



Thursday, October 13, 2022  
FOR IMMEDIATE RELEASE

## **Washington Federal Reports Record Earnings Per Share Increase of 42% For 2022**

---

SEATTLE, WASHINGTON – Washington Federal, Inc. (Nasdaq: WAFD) (the "Company"), parent company of Washington Federal Bank ("WaFd Bank"), today announced record annual earnings of \$236,330,000 for the fiscal year ended September 30, 2022, an increase of \$52,715,000 from earnings of \$183,615,000 for the year ended September 30, 2021. After the effect of dividends on preferred stock, net income available for common shareholders was \$3.39 per share for the fiscal year ended September 30, 2022, a \$1.00 or 41.8% increase from \$2.39 for the prior fiscal year. Return on common shareholders' equity for the fiscal year ended September 30, 2022 was 11.70% compared to 8.69% for the year ended September 30, 2021. Return on assets for the year ended September 30, 2022 was 1.17% compared to 0.95% for the prior year.

President and Chief Executive Officer Brent J. Beardall commented, "Fiscal year 2022 was the best year for WaFd Bank in our 105-year history. We broke records for net income, earnings per share, loan growth, total loans, loan production, book value per share, and tangible book value per share. Over the last several years, we worked to execute our strategic plan to position the bank to prepare for and actually benefit from rising interest rates, all while maintaining a conservative credit posture. I thank our clients and the almost 2,200 employees of WaFd Bank that made these results possible, but I also must acknowledge the role market interest rates have played. We remained patient and withstood earnings pressure as we experienced near-record low net interest margins following the Federal Reserve Bank taking interest rates to zero at the onset of the COVID-19 pandemic. Now we are benefiting from the 300 basis point increase in rates over the last seven months as the Federal Reserve Bank works to regain price stability.

"With the Fed's moves this year, we experienced significant expansion of our net interest margin. One year ago, the Bank's margin was 2.88% and by the end of the fourth quarter, it reached 3.64%, a 26% increase in a single year. Compounding the margin improvement, we grew loans outstanding from \$13.8 billion to \$16.1 billion, a 17% year over year increase. The 3.64% margin is the highest we have experienced since 2005, which bodes well for future performance.

"We learned through the years that the key to long-term success is to continue to invest in both your teams and your technology. It is difficult to grow if you cut staff or reduce your IT budget. WaFd is continuing to make significant investments in both our teams and our technology to drive growth. Even with continued investments in these areas, the Bank's efficiency ratio, which is a measure of how many cents it costs to earn one dollar of net revenue, decreased from 57% in the fourth quarter of 2021 to 50% this quarter, the best efficiency ratio we have reported in the last five years.

"There are no guarantees as to what the future holds, but at this point in time, our credit quality is about as strong as we have ever seen it. We posted net recoveries for the ninth consecutive year, meaning for each of the last nine years we recovered more from loans that we previously charged-off during the Great Recession (2008-2010) than we charged off. To do that for nine years straight is an astounding feat. I don't know of any other publicly traded bank that can match that record, and that is a tribute to our clients that worked through serious challenges and to our collections teams.

"Lastly, I want to call out the 9.5% year-over-year growth in tangible book value per share. This is especially gratifying, given so many banks have taken meaningful market value losses on their investment portfolios, resulting in large swings in their accumulated other comprehensive income (loss). By keeping the majority of our investments in shorter duration assets and putting in place long-term hedges over the last two years, WaFd Bank has been an outlier in that regard. We believe that WaFd Bank is well positioned to withstand the economic volatility that seems to be on the horizon and continue to be a source of strength and stability for our clients."

Total assets were \$20.8 billion as of September 30, 2022, an increase of 5.7% from \$19.7 billion at September 30, 2021, primarily due to record loan originations (noted below) funded by continued growth in customer deposits, increased Federal Home Loan Bank ("FHLB") advances and decreased cash. Net loans increased by \$2.3 billion, or 16.5%, while deposits increased \$0.5 billion, FHLB advances increased \$0.4 billion and cash decreased by \$1.4 billion.

Customer deposits totaled \$16.0 billion as of September 30, 2022, an increase of 3.1% since September 30, 2021. Transaction accounts increased by \$0.6 billion or 4.8% during the fiscal year 2022, while time deposits decreased \$96 million or 2.8%. 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 September 30, 2022, 79.2% of the Company's deposits were in transaction accounts. Core deposits, defined as all transaction accounts and time deposits less than \$250,000, totaled 95.2% of deposits at September 30, 2022. The loan-to-deposit ratio was 100.5% at September 30, 2022 compared to 89.0% at September 30, 2021.

Borrowings from the FHLB totaled \$2.1 billion as of September 30, 2022, an increase of \$405 million or 23.5% since September 30, 2021. The weighted average effective interest rate for FHLB borrowings was 2.02% as of September 30, 2022, versus 1.51% at September 30, 2021, the increase being primarily due to higher rates on new short-term borrowings. As of September 30, 2022, \$1.1 billion of the \$2.13 billion in outstanding FHLB advances have effective maturities greater than one year.

Record loan originations totaled \$8.7 billion for fiscal year 2022 compared to \$8.2 billion in fiscal year 2021. Fiscal 2022 did not contain any SBA Paycheck Protection Program ("PPP") loan originations as compared to \$321.937 million originated in fiscal 2021. Partially offsetting the loan origination volume in each of these years were loan repayments of \$6.2 billion and \$6.8 billion, respectively. Commercial loans represented 78% of all loan originations during fiscal 2022 with consumer loans accounting for the remaining 22%. 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 in this low-rate environment due to the fact they generally have floating interest rates and shorter durations. The weighted average interest rate on the loan portfolio was 4.25% as of September 30, 2022, an increase from 3.47% at September 30, 2021, due primarily to higher rates on adjustable rate loans and newly originated loans.

