

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	2009 \$ millions	2010 \$ millions	%chg from prev	
Assets	\$219	\$240	9.6%	
Loans	\$201	\$195	-2.9%	
Construction & development	\$20	\$17	-13.8%	
Closed-end 1-4 family residential	\$46	\$44	-4.7%	
Home equity	\$22	\$23	3.9%	
Credit card	\$0	\$0	-1.3%	
Other consumer	\$4	\$4	2.0%	
Commercial & Industrial	\$7	\$7	2.0%	
Commercial real estate	\$98	\$95	-2.6%	
Unused commitments	\$28	\$24	-14.9%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$0		
Asset-backed securities	\$0	\$0		
Other securities	\$0	\$0		
Cash & balances due	\$3	\$31	913.6%	
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	\$192	\$211	10.1%	
Deposits	\$153	\$208	35.5%	
Total other borrowings	\$35	\$0	-99.3%	
FHLB advances	\$33	\$0	-99.2%	
Equity				
Equity capital at quarter end	\$27	\$29	5.9%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	11.6%	11.3%	--	
Tier 1 risk based capital ratio	12.2%	13.2%	--	
Total risk based capital ratio	13.2%	14.5%	--	
Return on equity ¹	9.9%	8.4%	--	
Return on assets ¹	1.2%	1.0%	--	
Net interest margin ¹	5.6%	5.0%	--	
Coverage ratio ((ALLL+Alloc transfer risk)/Noncurrent loans)	92.1%	40.1%	--	
Loss provision to net charge-offs (qtr)	315.8%	370.4%	--	
Net charge-offs to average loans and leases ¹	0.3%	0.2%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010
Construction & development	3.0%	4.7%	0.0%	0.0%
Closed-end 1-4 family residential	3.2%	8.0%	0.3%	0.0%
Home equity	0.5%	1.3%	0.0%	0.0%
Credit card	1.7%	2.4%	0.0%	0.7%
Other consumer	0.0%	6.4%	0.1%	0.9%
Commercial & Industrial	0.0%	2.2%	0.8%	0.5%
Commercial real estate	0.0%	1.4%	0.0%	0.0%
Total loans	1.1%	3.3%	0.1%	0.0%