

**WaMu Reports Third Quarter Earnings Per Share of \$0.23****Declares Cash Dividend of 56 Cents**

SEATTLE--(BUSINESS WIRE)--Oct. 17, 2007--WaMu (NYSE:WM) announced today third quarter 2007 net income of \$210 million, or \$0.23 per diluted share, compared with net income of \$748 million, or \$0.77 per diluted share, in the third quarter of 2006. The company attributed the decline to a weaker housing market and disruptions in the capital markets.

"We're disappointed with our third quarter results but they reflect the increasingly difficult market conditions that are challenging the banking industry," said WaMu Chairman and Chief Executive Officer Kerry Killinger. "Despite these challenges, our Retail Banking, Card Services and Commercial businesses delivered good operating performance during the quarter, and we continued to adapt our Home Loans business to meet market conditions." Killinger added that the company remains focused on executing its long-term growth plans.

The company also announced its Board of Directors declared a quarterly cash dividend on the company's common stock of 56 cents per share.

THIRD QUARTER FINANCIAL SUMMARY AND HIGHLIGHTS

Selected Financial Information

(in millions, except per share data)	Three Months Ended		
	September 30, 2007	June 30, 2007	September 30, 2006
Income Statement			
Net interest income	\$ 2,014	\$ 2,034	\$ 1,947
Provision for loan and lease losses	967	372	166
Noninterest income	1,379	1,758	1,570
Noninterest expense	2,153	2,138	2,184
Net income	210	830	748
Diluted earnings per common share			
	\$ 0.23	\$ 0.92	\$ 0.77
Balance Sheet			
Total assets, end of period	\$330,110	\$312,219	\$348,877
Average total assets	320,475	316,004	349,542
Average interest-earning assets	283,263	279,836	312,827
Average total deposits	198,649	206,765	208,912
Performance Ratios			
Return on average common equity	3.45%	13.74%	11.47%
Net interest margin	2.86	2.90	2.53
Efficiency ratio	63.42	56.38	62.09
Nonperforming assets/total assets	1.65	1.29	0.69
Tangible equity/total tangible assets	5.61	6.07	5.86

-- Net interest margin of 2.86 percent reflects change in funding mix. The 4 basis point decline in the net interest margin from the second quarter was driven by an increase in the level of interest-earning assets funded by higher-cost wholesale borrowings. The increase in the margin from 2.53 percent in the third quarter of last year was primarily due to the upward repricing of the loan portfolio, which reflected the \$17.5 billion sale of lower yielding, medium-term adjustable-rate home loans in the first quarter of 2007.

-- Increase in provision reflects further weakness in the housing market. The quarter's provision increased to \$967 million from \$372 million in the prior quarter in response to higher delinquencies and impacts from recent house price trends, as well as the \$22.1 billion, or 10 percent, growth in the

company's loan portfolio during the quarter. The increase in the non-card portion of the provision to \$644 million from \$143 million in the second quarter was driven by further weakening in the housing market, primarily as it affects subprime and home equity loans.

- The company also increased the provision for loan losses for credit cards to \$323 million from \$229 million in the second quarter reflecting a higher level of delinquencies and a lower level of anticipated recoveries.
- Depositor and other retail banking fees continue to grow at double-digit pace. During the third quarter, the company added 310,000 net new checking accounts for year-to-date growth of over 1.0 million net new accounts, achieving in nine months its stated goal of adding more than one million net new checking accounts in 2007. The growth in WaMu Free Checking(TM) helped drive, along with higher transaction fees, an increase in depositor and other retail banking fees of 13 percent from last year's third quarter.
- Noninterest income reflects capital markets disruption. Noninterest income during the third quarter was impacted by the following:
 - Downward adjustments of \$147 million related to \$17 billion in home, multi-family and other commercial real estate loans that were transferred from held for sale to the company's investment portfolio;
 - Net losses of \$153 million in the company's trading securities portfolio, including market valuation adjustments on capital markets assets, retained interests on credit cards and other residual interests; and,
 - Impairment losses of \$104 million on investment grade mortgage-backed securities designated as available for sale.
 - Included in other noninterest income for the third quarter were losses, resulting from the decrease in interest rates, on derivatives economically hedging commercial real estate loans held for sale. The decline in total noninterest income was partially offset by strong third quarter results from MSR valuation and risk management.
 - Disciplined expense management continues. The slight increase in third quarter's noninterest expense to \$2.2 billion reflects increasing foreclosure related expenses offset by continuing productivity improvements.

THIRD QUARTER OPERATING SEGMENT RESULTS

Retail Banking Group
Selected Segment Information

(in millions, except accounts and households)	Three Months Ended		
	September 30, 2007	June 30, 2007	September 30, 2006
Net interest income	\$ 1,302	\$ 1,283	\$ 1,260
Provision for loan and lease losses	318	91	53
Noninterest income	833	819	738
Noninterest expense	1,155	1,137	1,079
Net income	453	559	555
Average loans	\$ 147,357	\$ 149,716	\$ 180,829
Average retail deposits	144,921	145,252	139,954
Net change in number of retail checking accounts	310,360	406,243	307,433
Net change in retail households	161,000	228,000	256,000

- Solid operating results with a higher provision. The Retail Bank continued to perform well, which led to an increase in

net interest income and a 13 percent year over year increase in depositor fees. The decline in net income was due to the increase in the provision related to both the home loan and home equity portfolios.

- Number of checking accounts up during the quarter. During the third quarter, the company added 310,000 net new checking accounts for year-to-date growth of over 1.0 million net new accounts, achieving in nine months its stated goal of adding more than one million net new checking accounts in 2007. The growth in WaMu Free Checking(TM) also contributed to an increase in the number of retail households, up 2 percent from the end of the prior quarter and up 8 percent from a year earlier.

Card Services Group (managed basis)
Selected Segment Information

(in millions)	Three Months Ended		
	September 30, 2007	June 30, 2007	September 30, 2006
Net interest income	\$ 689	\$ 660	\$ 633
Provision for loan and lease losses	611	523	345
Noninterest income	399	393	343
Noninterest expense	320	300	294
Net income	102	141	207
Average managed receivables	\$ 25,718	\$ 24,234	\$ 21,706
Period-end managed receivables	26,227	24,987	22,234
30+ day managed delinquency rate	5.73%	5.11%	5.53%
Managed net credit losses	6.37	6.49	5.68

- Results reflect strong growth in receivables despite market disruption. Noninterest income was up slightly from the second quarter. The increase in fee income from larger receivables balances was mostly offset by a \$65 million downward adjustment to the company's retained interests resulting from disruption in the capital markets. The increase in net interest income compared with prior periods reflected higher net finance charges from the higher balance of managed receivables. The increase in noninterest expense was driven by higher marketing costs which helped support the quarter's record account openings.

- Record new account growth. During the quarter, Card Services opened a record 945,000 new credit card accounts. Marketing to WaMu customers continues to be an important growth opportunity for Card Services and accounted for approximately one third of production. Period-end managed receivables of \$26.2 billion were up 5 percent from the second quarter and up 18 percent from the prior year.

- Credit quality reflects higher level of delinquencies. Net credit losses of 6.37 percent were down slightly from the second quarter as the third quarter's substantial growth in managed receivables more than offset an increase in losses. At 5.73 percent of period-end managed receivables, the 30+ day managed delinquency rate was up from the prior quarter, due in part to seasonal trends. The quarter's strong growth in period-end managed receivables, higher level of delinquencies, and a lower level of anticipated recoveries led to the increase in the quarter's provision.

Commercial Group
Selected Segment Information

(in millions)	Three Months Ended		
	September 30, 2007	June 30, 2007	September 30, 2006
Net interest income	\$ 193	\$ 195	\$ 159
Provision for loan and lease			

losses	12	2	(2)
Noninterest income	(34)	62	25
Noninterest expense	67	74	60
Net income	54	113	78

Loan volume	\$ 4,054	\$ 4,348	\$ 3,104
Average loans	38,333	38,789	32,414

-- Decline in net income reflects capital markets pressure. Net income of \$54 million was down from the prior quarter due to the decline in noninterest income and increase to the provision for loan losses. The \$34 million loss in noninterest income was primarily due to a \$21 million loss on sale of loans, net of hedging, compared with net gains in the second quarter of \$63 million due to favorable hedging results. The increase in the provision was primarily due to the transfer of \$2 billion of loans out of held for sale and into portfolio.

-- Loan volume remains strong. Loan volume of \$4.1 billion remained strong, down slightly from the record level in the second quarter as the company increased pricing in response to market conditions. The quarter's lower level of loan production contributed to the decline in noninterest expense from the second quarter.

Home Loans Group

Selected Segment Information

(in millions)	Three Months Ended		
	September 30,	June 30,	September 30,
	2007	2007	2006
Net interest income	\$ 183	\$ 215	\$ 276
Provision for loan and lease losses	323	101	84
Noninterest income	184	391	314
Noninterest expense	554	548	528
Net income (loss)	(348)	(37)	(23)
Loan volume	\$26,434	\$35,857	\$41,241
Average loans	43,737	43,312	45,407

-- Housing weakness and capital markets disruption challenge Home Loans' profitability. The decline in net income was driven by lower noninterest income and higher credit costs.

-- The company's gain on sale of home mortgage loans decreased from a gain of \$192 million in the second quarter to a loss of \$222 million. During the quarter, the company recorded a \$139 million downward adjustment on the \$15 billion of loans transferred from held for sale into the segment's portfolio.

