



First Quarter 2011 Thrift Industry Report Graphs and Tables

May 26, 2011



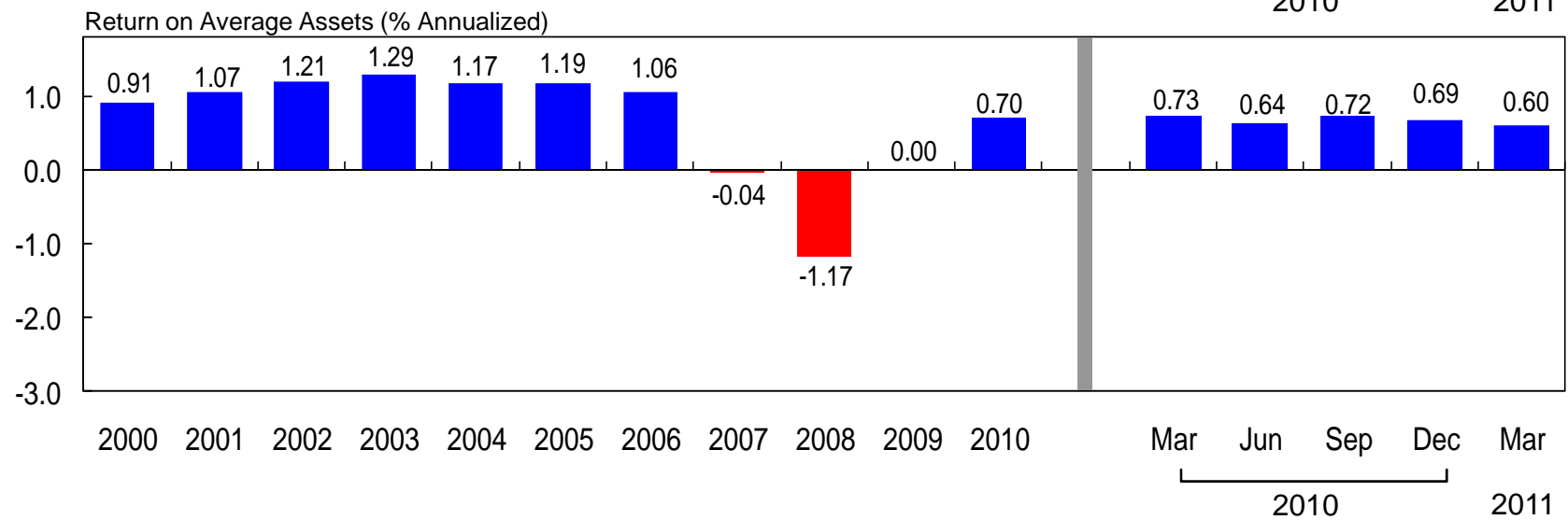
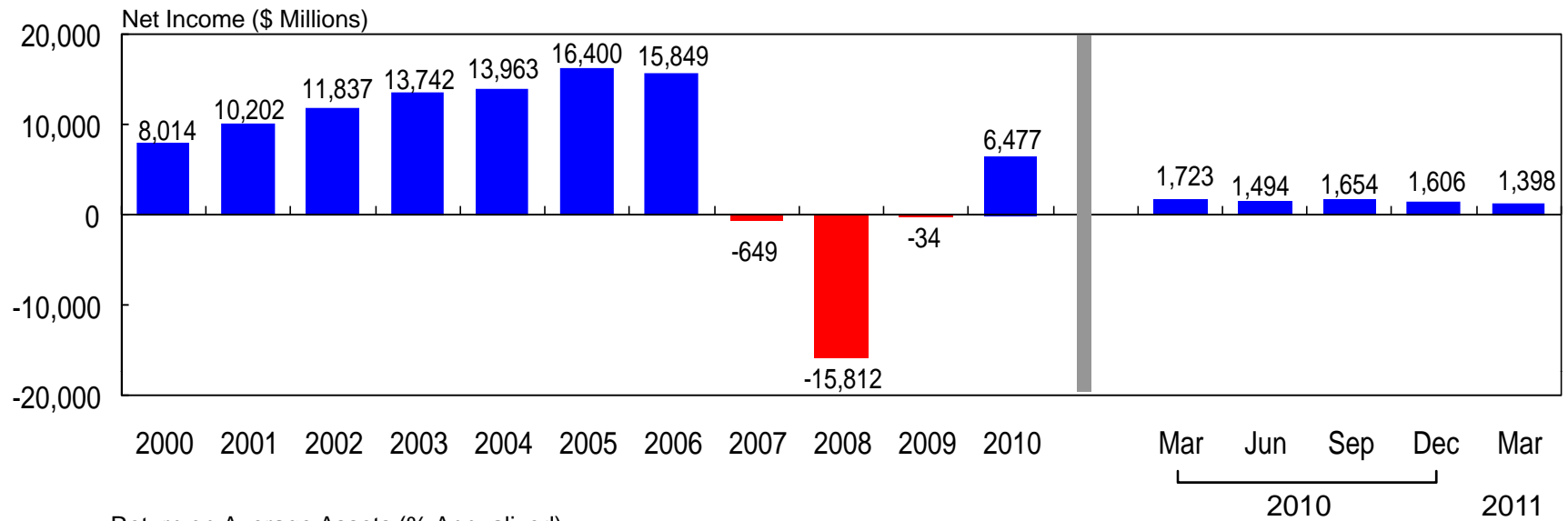
First Quarter 2011 Index of Charts

● Summary	1
● Earnings and Profitability	2
● ROA Analysis	3
● Loan Loss Provisions and Net Charge-Offs	4
● Reserve and Loss Coverage Ratios	5
● Capital Ratios	6
● Financial Fundamentals	7
● Assets and Liabilities Composition	8
● 1-4 Family Originations, Purchases, and Sales	9
● Troubled Assets	10
● Noncurrent Loans - Five Quarters	11
● Net Charge-offs	12
● Number of Problem Thrifts	13