Credit quality is being monitored closely in light of the shifting economic and monetary environment. As of September 30, 2022, non-performing assets remained low from a historical perspective at \$45 million, or 0.21% of total assets, compared to 0.22% as of September 30, 2021. Since September 30, 2021, real estate owned decreased by \$1.5 million and non-accrual loans increased by \$2.8 million. Delinquent loans were 0.17% of total loans at September 30, 2022 compared to 0.19% at September 30, 2021. The allowance for credit losses (including the reserve for unfunded commitments) totaled \$205 million as of September 30, 2022 and was 1.06% of gross loans as compared to \$199 million or 1.22% of gross loans as of September 30,

2021. Net recoveries were \$3.5 million for fiscal year 2022 compared to net recoveries of \$6.3 million in fiscal 2021. The Company has recorded net recoveries for nine consecutive years.

The Company recorded a provision for credit losses of \$3 million in fiscal 2022, compared to provision of \$0.5 million in fiscal 2021. In fiscal 2022, provisioning for net growth in the loan portfolio was mostly offset by improvements in the credit quality of certain loan portfolios related to strong real estate markets and collateral conditions.

The Company paid a quarterly dividend on the 4.875% Series A preferred stock on July 15, 2022. On September 2, 2022, the Company paid a cash dividend of \$0.24 per share to common stockholders of record on August 19, 2022, which was the Company's 158<sup>th</sup> consecutive quarterly cash dividend. Tangible common shareholders' equity per share increased by \$2.22 or 9.54% during fiscal 2022 to \$25.49. The ratio of tangible shareholders' equity to tangible assets increased to 9.60% as of September 30, 2022.

Net interest income was \$595 million for fiscal 2022, an increase of \$89 million or 17.7% from the prior year. The increase in net interest income from the prior year was primarily due to average interest-earning assets increasing by \$776 million or 4.30% while average interest-bearing liabilities increased by \$273 million or 1.92%. Average noninterest-bearing deposits grew by \$569 million over the same period. The change in net interest income was also impacted by the average rate earned on interest-earning assets increasing by 26 basis points while the average rate paid on interest-bearing liabilities declined by 11 basis points. Net interest margin of 3.16% in fiscal 2022 was up from 2.80% for the prior year. Net interest margin of 3.64% in the 4th fiscal quarter of 2022 was up from 2.88% in the same quarter of the prior year. This increase in net interest margin is directly attributable to both increasing market interest rates and the intentional shift over the last several years towards transaction deposits and commercial loans mentioned above.

Total other income was \$66 million for fiscal year 2022, an increase from \$61 million in the prior year. The increase in other income is primarily due to unrealized gains recorded for certain equity investments being \$3 million higher in fiscal 2022 versus 2021.

Total operating expenses were \$359 million for fiscal 2022, an increase of \$26 million or 7.9% from the prior year. Compensation and benefits costs increased \$18 million or 10.11% year-over-year primarily due to annual merit increases, higher bonus compensation accruals related to strong deposit and loan growth, and strategic investments in top talent and strategic initiatives. Operating expenses were \$93.1 million for the

4th fiscal quarter of 2022, an increase of \$7.5 million or 8.7% from the same quarter a year ago due primarily to the compensation related changes noted above. The Company's efficiency ratio was 54.25% for fiscal 2022 as compared to 58.77% for the prior year due to income growth outpacing expense growth. The efficiency ratio was 49.5% for the 4th fiscal quarter of 2022 compared to 56.8% for the same quarter a year ago.

For the year ended September 30, 2022, the Company recorded federal and state income tax expense of \$64 million, which equates to a 21.23% effective tax rate. This compares to an effective tax rate of 21.24% for fiscal year 2021. The Company's effective tax rate for fiscal 2022 differs from the statutory federal tax rate mainly due to state taxes, tax-exempt income, tax-credit investments and certain differences in book and tax deductions.

WaFd Bank is headquartered in Seattle, Washington and has 201 branches in eight western states. To find out more, please visit our website [www.wafdbank.com](http://www.wafdbank.com). The Company uses its website to distribute financial and other material information.

### **Important Cautionary Statements**

The foregoing information should be read in conjunction with the financial statements, notes and other information contained in the Company's 2021 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Additional information will also be set forth in the Company's Annual Report on Form 10-K for the year ended September 30, 2022.

This press release contains statements about the Company's future that are not statements of historical or current 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. Words such as "anticipate," "believe," "continue," "expect," "goal," "intend," "should," "strategy," "will," or 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, including the following risks and uncertainties, and those risks and uncertainties more fully discussed under "Risk Factors" in the Company's June 30, 2022 10-Q, which could cause actual performance to differ materially from that anticipated by any forward-looking statements. In particular, any forward-looking statements are subject to risks and uncertainties related to (i) the COVID-19 pandemic and the resulting governmental and societal responses; (ii) current and future economic conditions, including the

effects of declines in the real estate market, high unemployment rates, inflationary pressures, and slowdowns in economic growth; (iii) financial stress on borrowers (consumers and businesses) as a result of higher interest rates or an uncertain economic environment; (iv) global economic trends, including developments related to Ukraine and Russia, and related negative financial impacts on our borrowers; and (v) fluctuations in interest rate risk and market interest rates, including the effect on our net interest income and net interest margin. The Company undertakes no obligation to update or revise any forward-looking statement.

