



Second Quarter 2008 Thrift Industry Report Graphs and Tables

August 27, 2008



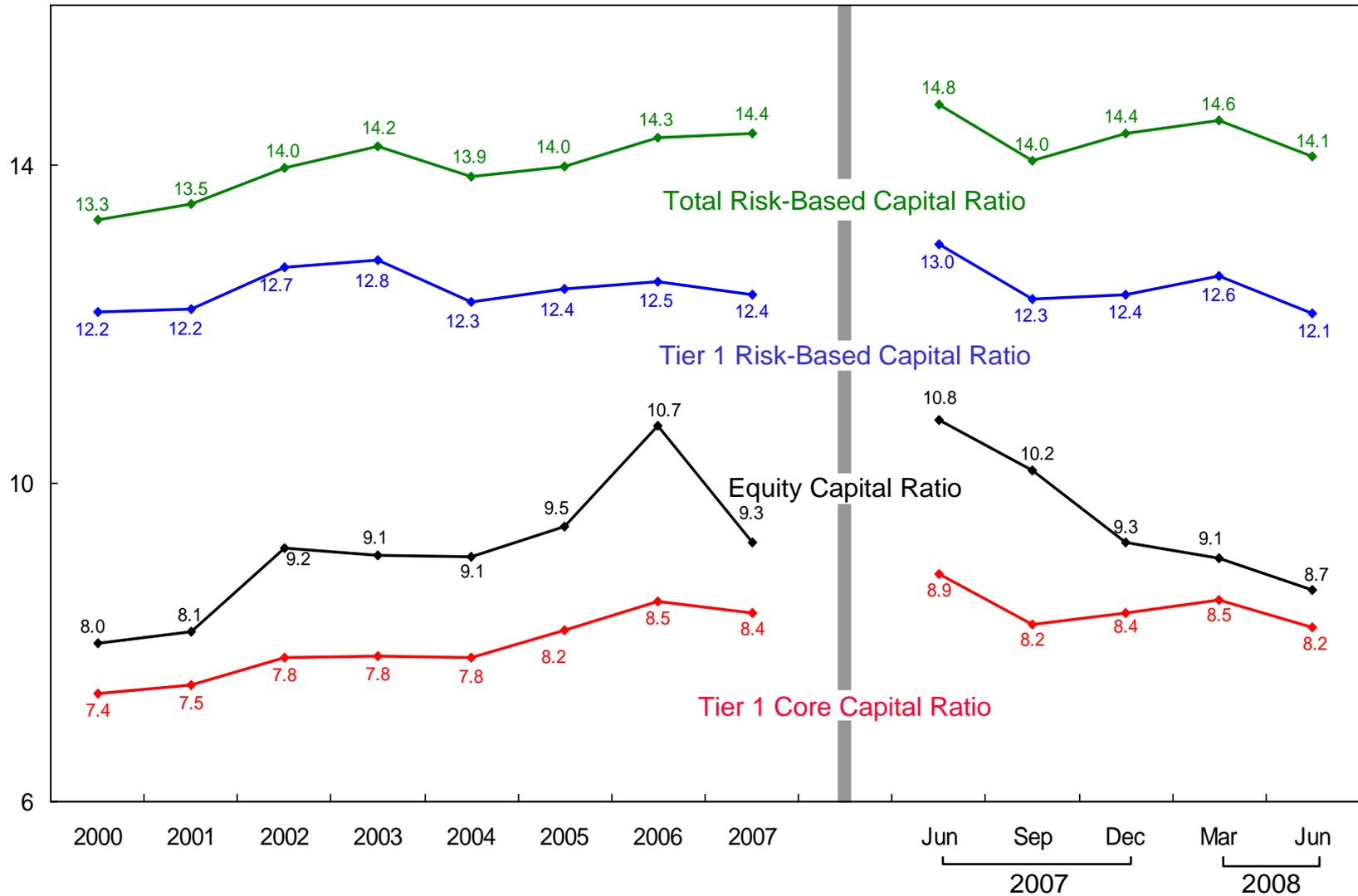
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SUMMARY