-- In addition, the company recorded a decrease in the value of its subprime residuals by \$43 million to a balance of \$37 million at the end of the quarter and recorded a loss of \$62 million on trading securities associated with the company's capital markets activities as the position was marked down due to widening credit spreads and the market's reduced liquidity.

-- Partially offsetting these items were strong results from MSR valuation and risk management of \$222 million for the third quarter compared with a loss of \$21 million in the prior quarter, reflecting the disruption in the capital markets and a slowdown in expected prepayments related to a weaker housing market, tighter underwriting standards across the industry, and higher nonconforming mortgage rates.

-- The provision for loan losses increased to \$323 million in the third quarter from \$101 million in the prior quarter; the increase reflects rising delinquencies, home price trends, and the impact of nonconforming loans moved or added to the loan portfolio. The company retained most prime nonconforming loans in this segment rather than selling them.

- Drop in home loan volume reflects slowdown in housing and further credit tightening. Prime home loan volume was down 22 percent from the second quarter as refinance activity fell during the third quarter. Subprime mortgage production for the third quarter of only \$483 million was down 80 percent from \$2.4 billion in the prior quarter and down 95 percent from \$9.4 billion a year ago.

COMPANY UPDATES

- On Oct. 16, Washington Mutual Bank consented to the issuance of an order by the Office of Thrift Supervision requiring the Bank to comply with the Bank Secrecy Act and to strengthen and improve its programs and controls for compliance with the Act and related laws and regulations. The order does not impose any fines or restrictions on the Bank's business activities or growth initiatives.
- On Oct. 16, WaMu's Board of Directors declared a cash dividend of 56 cents per share on the company's common stock. Dividends on the common stock are payable on Nov. 15, 2007 to shareholders of record as of Oct. 31, 2007. In addition to declaring a dividend on the company's common stock, the company will pay a dividend of \$0.4041 per depository share of Series K Preferred Stock to be payable on Dec. 17, 2007 to holders of record on Dec. 3, 2007.
- On Oct. 1, WaMu implemented industry leading standards for mortgage brokers. The new program includes enhanced disclosure and a direct call program to every borrower who is represented by a broker prior to closing to review the key loan terms.
- On Sept. 24, John P. McMurray joined WaMu to serve as the company's Chief Credit Officer. He reports to Ron Cathcart, Chief Enterprise Risk Officer. McMurray, a mortgage industry veteran, most recently was Senior Managing Director and Chief Risk Officer at Countrywide Financial Corporation.
- On Nov. 7, WaMu will hold its 2007 Investor Day for analysts and institutional investors. The event, scheduled to begin at 8:00 a.m. and conclude by 12:30 p.m. ET, will be held in New York at the Sheraton New York Hotel and Tower.

ABOUT WAMU

WaMu, through its subsidiaries, is one of the nation's leading consumer and small business banks. At Sept. 30, 2007, WaMu and its subsidiaries had assets of \$330.1 billion. The company has a history dating back to 1889 and its subsidiary banks currently operate approximately 2,700 consumer and small business banking stores throughout the nation. WaMu's press releases are available at <http://newsroom.wamu.com>.

WEBCAST INFORMATION

A conference call to discuss the company's financial results will be held on Wednesday, Oct. 17, 2007, at 5:00 p.m. ET and will be hosted by Kerry Killinger, chairman and chief executive officer and Tom Casey, executive vice president and chief financial officer. The conference call is available by telephone or on the Internet. The dial-in number for the live conference call is 888-889-1955. Participants calling from outside the United States may dial 210-234-0002. The passcode "WaMu" is required to access the call. Via the Internet, the conference call is available on the Investor Relations portion of the company's web site at www.wamu.com/ir. A transcript of the prepared remarks will be available on the company's web site prior to the call and archived for at least 30 days. A recording of the conference call will be available from 7:00 p.m. ET on Wednesday, Oct. 17, 2007, through 11:59 p.m. ET on Friday, Oct. 26, 2007. The recorded message will be available at 800-584-7315. Callers from outside the United States may dial 203-369-3816.

CAUTIONARY STATEMENTS

This document contains forward-looking statements, which are not historical facts and pertain to future operating results. These forward-looking statements are within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained in this document that are not historical facts. When used in this presentation, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," or words of similar meaning, or future or conditional verbs, such as "will," "would," "should," "could," or "may" are generally intended to identify forward-looking statements. These forward-looking statements are inherently

subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ materially from the results discussed in these forward-looking statements for the reasons, among others, discussed under the heading "Factors That May Affect Future Results" in Washington Mutual's 2006 Annual Report on Form 10-K and "Cautionary Statements" in our Forms 10-Q for the quarters ended March 31, 2007 and June 30, 2007 which include:

- Volatile interest rates and their impact on the mortgage banking business;
- Credit risk;
- Operational risk;
- Risks related to credit card operations;
- Changes in the regulation of financial services companies, housing government-sponsored enterprises and credit card lenders;
- Competition from banking and nonbanking companies;
- General business, economic and market conditions;
- Reputational risk; and
- Liquidity risk.

There are other factors not described in our 2006 Form 10-K and Forms 10-Q for the quarters ended March 31, 2007 and June 30, 2007 which are beyond the Company's ability to anticipate or control that could cause results to differ.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions, except per share data)
(unaudited)

	Quarter Ended				
	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
PROFITABILITY					
Net income	\$ 210	\$ 830	\$ 784	\$ 1,058	\$ 748
Net interest income	2,014	2,034	2,081	1,998	1,947
Noninterest income	1,379	1,758	1,541	1,592	1,570
Noninterest expense	2,153	2,138	2,105	2,257	2,184
Diluted earnings per common share:					
Income from continuing operations	\$ 0.23	\$ 0.92	\$ 0.86	\$ 0.66	\$ 0.76
Income from discontinued operations	-	-	-	0.44	0.01
Net income	0.23	0.92	0.86	1.10	0.77
Diluted weighted average number of common shares outstanding (in thousands)					
	876,002	893,090	899,706	955,817	967,376
Net interest margin	2.86%	2.90%	2.79%	2.58%	2.53%

Dividends declared per common share	\$	0.56	\$	0.55	\$	0.54	\$	0.53	\$	0.52
Book value per common share (period end)(1)		27.21		27.27		27.30		28.21		27.65
Return on average assets		0.26%		1.05%		0.95%		1.20%		0.86%
Return on average common equity		3.45		13.74		12.99		16.03		11.47
Efficiency ratio(2)(3)		63.42		56.38		58.13		62.87		62.09
ASSET QUALITY										
Nonperforming assets(4) to total assets		1.65%		1.29%		1.02%		0.80%		0.69%
Allowance as a percentage of loans held in portfolio		0.80		0.73		0.71		0.72		0.64
CREDIT PERFORMANCE										
Provision for loan and lease losses	\$	967	\$	372	\$	234	\$	344	\$	166
Net charge-offs		421		271		183		136		154
CAPITAL ADEQUACY										
Capital Ratios for WMI:										
Tangible equity to total tangible assets(5)		5.61%		6.07%		5.78%		6.04%		5.86%
Total risk-based capital to total risk-weighted assets(6)		10.53		11.04		11.17		11.77		11.10
Tier 1 capital to average total assets(6)		5.86		6.09		5.87		6.35		6.28
Capital Ratios for WMB (well-capitalized minimum)(7):										
Tier 1 capital to adjusted total assets (5.00%)		6.40		7.02		6.70		6.79		6.47
Adjusted tier 1 capital to total risk-weighted assets (6.00%)		7.47		8.14		7.88		8.28		8.12
Total risk-based capital to total risk-weighted assets (10.00%)		11.07		12.17		11.94		12.16		11.30
SUPPLEMENTAL DATA										
Average balance sheet:										
Total loans										

held in portfolio	\$ 227,348	\$216,004	\$222,617	\$239,265	\$ 242,165
Total interest-earning assets(2)	283,263	279,836	295,700	314,784	312,827
Total assets	320,475	316,004	331,905	353,056	349,542
Total deposits	198,649	206,765	210,764	214,801	208,912
Total stockholders' equity	23,994	24,436	24,407	26,700	26,147
Period-end balance sheet:					
Total loans held in portfolio, net	235,243	213,434	215,481	223,330	240,215
Total assets	330,110	312,219	319,985	346,288	348,877
Total deposits	194,280	201,380	210,209	213,956	210,882
Total stockholders' equity	23,965	24,210	24,578	26,969	26,458
Common shares outstanding at the end of period (in thousands)(8)	868,802	875,722	888,111	944,479	945,098
Employees at end of period	49,748	49,989	49,693	49,824	51,056

Nine Months Ended

	Sept. 30, 2007	Sept. 30, 2006
PROFITABILITY		
Net income	\$ 1,825	\$ 2,501
Net interest income	6,131	6,123
Noninterest income	4,678	4,786
Noninterest expense	6,396	6,551
Diluted earnings per common share:		
Income from continuing operations	\$ 2.02	\$ 2.51
Income from discontinued operations	-	0.03
Net income	2.02	2.54
Diluted weighted average number of common shares outstanding (in thousands)	889,534	981,997
Net interest margin	2.85%	2.64%
Dividends declared per common share	\$ 1.65	\$ 1.53
Book value per common share (period end)(1)	27.21	27.65
Return on		

average assets	0.75%	0.96%
Return on average common equity	10.10	12.68
Efficiency ratio(2)(3)	59.18	60.05

ASSET QUALITY

Nonperforming assets(4) to total assets	1.65%	0.69%
Allowance as a percentage of loans held in portfolio	0.80	0.64