SUMMARY

- The thrift industry reported a profit of \$1.40 billion (ROA of 0.60%) for the first quarter. This was the seventh consecutive profitable quarter for the industry.
- Loss provisions were much lower in the first quarter compared to very high levels in 2008 and 2009.
 - The industry added \$1.7 billion to loan loss provisions in the first quarter or 0.73% of average assets on an annualized basis. This is lower than provisions of \$2.8 billion (1.19 percent of assets) in the first quarter of 2010 and \$5.8 billion (1.91 percent of assets) in the first quarter 2009.
- The need for loss provisions in upcoming quarters will largely depend on trends in employment, home prices, and the commercial real estate markets.
- Thrift fundamentals – capital, “core” earnings, and reserves, remain solid.
 - Thrift industry capital ratios remain near record levels in the first quarter.
 - 91% of all thrifts – holding 96% of industry assets – reported capital exceeding “well-capitalized” regulatory standards.

EARNINGS AND PROFITABILITY



ROA ANALYSIS

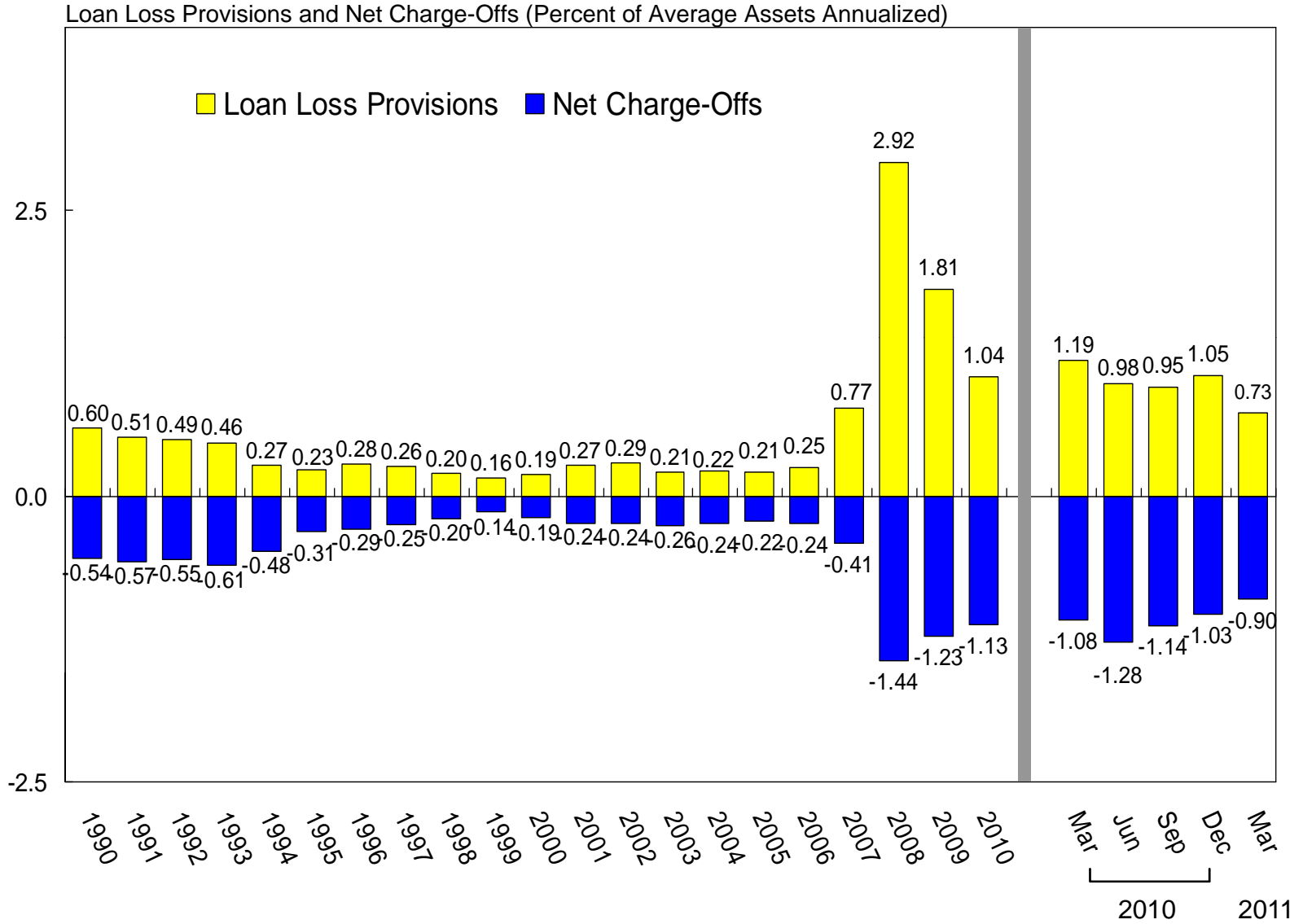
(Percent of Average Assets)	Quarter			ROA Impact ¹	
	Mar '11	Dec '10	Mar '10	Mar '11 Dec '10	Mar '11 Mar '10
Net Interest Income (Margin)	3.17	3.16	3.05	0.01	0.12
Loan Loss Provisions	0.73	1.05	1.19	0.32	0.46
Total Fee Income	1.50	1.59	1.30	-0.09	0.20
Mortgage Loan Servicing Fees & Amort.	0.13	0.16	0.11	-0.03	0.02
Mortgage Loan Servicing Fees	0.18	0.19	0.18	-0.01	0.00
Servicing Amortization & Adjustments	-0.05	-0.03	-0.07	-0.02	0.02
Other Fees and Charges	1.37	1.43	1.18	-0.06	0.19
Other Noninterest Income	0.28	0.30	0.63	-0.02	-0.35
Sale of Assets Held For Sale	0.19	0.27	0.23	-0.08	-0.04
LOCOM Adjustments to AHFS	-0.04	-0.01	-0.01	-0.03	-0.03
Gains (Losses) on Financial Assets					
Carried at Fair Value	0.07	0.00	0.12	0.07	-0.05
Other	0.07	0.04	0.29	0.03	-0.22
Noninterest Expense	3.35	2.92	2.67	-0.43	-0.68
Goodwill Amortization & Charges	0.04	0.07	0.04	0.03	0.00
Taxes	0.31	0.40	0.42	0.09	0.11
Net Income (ROA)	0.60	0.69	0.73	-0.09	-0.13

¹ Negative values reduced ROA.