# # #

**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)**

**September 30, 2022**      **September 30, 2021**

(In thousands, except share and ratio data)

<b>ASSETS</b>	<b>September 30, 2022</b>	<b>September 30, 2021</b>
Cash and cash equivalents	\$ 683,965	\$ 2,090,809
Available-for-sale securities, at fair value	2,051,037	2,138,259
Held-to-maturity securities, at amortized cost	463,299	366,025
Loans receivable, net of allowance for loan losses of \$172,808 and \$171,300	16,113,564	13,833,570
Interest receivable	63,872	50,636
Premises and equipment, net	243,062	255,152
Real estate owned	6,667	8,204
FHLB and FRB stock	95,073	102,863
Bank owned life insurance	237,931	233,263
Intangible assets, including goodwill of \$303,457 and \$303,457	309,009	310,019
Federal and state income tax assets, net	—	3,877
Other assets	504,652	257,897
	<b>\$ 20,772,131</b>	<b>\$ 19,650,574</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Transaction deposits	\$ 12,691,527	\$ 12,108,025
Time deposits	3,338,043	3,434,087
Total customer deposits	16,029,570	15,542,112
FHLB advances	2,125,000	1,720,000
Advance payments by borrowers for taxes and insurance	50,051	47,016
Federal and state income tax liabilities, net	3,306	—
Accrued expenses and other liabilities	289,944	215,382
	<b>18,497,871</b>	<b>17,524,510</b>
<b>Stockholders' 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	300,000
Common stock, \$1.00 par value, 300,000,000 shares authorized; 136,270,886 and 135,993,254 shares issued; 65,330,126 and 65,145,268 shares outstanding	136,271	135,993
Additional paid-in capital	1,686,975	1,678,622
Accumulated other comprehensive (loss) income, net of taxes	52,481	69,785
Treasury stock, at cost; 70,940,760 and 70,847,986 shares	(1,590,207)	(1,586,947)
Retained earnings	1,688,740	1,528,611
	<b>2,274,260</b>	<b>2,126,064</b>
	<b>\$ 20,772,131</b>	<b>\$ 19,650,574</b>
<b>CONSOLIDATED FINANCIAL HIGHLIGHTS</b>		
Common shareholders' equity per share	\$ 30.22	\$ 28.03
Tangible common shareholders' equity per share	25.49	23.27
Shareholders' equity to total assets	10.95 %	10.82 %
Tangible shareholders' equity (TSE) to tangible assets	9.60	9.39
TSE + allowance for credit losses to tangible assets	10.45	10.28
<b>Weighted average rates at period end</b>		
Loans and mortgage-backed securities	4.13 %	3.37 %
Combined loans, all interest-earning assets	4.04	2.80
Customer accounts	0.51	0.23
Borrowings	2.02	1.51
Combined cost of customer accounts and borrowings	0.68	0.35
Net interest spread	3.36	2.45

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

<b>SUMMARY FINANCIAL DATA</b>	<b>As of</b>				
	<b>September 30, 2022</b>	<b>June 30, 2022</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>September 30, 2021</b>
	(In thousands, except share and ratio data)				
Cash	\$ 683,965	\$ 607,421	\$ 1,947,504	\$1,880,647	\$ 2,090,809
Loans receivable, net	16,113,564	15,565,165	15,094,926	14,592,202	13,833,570
Allowance for credit losses ("ACL")	205,308	203,479	201,384	201,411	198,800
Available-for-sale securities, at fair value	2,051,037	2,150,732	1,909,605	1,946,139	2,138,259
Held-to-maturity securities, at amortized cost	463,299	477,884	301,221	326,387	366,025
Total assets	20,772,131	20,158,831	20,560,279	19,973,171	19,650,574
Transaction deposits	12,691,527	12,668,251	13,139,606	12,550,062	12,108,025
Time deposits	3,338,043	3,297,369	3,251,042	3,351,984	3,434,087
FHLB advances	2,125,000	1,700,000	1,720,000	1,720,000	1,720,000
Total shareholders' equity	2,274,260	2,220,111	2,191,701	2,149,126	2,126,064
<b>FINANCIAL HIGHLIGHTS</b>					
Common shareholders' equity per share	30.22	29.39	28.97	28.33	28.03
Tangible common shareholders' equity per share	25.49	24.66	24.23	23.59	23.27
Shareholders' equity to total assets	10.95 %	11.01 %	10.66 %	10.76 %	10.82 %
Tangible shareholders' equity to tangible assets	9.60 %	9.63 %	9.29 %	9.35 %	9.39 %
Tangible shareholders' equity + ACL to tangible assets	10.45 %	10.65 %	10.29 %	10.38 %	10.42 %
Common shares outstanding	65,330,126	65,321,869	65,306,928	65,263,738	65,145,268
Preferred shares outstanding	300,000	300,000	300,000	300,000	300,000
Loans to customer deposits	100.52 %	97.49 %	92.09 %	91.76 %	89.01 %
<b>CREDIT QUALITY</b>					
ACL to gross loans	1.06 %	1.08 %	1.13 %	1.18 %	1.22 %
ACL to non-accrual loans	594.51 %	554.76 %	598.66 %	447.99 %	626.16 %
Non-accrual loans to net loans	0.21 %	0.24 %	0.22 %	0.31 %	0.23 %
Non-accrual loans	34,534	36,679	33,639	44,959	31,749
Non-performing assets to total assets	0.21 %	0.25 %	0.23 %	0.27 %	0.22 %
Non-performing assets	44,554	50,430	47,243	54,790	43,625