CREDIT PERFORMANCE

Provision for loan and lease losses	\$ 1,574	\$ 472
Net charge-offs	876	375

CAPITAL ADEQUACY

Capital Ratios for WMI:

Tangible equity to total tangible assets(5)	5.61%	5.86%
Total risk-based capital to total risk-weighted assets(6)	10.53	11.10
Tier 1 capital to average total assets(6)	5.86	6.28

Capital Ratios for WMB (well-capitalized minimum)(7):

Tier 1 capital to adjusted total assets (5.00%)	6.40	6.47
Adjusted tier 1 capital to total risk-weighted assets (6.00%)	7.47	8.12
Total risk-based capital to total risk-weighted assets (10.00%)	11.07	11.30

SUPPLEMENTAL DATA

Average balance sheet:

Total loans held in portfolio	\$ 222,007	\$ 239,037
Total interest-earning assets(2)	286,221	311,300
Total assets	322,753	347,310

Total deposits	205,348	200,131
Total stockholders' equity	24,278	26,308
Period-end balance sheet:		
Total loans held in portfolio, net	235,243	240,215
Total assets	330,110	348,877
Total deposits	194,280	210,882
Total stockholders' equity	23,965	26,458
Common shares outstanding at the end of period (in thousands)(8)	868,802	945,098
Employees at end of period	49,748	51,056

- (1) Excludes six million shares held in escrow.
- (2) Based on continuing operations.
- (3) The efficiency ratio is defined as noninterest expense divided by total revenue (net interest income and noninterest income).
- (4) Excludes nonaccrual loans held for sale.
- (5) Excludes unrealized net gain/loss on available-for-sale securities and derivatives, goodwill and intangible assets (except MSR) and the impact from the adoption and application of FASB Statement No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans. Minority interests of \$2.94 billion for September 30, 2007 and June 30, 2007, \$2.45 billion for March 31, 2007 and December 31, 2006 and \$1.96 billion for September 30, 2006 are included in the numerator.
- (6) The capital ratios are estimated as if Washington Mutual, Inc. were a bank holding company subject to Federal Reserve Board capital requirements.
- (7) Capital ratios for Washington Mutual Bank ("WMB") at September 30, 2007 are preliminary.
- (8) Includes six million shares held in escrow.

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Washington Mutual, Inc.
 Consolidated Statements of Income
 (dollars in millions, except per share data)
 (unaudited)

	Quarter Ended				
	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Interest Income					
Loans held for sale	\$ 248	\$ 421	\$ 562	\$ 515	\$ 435
Loans held in portfolio	3,992	3,786	3,900	4,053	4,012
Available-for-sale securities	392	351	332	392	379
Trading assets	108	108	113	102	140
Other interest and					

dividend income	116	82	101	148	139

Total interest income	4,856	4,748	5,008	5,210	5,105
Interest Expense					
Deposits	1,650	1,723	1,772	1,843	1,739
Borrowings	1,192	991	1,155	1,369	1,419

Total interest expense	2,842	2,714	2,927	3,212	3,158

Net interest income	2,014	2,034	2,081	1,998	1,947
Provision for loan and lease losses	967	372	234	344	166

Net interest income after provision for loan and lease losses	1,047	1,662	1,847	1,654	1,781
Noninterest Income					
Revenue from sales and servicing of home mortgage loans	161	300	125	164	118
Revenue from sales and servicing of consumer loans	418	403	443	372	355
Depositor and other retail banking fees	740	720	665	692	655
Credit card fees	209	183	172	182	165
Securities fees and commissions	67	70	60	54	52
Insurance income	29	29	29	30	31
Gain (loss) on trading assets	(153)	(145)	(108)	(81)	68
Gain (loss) from sales of other available-for-sale securities	(99)	7	35	(1)	(1)
Other income	7	191	120	180	127

Total noninterest income	1,379	1,758	1,541	1,592	1,570
Noninterest Expense					
Compensation and benefits	910	977	1,002	945	939
Occupancy and equipment	371	354	376	476	408
Telecommunications and outsourced information services	135	132	129	133	142
Depositor and other retail banking losses	71	58	61	64	57
Advertising and promotion	125	113	98	107	124
Professional fees	52	55	38	89	57
Other expense	489	449	401	443	457

Total noninterest expense	2,153	2,138	2,105	2,257	2,184
Minority interest expense	53	42	43	34	34

Income from continuing operations before income taxes	220	1,240	1,240	955	1,133
Income taxes	10	410	456	315	394

	Income from continuing operations					
	210	830	784	640	739	

Discontinued Operations(1)						
Income from discontinued operations before income taxes	-	-	-	2	14	
Gain on disposition of discontinued operations	-	-	-	667	-	
Income taxes	-	-	-	251	5	

	Income from discontinued operations					
	-	-	-	418	9	

Net Income	\$ 210	\$ 830	\$ 784	\$ 1,058	\$ 748	
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Net Income Available to Common Stockholders	\$ 202	\$ 822	\$ 777	\$ 1,050	\$ 748	
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Basic Earnings Per

Common Share:

Income from continuing operations	\$ 0.24	\$ 0.95	\$ 0.89	\$ 0.68	\$ 0.78	
Income from discontinued operations	-	-	-	0.45	0.01	
Net Income	0.24	0.95	0.89	1.13	0.79	

Diluted Earnings Per

Common Share:

Income from continuing operations	\$ 0.23	\$ 0.92	\$ 0.86	\$ 0.66	\$ 0.76	
Income from discontinued operations	-	-	-	0.44	0.01	
Net Income	0.23	0.92	0.86	1.10	0.77	

Dividends declared per common share

Basic weighted average number of common shares outstanding (in thousands)	857,005	868,968	874,816	931,484	941,898	
Diluted weighted average number of common shares outstanding (in thousands)	876,002	893,090	899,706	955,817	967,376	

(1) Represents WM Advisors, Inc., the Company's retail mutual fund management business, which was sold in the fourth quarter of 2006.

Washington Mutual, Inc.
Consolidated Statements of Income
(dollars in millions, except per share data)
(unaudited)

	Nine Months Ended	
	Sept. 30, 2007	Sept. 30, 2006
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Interest Income		
Loans held for sale	\$ 1,232	\$ 1,292
Loans held in portfolio	11,678	11,480
Available-for-sale securities	1,075	1,068
Trading assets	329	503
Other interest and dividend income	299	354
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Total interest income	14,613	14,697
Interest Expense		
Deposits	5,145	4,420
Borrowings	3,337	4,154
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Total interest expense	8,482	8,574
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Net interest income	6,131	6,123
Provision for loan and lease losses	1,574	472
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Net interest income after provision for loan and lease losses	4,557	5,651
Noninterest Income		
Revenue from sales and servicing of home mortgage loans	586	603
Revenue from sales and servicing of consumer loans	1,264	1,155
Depositor and other retail banking fees	2,125	1,875
Credit card fees	564	456
Securities fees and commissions	197	161
Insurance income	87	97
Loss on trading assets	(406)	(74)
Loss from sales of other available-for-sale securities	(58)	(8)
Other income	319	521
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Total noninterest income	4,678	4,786
Noninterest Expense		
Compensation and benefits	2,889	2,992
Occupancy and equipment	1,102	1,235
Telecommunications and outsourced information services	396	421
Depositor and other retail banking losses	190	165
Advertising and promotion	337	335
Professional fees	145	138
Other expense	1,337	1,265
<hr/>		
Total noninterest expense	6,396	6,551
Minority interest expense	138	71
<hr/>		
Income from continuing operations before income taxes	2,701	3,815
Income taxes	876	1,341
<hr/>		
Income from continuing operations	1,825	2,474
<hr/>		
Discontinued Operations(1)		
Income from discontinued operations before income taxes	-	42
Income taxes	-	15
<hr/>		
Income from discontinued operations	-	27
<hr/>		
Net Income	\$ 1,825	\$ 2,501

Net Income Available to Common Stockholders	\$ 1,802	\$ 2,501
Basic Earnings Per Common Share:		
Income from continuing operations	\$ 2.08	\$ 2.59
Income from discontinued operations	-	0.03
Net Income	2.08	2.62
Diluted Earnings Per Common Share:		
Income from continuing operations	\$ 2.02	\$ 2.51
Income from discontinued operations	-	0.03
Net Income	2.02	2.54
Dividends declared per common share	1.65	1.53
Basic weighted average number of common shares outstanding (in thousands)	866,864	954,062
Diluted weighted average number of common shares outstanding (in thousands)	889,534	981,997

(1) Represents WM Advisors, Inc., the Company's retail mutual fund management business, which was sold in the fourth quarter of 2006.