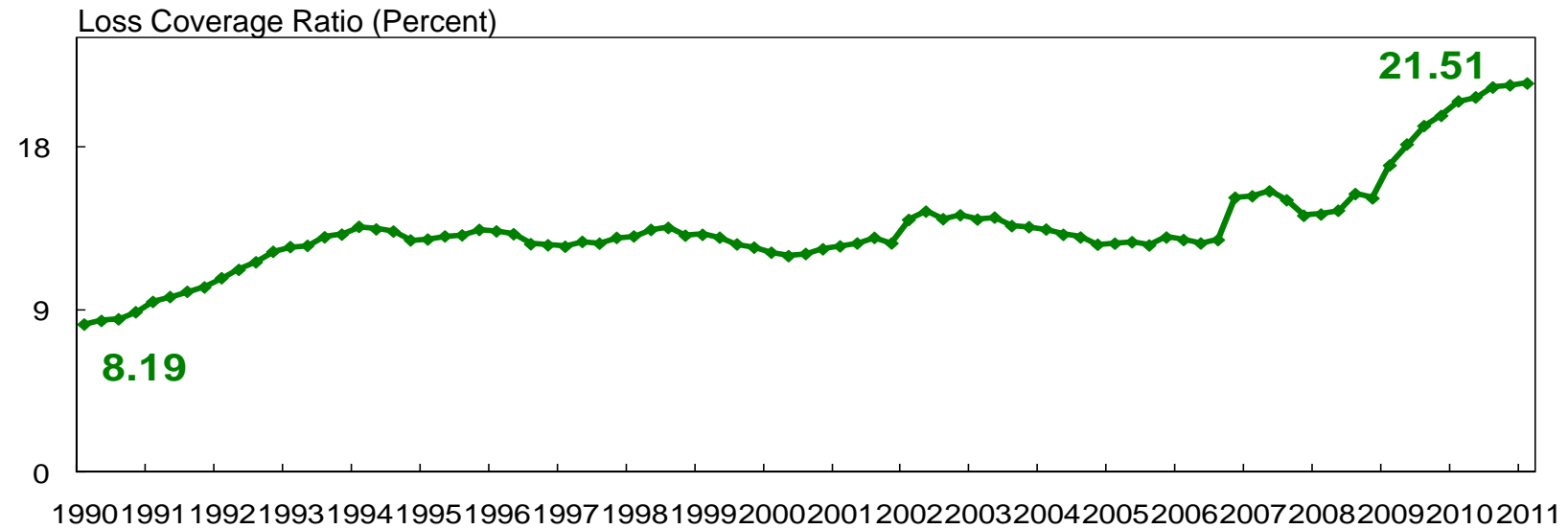
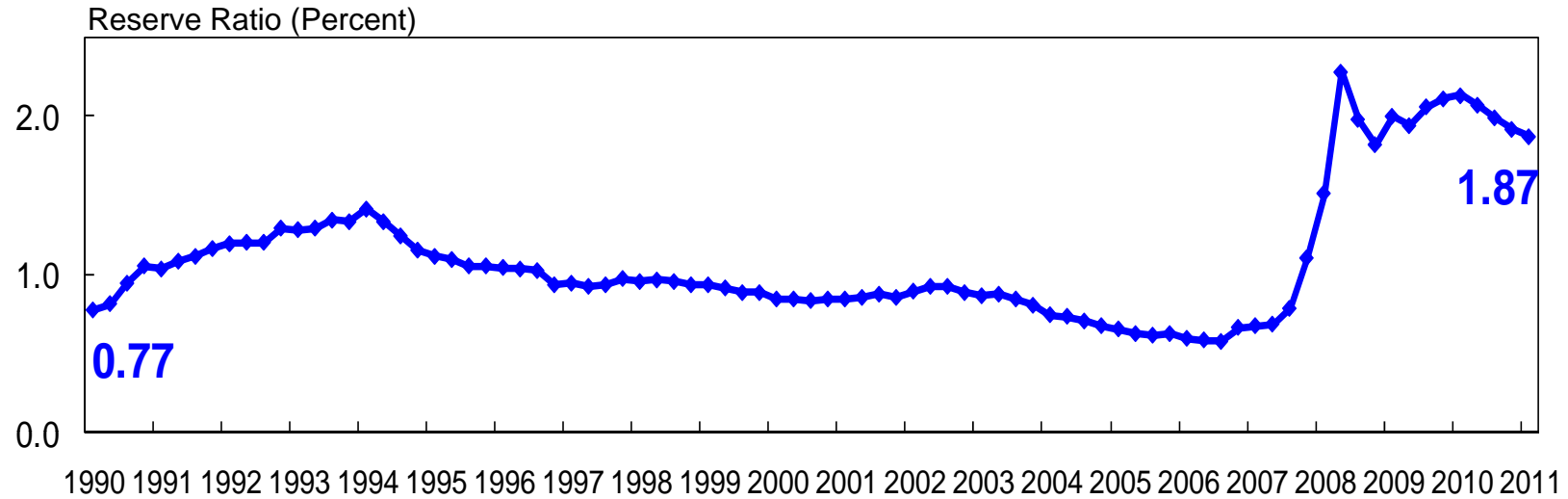
Data are annualized. Numbers may not sum due to rounding.