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

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2022	2021	2022	2021
	(In thousands, except share and ratio data)		(In thousands, except share and ratio data)	
<b>INTEREST INCOME</b>				
Loans receivable	\$ 174,710	\$ 137,039	\$ 601,592	\$ 537,660
Mortgage-backed securities	8,263	5,294	26,332	24,708
Investment securities and cash equivalents	14,960	7,253	38,435	29,242
	<u>197,933</u>	<u>149,586</u>	<u>666,359</u>	<u>591,610</u>
<b>INTEREST EXPENSE</b>				
Customer accounts	17,071	8,568	43,041	42,313
FHLB advances and other borrowings	7,243	9,062	28,729	44,188
	<u>24,314</u>	<u>17,630</u>	<u>71,770</u>	<u>86,501</u>
<b>Net interest income</b>	<b>173,619</b>	<b>131,956</b>	<b>594,589</b>	<b>505,109</b>
Provision (release) for credit losses	1,500	(500)	3,000	500
<b>Net interest income after provision (release)</b>	<b>172,119</b>	<b>132,456</b>	<b>591,589</b>	<b>504,609</b>
<b>OTHER INCOME</b>				
Gain (loss) on sale of investment securities	18	14	99	14
Gain (loss) on termination of hedging derivatives	—	—	—	14,110
Prepayment penalty on long-term debt	—	—	—	(13,788)
Loan fee income	1,154	1,887	7,168	6,899
Deposit fee income	6,604	6,499	25,942	24,686
Other income	6,706	10,603	33,163	28,640
	<u>14,482</u>	<u>19,003</u>	<u>66,372</u>	<u>60,561</u>
<b>OTHER EXPENSE</b>				
Compensation and benefits	51,304	45,910	193,917	176,106
Occupancy	10,568	9,820	42,499	39,610
FDIC insurance premiums	2,231	3,450	9,531	14,368
Product delivery	5,104	5,092	19,536	18,505
Information technology	12,228	9,814	47,202	42,737
Other expense	11,707	11,577	45,890	41,133
	<u>93,142</u>	<u>85,663</u>	<u>358,575</u>	<u>332,459</u>
Gain (loss) on real estate owned, net	(488)	993	651	427
Income before income taxes	92,971	66,789	300,037	233,138
Income tax provision	19,576	14,418	63,707	49,523
<b>Net Income</b>	<b>73,395</b>	<b>52,371</b>	<b>236,330</b>	<b>183,615</b>
Dividends on preferred stock	3,656	3,656	14,625	10,034
<b>Net Income available to common shareholders</b>	<b>\$ 69,739</b>	<b>\$ 48,715</b>	<b>\$ 221,705</b>	<b>\$ 173,581</b>
<b>PER SHARE DATA</b>				
Basic earnings	\$ 1.07	\$ 0.72	\$ 3.40	\$ 2.39
Diluted earnings	1.07	0.72	3.39	2.39
Cash dividends per share	0.24	0.23	0.95	0.91
Basic weighted average shares outstanding	65,326,706	67,227,280	65,287,650	72,529,188
Diluted weighted average shares outstanding	65,423,817	67,235,846	65,404,110	72,565,920
<b>PERFORMANCE RATIOS</b>				
Return on average assets	1.44 %	1.07 %	1.17 %	0.95 %
Return on average common equity	14.22	10.36	11.70	8.69
Net interest margin	3.64	2.88	3.16	2.80
Efficiency ratio	49.52	56.75	54.25	58.77

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

**Three Months Ended**

	<b>September 30, 2022</b>	<b>June 30, 2022</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>September 30, 2021</b>
(In thousands, except share and ratio data)					
<b>INTEREST INCOME</b>					
Loans receivable	\$ 174,710	\$ 149,113	\$ 139,260	\$ 138,509	\$ 137,039
Mortgage-backed securities	8,263	8,618	4,659	4,792	5,294
Investment securities and cash equivalents	14,960	9,417	6,919	7,139	7,253
	<u>197,933</u>	<u>167,148</u>	<u>150,838</u>	<u>150,440</u>	<u>149,586</u>
<b>INTEREST EXPENSE</b>					
Customer accounts	17,071	9,284	8,225	8,461	8,568
FHLB advances and other borrowings	7,243	6,118	7,525	7,843	9,062
	<u>24,314</u>	<u>15,402</u>	<u>15,750</u>	<u>16,304</u>	<u>17,630</u>
<b>Net interest income</b>	<u>173,619</u>	<u>151,746</u>	<u>135,088</u>	<u>134,136</u>	<u>131,956</u>
Provision (release) for credit losses	1,500	1,500	(500)	500	(500)
<b>Net interest income after provision (release)</b>	<u>172,119</u>	<u>150,246</u>	<u>135,588</u>	<u>133,636</u>	<u>132,456</u>
<b>OTHER INCOME</b>					
Gain (loss) on sale of investment securities	18	—	—	81	14
Loan fee income	1,154	1,618	2,475	1,921	1,887
Deposit fee income	6,604	6,613	6,282	6,443	6,499
Other income	6,706	9,319	6,902	10,236	10,603
	<u>14,482</u>	<u>17,550</u>	<u>15,659</u>	<u>18,681</u>	<u>19,003</u>
<b>OTHER EXPENSE</b>					
Compensation and benefits	51,304	48,073	47,115	47,425	45,910
Occupancy	10,568	10,053	11,788	10,090	9,820
FDIC insurance premiums	2,231	2,100	2,100	3,100	3,450
Product delivery	5,104	4,667	5,044	4,721	5,092
Information technology	12,228	11,831	11,722	11,421	9,814
Other expense	11,707	10,679	10,648	12,856	11,577
	<u>93,142</u>	<u>87,403</u>	<u>88,417</u>	<u>89,613</u>	<u>85,663</u>
Gain (loss) on real estate owned, net	(488)	448	129	562	993
Income before income taxes	<u>92,971</u>	<u>80,841</u>	<u>62,959</u>	<u>63,266</u>	<u>66,789</u>
Income tax provision	19,576	17,546	13,600	12,985	14,418
Net income	<u>73,395</u>	<u>63,295</u>	<u>49,359</u>	<u>50,281</u>	<u>52,371</u>
Dividends on preferred stock	3,656	3,656	3,656	3,656	3,656
<b>Net income available to common shareholders</b>	<u>\$ 69,739</u>	<u>\$ 59,639</u>	<u>\$ 45,703</u>	<u>\$ 46,625</u>	<u>\$ 48,715</u>
<b>PER SHARE DATA</b>					
Basic earnings per common share	\$ 1.07	\$ 0.91	\$ 0.70	\$ 0.72	\$ 0.72
Diluted earnings per common share	1.07	0.91	0.70	0.71	0.72
Cash dividends per common share	0.24	0.24	0.24	0.23	0.23
Basic weighted average shares outstanding	65,326,706	65,315,481	65,301,171	65,207,837	67,227,280
Diluted weighted average shares outstanding	65,423,817	65,395,666	65,445,206	65,350,174	67,235,846
<b>PERFORMANCE RATIOS</b>					
Return on average assets	1.44 %	1.25 %	0.98 %	1.02 %	1.07 %
Return on average common equity	14.22	12.50	9.80	10.12	10.36
Net interest margin	3.64	3.22	2.90	2.87	2.88
Efficiency ratio	49.52	51.63	58.65	58.64	56.75

