

**WASHINGTON BANKING COMPANY**

	CPP Disbursement Date 01/16/2009	RSSD (Holding Company) 2406174	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2008</b> \$ millions	<b>2009</b> \$ millions	%chg from prev	
<b>Assets</b>	\$898	\$1,044	16.3%	
Loans	\$826	\$817	-1.1%	
<i>Construction &amp; development</i>	\$146	\$118	-19.2%	
<i>Closed-end 1-4 family residential</i>	\$84	\$72	-14.5%	
<i>Home equity</i>	\$44	\$52	18.5%	
<i>Credit card</i>	\$3	\$3	-0.7%	
<i>Other consumer</i>	\$126	\$117	-7.5%	
<i>Commercial &amp; Industrial</i>	\$78	\$76	-2.4%	
<i>Commercial real estate</i>	\$307	\$336	9.4%	
Unused commitments	\$143	\$139	-2.5%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$1	1565.0%	
Asset-backed securities	\$0	\$0		
Other securities	\$18	\$80	351.4%	
Cash & balances due	\$14	\$102	621.2%	
<b>Residential mortgage originations</b>				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
<b>Liabilities</b>	\$794	\$865	9.0%	
Deposits	\$748	\$851	13.8%	
Total other borrowings	\$42	\$10	-76.0%	
FHLB advances	\$41	\$10	-75.3%	
<b>Equity</b>				
Equity capital at quarter end	\$104	\$179	71.7%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$1	\$72	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	11.5%	18.2%	--	
Tier 1 risk based capital ratio	11.8%	20.3%	--	
Total risk based capital ratio	13.1%	21.5%	--	
Return on equity <sup>1</sup>	7.8%	5.0%	--	
Return on assets <sup>1</sup>	0.9%	0.8%	--	
Net interest margin <sup>1</sup>	4.7%	5.0%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	638.4%	477.5%	--	
Loss provision to net charge-offs (qtr)	167.0%	117.2%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.6%	0.9%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
<i>Construction &amp; development</i>	0.0%	2.0%	0.0%	0.7%
<i>Closed-end 1-4 family residential</i>	0.5%	0.4%	0.2%	0.3%
<i>Home equity</i>	0.0%	0.5%	0.1%	0.3%
<i>Credit card</i>	0.0%	0.0%	2.9%	1.3%
<i>Other consumer</i>	0.0%	0.0%	0.7%	0.6%
<i>Commercial &amp; Industrial</i>	0.3%	0.0%	0.5%	0.4%
<i>Commercial real estate</i>	0.4%	0.1%	0.1%	0.0%
<i>Total loans</i>	0.2%	0.4%	0.2%	0.3%