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LOAN LOSS PROVISIONS AND NET CHARGE-OFFS



RESERVE AND LOSS COVERAGE RATIOS

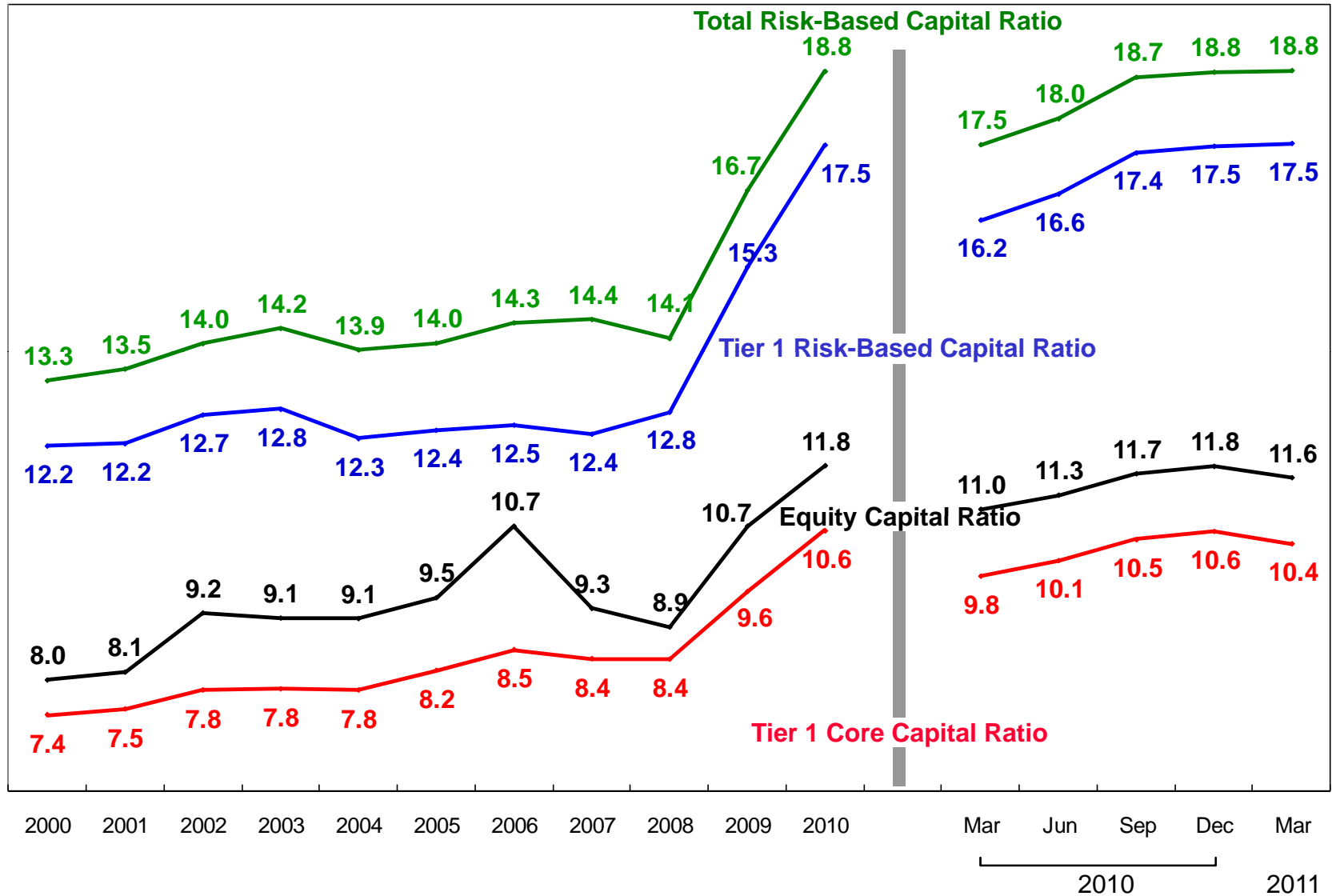


Loss Coverage Ratio = ALLL plus capital to total loans and leases.

Reserve Ratio = ALLL to total loans and leases.

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CAPITAL RATIOS



FINANCIAL FUNDAMENTALS

(Percent of Average Assets Unless Noted)	YTD 2011	Avg. 2001- 2010	Year									
			2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Operating Income Components:												
Net Interest Income (Margin)	3.17	2.89	3.10	3.02	2.82	2.69	2.73	2.81	2.89	2.90	3.06	2.89
Total Fee Income	1.50	1.05	1.42	1.24	1.23	1.22	1.15	1.22	1.03	0.87	0.47	0.64
Total Operating Income	4.67	3.94	4.52	4.25	4.05	3.91	3.88	4.03	3.92	3.77	3.53	3.53
Total Operating Expense	3.04	2.52	2.79	2.55	2.76	2.54	2.54	2.45	2.52	2.40	2.32	2.30
Net Operating Income before Taxes and Provisions	1.63	1.42	1.73	1.70	1.29	1.37	1.34	1.58	1.40	1.37	1.21	1.23
Loan Loss Provision Expense	0.73	0.80	1.04	1.81	2.92	0.77	0.25	0.21	0.22	0.21	0.29	0.27
Capital Measures:												
Tier 1 Core Capital Ratio	10.41	8.45	10.63	9.56	8.35	8.36	8.52	8.15	7.80	7.82	7.80	7.46
Tier 1 Risk Based Capital Ratio	17.52	13.28	17.47	15.33	12.75	12.36	12.52	12.43	12.28	12.80	12.70	12.19
Total Risk Based Capital Ratio	18.82	14.78	18.79	16.69	14.05	14.39	14.33	13.98	13.85	14.23	13.96	13.51
Equity Capital (Percent to Total Assets)	11.58	9.63	11.78	10.72	8.93	9.26	10.72	9.45	9.08	9.09	9.18	8.13
Tangible Common Equity Capital Ratios (Percent of Tangible Assets)	10.08	7.64	10.28	9.13	7.16	7.16	7.56	7.34	7.16	7.10	7.16	6.33
(Percent of Risk-Weighted Assets)	17.01	12.07	16.94	14.73	10.88	10.72	11.32	11.35	11.32	11.54	11.61	10.25
Loss Reserves:												
ALLL Balance (Percent to Total Assets)	1.10	0.76	1.16	1.28	1.22	0.78	0.48	0.47	0.51	0.57	0.60	0.58

Total Operating Expense is Noninterest Expense excluding Goodwill Expense and nonoperating gains/charges.