**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**(\$ in Thousands)**

	<u>As of 03/22</u>		<u>As of 06/22</u>		<u>As of 09/22</u>	
Allowance for Credit Losses (ACL) - Total	\$ 201,384		\$ 203,479		\$ 205,308	
ACL - Loans	171,384		170,979		172,808	
ACL Unfunded Commitments	30,000		32,500		32,500	
Total ACL as a % of Gross Loans	1.13 %		1.08 %		1.06 %	
	<u>03/22 QTR</u>	<u>03/22 YTD</u>	<u>06/22 QTR</u>	<u>06/22 YTD</u>	<u>09/22 QTR</u>	<u>09/22 YTD</u>
Loan Originations - Total	\$ 2,227,505	\$4,361,843	\$ 2,742,466	\$7,104,309	\$ 1,631,884	\$ 8,736,193
Multi-Family	224,179	420,445	181,015	601,460	74,074	675,534
Commercial Real Estate	173,381	477,961	196,663	674,624	206,226	880,850
Commercial & Industrial	642,243	1,414,779	637,193	2,051,972	517,710	2,569,682
Construction	686,847	1,072,294	1,050,981	2,123,275	363,112	2,486,387
Land - Acquisition & Development	20,731	54,816	50,035	104,851	70,383	175,234
Single-Family Residential	242,492	461,908	283,061	744,969	147,639	892,608
Construction - Custom	175,733	338,559	248,518	587,077	178,619	765,696
Land - Consumer Lot Loans	16,430	35,583	17,195	52,778	8,953	61,731
HELOC	38,410	71,685	48,640	120,325	51,068	171,393
Consumer	7,059	13,813	29,165	42,978	14,100	57,078
Purchased Loans (including acquisitions)	\$ 109,664	\$ 512,483	\$ 52,101	\$ 564,584	\$ —	\$ 564,584
Net Loan Fee and Discount Accretion	\$ 7,679	\$ 17,041	\$ 6,354	\$ 23,395	\$ 5,761	\$ 29,156
<u>Repayments</u>						
Loans	\$ 1,544,408	\$3,377,507	\$ 1,690,945	\$5,068,452	\$ 1,125,996	\$ 6,194,448
MBS	70,182	168,457	70,635	239,092	55,751	294,843
MBS Net Premium Amortization	\$ 1,014	\$ 2,319	\$ 820	\$ 3,139	\$ 1,248	\$ 4,387
<u>Efficiency</u>						
Operating Expenses/Average Assets	1.75 %	1.78 %	1.72 %	1.76 %	1.83 %	1.78 %
Efficiency Ratio (%)	58.65 %	58.65 %	51.63 %	56.13 %	49.52 %	54.25 %
Amortization of Intangibles	\$ 247	\$ 519	\$ 246	\$ 765	\$ 245	\$ 1,010
<u>EOP Numbers</u>						
Shares Issued and Outstanding	65,306,928		65,321,869		65,330,126	
<u>Share repurchase information</u>						
Remaining shares authorized for repurchase	3,728,320		3,725,874		3,724,344	
Shares repurchased	4,684	88,798	2,446	91,244	1,530	92,774
Average share repurchase price	\$ 34.65	\$ 35.31	\$ 31.36	\$ 35.20	\$ 31.49	\$ 35.14

**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**(\$ in Thousands)**

<u>Tangible Common Book Value</u>	<u>As of 03/22</u>	<u>As of 06/22</u>	<u>As of 09/22</u>
\$ Amount	\$ 1,582,200	\$ 1,610,857	\$ 1,665,251
Per Share	24.23	24.66	25.49
# of Employees	2,138	2,122	2,132

Investments

Available-For-Sale:

Agency MBS	\$ 597,903	\$ 908,082	\$ 895,964
Other	1,311,702	1,242,650	1,155,073
	<u>\$ 1,909,605</u>	<u>\$ 2,150,732</u>	<u>\$ 2,051,037</u>

Held-To-Maturity:

Agency MBS	\$ 301,221	\$ 477,884	\$ 463,299
	<u>\$ 301,221</u>	<u>\$ 477,884</u>	<u>\$ 463,299</u>