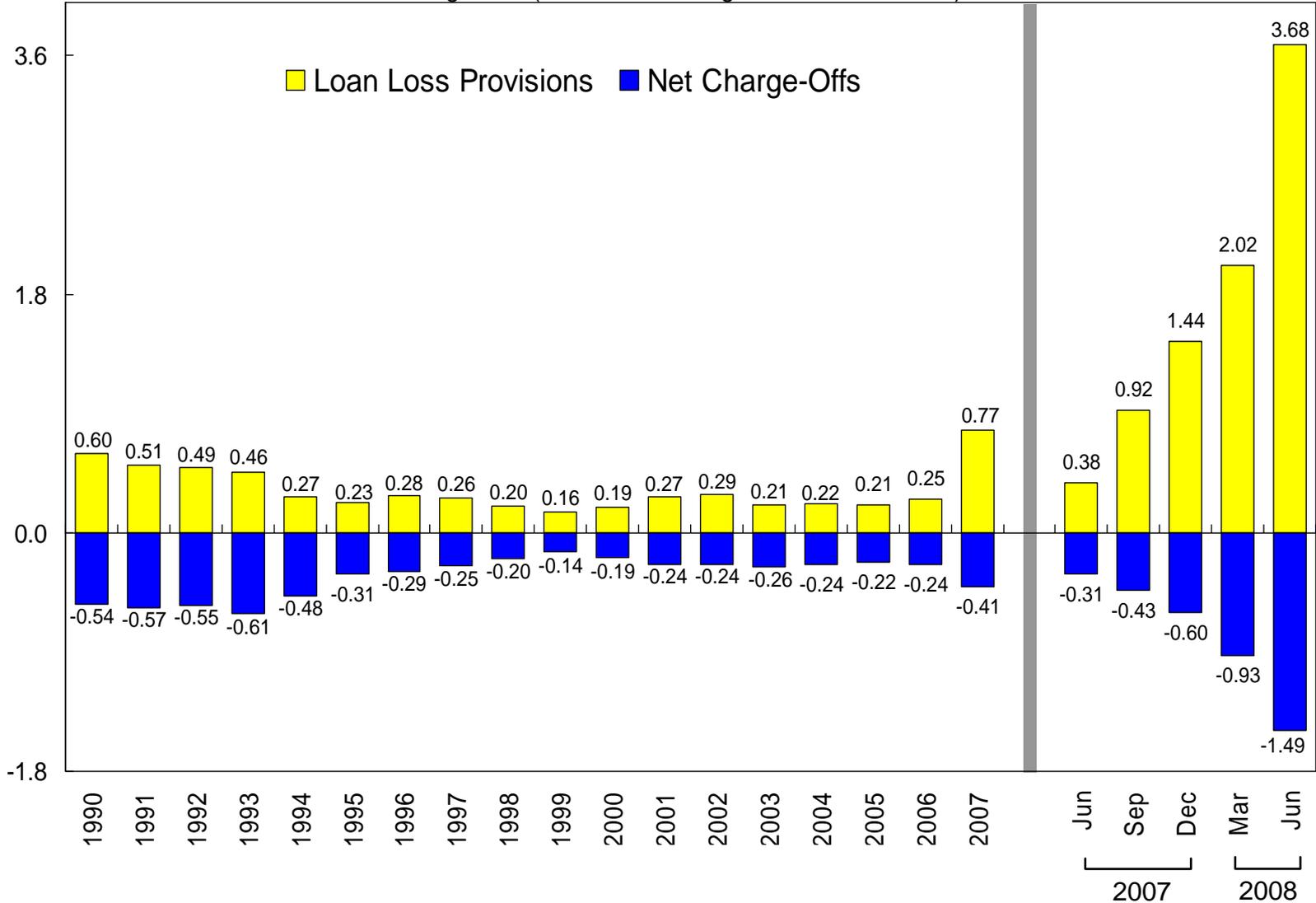
- Thrifts added a record \$14.0 billion to loan loss provisions in the second quarter, significantly bolstering the cushion for loan losses.
- The record loan loss provisions increased thrifts' loan loss reserve ratio to an all-time high of 2.27% from 1.51% in the prior quarter.
