



Tuesday, April 13, 2021  
FOR IMMEDIATE RELEASE

## **Washington Federal Announces Quarterly Earnings Per Share Of \$0.56**

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SEATTLE, WASHINGTON – Washington Federal, Inc. (Nasdaq: WAFD) (the "Company"), parent company of Washington Federal Bank, N.A. ("WaFd Bank"), today announced quarterly earnings of \$44,871,000 for the quarter ended March 31, 2021, an increase of 23% from \$36,377,000 for the quarter ended March 31, 2020. After the effect of dividends on preferred stock, net income available for common shareholders was \$0.56 per diluted share for the quarter ended March 31, 2021, compared to \$0.47 per diluted share for the quarter ended March 31, 2020, a \$0.09 or 19% increase in fully diluted earnings per common share. Return on common shareholders equity for the quarter ended March 31, 2021 was 8.17% compared to 7.19% for the quarter ended March 31, 2020. Return on assets for the quarter ended March 31, 2021 was 0.93% compared to 0.89% for the same quarter in the prior year.

President and Chief Executive Officer Brent J. Beardall commented, "We want to acknowledge the significant progress made in the vaccine deployment and the resulting decrease in the number of COVID-19 hospitalizations and deaths. We are thankful for the hard work and sacrifice of so many that has made this possible. One year ago, as we entered this global pandemic, WaFd Bank began planning for the worst and hoping for the best. Many were predicting significant loan losses as the economic hardships of the pandemic impacted both individuals and businesses. We are grateful to report that thus far not only did those losses not materialize, we actually experienced over \$3 million of net recoveries. An argument could be made portions of our loan portfolio are stronger today than one year ago as real estate values in most of our markets have increased substantially – which translates into lower loan-to-values and therefore, lower risk.

"Another broad assumption was that asset growth would be difficult at best given historically low interest rates. Despite the onslaught of loan repayments, over the last year WaFd Bank has grown loans outstanding by \$1.1 billion or 9.0%, with loan originations up 49%. That is an astounding increase when you consider the same period last year was also a record year and during the past 12 months, most of our commercial banking team and corporate employees are working from home."

Beardall continued, "As we recognized that the financial ramifications of the pandemic on our Bank were going to be substantially less than anticipated, we seized the opportunity to execute several strategic transactions. First, we borrowed \$1 billion for ten years at a fixed rate of less than 0.75%. Next, for the first time in our history, we issued \$300 million of non-cumulative perpetual preferred stock at a rate of 4.875%, which is roughly half of what we view as our long-term cost of capital. Earnings per share increased by a smaller percentage than earnings this quarter because the Company is still in the process of fully deploying the capital raised through the preferred stock issuance. Once the preferred stock is fully deployed it is expected to be accretive to earnings per share. Finally, we repaid over \$500 million of high cost debt. Collectively, we believe these transactions will accrue to the benefit of shareholders for years to come.

"Perhaps the most important development, in terms of enhancing our franchise value, is the growth and diversification of deposits. Over the last year, total deposits increased by \$2.7 billion or 22.6%, while the weighted average cost of deposits decreased from 0.77% to 0.25%. Checking accounts are now 40.5% of total deposits. Building a low-cost deposit base is a key component of our strategic plan and we are pleased with the substantial progress we've made on this front.

"As we head into the second half of our fiscal year, we see the increase in the 10-year bond interest rate slowing down repayments which, if strong loan production continues, will allow the Company to deploy some of the \$2.3 billion of cash on our balance sheet and thereby improve net interest income. Given the strength of the balance sheet and the potential to grow future earnings, we believe that the stock is trading below its intrinsic value and represents one of the best investments available for the Company."

Total assets were \$19.5 billion as of March 31, 2021, compared to \$18.8 billion at September 30, 2020, primarily due to the \$615 million increase in cash driven by the substantial growth in customer deposits noted below.

Customer deposits totaled \$14.8 billion as of March 31, 2021, an increase of \$1.0 billion or 7.5% since September 30, 2020. Transaction accounts increased by \$1.4 billion or 14.5% during that period, while time deposits decreased \$382 million or 9.6%. The shift in deposit mix has been a result of a deliberate deposit pricing and customer growth strategy. The focus on transaction accounts is intended to lessen sensitivity to rising interest rates and manage interest expense. As of March 31, 2021, 75.8% of the Company's deposits were transaction accounts, up from 71.2% at September 30, 2020. Core deposits, defined as all transaction accounts and time deposits less than \$250,000, totaled 96.4% of deposits at March 31, 2021.

Borrowings from the Federal Home Loan Bank ("FHLB") totaled \$2.2 billion as of March 31, 2021, a decrease of \$550 million since September 30, 2020. Strong growth in deposits has resulted in excess liquidity and consequently the Company has reduced FHLB borrowings. Since September 30, 2020, \$200 million of cash flow hedges with an average effective rate of 1.37% were terminated and the associated FHLB borrowings were repaid at their 90-day call date. Additionally, a \$200 million partial termination of a cash flow hedge with an average effective rate of 0.79% was terminated and the associated FHLB borrowing was repaid. Lastly, a \$150 million FHLB borrowing (unhedged) with a rate of 2.91% was repaid prior to maturity. The weighted average interest rate of FHLB borrowings was 1.84% as of March 31, 2021, compared to 1.82% at December 31, 2020 and 1.79% at September 30, 2020.