WM-4

Washington Mutual, Inc.
 Consolidated Statements of Financial Condition
 (dollars in millions)
 (unaudited)

	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Assets					
Cash and cash equivalents	\$ 11,370	\$ 4,167	\$ 4,047	\$ 6,948	\$ 6,649
Federal funds sold and securities purchased under agreements to resell	4,042	3,267	8,279	3,743	5,102
Trading assets	3,797	5,534	5,290	4,434	5,391
Available-for-sale securities, total amortized cost of \$28,725, \$28,934, \$22,921, \$25,073 and \$29,136:					
Mortgage-backed securities	20,562	20,393	16,543	18,601	22,847
Investment securities	7,844	7,947	6,296	6,377	6,170
Total available-for-sale securities	28,406	28,340	22,839	24,978	29,017
Loans held for sale	7,586	19,327	26,874	44,970	23,720
Loans held in portfolio	237,132	214,994	217,021	224,960	241,765
Allowance for loan and lease losses	(1,889)	(1,560)	(1,540)	(1,630)	(1,550)
Loans held in portfolio, net	235,243	213,434	215,481	223,330	240,215
Investment in Federal Home Loan					

Banks	2,808	1,596	2,230	2,705	3,013
Mortgage servicing rights	6,794	7,231	6,507	6,193	6,288
Goodwill	9,062	9,056	9,052	9,050	8,368
Other assets	21,002	20,267	19,386	19,937	21,114
Total assets	\$330,110	\$312,219	\$319,985	\$346,288	\$348,877
Liabilities					
Deposits:					
Noninterest-bearing deposits	\$ 31,341	\$ 33,557	\$ 34,367	\$ 33,386	\$ 34,667
Interest-bearing deposits	162,939	167,823	175,842	180,570	176,215
Total deposits	194,280	201,380	210,209	213,956	210,882
Federal funds purchased and commercial paper	2,482	3,390	563	4,778	5,282
Securities sold under agreements to repurchase	4,732	9,357	8,323	11,953	13,665
Advances from Federal Home Loan Banks	52,530	21,412	24,735	44,297	47,247
Other borrowings	40,887	40,313	39,430	32,852	33,883
Other liabilities	8,289	9,212	9,694	9,035	9,501
Minority interests	2,945	2,945	2,453	2,448	1,959
Total liabilities	306,145	288,009	295,407	319,319	322,419
Stockholders' equity					
Preferred stock	492	492	492	492	492
Capital surplus - common stock	2,575	2,715	3,121	5,825	5,761
Accumulated other comprehensive loss	(390)	(568)	(268)	(287)	(180)
Retained earnings	21,288	21,571	21,233	20,939	20,385
Total stockholders' equity	23,965	24,210	24,578	26,969	26,458
Total liabilities and stockholders' equity	\$330,110	\$312,219	\$319,985	\$346,288	\$348,877

WM-5

Washington Mutual, Inc.
 Selected Financial Information
 (dollars in millions)
 (unaudited)

Quarter Ended

	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Stockholders' Equity Rollforward					
Balance, beginning of period	\$24,210	\$24,578	\$26,969	\$26,458	\$26,131
Net income	210	830	784	1,058	748
Cumulative effect from the adoption of new accounting pronouncements	-	-	(6)(1)	(157)(2)	-

Other comprehensive income (loss), net of income taxes	177	(300)	19	50	419
Cash dividends declared on common stock	(485)	(484)	(476)	(496)	(497)
Cash dividends declared on preferred stock	(8)	(8)	(7)	(8)	-
Common stock repurchased and retired(3)	(199)	(500)	(2,797)	-	(930)
Common stock issued	60	94	92	64	95
Preferred stock issued	-	-	-	-	492

Balance, end of period	\$23,965	\$24,210	\$24,578	\$26,969	\$26,458
=====					

- (1) As of January 1, 2007, the Company adopted FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes.
- (2) On December 31, 2006, the Company adopted Statement of Financial Accounting Standards ("Statement") No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans. Statement No. 158 requires an entity to recognize the overfunded or underfunded status of its defined benefit postretirement plans as an asset or liability in its statement of financial condition and to recognize changes, through comprehensive income, in that funded status in the year in which the changes occur. The cumulative effects, net of income taxes, resulted in a \$274 million decrease to December 31, 2006 other assets and a \$117 million decrease to December 31, 2006 other liabilities.
- (3) The Company repurchased 7.2 million, 13.5 million, 61.4 million, 1.7 million and 18.8 million shares of its common stock in the three months ended September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006. At September 30, 2007, the total remaining common stock repurchase authority was 47.5 million shares.

WM-6

Washington Mutual, Inc.
 Selected Financial Information
 (dollars in millions)
 (unaudited)

Quarter Ended

	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
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RETAIL BANKING
 GROUP

Condensed income
 statement:

Net interest income	\$ 1,302	\$ 1,283	\$ 1,275	\$ 1,239	\$ 1,260
Provision for loan and lease losses	318	91	62	47	53
Noninterest income	833	819	751	774	738
Inter-segment revenue	14	21	22	17	17
Noninterest expense	1,155	1,137	1,074	1,100	1,079

Income from continuing operations before income taxes	676	895	912	883	883
Income taxes	223	336	342	337	337
Income from continuing operations	453	559	570	546	546
Income from discontinued operations	-	-	-	12	9
Net income	\$ 453	\$ 559	\$ 570	\$ 558	\$ 555

Performance and other data:

Efficiency ratio	53.75%	53.56%	52.43%	54.22%	53.55%
Average loans	\$147,357	\$149,716	\$155,206	\$172,013	\$180,829
Average assets	157,196	159,518	165,047	182,240	191,288
Average deposits:					
Checking deposits:					
Noninterest bearing	22,860	23,107	22,331	21,873	21,440
Interest bearing	28,406	30,282	31,739	33,010	34,792

Total checking deposits	51,266	53,389	54,070	54,883	56,232
Savings and money market deposits	43,524	43,814	43,103	41,442	38,317
Time deposits	50,131	48,049	46,857	47,188	45,405

Average deposits	144,921	145,252	144,030	143,513	139,954
Loan volume	6,469	5,753	5,079	5,331	4,965
Employees at end of period	28,263	28,131	27,837	27,629	27,998

CARD SERVICES GROUP

Managed basis(1)
Condensed income statement:

Net interest income	\$ 689	\$ 660	\$ 653	\$ 664	\$ 633
Provision for loan and lease losses	611	523	388	555	345
Noninterest income	399	393	474	451	343
Inter-segment expense	5	5	4	2	2
Noninterest expense	320	300	325	316	294

Income before income taxes	152	225	410	242	335
Income taxes	50	84	154	92	128
Net income	\$ 102	\$ 141	\$ 256	\$ 150	\$ 207

Performance and other data:

Efficiency ratio	29.56%	28.68%	28.96%	28.40%	30.16%
------------------	--------	--------	--------	--------	--------

Average loans	\$ 25,718	\$ 24,234	\$ 23,604	\$ 22,875	\$ 21,706
Average assets	28,206	26,762	26,039	25,472	24,236
Employees at end of period	2,878	2,827	2,579	2,611	2,667

Securitization adjustments

Condensed income statement:

Net interest income	\$ (456)	\$ (459)	\$ (414)	\$ (437)	\$ (411)
Provision for loan and lease losses	(288)	(294)	(282)	(280)	(220)
Noninterest income	168	165	132	157	191

Performance and other data:

Average loans	(14,488)	(13,888)	(12,507)	(12,811)	(12,169)
Average assets	(12,841)	(12,287)	(10,961)	(11,035)	(10,330)

Adjusted basis

Condensed income statement:

Net interest income	\$ 233	\$ 201	\$ 239	\$ 227	\$ 222
Provision for loan and lease losses	323	229	106	275	125
Noninterest income	567	558	606	608	534
Inter-segment expense	5	5	4	2	2
Noninterest expense	320	300	325	316	294

Income before income taxes	152	225	410	242	335
Income taxes	50	84	154	92	128

Net income	\$ 102	\$ 141	\$ 256	\$ 150	\$ 207
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Performance and other data:

Average loans	\$ 11,230	\$ 10,346	\$ 11,097	\$ 10,064	\$ 9,537
Average assets	15,365	14,475	15,078	14,437	13,906

Nine Months Ended

Sept. 30, 2007	Sept. 30, 2006
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RETAIL BANKING

GROUP

Condensed income statement:

Net interest income	\$ 3,861	\$ 3,929
Provision for loan and lease losses	471	120
Noninterest income	2,404	2,140
Inter-segment revenue	57	47
Noninterest expense	3,367	3,268

Income from continuing

operations before income taxes	2,484	2,728
Income taxes	901	1,043

Income from continuing operations	1,583	1,685
Income from discontinued operations	-	27

Net income	\$ 1,583	\$ 1,712
=====		

Performance and other data:

Efficiency ratio	53.26%	53.44%
Average loans	\$ 150,731	\$ 179,216
Average assets	160,559	189,587
Average deposits:		
Checking deposits:		
Noninterest bearing	22,768	21,072
Interest bearing	30,130	37,531

Total checking deposits	52,898	58,603
Savings and money market deposits	43,482	37,967
Time deposits	48,358	42,706

Average deposits	144,738	139,276
Loan volume	17,301	16,274
Employees at end of period	28,263	27,998

CARD SERVICES GROUP

Managed basis(1)
Condensed income statement:

Net interest income	\$ 2,004	\$ 1,866
Provision for loan and lease losses	1,523	1,092
Noninterest income	1,267	1,076
Inter-segment expense	14	4
Noninterest expense	946	884

Income before income taxes	788	962
Income taxes	288	368

Net income	\$ 500	\$ 594
=====		

Performance and other data:

Efficiency ratio	29.06%	30.08%
Average loans	\$ 24,527	\$ 20,762
Average assets	27,010	23,354
Employees at		

end of period	2,878	2,667
Securitization adjustments		
Condensed income statement:		
Net interest income	\$ (1,330)	\$ (1,249)
Provision for loan and lease losses	(865)	(662)
Noninterest income	465	587
Performance and other data:		
Average loans	(13,635)	(11,947)
Average assets	(12,036)	(10,101)
Adjusted basis		
Condensed income statement:		
Net interest income	\$ 674	\$ 617
Provision for loan and lease losses	658	430
Noninterest income	1,732	1,663
Inter-segment expense	14	4
Noninterest expense	946	884

Income before income taxes	788	962
Income taxes	288	368

Net income	\$ 500	\$ 594
=====		
Performance and other data:		
Average loans	\$ 10,892	\$ 8,815
Average assets	14,974	13,253

(This table is continued on "WM-7.")

