

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

	<u>June 30, 2014</u>	<u>September 30, 2013</u>
	(In thousands, except per share data)	
ASSETS		
Cash and cash equivalents.....	\$ 861,304	\$ 203,563
Available-for-sale securities.....	3,103,021	2,360,948
Held-to-maturity securities.....	1,583,853	1,654,666
Loans receivable, net.....	7,965,954	7,528,030
Covered loans, net.....	207,207	295,947
Interest receivable.....	51,392	49,218
Premises and equipment, net.....	246,800	206,172
Real estate held for sale.....	57,352	72,925
Real estate held for investment.....	10,780	9,392
Covered real estate held for sale.....	26,339	30,980
FDIC indemnification asset.....	44,065	64,615
FHLB & FRB stock.....	162,904	173,009
Intangible assets, net.....	303,983	264,318
Federal and state income taxes.....	25,258	44,000
Other assets.....	139,743	125,076
	<u>\$ 14,789,955</u>	<u>\$ 13,082,859</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Customer accounts		
Transaction deposit accounts.....	\$ 5,315,781	\$ 3,540,842
Time deposit accounts.....	5,449,899	5,549,429
	<u>10,765,680</u>	<u>9,090,271</u>
FHLB advances.....	1,930,000	1,930,000
Advance payments by borrowers for taxes and insurance.....	28,513	42,443
Accrued expenses and other liabilities.....	75,127	82,510
	<u>12,799,320</u>	<u>11,145,224</u>
Stockholders' Equity		
Common stock, \$1.00 par value, 300,000,000 shares authorized; 133,332,272 and 132,572,475 shares issued; 100,296,268 and 102,484,671 shares outstanding.....	133,332	132,573
Paid-in capital.....	1,638,070	1,625,051
Accumulated other comprehensive income, net of taxes.....	24,421	6,378
Treasury stock, at cost; 33,036,004 and 30,087,804 shares.....	(485,048)	(420,817)
Retained earnings.....	679,860	594,450
	<u>1,990,635</u>	<u>1,937,635</u>
	<u>\$ 14,789,955</u>	<u>\$ 13,082,859</u>
CONSOLIDATED FINANCIAL HIGHLIGHTS		
Common stockholders' equity per share.....	\$ 19.85	\$ 18.91
Tangible common stockholders' equity per share.....	16.82	16.33
Stockholders' equity to total assets.....	13.46%	14.81%
Tangible common stockholders' equity to tangible assets.....	11.64	13.05
Weighted average rates at period end		
Loans and mortgage-backed securities.....	4.19%	4.34%
Total earning assets.....	3.64	3.92
Customer accounts.....	0.53	0.69
Borrowings.....	3.52	3.52
Total costing liabilities.....	1.05	1.19
Interest rate spread.....	2.65	2.73

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

	<u>Quarter Ended June 30,</u>		<u>Nine Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(In thousands, except per share data)			
INTEREST INCOME				
Loans & covered assets.....	\$ 108,089	\$ 112,932	\$ 321,650	\$ 342,654
Mortgage-backed securities.....	20,507	11,951	60,947	34,325
Investment securities and cash equivalents.....	6,415	3,293	16,023	9,010
	<u>135,011</u>	<u>128,176</u>	<u>398,620</u>	<u>385,989</u>
INTEREST EXPENSE				
Customer accounts.....	14,238	16,385	44,517	51,851
FHLB advances and other borrowings.....	17,494	17,075	51,877	50,966
	<u>31,732</u>	<u>33,460</u>	<u>96,394</u>	<u>102,817</u>
Net interest income.....	103,279	94,716	302,226	283,172
Provision (reversal) for loan losses.....	<u>(3,000)</u>	<u>-</u>	<u>(11,936)</u>	<u>3,600</u>
Net interest income after provision for loan losses.....	106,279	94,716	314,162	279,572
Other Income.....	8,072	5,059	20,562	16,062
	<u>8,072</u>	<u>5,059</u>	<u>20,562</u>	<u>16,062</u>
OTHER EXPENSE				
Compensation and benefits.....	28,946	24,582	81,908	68,731
Occupancy	6,060	4,530	17,668	13,801
FDIC premiums	2,978	2,831	8,679	9,280
Information technology	3,505	2,371	10,365	7,661
Amortization of intangible assets	1,052	660	2,601	1,386
Other.....	10,752	6,636	28,250	20,214
	<u>53,293</u>	<u>41,610</u>	<u>149,471</u>	<u>121,073</u>
Gain (loss) on real estate acquired through foreclosure, net.....	<u>(2,056)</u>	<u>176</u>	<u>(3,454)</u>	<u>(7,145)</u>
Income before income taxes.....	59,002	58,341	181,799	167,416
Income taxes provision.....	21,092	21,003	64,996	58,818
NET INCOME.....	\$ 37,910	\$ 37,338	\$ 116,803	\$ 108,598
PER SHARE DATA				
Basic earnings.....	\$.38	\$.36	\$ 1.15	\$ 1.03
Diluted earnings.....	.37	.36	1.14	1.03
Cash Dividends per share.....	.11	.09	.31	.26
Basic weighted average number of shares outstanding.....	100,979,219	104,143,915	101,777,112	105,119,097
Diluted weighted average number of shares outstanding, including dilutive stock options.....	101,393,936	104,192,444	102,234,350	105,167,959
PERFORMANCE RATIOS				
Return on average assets.....	1.04%	1.15%	1.10%	1.12%
Return on average common equity.....	7.64%	7.73%	7.91%	7.55%
Net interest margin.....	3.05%	3.15%	3.06%	3.15%