Tangible Common Equity Capital is Common Stock, Retained Earnings, and Accumulated Other Comprehensive Income (Losses) less all Intangible Assets.

Numbers may not sum due to rounding.

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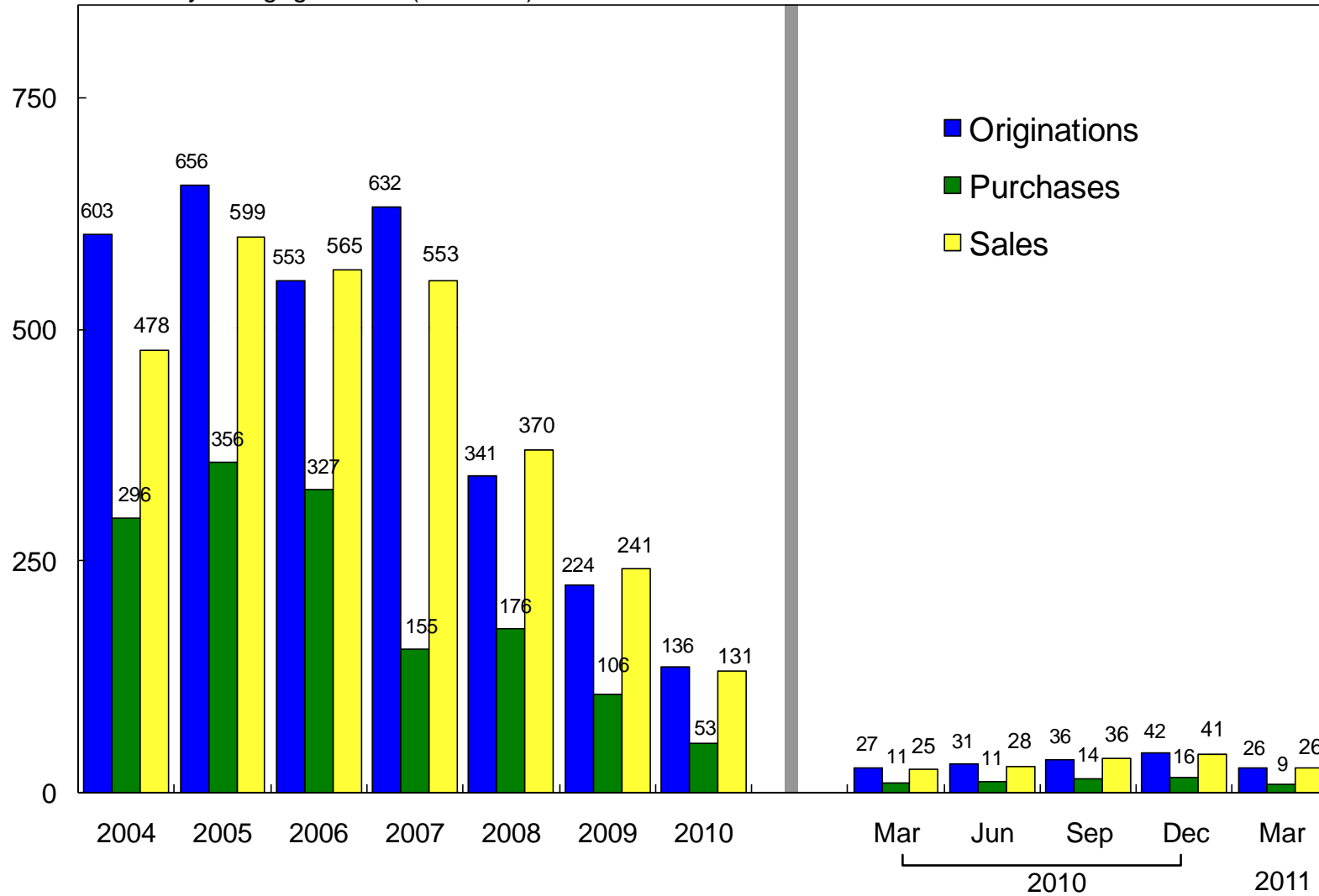
ASSETS AND LIABILITIES COMPOSITION

	Mar 2011		Dec 2010		Mar 2010		Growth Rates	
	\$ Bil	% TA	\$ Bil	% TA	\$ Bil	% TA	Mar '11	Mar '11
							Dec '10	Mar '10
							% Ann.	%
Total Assets	930.2	100.0	931.5	100.0	949.7	100.0	(0.6)	(2.1)
Total Loans	556.2	59.8	571.3	61.3	578.1	60.9	(10.5)	(3.8)
1-4 Family Mortgage Loans	312.2	33.6	319.8	34.3	330.4	34.8	(9.6)	(5.5)
Home Equity Lines of Credit	42.6	4.6	43.5	4.7	45.2	4.8	(7.8)	(5.6)
Construction & Land Loans	14.8	1.6	16.6	1.8	22.2	2.3	(43.9)	(33.4)
Multifamily Loans	32.4	3.5	32.5	3.5	31.6	3.3	(0.4)	2.6
Nonresidential Loans	65.2	7.0	68.5	7.4	68.7	7.2	(19.3)	(5.0)
Commercial Loans / Small Business	49.3	5.3	49.6	5.3	51.1	5.4	(2.8)	(3.5)
Consumer Loans	82.3	8.9	84.2	9.0	74.1	7.8	(8.9)	11.1
Allowance for Loan and Lease Losses	(10.3)	(1.1)	(10.8)	(1.2)	(12.1)	(1.3)	(20.0)	(15.4)
Repossessed Assets	4.6	0.5	4.8	0.5	4.9	0.5	(15.1)	(7.1)
Mortgage Backed Securities	156.8	16.9	158.0	17.0	145.6	15.3	(3.2)	7.7
Cash and Liquid Investments	115.1	12.4	95.8	10.3	115.3	12.1	80.2	(0.2)
Other Investment Securities	44.5	4.8	46.7	5.0	47.0	5.0	(18.9)	(5.5)
Total Liabilities and Capital	930.2	100.0	931.5	100.0	949.7	100.0	(0.6)	(2.1)
Total Liabilities	822.5	88.4	821.8	88.2	845.1	89.0	0.3	(2.7)
Total Deposits and Escrows	684.4	73.6	670.3	72.0	667.0	70.2	8.4	2.6
FHLBank Advances	71.2	7.7	76.0	8.2	85.8	9.0	(25.2)	(17.0)
Other Borrowings	51.1	5.5	61.3	6.6	76.0	8.0	(66.6)	(32.8)
Other Liabilities	16.0	1.7	14.3	1.5	16.5	1.7	48.5	(3.0)
Equity Capital	107.7	11.6	109.7	11.8	104.6	11.0	(7.3)	3.0