The Company had strong loan originations of \$1.98 billion for the second fiscal quarter of 2021, an increase of 60% from the \$1.24 billion of originations in the same quarter one year ago. This quarter, the Company assisted over 2,000 small businesses with \$235 million in SBA Payroll Protection Program ("PPP") loan originations. Largely offsetting loan

originations in each of these quarters were loan repayments of \$1.55 billion and \$1.20 billion, respectively. Commercial loans represented 80% of all loan originations during the second fiscal quarter of 2021 and consumer loans accounted for the remaining 20%. The Company views organic loan growth funded by low-cost core deposits as the highest and best use of its capital. Commercial loans are preferable as they generally have floating interest rates and shorter durations. The weighted average interest rate on the loan portfolio was 3.52% as of March 31, 2021, a decrease from 3.71% as of September 30, 2020, due primarily to payoffs of loans at higher than current market interest rates and new loans originated at current market rates.

Credit quality is being monitored closely and the economic impacts of the pandemic will become clearer over time. As of March 31, 2021, non-performing assets remained low from a historical perspective and totaled \$48.9 million, or 0.25% of total assets, compared to 0.35% at December 31, 2020 and 0.20% at September 30, 2020. The change fiscal year to date is due to non-accrual loans increasing by \$10.9 million, or 38%, since September 30, 2020. Delinquent loans increased to 0.29% of total loans at March 31, 2021, compared to 0.24% at September 30, 2020. The allowance for credit losses (including the reserve for unfunded commitments) totaled \$199 million as of March 31, 2021, and was 1.30% of gross loans outstanding (1.37% when excluding PPP loans for which it was determined that no allowance was necessary due to the government guarantee), as compared to \$192.0 million, or 1.33% of gross loans outstanding, at September 30, 2020. Net recoveries were \$2.5 million for the second fiscal quarter of 2021, compared to net recoveries of \$1.8 million for the prior year same quarter. The Company has recorded net recoveries in 29 of the last 31 quarters.

The Company recorded no provision for credit losses in the second fiscal quarter of 2021, compared to a provision for credit losses of \$8.2 million in the same quarter of fiscal 2020. The provision in the prior year quarter was primarily due to the onset of the global pandemic.

On February 8, 2021, the Company issued \$300 million of 4.875% Noncumulative Perpetual Series A Preferred Stock, which qualifies as Tier 1 capital. The first dividend on the preferred stock will be paid on April 15, 2021. On February 19, 2021, the Company paid a

regular cash dividend on common stock of \$0.23 per share, which represented the 152nd consecutive quarterly cash dividend. During the second fiscal quarter of 2021, the Company used a portion of the proceeds from the preferred stock issuance to repurchase 2,824,588 shares of common stock at a weighted average price of \$31.53 per share and has authorization to repurchase 11,769,687 additional shares. The totals above include 1,715,335 shares of common stock repurchased under the modified "Dutch auction" tender offer that was completed in March 2021 for a total cost of \$53.8 million, including fees and expenses. The Company varies the size and pace of share repurchases depending on several factors, including share price, lending opportunities and capital levels. Since September 30, 2020, tangible equity per share increased by \$1.07, or 4.8%, to \$23.59 and the ratio of tangible equity to tangible assets was 10.53% as of March 31, 2021.

Net interest income was \$124 million for the second fiscal quarter of 2021, an increase of \$6.4 million or 5.5% from the same quarter in the prior year. Average interest-earning assets increased \$2.9 billion or 18.97% from the prior year while average interest-bearing liabilities increased \$1.7 billion or 13.67%. The average rate earned on interest-earning assets declined by 92 basis points while the average rate paid on interest-bearing liabilities declined by 70 basis points. Net interest margin of 2.75% in the second fiscal quarter of 2021 was unchanged from the prior quarter and down from 3.10% for the same quarter in the prior year. The compression in the net interest margin since the prior year same quarter is primarily due to the rapid drop in short-term rates by the Federal Reserve Bank in response to the global pandemic.

Total other income was \$14.5 million for the second fiscal quarter of 2021, a decrease from \$16.2 million in the prior year same quarter. During the quarter, a gain of \$14.1 million was recognized on the partial termination of an interest rate swap being used to hedge a FHLB borrowing and this was mostly offset by a \$13.8 million loss on early repayment of a fixed-rate FHLB borrowing.

Total other expense was \$81.7 million in the second fiscal quarter of 2021, an increase of \$2.3 million, or 2.9%, from the prior year's quarter. Compensation and benefits costs increased by \$5.0 million, or 13.0%, over the prior year quarter primarily due to a 1.9% rise in

headcount, annual merit increases as well as higher bonus compensation that reflects increased loan production activity. The Company's efficiency ratio in the second fiscal quarter of 2021 was 59.0%, compared to 59.3% for the same period one year ago.