<u>Loans Receivable by Category</u>	<u>As of 03/31/22</u>		<u>As of 06/30/22</u>		<u>As of 09/30/22</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Multi-Family	\$ 2,392,810	13.5%	\$ 2,494,594	13.2%	\$ 2,645,801	13.6%
Commercial Real Estate	2,829,946	15.9	2,899,057	15.3	3,133,660	16.2
Commercial & Industrial	2,504,442	14.1	2,351,030	12.4	2,350,984	12.1
Construction	3,136,239	17.6	3,896,740	20.6	3,784,388	19.5
Land - Acquisition & Development	236,313	1.3	245,233	1.3	291,301	1.5
Single-Family Residential	5,442,535	30.6	5,652,897	29.9	5,771,862	29.8
Construction - Custom	836,314	4.7	943,858	5.0	974,652	5.0
Land - Consumer Lot Loans	154,976	0.9	158,485	0.8	153,240	0.8
HELOC	174,367	1.0	185,427	1.0	203,528	1.0
Consumer	67,511	0.4	73,044	0.4	75,543	0.4
	<u>17,775,453</u>	<u>100%</u>	<u>18,900,365</u>	<u>100%</u>	<u>19,384,959</u>	<u>100%</u>
Less:						
Allowance	171,384		170,979		172,808	
Loans in Process	2,440,430		3,083,573		3,006,023	
Net Deferred Fees, Costs and Discounts	68,713		80,648		92,564	
Sub-Total	<u>2,680,527</u>		<u>3,335,200</u>		<u>3,271,395</u>	
	<u>\$ 15,094,926</u>		<u>\$ 15,565,165</u>		<u>\$ 16,113,564</u>	

<u>Net Loan Portfolio by Category</u>	<u>AMOUNT</u>		<u>AMOUNT</u>		<u>AMOUNT</u>	
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
Multi-Family	\$ 2,363,194	15.7%	\$ 2,466,359	15.8%	\$ 2,614,466	16.2%
Commercial Real Estate	2,783,947	18.4	2,851,695	18.3	3,085,298	19.1
Commercial & Industrial	2,443,105	16.2	2,289,122	14.7	2,286,192	14.2
Construction	1,189,395	7.9	1,381,376	8.9	1,397,731	8.7
Land - Acquisition & Development	197,375	1.3	210,747	1.4	211,337	1.3
Single-Family Residential	5,389,654	35.7	5,593,232	35.9	5,701,461	35.4
Construction - Custom	340,984	2.3	365,485	2.3	393,933	2.4
Land - Consumer Lot Loans	148,444	1.0	151,856	1.0	146,899	0.9
HELOC	173,454	1.1	184,836	1.2	203,551	1.3
Consumer	65,374	0.4	70,457	0.5	72,696	0.5
	<u>\$ 15,094,926</u>	<u>100%</u>	<u>\$ 15,565,165</u>	<u>100%</u>	<u>\$ 16,113,564</u>	<u>100%</u>

**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**(\$ in Thousands)**

<u>Loans by State</u>	<u>As of 03/31/22</u>		<u>As of 06/30/22</u>		<u>As of 09/30/22</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Washington	\$ 5,316,627	34.8 %	\$ 5,269,445	33.5 %	\$ 5,315,013	32.6 %
Idaho	756,662	5.0	792,013	5.0	815,480	5.0
Oregon	2,261,328	14.8	2,226,233	14.1	2,236,439	13.7
Utah	1,324,307	8.7	1,452,601	9.2	1,558,368	9.6
Nevada	587,905	3.9	644,104	4.0	685,458	4.2
Texas	1,757,484	11.5	1,881,089	12.0	2,010,558	12.3
Arizona	1,933,569	12.7	2,162,608	13.7	2,322,291	14.4
New Mexico	676,837	4.4	686,494	4.4	699,837	4.3
Other	651,591	4.3	621,557	3.9	642,928	3.9
<b>Total</b>	<b>\$ 15,266,310</b>	<b>100%</b>	<b>\$ 15,736,144</b>	<b>100%</b>	<b>\$ 16,286,372</b>	<b>100%</b>
<u>Non-Performing Assets</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Non-accrual loans:						
Multi-Family	\$ —	—%	\$ 5,944	16.2%	\$ 5,912	17.1%
Commercial Real Estate	6,412	19.1	5,024	13.7	4,691	13.6
Commercial & Industrial	4,789	14.2	4,288	11.7	5,693	16.5
Construction	343	1.0	—	—	—	—
Land - Acquisition & Development	2,340	7.0	—	—	—	—
Single-Family Residential	18,612	55.3	20,184	55.0	17,450	50.5
Construction - Custom	465	1.4	900	2.5	435	1.3
Land - Consumer Lot Loans	310	0.9	213	0.6	84	0.2
HELOC	329	1.0	91	0.2	233	0.7
Consumer	39	0.1	35	0.1	36	0.1
<b>Total non-accrual loans</b>	<b>33,639</b>	<b>100%</b>	<b>36,679</b>	<b>100%</b>	<b>34,534</b>	<b>100%</b>
Real Estate Owned	9,509		9,656		6,667	
Other Property Owned	4,095		4,095		3,353	
<b>Total non-performing assets</b>	<b>\$ 47,243</b>		<b>\$ 50,430</b>		<b>\$ 44,554</b>	
Non-accrual loans as % of total net loans	0.22 %		0.24 %		0.21 %	
Non-performing assets as % of total assets	0.23 %		0.25 %		0.21 %	
<u>Net Charge-offs (Recoveries) by Category</u>	<u>03/22 QTR</u>	<u>CO % (a)</u>	<u>06/22 QTR</u>	<u>CO % (a)</u>	<u>09/22 QTR</u>	<u>CO % (a)</u>
Multi-Family	\$ —	—%	\$ —	—%	\$ —	—%
Commercial Real Estate	(753)	(0.11)	(23)	—	(164)	(0.02)
Commercial & Industrial	871	0.14	19	—	258	0.04
Construction	(179)	(0.02)	—	—	—	—
Land - Acquisition & Development	(20)	(0.03)	(10)	(0.02)	(11)	(0.02)
Single-Family Residential	(147)	(0.01)	(252)	(0.02)	(198)	(0.01)
Construction - Custom	—	—	—	—	—	—
Land - Consumer Lot Loans	(40)	(0.10)	(2)	(0.01)	(1)	—
HELOC	(100)	(0.23)	(249)	(0.54)	(1)	—
Consumer	(105)	(0.62)	(78)	(0.43)	(212)	(1.12)
<b>Total net charge-offs (recoveries)</b>	<b>\$ (473)</b>	<b>(0.01)%</b>	<b>\$ (595)</b>	<b>(0.01)%</b>	<b>\$ (329)</b>	<b>(0.01)%</b>