(1) The managed basis presentation treats securitized and sold credit card receivables as if they were still on the balance sheet. The Company uses this basis in assessing the overall performance of this operating segment. The managed basis presentation of the Card Services Group is derived by adjusting the GAAP financial information to add back securitized loan balances and the related interest, fee income and provision for credit losses. Such adjustments are eliminated as securitization adjustments when reporting GAAP results.

WM-7

Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Quarter Ended

(This table is continued from "WM-6.")

Sept. 30,	June 30,	Mar. 31,	Dec. 31,	Sept. 30,
2007	2007	2007	2006	2006

COMMERCIAL GROUP

Condensed income statement:

Net interest income	\$ 193	\$ 195	\$ 200	\$ 189	\$ 159
Provision for loan and lease losses	12	2	(10)	(69)	(2)
Noninterest income	(34)	62	14	40	25
Noninterest expense	67	74	74	72	60

Income before income taxes	80	181	150	226	126
Income taxes	26	68	56	86	48

Net income	\$ 54	\$ 113	\$ 94	\$ 140	\$ 78
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Performance and other data:

Efficiency ratio	41.88%	28.77%	34.52%	31.49%	32.21%
Average loans	\$38,333	\$38,789	\$38,641	\$37,552	\$32,414
Average assets	40,661	41,181	41,001	40,216	34,560
Average deposits	7,851	6,160	3,762	3,609	2,323
Loan volume	4,054	4,348	3,671	4,019	3,104
Employees at end of period	1,421	1,404	1,351	1,409	1,242

HOME LOANS GROUP

Condensed income statement:

Net interest income	\$ 183	\$ 215	\$ 245	\$ 273	\$ 276
Provision for loan and lease losses	323	101	49	47	84
Noninterest income	184	391	162	126	314
Inter-segment expense	9	16	18	15	15
Noninterest expense	554	548	521	534	528

Income (loss) before income taxes	(519)	(59)	(181)	(197)	(37)
Income taxes (benefit)	(171)	(22)	(68)	(75)	(14)

Net income (loss)	\$ (348)	\$ (37)	\$ (113)	\$ (122)	\$ (23)
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Performance and other data:

Efficiency ratio	154.63%	92.82%	133.90%	138.93%	92.00%
Average loans	\$43,737	\$43,312	\$53,254	\$51,048	\$45,407
Average assets	61,068	60,314	71,367	71,503	70,563
Average deposits	13,745	17,506	16,767	19,788	20,659
Loan volume	26,434	35,857	34,022	37,532	41,241
Employees at end of period	12,167	12,666	12,952	12,941	13,857

CORPORATE

SUPPORT/TREASURY AND OTHER

Condensed income statement:

Net interest

income (expense)	\$ (35)	\$ 2	\$ (15)	\$ (64)	\$ (107)
Provision for loan and lease losses	(9)	(51)	27	44	(94)
Noninterest income	(108)	43	81	142	75
Noninterest expense	57	79	111	235	223
Minority interest expense	53	42	43	34	34

Loss from continuing operations before income taxes	(244)	(25)	(115)	(235)	(195)
Income taxes (benefit)	(58)	(40)	(71)	(103)	(90)

Loss from continuing operations	(186)	15	(44)	(132)	(105)
Income from discontinued operations	-	-	-	406	-

Net income (loss)	\$ (186)	\$ 15	\$ (44)	\$ 274	\$ (105)
=====					

Performance and other data:

Average loans	\$ 1,420	\$ 1,367	\$ 1,345	\$ 1,310	\$ 1,245
Average assets	47,570	41,817	40,891	46,233	40,825
Average deposits	32,132	37,847	46,205	47,891	45,976
Loan volume	113	72	107	144	58
Employees at end of period	5,019	4,961	4,974	5,234	5,292

Nine Months Ended

(This table is continued from "WM-6.")

Sept. 30, 2007 Sept. 30, 2006

COMMERCIAL GROUP
Condensed income statement:

Net interest income	\$ 588	\$ 488
Provision for loan and lease losses	5	(12)
Noninterest income	41	54
Noninterest expense	214	184

Income before income taxes	410	370
Income taxes	150	141

Net income	\$ 260	\$ 229
=====		

Performance and other data:
Efficiency

ratio	34.03%	33.92%
Average loans	\$ 38,586	\$ 31,774
Average assets	40,946	33,997
Average deposits	5,939	2,274
Loan volume	12,073	8,835
Employees at end of period	1,421	1,242

HOME LOANS GROUP

Condensed income statement:

Net interest income	\$ 644	\$ 904
Provision for loan and lease losses	474	141
Noninterest income	736	1,176
Inter-segment expense	43	43
Noninterest expense	1,622	1,765

Income (loss) before income taxes	(759)	131
Income taxes (benefit)	(261)	50

Net income (loss)	\$ (498)	\$ 81
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Performance and other data:

Efficiency ratio	121.30%	86.65%
Average loans	\$ 46,733	\$ 46,419
Average assets	64,212	73,199
Average deposits	15,995	19,120
Loan volume	96,312	134,037
Employees at end of period	12,167	13,857

CORPORATE SUPPORT/TREASURY AND OTHER

Condensed income statement:

Net interest income (expense)	\$ (49)	\$ (210)
Provision for loan and lease losses	(34)	(207)
Noninterest income	16	137
Noninterest expense	247	450
Minority interest expense	138	71

Loss from continuing operations before income taxes	(384)	(387)
Income taxes (benefit)	(170)	(197)

Loss from

continuing operations	(214)	(190)
Income from discontinued operations	-	-

Net income (loss)	\$ (214)	\$ (190)
=====		
Performance and other data:		
Average loans	\$ 1,377	\$ 1,063
Average assets	43,450	38,865
Average deposits	38,676	39,461
Loan volume	292	163
Employees at end of period	5,019	5,292

(This table is continued on "WM-8.")

WM-8

Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Quarter Ended

(This table is continued from "WM-7.")

	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
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RECONCILING

ADJUSTMENTS

Condensed income statement:

Net interest income(1)	\$ 138	\$ 138	\$ 137	\$ 134	\$ 137
Noninterest income (expense)(2)	(63)	(115)	(73)	(98)	(116)

Income before income taxes	75	23	64	36	21
Income taxes (benefit)(3)	(60)	(16)	43	(22)	(15)

Net income	\$ 135	\$ 39	\$ 21	\$ 58	\$ 36
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Performance and other data:

Average loans(4)	\$ (1,385)	\$ (1,301)	\$ (1,479)	\$ (1,573)	\$ (1,600)
Average assets(4)	(1,385)	(1,301)	(1,479)	(1,573)	(1,600)

TOTAL CONSOLIDATED

Condensed income statement:

Net interest income	\$ 2,014	\$ 2,034	\$ 2,081	\$ 1,998	\$ 1,947
Provision for loan and lease losses	967	372	234	344	166
Noninterest income	1,379	1,758	1,541	1,592	1,570
Noninterest expense	2,153	2,138	2,105	2,257	2,184

Minority interest expense	53	42	43	34	34

Income from continuing operations before income taxes	220	1,240	1,240	955	1,133
Income taxes	10	410	456	315	394

Income from continuing operations	210	830	784	640	739
Income from discontinued operations	-	-	-	418	9

Net income	\$ 210	\$ 830	\$ 784	\$ 1,058	\$ 748
=====					

Performance and other data:

Efficiency ratio	63.42%	56.38%	58.13%	62.87%	62.09%
Average loans	\$240,692	\$242,229	\$258,064	\$270,414	\$267,832
Average assets	320,475	316,004	331,905	353,056	349,542
Average deposits	198,649	206,765	210,764	214,801	208,912
Loan volume	37,070	46,030	42,879	47,026	49,368
Employees at end of period	49,748	49,989	49,693	49,824	51,056

Nine Months Ended

(This table is continued from "WM-7.")

Sept. 30, 2007	Sept. 30, 2006
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RECONCILING ADJUSTMENTS
Condensed income statement:

Net interest income(1)	\$ 413	\$ 395
Noninterest income (expense)(2)	(251)	(384)

Income before income taxes	162	11
Income taxes (benefit)(3)	(32)	(64)

Net income	\$ 194	\$ 75
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Performance and other data:

Average loans(4)	\$ (1,388)	\$ (1,591)
Average assets(4)	(1,388)	(1,591)

TOTAL CONSOLIDATED
Condensed income statement:

Net interest income	\$ 6,131	\$ 6,123
Provision for loan and lease		

losses	1,574	472
Noninterest income	4,678	4,786
Noninterest expense	6,396	6,551
Minority interest expense	138	71

Income from continuing operations before income taxes	2,701	3,815
Income taxes	876	1,341

Income from continuing operations	1,825	2,474
Income from discontinued operations	-	27

Net income	\$ 1,825	\$ 2,501
=====		

Performance and other data:

Efficiency ratio	59.18%	60.05%
Average loans	\$246,931	\$265,696
Average assets	322,753	347,310
Average deposits	205,348	200,131
Loan volume	125,978	159,309
Employees at end of period	49,748	51,056

- (1) Represents the difference between mortgage loan premium amortization recorded by the Retail Banking Group and the amount recognized in the Company's Consolidated Statements of Income. For management reporting purposes, certain mortgage loans that are held in portfolio by the Retail Banking Group are treated as if they are purchased from the Home Loans Group. Since the cost basis of these loans includes an assumed profit factor paid to the Home Loans Group, the amortization of loan premiums recorded by the Retail Banking Group reflects this assumed profit factor and must therefore be eliminated as a reconciling adjustment.
- (2) Represents the difference between gain from mortgage loans recorded by the Home Loans Group and gain from mortgage loans recognized in the Company's Consolidated Statements of Income.
- (3) Represents the tax effect of reconciling adjustments.
- (4) Represents the inter-segment offset for inter-segment loan premiums that the Retail Banking Group recognized upon transfer of portfolio loans from the Home Loans Group.