Income tax expense totaled \$11.9 million for the second fiscal quarter of 2021, as compared to \$9.9 million for the prior year same quarter. The effective tax rate for the quarter ended March 31, 2021 was 21.00% compared to 21.35% for the quarter ended March 31, 2020. The Company's effective tax rate may vary from the statutory rate mainly due to state taxes, tax-exempt income and tax-credit investments.

WaFd Bank is headquartered in Seattle, Washington, and has 232 branches in eight western states. To find out more about WaFd Bank, please visit our website [www.wafdbank.com](http://www.wafdbank.com). The Company uses its website to distribute financial and other material information about the Company.

## **Important Cautionary Statements**

The foregoing information should be read in conjunction with the financial statements, notes and other information contained in the Company's 2020 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

This press release contains statements about the Company's future that are not statements of historical fact. These statements are "forward looking statements" for purposes of applicable securities laws, and are based on current information and/or management's good faith belief as to future events. The words "believe," "expect," "anticipate," and similar expressions signify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance. By their nature, forward-looking statements involve inherent risk and uncertainties, which change over time; and actual performance could differ materially from those anticipated by any forward-looking statements. In particular, any forward-looking statements are subject to risks and uncertainties related to the COVID-19 pandemic and the resulting governmental and societal responses. The Company undertakes no obligation to update or revise any forward-looking statement.

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### **Contact:**

Washington Federal, Inc.  
425 Pike Street, Seattle, WA 98101  
Brad Goode, SVP, Chief Marketing Officer  
206-626-8178  
brad.goode@wafd.com

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

	March 31, 2021	September 30, 2020
	(In thousands, except share and ratio data)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,318,447	\$ 1,702,977
Available-for-sale securities, at fair value	2,438,902	2,249,492
Held-to-maturity securities, at amortized cost	494,089	705,838
Loans receivable, net of allowance for loan losses of \$172,653 and \$166,955	13,035,423	12,792,317
Interest receivable	54,073	53,799
Premises and equipment, net	259,560	252,805
Real estate owned	5,316	4,966
FHLB and FRB stock	119,991	141,990
Bank owned life insurance	230,520	227,749
Intangible assets, including goodwill of \$302,707 and \$302,707	309,086	309,906
Federal and state income tax assets, net	—	5,708
Other assets	268,174	346,508
	<u>\$ 19,533,581</u>	<u>\$ 18,794,055</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Transaction deposits	\$ 11,228,666	\$ 9,806,432
Time deposits	3,590,755	3,973,192
Total customer deposits	14,819,421	13,779,624
FHLB advances	2,150,000	2,700,000
Advance payments by borrowers for taxes and insurance	36,289	49,462
Federal and state income tax liabilities, net	13,424	—
Accrued expenses and other liabilities	181,494	250,836
	<u>17,200,628</u>	<u>16,779,922</u>
<b>Shareholders' equity</b>		
Preferred stock, \$1.00 par value, 5,000,000 shares authorized; 300,000 and 0 shares issued; 300,000 and 0 shares outstanding	300,000	—
Common stock, \$1.00 par value, 300,000,000 shares authorized; 135,980,008 and 135,727,237 shares issued; 73,084,591 and 75,689,364 shares outstanding	135,980	135,727
Additional paid-in capital	1,675,772	1,678,843
Accumulated other comprehensive income (loss), net of taxes	81,176	16,953
Treasury stock, at cost; 62,895,417 and 60,037,873 shares	(1,328,068)	(1,238,296)
Retained earnings	1,468,093	1,420,906
	<u>2,332,953</u>	<u>2,014,133</u>
	<u>\$ 19,533,581</u>	<u>\$ 18,794,055</u>
<b>CONSOLIDATED FINANCIAL HIGHLIGHTS</b>		
Common shareholders' equity per share	\$ 27.82	\$ 26.61
Tangible common shareholders' equity per share	23.59	22.52
Shareholders' equity to total assets	11.94 %	10.72 %
Tangible shareholders' equity to tangible assets	10.53 %	9.22 %
Tangible shareholders' equity + allowance for credit losses to tangible assets	11.56 %	10.26 %
<b>Weighted average rates at period end</b>		
Loans and mortgage-backed securities	3.38 %	3.55 %
Combined loans, mortgage-backed securities and investments	2.75	3.03
Customer accounts	0.25	0.48
Borrowings	1.84	1.79
Combined cost of customer accounts and borrowings	0.45	0.69
Net interest spread	2.30	2.34