- These large provisions resulted in a quarterly net loss of \$5.4 billion and ROA of a negative 1.41%.
- 98.4% of all thrifts – holding 97.6% of industry assets – exceed “well-capitalized” regulatory standards.

CAPITAL RATIOS

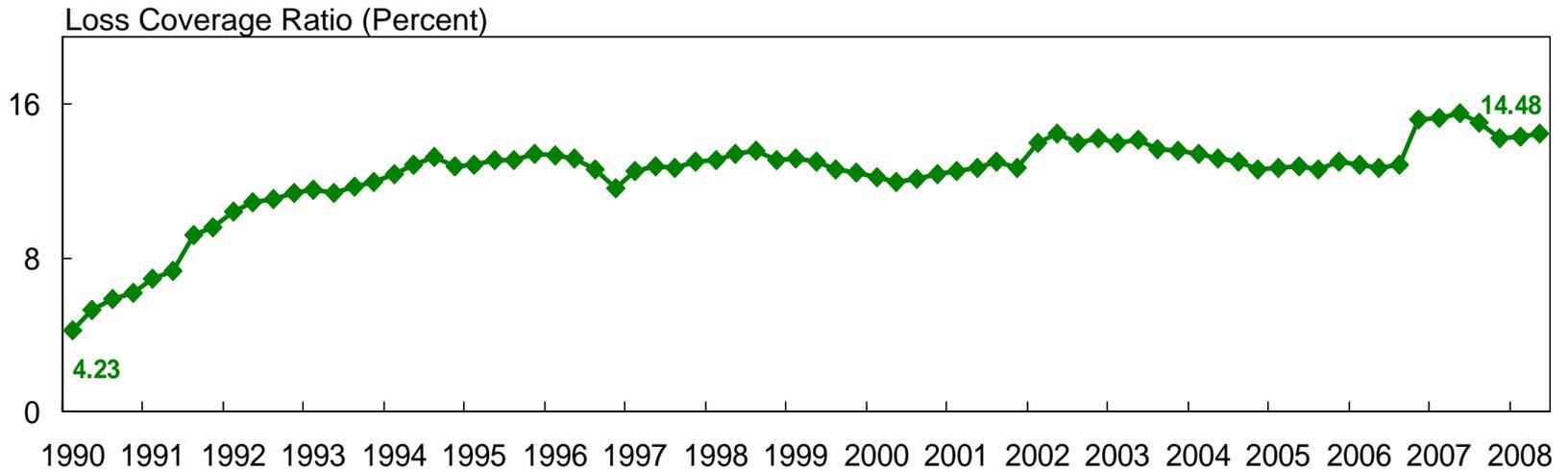
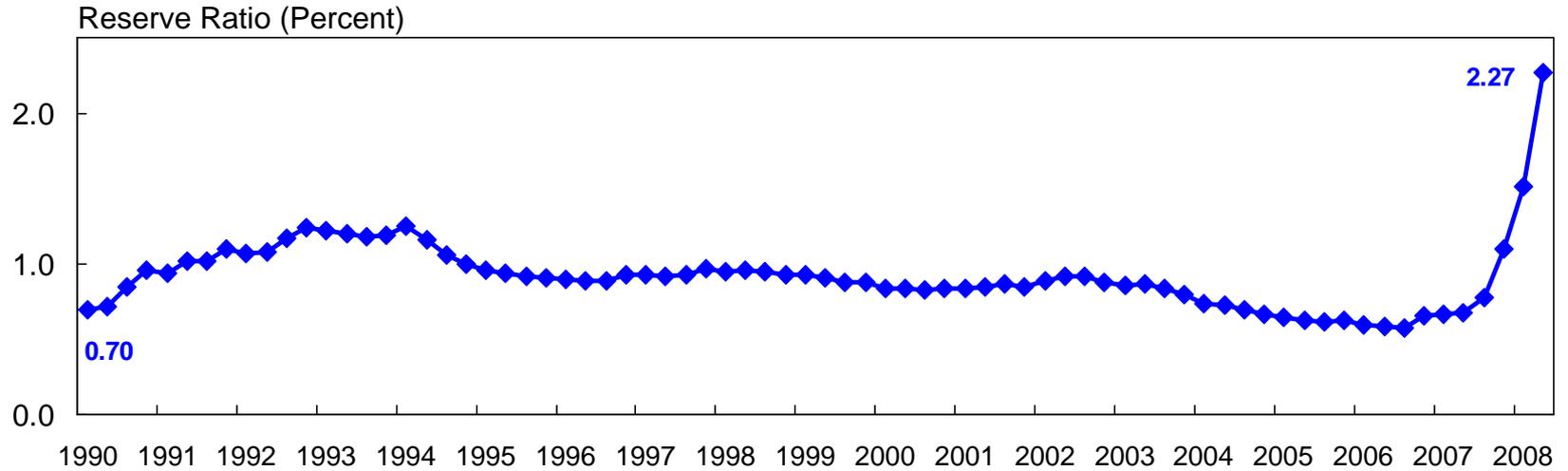