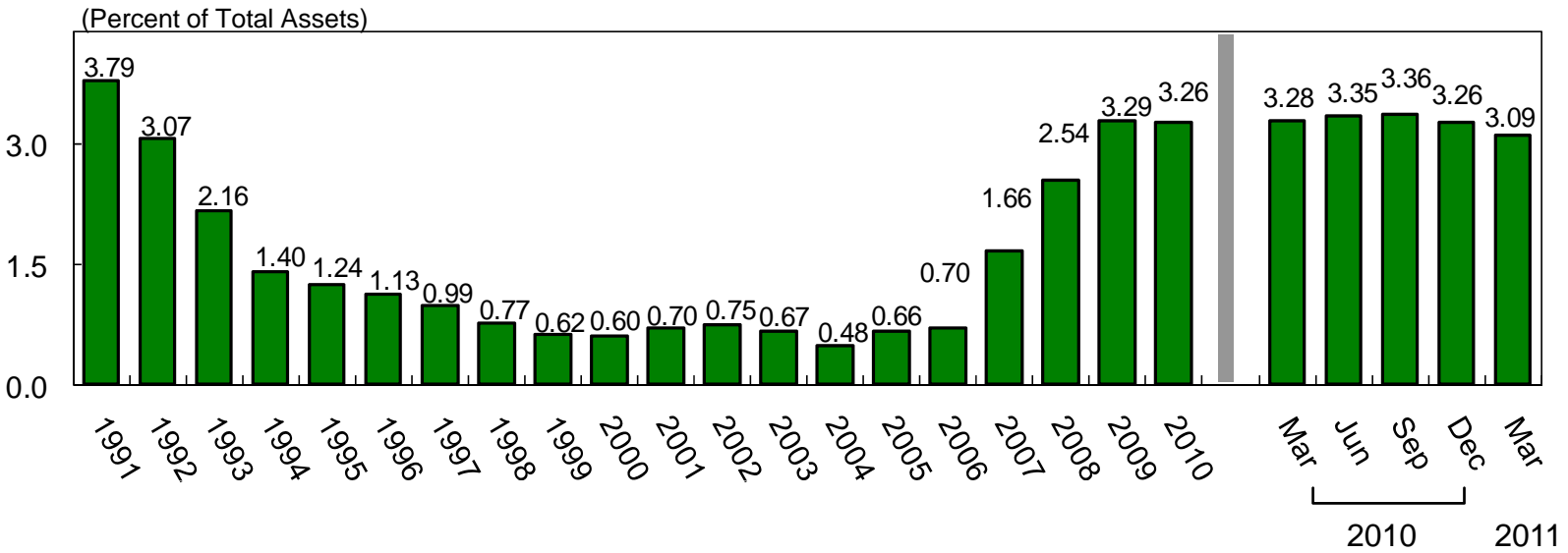
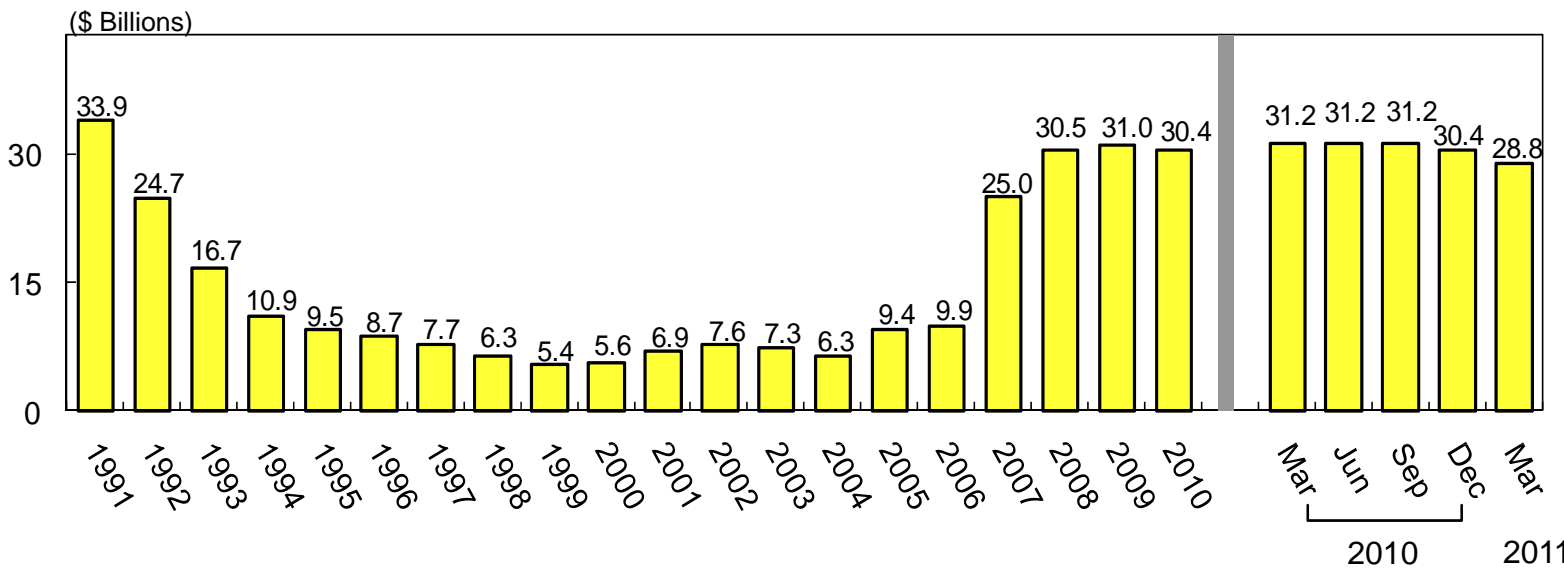
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1-4 FAMILY ORIGINATIONS, PURCHASES, AND SALES