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

	Three Months Ended March 31,		Six Months Ended March 31,	
	2021	2020	2021	2020
	(In thousands, except share and ratio data)		(In thousands, except share and ratio data)	
<b>INTEREST INCOME</b>				
Loans receivable	\$ 132,757	\$ 138,549	\$ 266,428	\$ 280,695
Mortgage-backed securities	6,696	14,341	13,926	29,953
Investment securities and cash equivalents	7,301	6,728	14,222	13,794
	<u>146,754</u>	<u>159,618</u>	<u>294,576</u>	<u>324,442</u>
<b>INTEREST EXPENSE</b>				
Customer accounts	10,729	28,638	24,839	60,119
FHLB advances and other borrowings	11,991	13,368	25,189	27,026
	<u>22,720</u>	<u>42,006</u>	<u>50,028</u>	<u>87,145</u>
<b>Net interest income</b>	<b>124,034</b>	<b>117,612</b>	<b>244,548</b>	<b>237,297</b>
Provision (release) for credit losses	—	8,200	3,000	4,450
<b>Net interest income after provision (release)</b>	<b>124,034</b>	<b>109,412</b>	<b>241,548</b>	<b>232,847</b>
<b>OTHER INCOME</b>				
Gain (loss) on sale of investment securities	—	15,028	—	15,028
Gain (loss) on termination of hedging derivatives	14,110	—	14,110	—
Prepayment penalty on long-term debt	(13,788)	(13,809)	(13,788)	(13,809)
Loan fee income	872	3,048	3,264	4,852
Deposit fee income	5,960	6,099	11,986	12,359
Other Income	7,323	5,875	12,775	44,187
	<u>14,477</u>	<u>16,241</u>	<u>28,347</u>	<u>62,617</u>
<b>OTHER EXPENSE</b>				
Compensation and benefits	43,632	38,617	86,355	75,248
Occupancy	10,473	10,913	20,065	21,048
FDIC insurance premiums	3,755	2,470	7,018	4,940
Product delivery	4,401	3,897	9,338	8,164
Information technology	10,696	11,501	22,527	28,608
Other	8,789	12,035	17,853	24,061
	<u>81,746</u>	<u>79,433</u>	<u>163,156</u>	<u>162,069</u>
Gain (loss) on real estate owned, net	34	31	(415)	(855)
Income before income taxes	56,799	46,251	106,324	132,540
Income tax provision	11,928	9,874	22,502	28,297
Net income	44,871	36,377	83,822	104,243
Dividends on preferred stock	2,722	—	2,722	—
<b>Net income available to common shareholders</b>	<b>\$ 42,149</b>	<b>\$ 36,377</b>	<b>\$ 81,100</b>	<b>\$ 104,243</b>
<b>PER SHARE DATA</b>				
Basic earnings per common share	\$ 0.56	\$ 0.47	\$ 1.07	\$ 1.34
Diluted earnings per common share	0.56	0.47	1.07	1.34
Cash dividends per common share	0.23	0.22	0.45	0.43
Basic weighted average shares outstanding	75,354,765	76,987,532	75,576,288	77,737,977
Diluted weighted average shares outstanding	75,393,464	77,007,118	75,582,426	77,776,304
<b>PERFORMANCE RATIOS</b>				
Return on average assets	0.93 %	0.89 %	0.88 %	1.27 %
Return on average common equity	8.17	7.19	7.91	10.32
Net interest margin	2.75	3.10	2.75	3.13
Efficiency ratio	59.02	59.34	59.79	54.04

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**(\$ in Thousands)**

Exhibit 99.2

	<u>As of 09/20</u>	<u>As of 12/20</u>	<u>As of 03/21</u>
Allowance for Credit Losses (ACL) - Total	\$ 191,955	\$ 196,689	\$ 199,153
ACL - Loans	166,955	170,189	172,653
ACL Unfunded Commitments	25,000	26,500	26,500
Total ACL as a % of Gross Loans	1.33 %	1.33 %	1.30 %

	<u>09/20 QTR</u>	<u>09/20 YTD</u>	<u>12/20 QTR</u>	<u>12/20 YTD</u>	<u>03/21 QTR</u>	<u>03/21 YTD</u>
Loan Originations - Total	\$ 1,495,586	\$ 6,220,600	\$ 1,915,025	\$ 1,915,025	\$ 1,975,519	\$ 3,890,544
Multi-Family	71,040	403,118	122,061	122,061	151,888	273,949
Commercial Real Estate	230,544	466,322	154,975	154,975	104,400	259,375
Commercial & Industrial	264,158	2,168,908	489,939	489,939	736,508	1,226,447
Construction	392,347	1,457,602	647,439	647,439	569,238	1,216,677
Land - Acquisition & Development	20,196	88,379	22,830	22,830	16,331	39,161
Single-Family Residential	285,780	910,571	255,999	255,999	190,729	446,728
Construction - Custom	185,778	576,342	123,469	123,469	146,660	270,129
Land - Consumer Lot Loans	17,124	51,678	20,532	20,532	23,322	43,854
HELOC	26,120	93,285	29,431	29,431	26,116	55,547
Consumer	2,499	4,395	48,350	48,350	10,327	58,677

Purchased Loans (including acquisitions)	\$ —	\$ 15,456	\$ —	\$ —	\$ 73,208	\$ 73,208
Net Loan Fee and Discount Accretion	\$ 8,013	\$ 25,060	\$ 10,386	\$ 10,386	\$ 13,209	\$ 23,595

Repayments

Loans	\$ 1,343,274	\$ 5,096,622	\$ 1,600,257	\$ 1,600,257	\$ 1,547,572	\$ 3,147,829
MBS	237,234	679,716	245,042	245,042	196,305	441,347
MBS Premium Amortization	\$ 3,890	\$ 11,967	\$ 3,497	\$ 3,497	\$ 2,428	\$ 5,925