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

**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**(\$ in Thousands)**

<u>Deposits &amp; branches by State</u>	<u>As of 03/22</u>			<u>As of 06/22</u>			<u>As of 09/22</u>		
	<u>AMOUNT</u>	<u>%</u>	<u>#</u>	<u>AMOUNT</u>	<u>%</u>	<u>#</u>	<u>AMOUNT</u>	<u>%</u>	<u>#</u>
Washington	\$ 7,067,961	43.1 %	76	\$ 7,040,668	44.1 %	76	\$ 7,209,123	45.0 %	72
Idaho	1,122,007	6.8	22	1,073,221	6.7	22	1,052,550	6.6	22
Oregon	3,030,152	18.5	36	3,007,716	18.8	36	2,878,933	18.0	36
Utah	987,788	6.0	9	772,487	4.8	9	802,635	5.1	9
Nevada	539,805	3.3	10	525,675	3.3	9	534,655	3.3	9
Texas	622,118	3.8	6	553,379	3.5	6	562,192	3.5	6
Arizona	1,700,408	10.4	30	1,667,742	10.4	28	1,625,957	10.1	28
New Mexico	1,320,409	8.1	25	1,324,732	8.3	23	1,363,525	8.5	19
<b>Total</b>	<b>\$ 16,390,648</b>	<b>100%</b>	<b>214</b>	<b>\$ 15,965,620</b>	<b>100%</b>	<b>209</b>	<b>\$ 16,029,570</b>	<b>100%</b>	<b>201</b>

<u>Deposits by Type</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Non-Interest Checking	\$ 3,251,603	19.8 %	\$ 3,269,773	20.5 %	\$ 3,266,734	20.4 %
Interest Checking	3,897,185	23.8	3,472,402	21.7	3,497,795	21.8
Savings	1,078,147	6.6	1,069,801	6.7	1,059,093	6.6
Money Market	4,912,671	30.0	4,856,275	30.4	4,867,905	30.4
Time Deposits	3,251,042	19.8	3,297,369	20.7	3,338,043	20.8
<b>Total</b>	<b>\$ 16,390,648</b>	<b>100%</b>	<b>\$ 15,965,620</b>	<b>100%</b>	<b>\$ 16,029,570</b>	<b>100%</b>

Deposits greater than \$250,000 - EOP      \$ 7,914,122                              \$ 7,463,761                              \$ 7,400,474

<u>Time Deposit Repricing</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>
Within 3 months	\$ 530,189	0.45 %	\$ 850,894	0.42 %	\$ 978,004	0.56 %
From 4 to 6 months	830,454	0.43 %	894,688	0.40 %	966,800	0.72 %
From 7 to 9 months	722,437	0.45 %	681,182	0.56 %	353,053	0.56 %
From 10 to 12 months	591,916	0.41 %	327,193	0.53 %	457,627	0.85 %

<u>FHLB Advances (Effective Maturity)</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>
Within 1 year	\$ 320,000	2.08 %	\$ 500,000	1.95 %	\$ 1,025,000	3.06 %
1 to 3 years	500,000	2.16 %	300,000	1.94 %	200,000	2.18 %
3 to 5 years	100,000	1.82 %	100,000	1.80 %	100,000	1.92 %
More than 5 years	800,000	0.93 %	800,000	0.87 %	800,000	0.67 %
<b>Total</b>	<b>\$ 1,720,000</b>		<b>\$ 1,700,000</b>		<b>\$ 2,125,000</b>	

Interest Rate Risk

NPV post 200 bps shock (b)	10.9 %	12.1 %	12.6 %
Change in NII after 200 bps shock (b)	6.0 %	3.9 %	1.9 %

(b) Assumes no balance sheet management actions taken.

**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**(\$ in Thousands)**

Historical CPR Rates (d)

Average for Quarter Ended:	WAFD	WAFD
	SFR Mortgages	GSE MBS
9/30/2020	31.2 %	42.8 %
12/31/2020	35.9 %	47.2 %
3/31/2021	36.0 %	44.1 %
6/30/2021	31.8 %	42.7 %
9/30/2021	28.4 %	38.3 %
12/31/2021	25.0 %	35.3 %
3/31/2022	18.4 %	28.6 %
6/30/2022	13.1 %	20.9 %
9/30/2022	8.1 %	14.7 %

(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**  
**September 30, 2022**  
**Average Balance Sheet**  
**(\$ in Thousands)**