1-4 Family Mortgage Loans (\$ Billions)



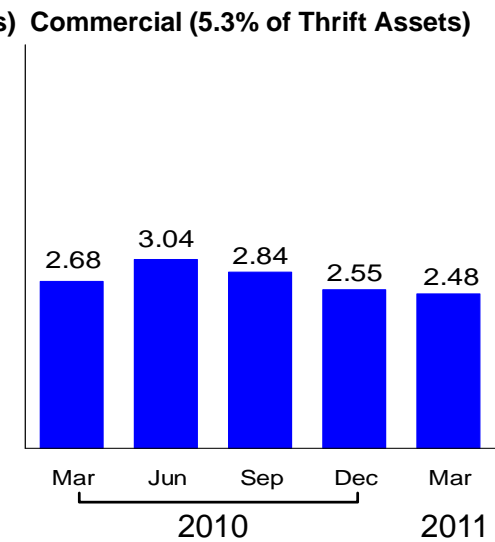
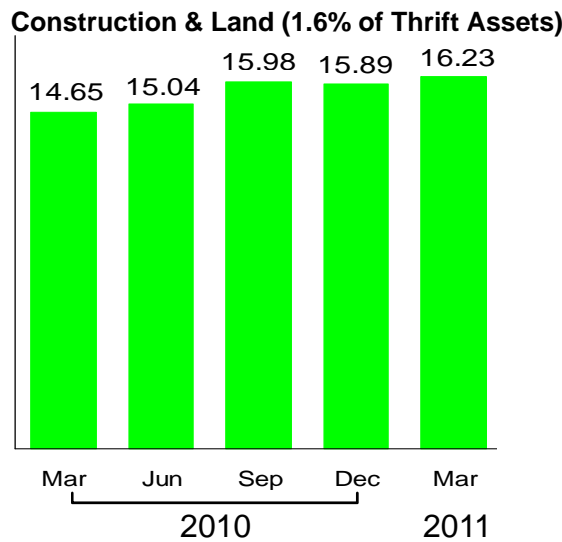
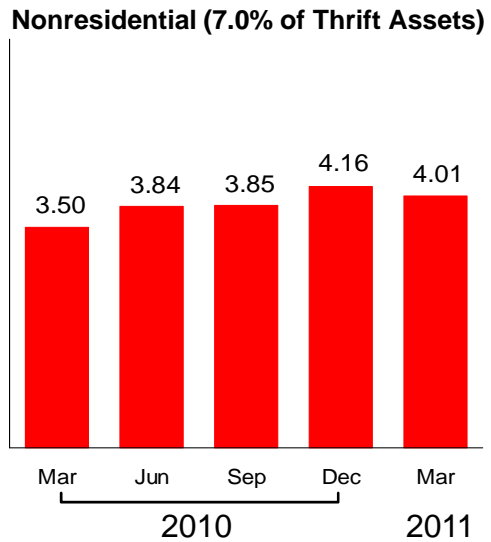
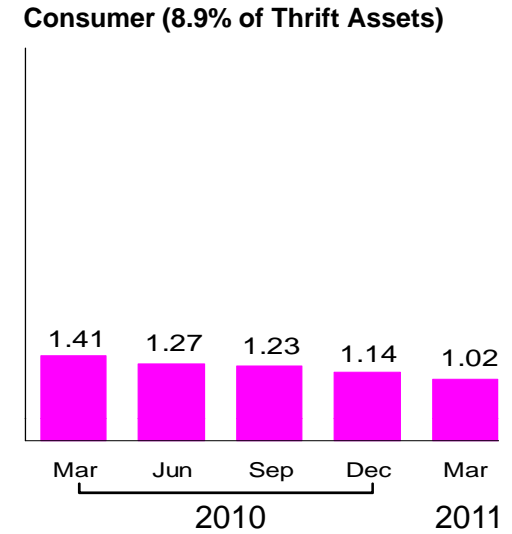
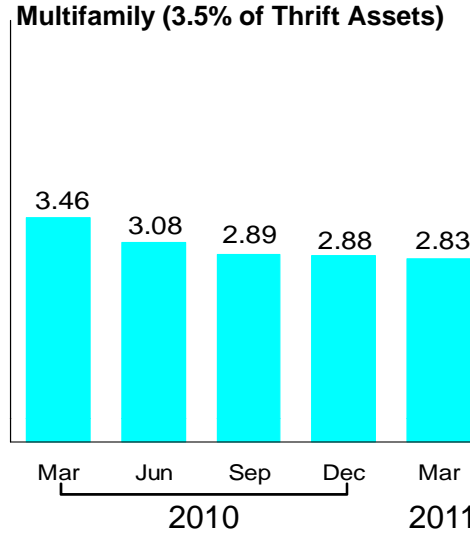
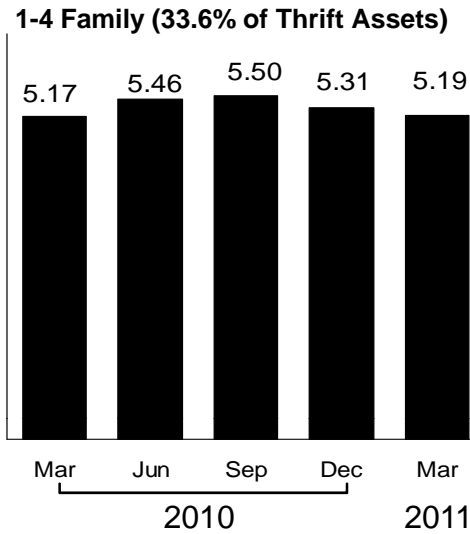
TROUBLED ASSETS