Efficiency

Operating Expenses/Average Assets	1.69 %	1.82 %	1.73 %	1.73 %	1.70 %	1.71 %
Efficiency Ratio (%)	62.09 %	58.99 %	60.58 %	60.58 %	59.02 %	59.79 %
Amortization of Intangibles	\$ 552	\$ 2,151	\$ 481	\$ 481	\$ 339	\$ 820

EOP Numbers

Shares Issued and Outstanding	75,689,364	75,867,105	73,084,591
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Share repurchase information

Remaining shares authorized for repurchase	4,627,231	4,594,275	11,769,687
Shares repurchased	162	3,339,530	32,956
Average share repurchase price	\$ 23.34	\$ 33.58	\$ 21.29
			\$ 21.29
			\$ 31.53
			\$ 31.42

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**(\$ in Thousands)**

Tangible Common Shareholders' Book Value

	<u>As of 09/20</u>	<u>As of 12/20</u>	<u>As of 03/21</u>
\$ Amount	\$ 1,704,227	\$ 1,752,342	\$ 1,723,867
Per Share	22.52	23.10	23.59
# of Employees	2,080	2,098	2,100

Investments

Available-for-sale:

Agency MBS	\$ 968,252	\$ 868,211	\$ 764,629
Other	1,281,240	1,614,733	1,674,273
	<u>\$ 2,249,492</u>	<u>\$ 2,482,944</u>	<u>\$ 2,438,902</u>

Held-to-maturity:

Agency MBS	\$ 705,838	\$ 586,870	\$ 494,089
	<u>\$ 705,838</u>	<u>\$ 586,870</u>	<u>\$ 494,089</u>

<u>Loans Receivable by Category</u>	<u>As of 09/20</u>		<u>As of 12/20</u>		<u>As of 03/21</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Multi-Family	\$ 1,538,762	10.6%	\$ 1,610,796	10.9%	\$ 2,008,192	13.2%
Commercial Real Estate	1,895,086	13.1	1,954,154	13.2	2,226,560	14.6
Commercial & Industrial	2,132,160	14.7	2,256,627	15.3	2,471,823	16.2
Construction	2,403,276	16.6	2,687,708	18.2	2,495,961	16.4
Land - Acquisition & Development	193,745	1.3	193,239	1.3	185,024	1.2
Single-Family Residential	5,304,689	36.7	5,063,053	34.2	4,828,535	31.6
Construction - Custom	674,879	4.7	659,364	4.5	678,469	4.4
Land - Consumer Lot Loans	102,263	0.7	110,841	0.7	123,351	0.8
HELOC	139,703	1.0	139,752	0.9	144,528	0.9
Consumer	83,159	0.6	111,292	0.8	103,145	0.7
	<u>14,467,722</u>	<u>100%</u>	<u>14,786,826</u>	<u>100%</u>	<u>15,265,588</u>	<u>100%</u>
Less:						
Allowance for Credit Losses (ACL)	166,955		170,189		172,653	
Loans in Process	1,456,072		1,679,972		1,982,225	
Net Deferred Fees, Costs and Discounts	52,378		55,655		75,287	
Sub-Total	<u>1,675,405</u>		<u>1,905,816</u>		<u>2,230,165</u>	
	<u>\$ 12,792,317</u>		<u>\$ 12,881,010</u>		<u>\$ 13,035,423</u>	

Net Loan Portfolio by Category

	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Multi-Family	\$ 1,524,387	11.9%	\$ 1,595,437	12.4%	\$ 1,969,343	15.1%
Commercial Real Estate	1,862,173	14.6	1,919,359	14.9	2,184,243	16.8
Commercial & Industrial	2,076,848	16.2	2,199,148	17.1	2,404,792	18.4
Construction	1,328,258	10.4	1,366,742	10.6	902,468	6.9
Land - Acquisition & Development	142,838	1.1	141,955	1.1	139,809	1.1
Single-Family Residential	5,248,774	41.0	5,009,821	38.9	4,767,468	36.6
Construction - Custom	292,398	2.3	295,757	2.3	305,583	2.3
Land - Consumer Lot Loans	98,665	0.8	106,886	0.8	118,919	0.9
HELOC	137,652	1.1	137,911	1.1	142,840	1.1
Consumer	80,324	0.6	107,994	0.8	99,958	0.8
	<u>\$ 12,792,317</u>	<u>100%</u>	<u>\$ 12,881,010</u>	<u>100%</u>	<u>\$ 13,035,423</u>	<u>100%</u>