LOAN LOSS PROVISIONS AND NET CHARGE-OFFS

Loan Loss Provisions and Net Charge-Offs (Percent of Average Assets Annualized)



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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ROA ANALYSIS

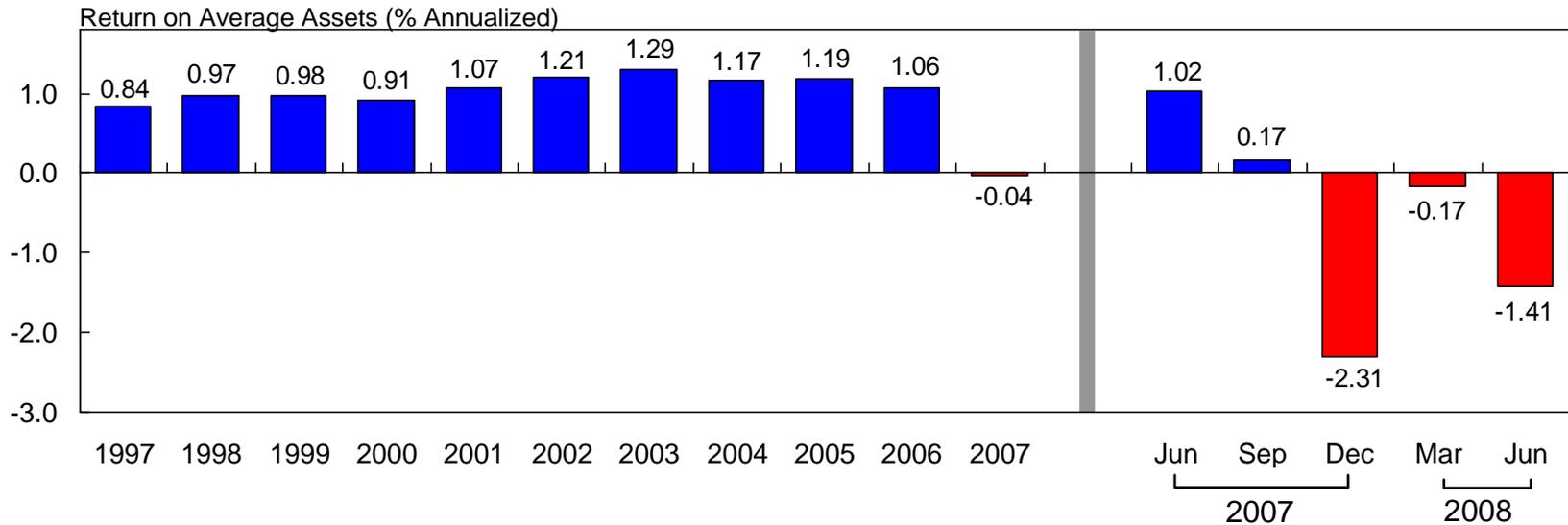
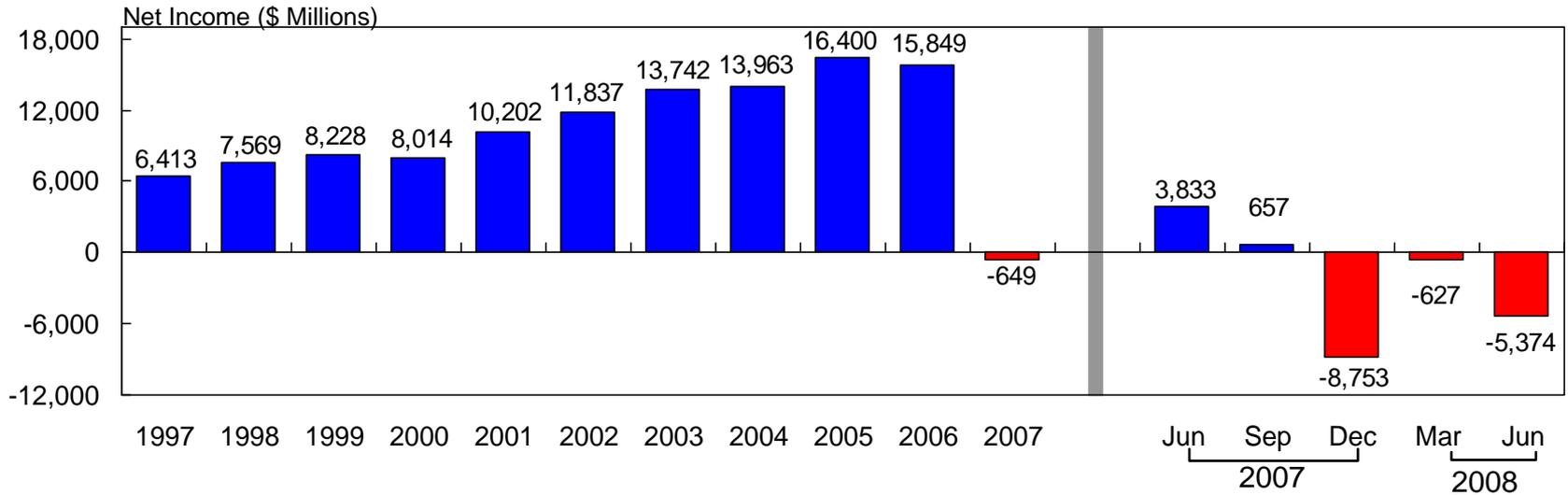
(Percent of Average Assets)	Quarter			ROA Impact ¹	
	Jun '08	Mar '08	Jun '07	Jun '08 Mar '08	Jun '08 Jun '07
Net Interest Income (Margin)	2.91	2.77	2.76	0.14	0.15
Loan Loss Provisions	3.68	2.02	0.38	-1.66	-3.30
Total Fee Income	1.56	1.11	1.42	0.45	0.14
Mortgage Loan Servicing Fees & Amort.	0.39	-0.04	0.23	0.43	0.16
Mortgage Loan Servicing Fees	0.28	0.25	0.25	0.03	0.03
Servicing Amortization & Adjustments	0.12	-0.29	-0.03	0.41	0.15
Other Fees and Charges	1.17	1.15	1.19	0.02	-0.02
Other Noninterest Income (Loss)	-0.19	0.60	0.48	-0.79	-0.67
Sale of Assets Held For Sale	-0.03	0.13	0.21	-0.16	-0.24
LOCOM Adjustments to AHFS	-0.04	-0.05	-0.01	0.01	-0.03
Gains (Losses) on Financial Assets					
Carried at Fair Value	-0.24	0.41	-0.01	-0.65	-0.23
Other	0.11	0.11	0.29	0.00	-0.18
Noninterest Expense	2.79	2.77	2.72	-0.02	-0.07
Goodwill Amortization & Charges	0.05	0.06	0.08	0.01	0.03
Taxes	-0.80	-0.14	0.55	0.66	1.35
Net Income (ROA)	-1.41	-0.17	1.02	-1.24	-2.43