	Quarter Ended								
	March 31, 2022			June 30, 2022			September 30, 2022		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<b>Assets</b>									
Loans receivable	\$ 14,869,733	\$ 139,260	3.80 %	\$ 15,350,905	\$ 149,113	3.90 %	\$ 15,812,170	\$ 174,710	4.38 %
Mortgage-backed securities	852,134	4,659	2.22	1,416,212	8,618	2.44	1,369,326	8,263	2.39
Cash & investments	3,085,239	5,757	0.76	2,056,387	8,281	1.62	1,658,428	13,735	3.29
FHLB & FRB Stock	89,002	1,162	5.29	78,305	1,136	5.82	81,196	1,225	5.99
Total interest-earning assets	18,896,108	150,838	3.24 %	18,901,809	167,148	3.55 %	18,921,120	197,933	4.15 %
Other assets	1,284,929			1,383,146			1,434,300		
<b>Total assets</b>	<b>\$ 20,181,037</b>			<b>\$ 20,284,955</b>			<b>\$ 20,355,420</b>		
<b>Liabilities and Shareholders' Equity</b>									
Interest-bearing customer accounts	12,882,885	8,225	0.26 %	12,852,849	9,284	0.29 %	12,693,024	17,071	0.53 %
FHLB advances	1,720,000	7,525	1.77	1,705,824	6,118	1.44	1,778,098	7,243	1.62
Other borrowings	—	—	—	—	—	—	38	—	0.0249
Total interest-bearing liabilities	14,602,885	15,750	0.44 %	14,558,673	15,402	0.42 %	14,471,160	24,314	0.67 %
Noninterest-bearing customer accounts	3,198,052			3,278,346			3,331,065		
Other liabilities	214,851			238,842			291,108		
Total liabilities	18,015,788			18,075,861			18,093,333		
Shareholders' equity	2,165,249			2,209,094			2,262,087		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 20,181,037</b>			<b>\$ 20,284,955</b>			<b>\$ 20,355,420</b>		
<b>Net interest income/interest rate spread</b>		<b>\$ 135,088</b>	<b>2.80 %</b>		<b>\$ 151,746</b>	<b>3.12 %</b>		<b>\$ 173,619</b>	<b>3.48 %</b>
<b>Net interest margin (1)</b>			<b>2.90 %</b>			<b>3.22 %</b>			<b>3.64 %</b>

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



**Washington Federal, Inc.**  
**Fact Sheet**  
**September 30, 2022**  
**Delinquency Summary**  
**(\$ in Thousands)**

<b>TYPE OF LOANS</b>	<b>#LOANS</b>	<b>AVG Size</b>	<b>AMOUNT OF LOANS NET OF LIP &amp; CHG-OFFs</b>	<b># OF LOANS</b>				<b>% based on #</b>	<b>\$ Delinquent</b>	<b>% based on \$</b>
				<b>30</b>	<b>60</b>	<b>90</b>	<b>Total</b>			
<b>September 30, 2022</b>										
Multi-Family	1,135	2,314	\$ 2,626,479	—	—	—	—	— %	\$ —	— %
Commercial Real Estate	1,211	2,569	3,111,112	2	1	4	7	0.58	1,056	0.03
Commercial & Industrial	2,338	1,002	2,343,403	1	16	28	45	1.92	6,612	0.28
Construction	684	2,082	1,423,891	—	—	—	—	—	—	—
Land - Acquisition & Development	120	1,863	223,616	—	—	—	—	—	—	—
Single-Family Residential	19,218	298	5,726,979	19	8	60	87	0.45	17,983	0.31
Construction - Custom	1,233	322	397,343	—	—	1	1	0.08	435	0.11
Land - Consumer Lot Loans	1,277	119	151,945	—	1	1	2	0.16	199	0.13
HELOC	3,862	53	206,033	4	2	8	14	0.36	428	0.21
Consumer	2,025	37	75,571	14	3	11	28	1.38	214	0.28
	<u>33,103</u>	<u>492</u>	<u>\$ 16,286,372</u>	<u>40</u>	<u>31</u>	<u>113</u>	<u>184</u>	<u>0.56 %</u>	<u>\$ 26,927</u>	<u>0.17 %</u>
<b>June 30, 2022</b>										
Multi-Family	1,124	2,205	\$ 2,478,932	—	—	—	—	— %	\$ —	— %
Commercial Real Estate	1,183	2,432	2,876,995	—	—	5	5	0.42	351	0.01
Commercial & Industrial	2,506	935	2,344,046	5	6	28	39	1.56	16,421	0.70
Construction	719	1,957	1,407,211	—	—	—	—	—	—	—
Land - Acquisition & Development	125	1,784	222,974	—	—	—	—	—	—	—
Single-Family Residential	19,115	294	5,619,448	22	7	69	98	0.51	22,189	0.39
Construction - Custom	1,263	292	368,839	—	—	2	2	0.16	900	0.24
Land - Consumer Lot Loans	1,312	120	157,076	1	—	2	3	0.23	383	0.24
HELOC	3,665	51	187,469	3	3	4	10	0.27	202	0.11
Consumer	2,117	35	73,154	8	1	11	20	0.94	252	0.34
	<u>33,129</u>	<u>475</u>	<u>\$ 15,736,144</u>	<u>39</u>	<u>17</u>	<u>121</u>	<u>177</u>	<u>0.53 %</u>	<u>\$ 40,698</u>	<u>0.26 %</u>
<b>March 31, 2022</b>										
Multi-Family	1,136	2,093	\$ 2,377,657	1	—	—	1	0.09 %	\$ 310	0.01 %
Commercial Real Estate	1,180	2,380	2,808,628	4	—	5	9	0.76	3,902	0.14
Commercial & Industrial	2,961	843	2,497,008	21	6	63	90	3.04	15,545	0.62
Construction	659	1,839	1,212,103	—	—	—	—	—	—	—
Land - Acquisition & Development	139	1,518	211,061	—	—	1	1	0.72	2,340	1.11
Single-Family Residential	18,796	288	5,418,645	29	18	67	114	0.61	21,264	0.39
Construction - Custom	1,174	293	344,113	1	—	1	2	0.17	900	0.26
Land - Consumer Lot Loans	1,321	116	153,549	2	1	5	8	0.61	377	0.25
HELOC	3,520	50	175,929	5	1	7	13	0.37	672	0.38
Consumer	2,201	31	67,617	9	3	7	19	0.86	96	0.14
	<u>33,087</u>	<u>461</u>	<u>\$ 15,266,310</u>	<u>72</u>	<u>29</u>	<u>156</u>	<u>257</u>	<u>0.78 %</u>	<u>\$ 45,406</u>	<u>0.30 %</u>