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**(\$ in Thousands)**

	As of 09/20			As of 12/20			As of 03/21		
	AMOUNT	%	#	AMOUNT	%	#	AMOUNT	%	#
<b>Deposits by State</b>									
Washington	\$ 5,914,476	42.9 %	80	\$ 6,093,356	43.0 %	80	\$ 6,381,399	43.1 %	80
Idaho	949,920	6.9	24	989,649	7.0	24	1,012,507	6.8	24
Oregon	2,627,720	19.1	46	2,738,182	19.4	46	2,837,657	19.2	46
Utah	988,498	7.2	10	939,518	6.6	10	970,056	6.5	9
Nevada	442,772	3.2	11	460,591	3.3	11	496,213	3.3	11
Texas	225,819	1.6	6	275,794	1.9	6	299,309	2.0	6
Arizona	1,481,603	10.8	31	1,519,630	10.7	31	1,569,498	10.6	30
New Mexico	1,148,816	8.3	26	1,149,821	8.1	26	1,252,782	8.5	26
<b>Total</b>	<b>\$ 13,779,624</b>	<b>100%</b>	<b>234</b>	<b>\$ 14,166,541</b>	<b>100%</b>	<b>234</b>	<b>\$ 14,819,421</b>	<b>100%</b>	<b>232</b>
<b>Deposits by Type</b>									
Non-Interest Checking	\$ 2,164,071	15.7 %		\$ 2,336,294	16.5 %		\$ 2,655,195	17.9 %	
Interest Checking	3,029,576	22.0		3,175,494	22.4		3,353,239	22.6	
Savings	872,087	6.3		914,655	6.5		976,064	6.6	
Money Market	3,740,698	27.1		3,955,016	27.9		4,244,168	28.7	
Time Deposits	3,973,192	28.9		3,785,082	26.7		3,590,755	24.2	
<b>Total</b>	<b>\$ 13,779,624</b>	<b>100%</b>		<b>\$ 14,166,541</b>	<b>100%</b>		<b>\$ 14,819,421</b>	<b>100%</b>	
Deposits greater than \$250,000 - EOP	\$ 5,491,395			\$ 5,826,828			\$ 6,390,291		
<b>Time Deposit Repricing</b>									
	<b>Amount</b>	<b>Rate</b>		<b>Amount</b>	<b>Rate</b>		<b>Amount</b>	<b>Rate</b>	
Within 3 months	\$ 1,178,602	1.27 %		\$ 1,264,612	1.14 %		\$ 917,060	0.49 %	
From 4 to 6 months	1,282,051	1.14 %		926,880	0.50 %		998,706	0.35 %	
From 7 to 9 months	371,896	0.78 %		440,169	0.51 %		530,216	0.44 %	
From 10 to 12 months	235,286	0.70 %		342,092	0.54 %		395,496	0.67 %	
<b>Non-Performing Assets</b>									
	<b>AMOUNT</b>	<b>%</b>		<b>AMOUNT</b>	<b>%</b>		<b>AMOUNT</b>	<b>%</b>	
Non-accrual loans:									
Multi-Family	\$ —	—%		\$ —	—%		\$ —	—%	
Commercial Real Estate	3,771	13.0		31,397	53.7		9,226	23.1	
Commercial & Industrial	329	1.1		594	1.0		832	2.1	
Construction	1,669	5.8		1,237	2.1		1,423	3.5	
Land - Acquisition & Development	—	—		—	—		2,340	5.9	
Single-Family Residential	22,431	77.2		24,349	41.7		25,599	64.1	
Construction - Custom	—	—		—	—		—	—	
Land - Consumer Lot Loans	243	0.8		443	0.7		177	0.4	
HELOC	553	1.9		334	0.6		306	0.8	
Consumer	60	0.2		52	0.1		52	0.1	
<b>Total non-accrual loans</b>	<b>29,056</b>	<b>100%</b>		<b>58,406</b>	<b>100%</b>		<b>39,955</b>	<b>100%</b>	
Real Estate Owned	4,966			4,463			5,316		
Other Property Owned	3,673			3,673			3,672		
<b>Total non-performing assets</b>	<b>\$ 37,695</b>			<b>\$ 66,542</b>			<b>\$ 48,943</b>		
Non-accrual loans as % of total net loans	0.23 %			0.45 %			0.31 %		
Non-performing assets as % of total assets	0.20 %			0.35 %			0.25 %		

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**(\$ in Thousands)**

	As of 09/20		As of 12/20		As of 03/21	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
<u>Troubled debt restructure ("TDR") loans:</u>						
Multi-Family	\$ 304	0.3%	\$ 288	0.3%	\$ 267	0.3%
Commercial Real Estate	1,462	1.6	2,476	2.9	2,327	3.0
Commercial & Industrial	51	0.1	48	0.1	45	0.1
Construction	—	—	—	—	—	—
Land - Acquisition & Development	—	—	—	—	—	—
Single-Family Residential	85,607	93.6	80,155	92.8	72,512	92.6
Construction - Custom	—	—	—	—	—	—
Land - Consumer Lot Loans	3,106	3.4	2,714	3.1	2,630	3.3
HELOC	826	0.9	584	0.8	454	0.6
Consumer	52	0.1	49	0.1	47	0.1
Total TDR loans	<u>\$ 91,408</u>	<u>100%</u>	<u>\$ 86,314</u>	<u>100%</u>	<u>\$ 78,282</u>	<u>100%</u>

TDRs were as follows:

Performing	\$ 89,072	97.4%	\$ 84,482	97.9%	\$ 76,458	97.7%
Non-performing (a)	2,336	2.6	1,832	2.1	1,824	2.3
Total TDR loans	<u>\$ 91,408</u>	<u>100%</u>	<u>\$ 86,314</u>	<u>100%</u>	<u>\$ 78,282</u>	<u>100%</u>

(a) Included in "Total non-accrual loans" above.