¹ Negative values reduced ROA.

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

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EARNINGS AND PROFITABILITY



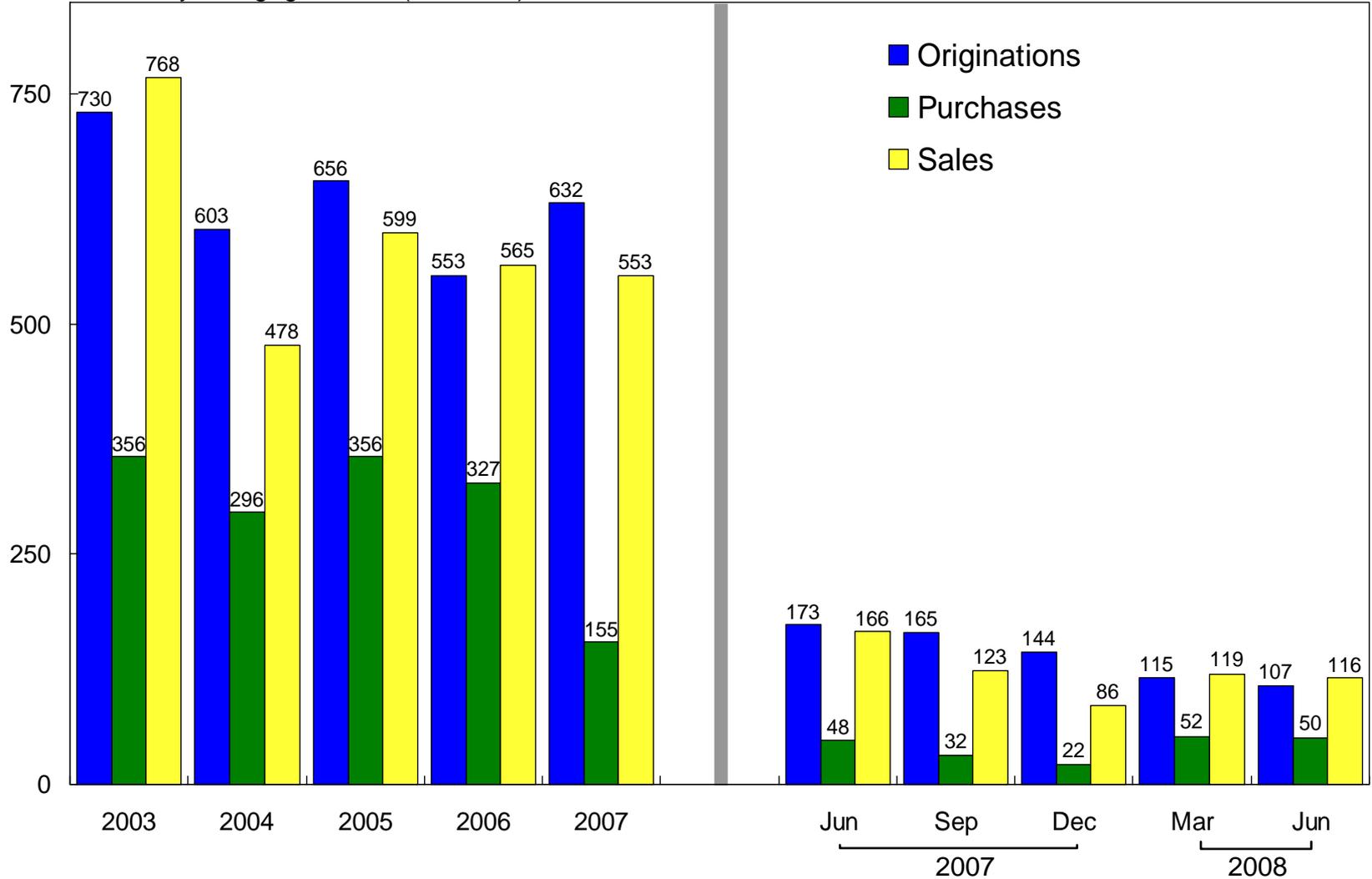
ASSETS AND LIABILITIES COMPOSITION

	Jun 2008		Mar 2008		Jun 2007		Growth Rates	
	\$ Bil	% TA	\$ Bil	% TA	\$ Bil	% TA	Jun '08	Jun '08
							Mar '08	Jun '07
							% Ann.	%
Total Assets	1,512.0	100.0	1,515.3	100.0	1,503.4	100.0	(0.9)	0.6
Total Loans	1,090.2	72.1	1,084.3	71.6	1,093.5	72.7	2.2	(0.3)
1-4 Family Mortgage Loans	749.1	49.5	748.2	49.4	765.4	50.9	0.4	(2.1)
Home Equity Lines of Credit	119.6	7.9	118.1	7.8	106.3	7.1	5.1	12.6
Construction & Land Loans	51.7	3.4	52.7	3.5	51.7	3.4	(7.7)	(0.0)
Multifamily Loans	64.9	4.3	63.3	4.2	63.5	4.2	9.9	2.2
Nonresidential Loans	77.4	5.1	75.1	5.0	65.2	4.3	12.3	18.7
Commercial Loans / Small Business	59.1	3.9	60.3	4.0	56.6	3.8	(8.0)	4.5
Consumer Loans	88.1	5.8	84.7	5.6	91.1	6.1	15.9	(3.4)
 Allowance for Loan and Lease Losses	(24.4)	(1.6)	(16.3)	(1.1)	(7.4)	(0.5)	197.3	228.4
Mortgage Backed Securities	199.0	13.2	202.3	13.3	195.8	13.0	(6.6)	1.6
Cash and Liquid Investments	54.7	3.6	64.1	4.2	46.0	3.1	(58.5)	18.8
Other Investment Securities	69.9	4.6	63.6	4.2	57.1	3.8	39.5	22.4
Total Liabilities and Capital	1,512.0	100.0	1,515.3	100.0	1,503.4	100.0	(0.9)	0.6
Total Liabilities	1,381.1	91.3	1,378.2	91.0	1,341.0	89.2	0.8	3.0
Total Deposits and Escrows	929.2	61.5	913.4	60.3	948.5	63.1	6.9	(2.0)
FHLBank Advances	298.0	19.7	308.8	20.4	214.9	14.3	(14.0)	38.6
Other Borrowings	122.8	8.1	119.1	7.9	141.0	9.4	12.4	(12.9)
Other Liabilities	31.1	2.1	37.0	2.4	36.6	2.4	(63.3)	(14.9)
Equity Capital	130.9	8.7	137.1	9.0	162.4	10.8	(18.0)	(19.4)