WM-9

Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Quarter Ended

Sept. 30, 2007

Interest

	Balance	Rate	Income/ Expense

Average Balances and Weighted Average Interest Rates			
Assets			
Interest-earning assets(1):			
Federal funds sold and securities purchased under agreements to resell	\$ 4,349	5.43%	\$ 60
Trading assets	4,509	9.54	108
Available-for-sale securities(2)	28,536	5.49	392
Loans held for sale	13,344	7.41	248
Loans held in portfolio:			
Loans secured by real estate:			
Home loans(3)(4)	97,398	6.48	1,579
Home equity loans and lines of credit(4)	57,469	7.56	1,094
Subprime mortgage channel(5)	20,405	6.63	338
Home construction(6)	2,056	6.90	35
Multi-family	30,058	6.63	498
Other real estate	7,418	6.99	131

Total loans secured by real estate	214,804	6.83	3,675
Consumer:			
Credit card	10,332	10.28	268
Other	233	14.83	8
Commercial	1,979	8.25	41

Total loans held in portfolio	227,348	7.01	3,992
Other	5,177	4.33	56

Total interest-earning assets	283,263	6.84	4,856
Noninterest-earning assets:			
Mortgage servicing rights	6,901		
Goodwill	9,056		
Other assets	21,255		

Total assets	\$320,475		
=====			
Liabilities			
Interest-bearing liabilities:			
Deposits:			
Interest-bearing checking deposits	\$ 28,492	2.36	169
Savings and money market deposits	57,377	3.32	480
Time deposits	80,719	4.92	1,001

Total interest-bearing deposits	166,588	3.93	1,650
Federal funds purchased and commercial paper	2,991	5.40	41
Securities sold under agreements to repurchase	8,617	5.34	116
Advances from Federal Home Loan Banks	34,128	5.39	464
Other	40,567	5.60	571

Total interest-bearing liabilities	252,891	4.46	2,842

Noninterest-bearing sources:			
Noninterest-bearing deposits	32,061		
Other liabilities	8,584		
Minority interests	2,945		
Stockholders' equity	23,994		

Total liabilities and stockholders' equity	\$320,475		
=====			
Net interest spread and net interest income		2.38	\$2,014
=====			

Impact of noninterest-bearing sources 0.48
 Net interest margin 2.86

Quarter Ended			
June 30, 2007			
	Balance	Rate	Interest Income/Expense
Average Balances and Weighted Average Interest Rates			
Assets			
Interest-earning assets(1):			
Federal funds sold and securities purchased under agreements to resell	\$ 3,964	5.39%	\$ 53
Trading assets	4,995	8.67	108
Available-for-sale securities(2)	26,559	5.28	351
Loans held for sale	26,225	6.43	421
Loans held in portfolio:			
Loans secured by real estate:			
Home loans(3)(4)	90,818	6.44	1,462
Home equity loans and lines of credit(4)	54,431	7.59	1,031
Subprime mortgage channel(5)	20,152	6.80	343
Home construction(6)	2,043	6.72	34
Multi-family	29,419	6.63	488
Other real estate	6,843	7.03	120
Total loans secured by real estate	203,706	6.83	3,478
Consumer:			
Credit card	10,101	10.44	263
Other	254	12.44	8
Commercial	1,943	7.73	37
Total loans held in portfolio	216,004	7.02	3,786
Other	2,089	5.47	29
Total interest-earning assets	279,836	6.79	4,748
Noninterest-earning assets:			
Mortgage servicing rights	6,782		
Goodwill	9,054		
Other assets	20,332		
Total assets	\$316,004		
Liabilities			
Interest-bearing liabilities:			
Deposits:			
Interest-bearing checking deposits	\$ 30,373	2.51	190
Savings and money market deposits	58,969	3.33	490
Time deposits	84,330	4.96	1,043
Total interest-bearing deposits	173,672	3.98	1,723
Federal funds purchased and commercial paper	2,169	5.36	29
Securities sold under agreements to repurchase	8,416	5.35	112
Advances from Federal Home Loan Banks	22,063	5.36	295
Other	39,886	5.57	555
Total interest-bearing liabilities	246,206	4.42	2,714
Noninterest-bearing sources:			
Noninterest-bearing deposits	33,093		
Other liabilities	9,610		
Minority interests	2,659		

Stockholders' equity	24,436		

Total liabilities and stockholders' equity	\$316,004		
=====			
Net interest spread and net interest income	2.37	\$2,034	
		=====	
Impact of noninterest-bearing sources	0.53		
Net interest margin	2.90		

Quarter Ended			

Sept. 30, 2006			

	Balance	Rate	Interest Income/ Expense

Average Balances and Weighted Average Interest Rates			
Assets			
Interest-earning assets(1):			
Federal funds sold and securities purchased under agreements to resell	\$ 5,085	5.38%	\$ 70
Trading assets	6,264	8.92	140
Available-for-sale securities(2)	28,398	5.33	379
Loans held for sale	25,667	6.75	435
Loans held in portfolio:			
Loans secured by real estate:			
Home loans(3)(4)	123,355	5.94	1,830
Home equity loans and lines of credit(4)	52,646	7.53	998
Subprime mortgage channel(5)	20,207	6.26	316
Home construction(6)	2,059	6.41	33
Multi-family	27,100	6.42	435
Other real estate	5,696	6.76	98

Total loans secured by real estate	231,063	6.41	3,710
Consumer:			
Credit card	9,058	11.39	260
Other	284	12.57	9
Commercial	1,760	7.33	33

Total loans held in portfolio	242,165	6.61	4,012
Other	5,248	5.21	69

Total interest-earning assets	312,827	6.51	5,105
Noninterest-earning assets:			
Mortgage servicing rights	7,201		
Goodwill	8,339		
Other assets	21,175		

Total assets	\$349,542		
=====			
Liabilities			
Interest-bearing liabilities:			
Deposits:			
Interest-bearing checking deposits	\$ 34,866	2.90	255
Savings and money market deposits	49,144	3.19	396
Time deposits	90,001	4.76	1,088

Total interest-bearing deposits	174,011	3.95	1,739
Federal funds purchased and commercial paper	7,382	5.31	99
Securities sold under agreements to repurchase	15,676	5.39	216
Advances from Federal Home Loan Banks	52,886	5.28	711
Other	27,815	5.59	393

Total interest-bearing liabilities	277,770	4.48	3,158

Noninterest-bearing sources:			
Noninterest-bearing deposits	34,901		
Other liabilities	8,765		
Minority interests	1,959		
Stockholders' equity	26,147		

Total liabilities and stockholders' equity	\$349,542		
=====			
Net interest spread and net interest income		2.03	\$1,947
			=====
Impact of noninterest-bearing sources		0.50	
Net interest margin		2.53	

- (1) Nonaccrual assets and related income, if any, are included in their respective categories.
- (2) The average balance and yield are based on average amortized cost balances.
- (3) Capitalized interest recognized in earnings that resulted from negative amortization within the Option ARM portfolio totaled \$345 million, \$344 million and \$296 million for the three months ended September 30, 2007, June 30, 2007 and September 30, 2006.
- (4) Excludes home loans and home equity loans and lines of credit in the subprime mortgage channel.
- (5) Represents mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name and held in the investment portfolio.
- (6) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.

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Washington Mutual, Inc.
 Selected Financial Information
 (dollars in millions)
 (unaudited)

Nine Months Ended

 Sept. 30, 2007

	Balance	Rate	Interest Income/ Expense

Average Balances and Weighted Average Interest Rates			
Assets			
Interest-earning assets(1):			
Federal funds sold and securities purchased under agreements to resell	\$ 4,083	5.41%	\$ 165
Trading assets	5,029	8.73	329
Available-for-sale securities(2)	26,593	5.39	1,075
Loans held for sale	24,924	6.59	1,232
Loans held in portfolio:			
Loans secured by real estate:			
Home loans(3)(4)	95,194	6.46	4,611
Home equity loans and lines of			

credit(4)	54,988	7.57	3,114
Subprime mortgage channel(5)	20,389	6.70	1,025
Home construction(6)	2,053	6.72	103
Multi-family	29,768	6.61	1,476
Other real estate	7,011	7.02	368

Total loans secured by real estate	209,403	6.82	10,697
Consumer:			
Credit card	10,443	10.78	842
Other	251	13.37	25
Commercial	1,910	7.98	114

Total loans held in portfolio	222,007	7.02	11,678
Other	3,585	5.01	134

Total interest-earning assets	286,221	6.81	14,613
Noninterest-earning assets:			
Mortgage servicing rights	6,665		
Goodwill	9,054		
Other assets	20,813		

Total assets	\$322,753		
=====			
Liabilities			
Interest-bearing liabilities:			
Deposits:			
Interest-bearing checking deposits	\$ 30,216	2.50	566
Savings and money market deposits	57,079	3.31	1,413
Time deposits	85,520	4.95	3,166

Total interest-bearing deposits	172,815	3.98	5,145
Federal funds purchased and commercial paper	2,999	5.43	122
Securities sold under agreements to repurchase	9,698	5.40	392
Advances from Federal Home Loan Banks	30,740	5.38	1,237
Other	37,782	5.61	1,586