Troubled Assets include noncurrent loans (90 days or more past due or in nonaccrual status) and repossessed assets.
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NONCURRENT LOANS – FIVE QUARTERS

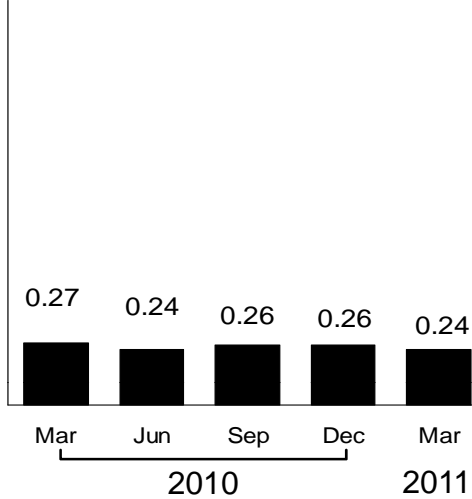
Percent of Loan Type



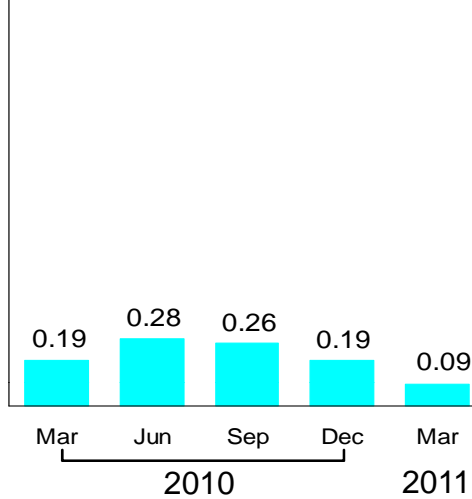
NET CHARGE-OFFS

Percent of Loan Type

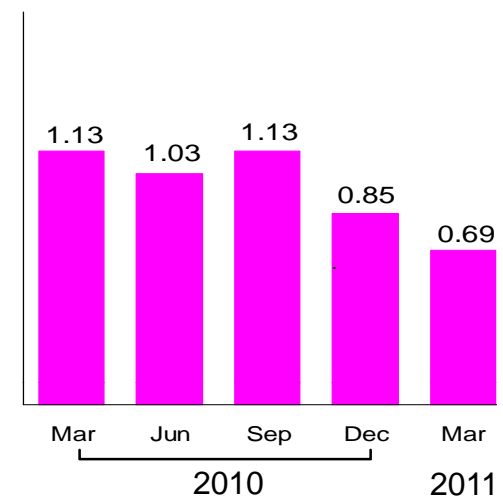
1-4 Family (33.6% of Thrift Assets)



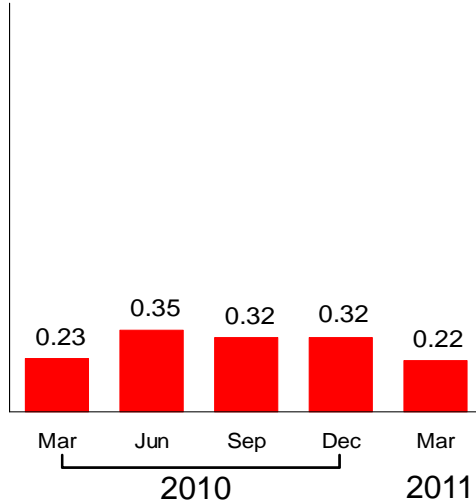
Multifamily (3.5% of Thrift Assets)



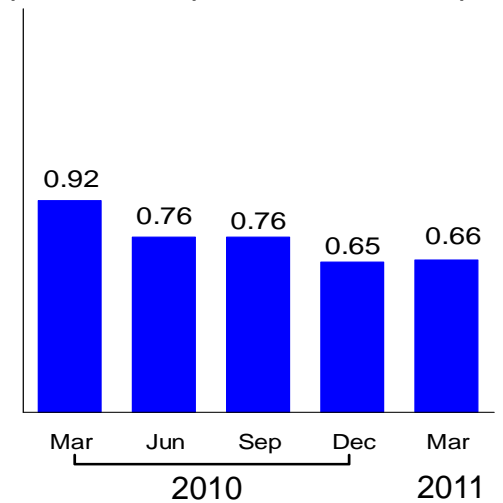
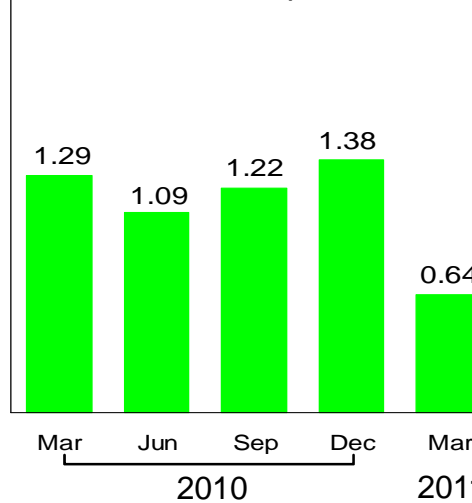
Consumer (8.9% of Thrift Assets)



Nonresidential (7.0% of Thrift Assets)



Construction & Land (1.6% of Thrift Assets) Commercial (5.3% of Thrift Assets)



NUMBER OF PROBLEM THRIFTS

(Thrifts with Composite CAMELS Ratings of 4 or 5 at End of Period)