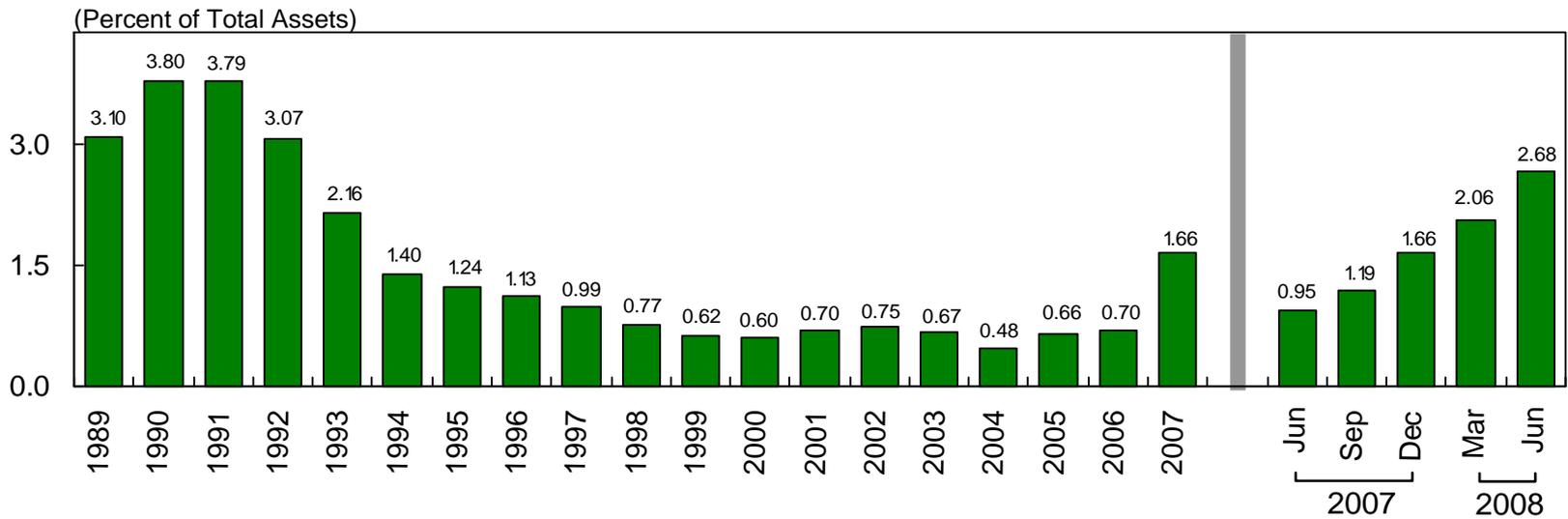
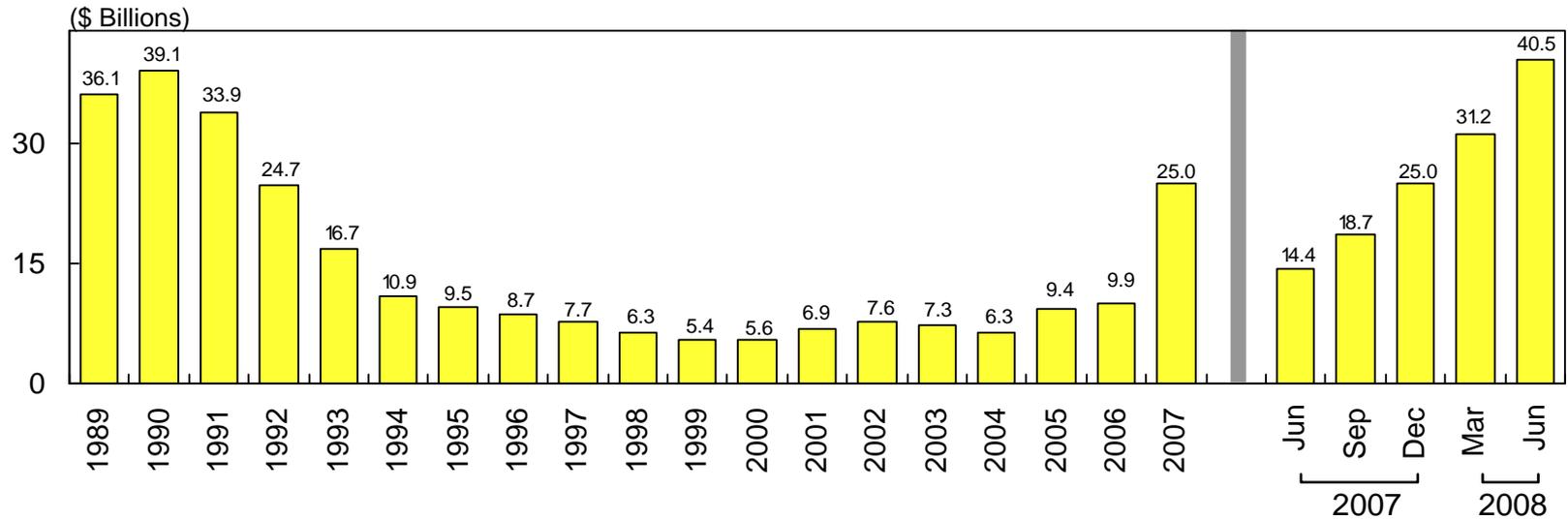
Numbers may not sum due to rounding.
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1-4 FAMILY ORIGINATIONS, PURCHASES, AND SALES

1-4 Family Mortgage Loans (\$ Billions)



TROUBLED ASSETS

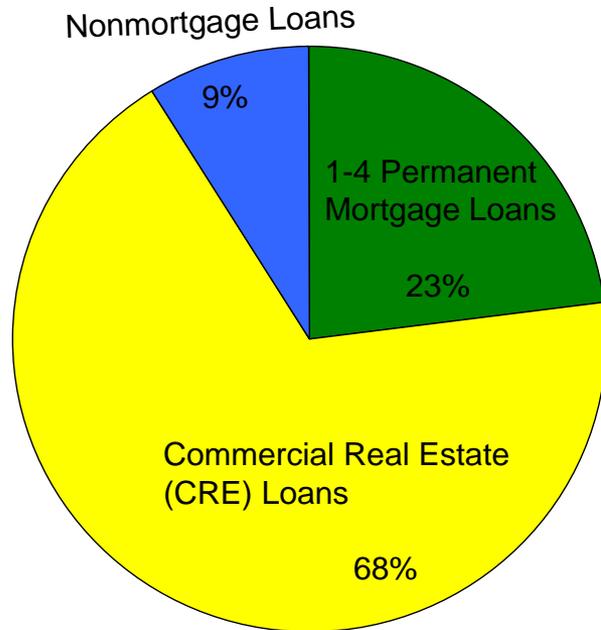


Troubled Assets include noncurrent (90 days or more past due or in nonaccrual status) loans and repossessed assets.
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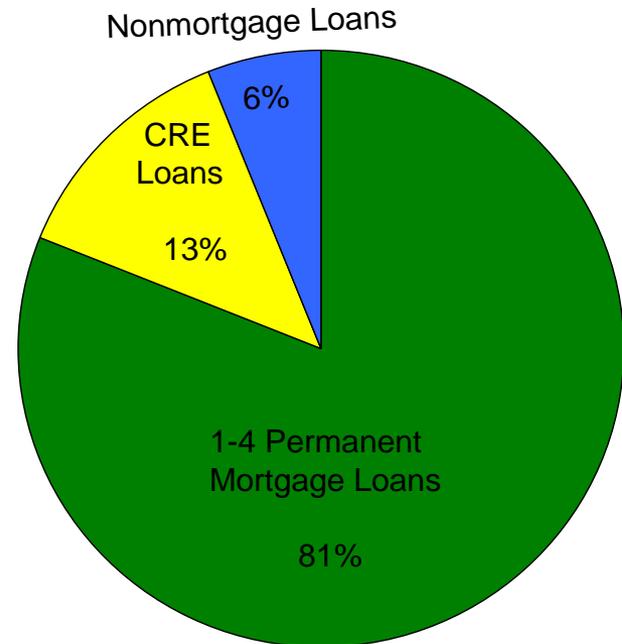
COMPARISONS OF TROUBLED ASSETS