Total interest-bearing liabilities	254,034	4.46	8,482

Noninterest-bearing sources:			
Noninterest-bearing deposits	32,533		
Other liabilities	9,222		
Minority interests	2,686		
Stockholders' equity	24,278		

Total liabilities and stockholders' equity	\$322,753		
=====			
Net interest spread and net interest income		2.35	\$ 6,131

Impact of noninterest-bearing sources		0.50	
Net interest margin		2.85	

Nine Months Ended

Sept. 30, 2006

			Interest
			Income/
	Balance	Rate	Expense

Average Balances and Weighted Average Interest Rates			
Assets			
Interest-earning assets(1):			
Federal funds sold and securities purchased under agreements to resell			
	\$ 4,422	5.04%	\$ 169

Trading assets	8,831	7.60	503
Available-for-sale securities(2)	27,160	5.24	1,068
Loans held for sale	26,659	6.45	1,292
Loans held in portfolio:			
Loans secured by real estate:			
Home loans(3)(4)	122,232	5.76	5,282
Home equity loans and lines of credit(4)	52,068	7.26	2,830
Subprime mortgage channel(5)	19,939	6.14	918
Home construction(6)	2,062	6.41	99
Multi-family	26,388	6.19	1,226
Other real estate	5,482	6.85	284

Total loans secured by real estate	228,171	6.22	10,639
Consumer:			
Credit card	8,442	11.16	704
Other	499	10.84	40
Commercial	1,925	6.67	97

Total loans held in portfolio	239,037	6.41	11,480
Other	5,191	4.74	185

Total interest-earning assets	311,300	6.30	14,697
Noninterest-earning assets:			
Mortgage servicing rights	8,151		
Goodwill	8,313		
Other assets	19,546		

Total assets	\$347,310		
=====			
Liabilities			
Interest-bearing liabilities:			
Deposits:			
Interest-bearing checking deposits	\$ 37,615	2.59	728
Savings and money market deposits	47,367	2.81	997
Time deposits	80,970	4.42	2,695

Total interest-bearing deposits	165,952	3.55	4,420
Federal funds purchased and commercial paper	7,537	4.92	279
Securities sold under agreements to repurchase	16,294	4.95	612
Advances from Federal Home Loan Banks	60,197	4.84	2,203
Other	26,901	5.23	1,060

Total interest-bearing liabilities	276,881	4.11	8,574

Noninterest-bearing sources:			
Noninterest-bearing deposits	34,179		
Other liabilities	8,445		
Minority interests	1,497		
Stockholders' equity	26,308		

Total liabilities and stockholders' equity	\$347,310		
=====			
Net interest spread and net interest income		2.19	\$ 6,123
			=====
Impact of noninterest-bearing sources		0.45	
Net interest margin		2.64	

(1) Nonaccrual assets and related income, if any, are included in their respective categories.

(2) The average balance and yield are based on average amortized cost balances.

(3) Capitalized interest recognized in earnings that resulted from

negative amortization within the Option ARM portfolio totaled \$1.05 billion and \$735 million for the nine months ended September 30, 2007 and September 30, 2006.

- (4) Excludes home loans and home equity loans and lines of credit in the subprime mortgage channel.
- (5) Represents mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name and held in the investment portfolio.
- (6) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Change from June 30, 2007 to		
	Sept. 30, 2007	Sept. 30, 2007	June 30, 2007

Deposits			
Retail deposits:			
Checking deposits:			
Noninterest bearing	\$ (421)	\$ 23,721	\$ 24,142
Interest bearing	(2,315)	27,277	29,592

Total checking deposits	(2,736)	50,998	53,734
Savings and money market deposits	(257)	43,360	43,617
Time deposits(1)	2,600	50,740	48,140

Total retail deposits	(393)	145,098	145,491
Commercial business and other deposits	(2,650)	16,536	19,186
Brokered deposits:			
Consumer	331	17,484	17,153
Institutional	(2,918)	8,107	11,025
Custodial and escrow deposits(2)	(1,470)	7,055	8,525

Total deposits	\$ (7,100)	\$194,280	\$201,380
=====			

	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006

Deposits			
Retail deposits:			
Checking deposits:			
Noninterest bearing	\$ 24,400	\$ 22,838	\$ 22,466
Interest bearing	31,523	32,723	33,761

Total checking deposits	55,923	55,561	56,227
Savings and money market deposits	44,058	41,943	39,481
Time deposits(1)	47,262	46,821	47,361

Total retail deposits	147,243	144,325	143,069
Commercial business and other deposits	17,741	15,175	15,831
Brokered deposits:			
Consumer	18,995	22,299	22,430
Institutional	17,256	22,339	18,236
Custodial and escrow deposits(2)	8,974	9,818	11,316

Total deposits	\$210,209	\$213,956	\$210,882
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(1) Weighted average remaining maturity of time deposits was 7 months at September 30, 2007, 8 months at June 30, 2007, 9 months at March 31, 2007 and December 31, 2006 and 10 months at September 30, 2006.

(2) Substantially all custodial and escrow deposits reside in noninterest-bearing checking accounts.

	Sept. 30, 2007	June 30, 2007
Retail Deposit Accounts (number of accounts)		
Noninterest bearing checking	10,824,548	10,449,887
Interest bearing checking	1,334,902	1,399,203
Savings and money market	7,087,311	6,936,870
Total transaction accounts, end of period(1)	19,246,761	18,785,960

Net change in noninterest bearing checking accounts	374,661	466,574
Net change in checking accounts	310,360	406,243

	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Retail Deposit Accounts (number of accounts)			
Noninterest bearing checking	9,983,313	9,611,706	9,403,072
Interest bearing checking	1,459,534	1,503,365	1,532,215
Savings and money market	6,708,784	6,525,772	6,379,068
Total transaction accounts, end of period(1)	18,151,631	17,640,843	17,314,355

Net change in noninterest bearing checking accounts	371,607	208,634	339,614
Net change in checking accounts	327,776	179,784	307,433

(1) Transaction accounts include retail checking, small business checking, retail savings and small business savings.

	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Retail Banking Stores					
Stores, beginning of period	2,235	2,228	2,225	2,225	2,201
Stores opened during the quarter	10	11	6	81 (1)	25
Stores closed during the quarter	(33)	(4)	(3)	(81)	(1)

Stores, end of period	2,212	2,235	2,228	2,225	2,225
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(1) Includes 26 retail banking stores acquired through the merger with Commercial Capital Bancorp.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Quarter Ended

Sept. 30, 2007 June 30, 2007 Mar. 31, 2007 Dec. 31, 2006 Sept. 30, 2006

Loan Volume					
Home loans:					
Short-term adjustable-rate loans(1):					
Option ARMs	\$ 5,865	\$ 7,888	\$ 7,777	\$ 9,487	\$11,601
Other ARMs	111	22	36	13	42
Total short-term adjustable-rate loans					
	5,976	7,910	7,813	9,500	11,643
Medium-term adjustable-rate loans(2)					
	10,177	14,953	13,567	17,323	16,707
Fixed-rate loans					
	6,176	8,172	8,824	7,351	8,818
Total home loan volume					
	22,329	31,035	30,204	34,174	37,168
Home equity loans and lines of credit					
	9,835	9,880	8,319	8,098	8,498
Home construction(3)					
	483	426	298	298	269
Multi-family					
	2,856	3,067	2,663	2,977	2,186
Other real estate					
	1,285	1,246	1,080	1,182	983
Total loans secured by real estate(4)					
	36,788	45,654	42,564	46,729	49,104
Consumer(5)					
	6	20	26	23	26
Commercial					
	276	356	289	274	238
Total loan volume					
	\$37,070	\$46,030	\$42,879	\$47,026	\$49,368

Loan Volume by Channel					
Retail	\$22,520	\$25,094	\$21,809	\$23,594	\$21,776
Wholesale	13,387	16,545	14,853	16,834	15,427
Purchased	1,163	4,391	6,217	6,398	11,560
Correspondent	-	-	-	200	605
Total loan volume by channel					
	\$37,070	\$46,030	\$42,879	\$47,026	\$49,368

Refinancing Activity(6)					
Home loan refinancing	\$14,722	\$22,637	\$22,552	\$25,060	\$23,993
Home equity loans and lines of credit and consumer	143	157	550	599	689
Home construction loans	30	121	276	283	254

Multi-family and other real estate	1,225	1,378	1,131	2,240	1,398

Total refinancing	\$16,120	\$24,293	\$24,509	\$28,182	\$26,334
=====					

- (1) Short-term is defined as adjustable-rate loans that reprice within one year.
- (2) Medium-term is defined as adjustable-rate loans that reprice after one year.
- (3) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.
- (4) Includes mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name of \$483 million, \$2.45 billion, \$3.48 billion, \$6.07 billion and \$9.40 billion for the three months ended September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006.
- (5) Excludes credit card loan volume.
- (6) Includes loan refinancing entered into by both new and pre-existing loan customers.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Nine Months Ended	
	Sept. 30, 2007	Sept. 30, 2006

Loan Volume		
Home loans:		
Short-term adjustable-rate loans(1):		
Option ARMs	\$ 21,530	\$ 33,106
Other ARMs	170	3,372

Total short-term adjustable-rate loans	21,700	36,478
Medium-term adjustable-rate loans(2)	38,697	47,613
Fixed-rate loans	23,171	40,119

Total home loan volume	83,568	124,210
Home equity loans and lines of credit	28,034	24,055
Home construction(3)	1,206	1,183
Multi-family	8,585	6,450
Other real estate	3,611	2,486