Net Charge-offs (Recoveries) by Category

	AMOUNT	CO % (b)	AMOUNT	CO % (b)	AMOUNT	CO % (b)
Multi-Family	\$ —	—%	\$ —	—%	\$ —	—%
Commercial Real Estate	(866)	(0.18)	(789)	(0.16)	(1,457)	(0.26)
Commercial & Industrial	915	0.17	(48)	(0.01)	7	—
Construction	(129)	(0.02)	—	—	—	—
Land - Acquisition & Development	(51)	(0.11)	(35)	(0.07)	(410)	(0.89)
Single-Family Residential	(447)	(0.03)	(779)	(0.06)	(391)	(0.03)
Construction - Custom	—	—	—	—	—	—
Land - Consumer Lot Loans	(46)	(0.18)	(7)	(0.03)	(7)	(0.02)
HELOC	(1)	—	—	—	—	—
Consumer	19	0.09	(76)	(0.27)	(206)	(0.80)
Total net charge-offs (recoveries)	<u>\$ (606)</u>	<u>(0.02)%</u>	<u>\$ (1,734)</u>	<u>(0.05)%</u>	<u>\$ (2,464)</u>	<u>(0.06)%</u>

(b) Annualized Net Charge-offs (recoveries) divided by Gross Balance

FHLB Advances (Effective Maturity)

	Amount	Rate	Amount	Rate	Amount	Rate
Within 1 year	\$ 630,000	2.69 %	\$ 530,000	3.62 %	\$ 430,000	3.29 %
1 to 3 years	520,000	2.21 %	520,000	1.98 %	520,000	2.21 %
3 to 5 years	450,000	2.29 %	450,000	2.15 %	400,000	1.92 %
More than 5 years	1,100,000	0.87 %	1,100,000	0.73 %	800,000	0.77 %
Total	<u>\$ 2,700,000</u>		<u>\$ 2,600,000</u>		<u>\$ 2,150,000</u>	

Interest Rate Risk

NPV post 200 bps shock (c)	15.6 %	16.2 %	18.2 %
Change in NII after 200 bps shock (c)	3.4 %	6.4 %	9.9 %

(c) Assumes no balance sheet management actions taken.

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**(\$ in Thousands)**

Historical CPR Rates (d)

Average for Quarter Ended:	WAFD	WAFD
	SFR Mortgages	GSE MBS
3/31/2019	9.3 %	9.4 %
6/30/2019	13.8 %	11.4 %
9/30/2019	18.2 %	16.9 %
12/31/2019	22.0 %	21.7 %
3/31/2020	19.8 %	19.7 %
6/30/2020	28.1 %	30.3 %
9/30/2020	31.2 %	42.8 %
12/31/2020	35.9 %	47.2 %
3/31/2021	36.0 %	44.1 %

(d) The CPR Rate (conditional payment rate) is the rate that is equal to the proportion of the principal of a pool of loans that is paid off prematurely in each period.

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**Average Balance Sheet**  
**(\$ in Thousands)**

	Quarter Ended								
	September 30, 2020			December 31, 2020			March 31, 2021		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<b>Assets</b>									
Loans receivable	\$ 12,777,706	\$ 132,165	4.10 %	\$ 12,824,870	\$ 133,671	4.14 %	\$ 12,842,392	\$ 132,756	4.19 %
Mortgage-backed securities	1,756,588	8,516	1.92	1,582,286	7,230	1.81	1,359,631	6,696	2.00
Cash & investments	2,526,684	4,710	0.74	3,004,224	5,265	0.70	3,702,861	5,720	0.63
FHLB & FRB Stock	142,207	1,723	4.81	140,730	1,656	4.67	130,502	1,582	4.92
<b>Total interest-earning assets</b>	<b>17,203,185</b>	<b>147,114</b>	<b>3.39 %</b>	<b>17,552,110</b>	<b>147,822</b>	<b>3.34 %</b>	<b>18,035,386</b>	<b>146,754</b>	<b>3.30 %</b>
Other assets	1,327,413			1,307,937			1,252,122		
<b>Total assets</b>	<b>\$ 18,530,598</b>			<b>\$ 18,860,047</b>			<b>\$ 19,287,508</b>		
<b>Liabilities and Shareholders' Equity</b>									
Interest-bearing customer accounts	\$ 11,335,819	18,800	0.66 %	\$ 11,619,857	14,110	0.48 %	\$ 11,816,399	10,729	0.37 %
FHLB advances	2,705,435	13,482	1.98	2,668,478	13,198	1.96	2,412,778	11,991	2.02
<b>Total interest-bearing liabilities</b>	<b>14,041,254</b>	<b>32,282</b>	<b>0.91 %</b>	<b>14,288,335</b>	<b>27,308</b>	<b>0.76 %</b>	<b>14,229,221</b>	<b>22,720</b>	<b>0.65 %</b>
Noninterest-bearing customer accounts	2,182,773			2,258,685			2,579,497		
Other liabilities	295,544			275,834			248,210		
<b>Total liabilities</b>	<b>16,519,571</b>			<b>16,822,854</b>			<b>17,056,928</b>		
Stockholders' equity	2,011,027			2,037,193			2,230,580		
<b>Total liabilities and equity</b>	<b>\$ 18,530,598</b>			<b>\$ 18,860,047</b>			<b>\$ 19,287,508</b>		
<b>Net interest income</b>		<b>\$ 114,832</b>			<b>\$ 120,514</b>			<b>\$ 124,034</b>	
<b>Net interest margin (NIM) (1)</b>			<b>2.67 %</b>			<b>2.75 %</b>			<b>2.75 %</b>

