

BANNER CORPORATION

	CPP Disbursement Date 11/21/2008	RSSD (Holding Company) 2126977	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2011 \$ millions	2012 \$ millions	%chg from prev	
Assets	\$232	\$235	1.6%	
Loans	\$182	\$182	-0.5%	
Construction & development	\$15	\$14	-0.8%	
Closed-end 1-4 family residential	\$40	\$44	9.7%	
Home equity	\$22	\$21	-5.8%	
Credit card	\$0	\$0	-6.1%	
Other consumer	\$4	\$3	-11.3%	
Commercial & Industrial	\$4	\$7	58.6%	
Commercial real estate	\$94	\$89	-5.4%	
Unused commitments	\$20	\$20	1.4%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$0		
Asset-backed securities	\$0	\$0		
Other securities	\$0	\$8		
Cash & balances due	\$35	\$34	-3.5%	
Residential mortgage originations				
Closed-end mortgage originated for sale (quarter)	\$0	\$0		
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$0	\$0		
Open-end HELOC originations sold (quarter)	\$0	\$0		
Liabilities	\$202	\$204	1.0%	
Deposits	\$200	\$203	1.2%	
Total other borrowings	\$0	\$0	-3.1%	
FHLB advances	\$0	\$0	-3.1%	
Equity				
Equity capital at quarter end	\$30	\$31	6.3%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	12.1%	13.0%	--	
Tier 1 risk based capital ratio	14.8%	16.3%	--	
Total risk based capital ratio	16.1%	17.5%	--	
Return on equity ¹	4.3%	17.6%	--	
Return on assets ¹	0.5%	2.3%	--	
Net interest margin ¹	4.6%	4.4%	--	
Coverage ratio ((ALLL+Alloc transfer risk)/Noncurrent loans)	43.3%	57.8%	--	
Loss provision to net charge-offs (qtr)	88.0%	209.8%	--	
Net charge-offs to average loans and leases ¹	0.7%	0.3%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012
Construction & development	5.4%	2.3%	0.0%	0.2%
Closed-end 1-4 family residential	9.6%	7.2%	0.0%	0.1%
Home equity	0.9%	2.1%	1.1%	0.0%
Credit card	0.9%	6.5%	0.5%	0.5%
Other consumer	4.9%	2.6%	0.1%	0.0%
Commercial & Industrial	3.0%	0.3%	2.3%	0.8%
Commercial real estate	1.3%	1.3%	0.0%	0.0%
Total loans	3.7%	2.9%	0.2%	0.1%