December 1990 vs. June 2008

December 1990



June 2008



30%

Reserves-to-Troubled Assets

63%

166%

Reserves plus Equity-to-Troubled Assets

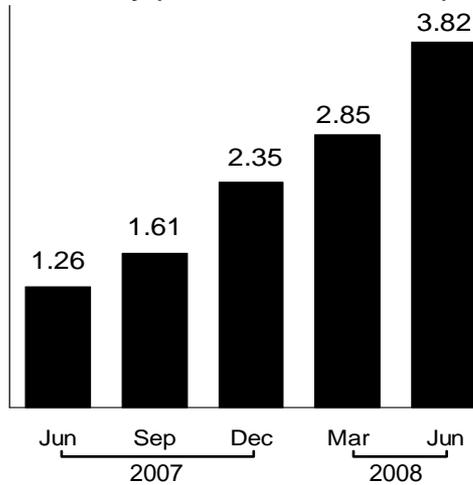
383%

Commercial Real Estate Loans consist of construction, land, multifamily, and other nonresidential mortgage loans. Nonmortgage loans consist of commercial & consumer loans and other repossessed assets.
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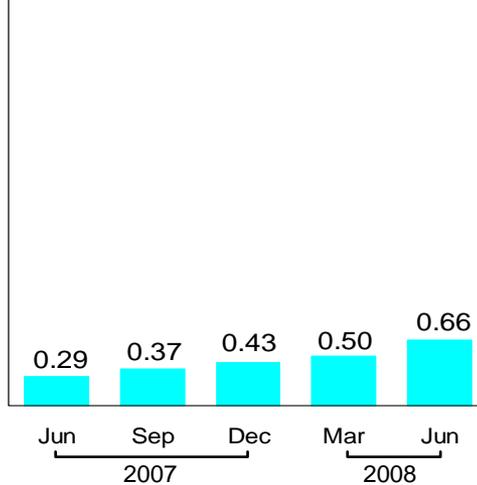
NONCURRENT LOANS – FIVE QUARTERS

Percent of Loan Type

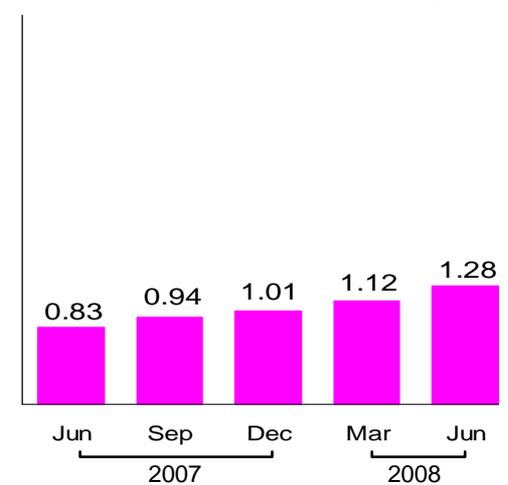
1-4 Family (49.5% of Thrift Assets)



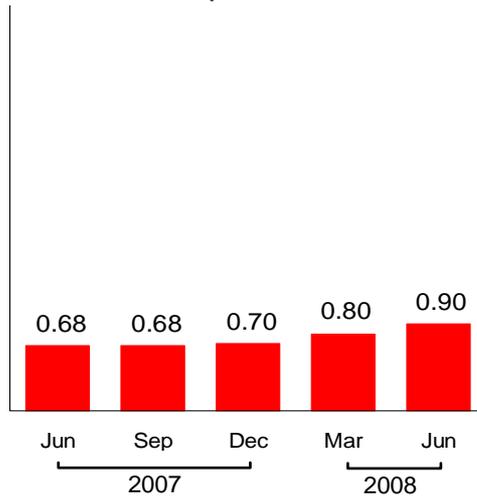
Multifamily (4.3% of Thrift Assets)



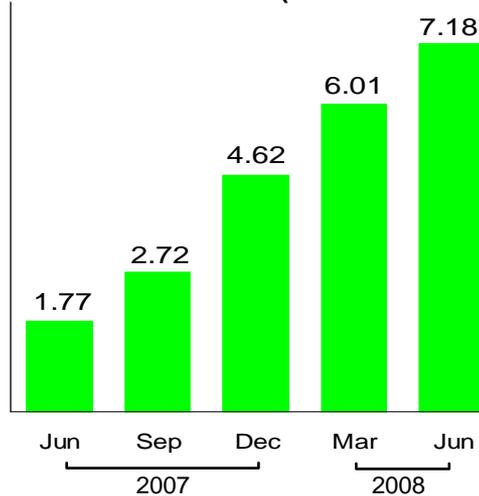
Consumer (5.8% of Thrift Assets)



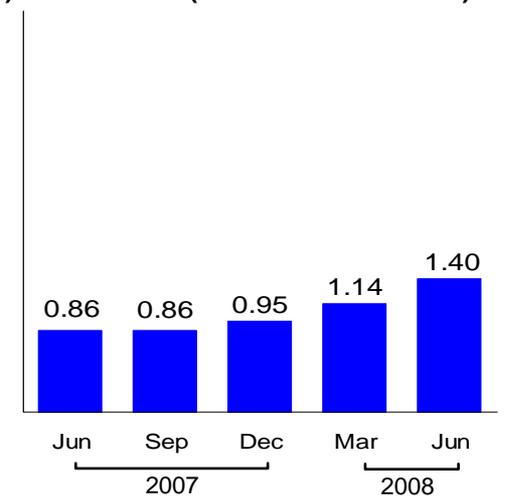
Nonresidential (5.1% of Thrift Assets)



