

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

	June 30, 2016	September 30, 2015
	(In thousands, except share data)	
ASSETS		
Cash and cash equivalents	\$ 530,055	\$ 284,049
Available-for-sale securities, at fair value	1,969,869	2,380,563
Held-to-maturity securities, at amortized cost	1,492,480	1,643,216
Loans receivable, net	9,628,576	9,170,634
Interest receivable	36,888	40,429
Premises and equipment, net	295,348	276,247
Real estate owned	31,682	61,098
FHLB and FRB stock	117,205	107,198
Bank owned life insurance	206,377	102,496
Intangible assets, including goodwill of \$291,503	297,537	299,358
Federal and state income tax assets, net	16,189	14,513
Other assets	199,394	188,523
	\$ 14,821,600	\$ 14,568,324
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Customer accounts		
Transaction deposit accounts	\$ 5,920,242	\$ 5,820,878
Time deposit accounts	4,658,674	4,810,825
	10,578,916	10,631,703
FHLB advances	2,080,000	1,830,000
Advance payments by borrowers for taxes and insurance	33,209	50,224
Accrued expenses and other liabilities	167,290	100,718
	12,859,415	12,612,645
Stockholders' equity		
Common stock, \$1.00 par value, 300,000,000 shares authorized; 134,145,522 and 133,695,803 shares issued; 90,226,193 and 92,936,395 shares outstanding	134,145	133,696
Paid-in capital	1,653,465	1,643,712
Accumulated other comprehensive (loss) income, net of taxes	(15,705)	353
Treasury stock, at cost; 43,919,329 and 40,759,408 shares	(721,884)	(651,836)
Retained earnings	912,164	829,754
	1,962,185	1,955,679
	\$ 14,821,600	\$ 14,568,324
CONSOLIDATED FINANCIAL HIGHLIGHTS		
Common stockholders' equity per share	\$ 21.75	\$ 21.04
Tangible common stockholders' equity per share	\$ 18.45	\$ 17.82
Stockholders' equity to total assets	13.24%	13.42%
Tangible common stockholders' equity to tangible assets	11.46%	11.61%
Weighted average rates at period end		
Loans and mortgage-backed securities	3.92%	3.94%
Combined loans, mortgage-backed securities and investments	3.61	3.63
Customer accounts	0.51	0.48
Borrowings	3.13	3.35
Combined cost of customer accounts and borrowings	0.94	0.90
Net interest spread	2.67	2.73

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

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
	(In thousands, except share data)		(In thousands, except share data)	
INTEREST INCOME				
Loans receivable	\$ 113,728	\$ 107,250	\$ 339,802	\$ 324,817
Mortgage-backed securities	15,297	16,995	49,130	54,313
Investment securities and cash equivalents	4,710	5,055	14,990	16,084
	133,735	129,300	403,922	395,214
INTEREST EXPENSE				
Customer accounts	13,274	12,485	39,062	38,504
FHLB advances and other borrowings	16,221	16,250	47,426	50,082
	29,495	28,735	86,488	88,586
Net interest income	104,240	100,565	317,434	306,628
Provision (release) for loan losses	(1,650)	(1,932)	(3,150)	(11,381)
Net interest income after provision (release) for loan losses	105,890	102,497	320,584	318,009
OTHER INCOME				
Gain on sale of investments	—	9,639	—	9,639
Prepayment penalty on long-term debt	—	(7,941)	—	(10,554)
Loan fee income	1,101	1,915	3,784	6,028
Deposit fee income	5,297	5,156	16,564	16,538
Other Income	4,088	3,042	11,502	6,380
	10,486	11,811	31,850	28,031
OTHER EXPENSE				
Compensation and benefits	27,333	29,824	86,217	89,453
Occupancy	8,515	8,492	26,075	24,866
FDIC insurance premiums	2,869	2,377	8,243	5,431
Product delivery	3,822	6,175	13,639	17,222
Information technology	7,669	3,783	23,832	11,695
Other	6,097	6,068	22,034	18,975
	56,305	56,719	180,040	167,642
Gain on real estate owned, net	5,087	3,188	10,401	4,976
Income before income taxes	65,158	60,777	182,795	183,374
Income tax provision	22,154	21,727	62,970	65,556
NET INCOME	\$ 43,004	\$ 39,050	\$ 119,825	\$ 117,818
PER SHARE DATA				
Basic earnings	\$ 0.47	\$ 0.41	\$ 1.30	\$ 1.22
Diluted earnings	0.47	0.41	1.30	1.22
Cash dividends per share	0.14	0.13	0.41	0.41
Basic weighted average number of shares outstanding	90,928,847	94,466,524	91,901,632	96,335,777
Diluted weighted average number of shares outstanding	91,468,662	94,904,262	92,393,644	96,726,085
PERFORMANCE RATIOS				
Return on average assets	1.16%	1.08%	1.09%	1.08%
Return on average common equity	8.71	8.00	8.12	8.04
Net interest margin	3.07	3.02	3.14	3.04
Efficiency ratio	49.08	50.47	51.55	50.09