(1) Annualized net interest income divided by average interest-earning assets

**Washington Federal, Inc.**  
**Fact Sheet**  
**March 31, 2021**  
**Delinquency Summary**  
**(\$ in Thousands)**

TYPE OF LOANS	#LOANS	AVG Size	LOANS AMORTIZED COST	# OF LOANS				% based on #	\$ Delinquent	% based on \$
				30	60	90	Total			
<b>March 31, 2021</b>										
Multi-Family	1,127	1,763	\$ 1,987,120	—	1	—	1	0.09 %	\$ 475	0.02 %
Commercial Real Estate	1,013	2,183	2,211,065	1	1	5	7	0.69	4,968	0.22
Commercial & Industrial (1)	7,589	323	2,452,585	12	2	4	18	0.24	1,962	0.08
Construction	536	1,726	925,017	—	—	1	1	0.19	1,153	0.12
Land - Acquisition & Development	112	1,342	150,311	—	—	1	1	0.89	2,340	1.56
Single-Family Residential	19,941	241	4,802,575	30	9	104	143	0.72	26,208	0.55
Construction - Custom	1,152	268	308,831	—	—	—	—	—	—	—
Land - Consumer Lot Loans	1,216	101	122,211	1	1	2	4	0.33	353	0.29
HELOC	3,218	45	145,066	3	—	10	13	0.40	399	0.28
Consumer	2,607	40	103,294	8	1	17	26	1.00	315	0.30
	<u>38,511</u>	<u>343</u>	<u>\$ 13,208,075</u>	<u>55</u>	<u>15</u>	<u>144</u>	<u>214</u>	<u>0.56 %</u>	<u>\$ 38,173</u>	<u>0.29 %</u>
<b>December 31, 2020</b>										
Multi-Family	1,115	1,444	\$ 1,609,800	1	—	—	1	0.09 %	\$ 475	0.03 %
Commercial Real Estate	1,089	1,784	1,942,854	1	2	4	7	0.64	28,600	1.47
Commercial & Industrial	7,769	289	2,243,465	10	1	3	14	0.18	1,043	0.05
Construction	541	2,575	1,393,107	1	—	1	2	0.37	3,703	0.27
Land - Acquisition & Development	121	1,261	152,621	2	—	—	2	1.65	252	0.17
Single-Family Residential	20,896	242	5,048,435	41	7	122	170	0.81	31,905	0.63
Construction - Custom	1,136	264	299,351	—	—	—	—	—	—	—
Land - Consumer Lot Loans	1,181	93	109,845	3	—	4	7	0.59	597	0.54
HELOC	3,142	45	140,272	8	3	13	24	0.76	1,339	0.95
Consumer	2,733	41	111,449	9	12	23	44	1.61	248	0.22
	<u>39,723</u>	<u>329</u>	<u>\$ 13,051,199</u>	<u>76</u>	<u>25</u>	<u>170</u>	<u>271</u>	<u>0.68 %</u>	<u>\$ 68,162</u>	<u>0.52 %</u>
<b>September 30, 2020</b>										
Multi-Family	1,103	1,395	\$ 1,538,240	—	—	—	—	— %	\$ —	— %
Commercial Real Estate	1,103	1,709	1,884,688	—	1	2	3	0.27	478	0.03
Commercial & Industrial	8,629	245	2,115,513	—	2	4	6	0.07	863	0.04
Construction	549	2,463	1,352,414	—	—	2	2	0.36	1,662	0.12
Land - Acquisition & Development	122	1,259	153,571	—	—	—	—	—	—	—
Single-Family Residential	21,918	242	5,293,962	30	13	99	142	0.65	26,354	0.50
Construction - Custom	1,161	255	295,953	—	—	—	—	—	—	—
Land - Consumer Lot Loans	1,123	90	101,394	1	—	3	4	0.36	365	0.36
HELOC	3,090	45	140,222	10	4	9	23	0.74	731	0.52
Consumer	2,825	29	83,315	22	5	21	48	1.70	356	0.43
	<u>41,623</u>	<u>311</u>	<u>\$ 12,959,272</u>	<u>63</u>	<u>25</u>	<u>140</u>	<u>228</u>	<u>0.55 %</u>	<u>\$ 30,809</u>	<u>0.24 %</u>

(1) Includes 5,471 SBA PPP loans with a balance of \$695,752, all of which are current.