Construction & Land (3.4% of Thrift Assets)



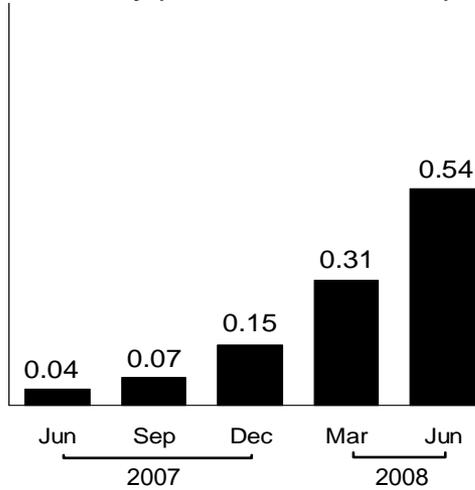
Commercial (3.9% of Thrift Assets)



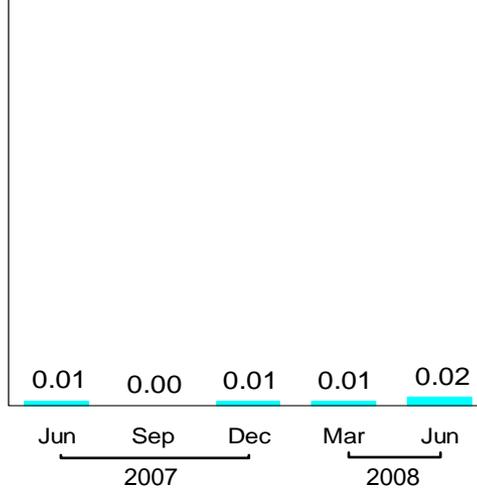
NET CHARGE-OFFS

Percent of Loan Type

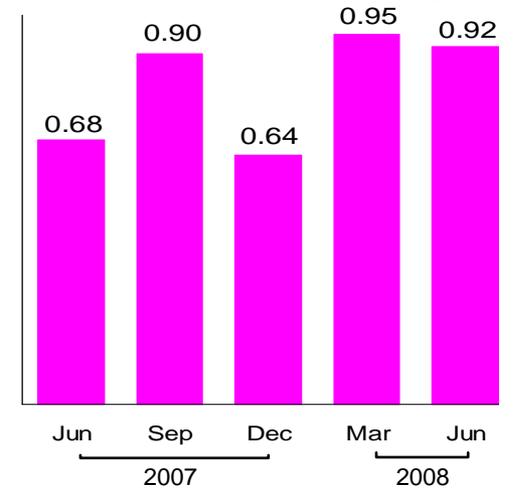
1-4 Family (49.5% of Thrift Assets)



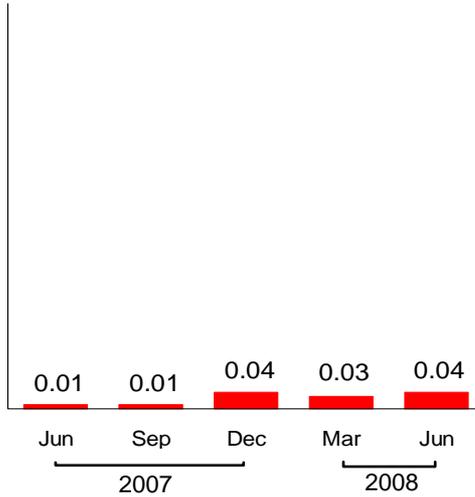
Multifamily (4.3% of Thrift Assets)



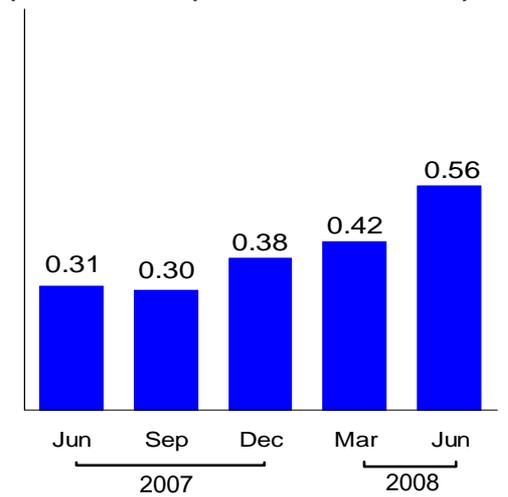
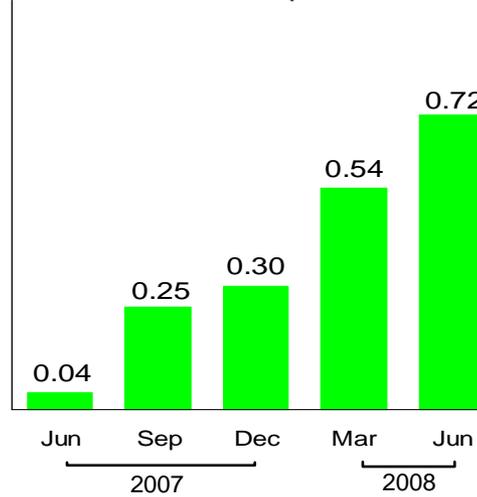
Consumer (5.8% of Thrift Assets)



Nonresidential (5.1% of Thrift Assets)



Construction & Land (3.4% of Thrift Assets) Commercial (3.9% of Thrift Assets)



NUMBER OF PROBLEM THRIFTS

(Thrifts with Composite CAMELS Ratings of 4 or 5)

