

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

	<u>December 31, 2014</u>	<u>September 30, 2014</u>
(In thousands, except per share data)		
ASSETS		
Cash and cash equivalents.....	\$ 542,769	\$ 781,843
Available-for-sale securities.....	2,895,056	3,049,442
Held-to-maturity securities.....	1,516,219	1,548,265
Loans receivable, net.....	8,253,917	8,148,322
Covered loans, net.....	161,478	176,476
Interest receivable.....	40,757	52,037
Premises and equipment, net.....	254,284	257,543
Real estate held for sale.....	61,970	55,072
Real estate held for investment.....	3,994	4,808
Covered real estate held for sale.....	19,405	24,082
FDIC indemnification asset.....	30,356	36,860
FHLB & FRB stock.....	154,870	158,839
Intangible assets, net.....	301,885	302,909
Federal and state income taxes.....	-	16,515
Other assets.....	257,796	143,028
	<u>\$ 14,494,756</u>	<u>\$ 14,756,041</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Customer accounts		
Transaction deposit accounts.....	\$ 5,464,198	\$ 5,490,687
Time deposit accounts.....	5,114,655	5,226,241
	<u>10,578,853</u>	<u>10,716,928</u>
FHLB advances.....	1,830,000	1,930,000
Advance payments by borrowers for taxes and insurance.....	19,301	29,004
Federal and state income taxes.....	4,278	-
Accrued expenses and other liabilities.....	80,985	106,826
	<u>12,513,417</u>	<u>12,782,758</u>
 Stockholders' Equity		
Common stock, \$1.00 par value, 300,000,000 shares authorized; 133,590,428 and 133,322,909 shares issued; 97,556,077 and 98,404,705 shares outstanding.....	133,591	133,323
Paid-in capital.....	1,639,350	1,638,211
Accumulated other comprehensive income, net of taxes.....	23,435	20,708
Treasury stock, at cost; 36,034,351 and 34,918,204 shares.....	(549,434)	(525,108)
Retained earnings.....	734,397	706,149
	<u>1,981,339</u>	<u>1,973,283</u>
	<u>\$ 14,494,756</u>	<u>\$ 14,756,041</u>
 CONSOLIDATED FINANCIAL HIGHLIGHTS		
Common stockholders' equity per share.....	\$ 20.31	\$ 20.09
Tangible common stockholders' equity per share.....	17.22	17.01
Stockholders' equity to total assets.....	13.67%	13.40%
Tangible common stockholders' equity to tangible assets.....	11.83%	11.58%
 Weighted average rates at period end		
Loans and mortgage-backed securities.....	4.14%	4.17%
Total earning assets.....	3.68	3.63
Customer accounts.....	0.50	0.51
Borrowings.....	3.49	3.52
Total costing liabilities.....	0.94	0.97
Interest rate spread.....	2.74	2.66

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

Quarter Ended December 31,

2014 2013

(In thousands, except per share data)

INTEREST INCOME

Loans & covered assets.....	\$ 108,293	\$ 107,227
Mortgage-backed securities.....	19,175	19,368
Investment securities and cash equivalents.....	<u> 5,816</u>	<u> 4,663</u>
	133,284	131,258

INTEREST EXPENSE

Customer accounts.....	13,445	15,499
FHLB advances and other borrowings.....	<u> 17,656</u>	<u> 17,447</u>
	31,101	32,946

Net interest income	102,183	98,312
Provision (reversal) for loan losses.....	<u> (5,500)</u>	<u> (4,600)</u>
Net interest income after provision for loan losses	107,683	102,912

OTHER INCOME

Loan fee income.....	2,065	2,046
Deposit fee income.....	5,977	1,704
Other income (loss).....	<u> (2,662)</u>	<u> 2,038</u>
	5,380	5,788

OTHER EXPENSE

Compensation and benefits.....	29,160	25,126
Occupancy	8,135	7,050
FDIC premiums	674	2,934
Product delivery.....	5,627	1,318
Information technology	4,030	2,929
Other expense.....	<u> 5,974</u>	<u> 4,763</u>
	53,600	44,120

Gain (loss) on real estate acquired through foreclosure, net.....	<u> 315</u>	<u> (1,951)</u>
Income before income taxes.....	59,778	62,629
Income taxes provision.....	<u> 21,371</u>	<u> 22,393</u>
NET INCOME	<u><u>\$ 38,407</u></u>	<u><u>\$ 40,236</u></u>

PER SHARE DATA

Basic earnings.....	\$.39	\$.39
Diluted earnings.....	.39	.39
Cash Dividends per share.....	.15	.10
Basic weighted average number of shares outstanding.....	98,147,939	102,329,578
Diluted weighted average number of shares outstanding, including dilutive stock options.....	98,524,839	102,813,154

PERFORMANCE RATIOS

Return on average assets.....	1.05%	1.19%
Return on average common equity.....	7.84%	8.26%
Net interest margin.....	3.01%	3.12%