	4,957
OTHER EXPENSE		
Compensation and benefits.....	25,126	21,072
Occupancy	5,618	4,446
FDIC premiums	2,934	3,342
Information technology	2,929	2,438
Amortization of intangible assets	820	354
Other.....	<u>6,693</u>	<u>6,646</u>
	44,120	38,298
Gain (loss) on real estate acquired through foreclosure, net.....	<u>(1,951)</u>	<u>(3,319)</u>
Income before income taxes.....	<u>62,629</u>	<u>55,174</u>
Income taxes provision.....	<u>22,393</u>	<u>19,892</u>
NET INCOME.....	<u>\$ 40,236</u>	<u>\$ 35,282</u>
PER SHARE DATA		
Basic earnings.....	\$.39	\$.33
Diluted earnings.....	.39	.33
Cash Dividends per share.....	.10	.08
Basic weighted average number of shares outstanding.....	102,329,578	105,998,184
Diluted weighted average number of shares outstanding, including dilutive stock options.....	102,813,154	106,043,914
PERFORMANCE RATIOS		
Return on average assets.....	1.19%	1.10%
Return on average common equity.....	8.26%	7.41%