Total loans secured by real estate(4)	125,004	158,384
Consumer(5)	52	111
Commercial	922	814

Total loan volume	\$125,978	\$159,309
=====		
Loan Volume by Channel		
Retail	\$ 69,423	\$ 67,344
Wholesale	44,785	47,668
Purchased	11,770	30,911
Correspondent	-	13,386

Total loan volume by channel	\$125,978	\$159,309
=====		

Refinancing Activity(6)

Home loan refinancing	\$ 59,911	\$ 77,529
Home equity loans and lines of credit and consumer	851	1,066
Home construction loans	426	1,026
Multi-family and other real estate	3,734	4,173

Total refinancing	\$ 64,922	\$ 83,794
=====		

- (1) Short-term is defined as adjustable-rate loans that reprice within one year.
- (2) Medium-term is defined as adjustable-rate loans that reprice after one year.
- (3) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.
- (4) Includes mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name of \$6.42 billion and \$24.69 billion for the nine months ended September 30, 2007 and September 30, 2006.
- (5) Excludes credit card loan volume.
- (6) Includes loan refinancing entered into by both new and pre-existing loan customers.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Change from June 30, 2007 to		
	Sept. 30, 2007	Sept. 30, 2007	June 30, 2007

Loans Held in Portfolio			
Loans secured by real estate:			
Home:			
Short-term adjustable-rate loans(1):			
Option ARMs(2)	\$ 4,403	\$ 57,858	\$ 53,455
Other ARMs	(2,826)	10,712	13,538

Total short-term adjustable-rate loans	1,577	68,570	66,993
Medium-term adjustable-rate loans(3)	13,115	42,762	29,647
Fixed-rate loans	2,308	11,813	9,505

Total home loans	17,000	123,145	106,145
Home equity loans and lines of credit	3,200	61,831	58,631
Home construction(4)	52	2,110	2,058
Multi-family	1,541	30,831	29,290
Other real estate	1,456	8,335	6,879

Total loans secured by real estate(5)	23,249	226,252	203,003
Consumer:			
Credit card	(1,122)	8,791	9,913
Other	(19)	224	243
Commercial	30	1,865	1,835

Total loans held in portfolio (6)	22,138	237,132	214,994
Less: allowance for loan and lease losses	(329)	(1,889)	(1,560)

Total loans held in portfolio, net	\$21,809	\$235,243	\$213,434
=====			
	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006

Loans Held in Portfolio			
Loans secured by real estate:			
Home:			
Short-term adjustable-rate loans(1):			
Option ARMs(2)	\$ 58,130	\$ 63,557	\$ 67,142
Other ARMs	13,501	15,091	16,375

Total short-term adjustable- rate loans	71,631	78,648	83,517
Medium-term adjustable-rate loans(3)	29,924	29,774	47,740
Fixed-rate loans	9,506	9,782	9,928

Total home loans	111,061	118,204	141,185
Home equity loans and lines of credit	56,123	54,924	54,364
Home construction(4)	2,071	2,082	2,077
Multi-family	29,515	30,161	27,407
Other real estate	6,728	6,745	5,869

Total loans secured by real estate(5)	205,498	212,116	230,902
Consumer:			
Credit card	9,490	10,861	8,807
Other	261	276	281
Commercial	1,772	1,707	1,775

Total loans held in portfolio (6)	217,021	224,960	241,765
Less: allowance for loan and lease losses	(1,540)	(1,630)	(1,550)

Total loans held in portfolio, net	\$215,481	\$223,330	\$240,215
=====			

(1) Short-term adjustable-rate loans reprice within one year.

(2) The total amount by which the unpaid principal balance of Option ARM loans exceeded their original principal amount was \$1.50 billion, \$1.30 billion, \$1.12 billion, \$888 million and \$681 million at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006.

(3) Medium-term adjustable-rate loans reprice after one year.

(4) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.

(5) Includes subprime mortgage channel loans, comprising mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name and held in the investment portfolio as follows:

Subprime

Mortgage Channel	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006
Home loans	\$17,285	\$17,602	\$ 17,610	\$ 18,725	\$20,083
Home equity loans and lines of credit	2,711	2,855	2,749	2,042	1,522
Total	\$19,996	\$20,457	\$ 20,359	\$ 20,767	\$21,605

(6) Includes net unamortized deferred loan origination costs of \$1.33 billion, \$1.33 billion, \$1.43 billion, \$1.48 billion and \$1.61 billion at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Change from June 30, 2007 to Sept. 30, 2007		Weighted Average Coupon Rate	June 30, 2007	Weighted Average Coupon Rate
Selected Loans Secured by Real Estate					
Home loans held in portfolio:					
Short-term adjustable-rate loans(1):					
Option ARMs	\$ 4,403	\$ 57,858	7.62%	\$ 53,455	7.74%
Other ARMs	(2,826)	10,712	7.74	13,538	7.28

Total short-term adjustable-rate loans	1,577	68,570	7.64	66,993	7.65
Medium-term adjustable-rate loans(2)	13,115	42,762	6.30	29,647	5.99
Fixed-rate loans	2,308	11,813	6.74	9,505	6.71

Total home loans held in portfolio	17,000	123,145	7.09	106,145	7.10
Home equity loans and lines of credit:					
Short-term (Prime-based or treasury-based)(1)					
Fixed-rate loans	1,451	36,446	8.06	34,995	8.47
Fixed-rate loans	1,749	25,385	7.69	23,636	7.68

Total home equity loans and lines of					

credit	3,200	61,831	7.91	58,631	8.15
Multi-family loans held in portfolio:					
Short-term adjustable-rate loans(1):					
Option ARMs	(569)	7,081	7.25	7,650	7.28
Other ARMs	(614)	7,296	6.77	7,910	6.77

Total short-term adjustable-rate loans	(1,183)	14,377	7.01	15,560	7.02
Medium-term adjustable-rate loans(2)	2,701	14,591	6.03	11,890	5.93
Fixed-rate loans	23	1,863	6.31	1,840	6.35

Total multi-family loans held in portfolio	1,541	30,831	6.50	29,290	6.53

Total selected loans held in portfolio secured by real estate(3)	21,741	215,807	7.24	194,066	7.33
Loans held for sale(4)	(12,772)	6,227	6.36	18,999	6.39

Total selected loans secured by real estate	\$ 8,969	\$ 222,034	7.21	\$213,065	7.25
=====					

Weighted
Average
Sept. 30, 2006 Coupon
Rate

Selected Loans Secured by Real Estate		
Home loans held in portfolio:		
Short-term adjustable-rate loans(1):		
Option ARMs	\$ 67,142	7.13%
Other ARMs	16,375	7.01

Total short-term adjustable-rate loans	83,517	7.11
Medium-term adjustable-rate loans(2)	47,740	5.72
Fixed-rate loans	9,928	6.59

Total home loans held in portfolio	141,185	6.60
Home equity loans and lines of credit:		
Short-term (Prime-based or treasury-based)(1)	35,831	8.40
Fixed-rate loans	18,533	7.16

Total home equity loans and lines of credit	54,364	7.98
Multi-family loans held in portfolio:		
Short-term adjustable-rate loans(1):		
Option ARMs	8,967	6.95
Other ARMs	5,858	6.94

Total short-term adjustable-rate loans	14,825	6.95
Medium-term adjustable-rate loans(2)	10,906	5.59
Fixed-rate loans	1,676	6.45

Total multi-family loans held in portfolio	27,407	6.38

Total selected loans held in portfolio secured by real estate(3)	222,956	6.90
Loans held for sale(4)	23,387	6.64

Total selected loans secured by real estate	\$246,343	6.88
=====		

(1) Short-term adjustable-rate loans reprice within one year.

(2) Medium-term adjustable-rate loans reprice after one year.

(3) At September 30, 2007, June 30, 2007 and September 30, 2006, adjustable-rate loans with lifetime caps were \$175.21 billion, \$158.24 billion and \$190.36 billion with a lifetime weighted average cap rate of 12.44%, 12.96% and 12.13%.

(4) Excludes credit card and student loans.

	June 30, 2007 to Sept. 30, 2007	Dec. 31, 2006 to Sept. 30, 2007

Rollforward of Loans Held for Sale		
Balance, beginning of period	\$ 19,327	\$ 44,970
Mortgage loans originated, purchased and transferred from held in portfolio	14,370	73,948
Mortgage loans transferred to held in portfolio	(17,004)	(19,677)
Mortgage loans sold and other(1)	(10,138)	(92,768)
Net change in consumer loans held for sale	1,031	1,113

Balance, end of period	\$ 7,586	\$ 7,586
=====		

Rollforward of Home Loans Held in Portfolio		
Balance, beginning of period	\$106,145	\$118,204
Loans originated, purchased and transferred from held for sale	25,727	36,012
Loan payments, transferred to held for sale and other	(8,727)	(31,071)

Balance, end of period	\$123,145	\$123,145
=====		

(1) The unpaid principal balance ("UPB") of home loans sold was \$9.03 billion and \$84.58 billion for the three and nine months ended September 30, 2007.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Quarter Ended

Detail of Revenue from Sales and Servicing of Home Mortgage Loans	Quarter Ended				
	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006

Gain (loss) from home mortgage loans and originated mortgage- backed securities, net of hedging and risk management instruments(1):					
Gain (loss) from home mortgage loans and originated mortgage- backed securities	\$(169)	\$ 66	\$ 149	\$ 64	\$ 206
Revaluation gain (loss) from derivatives economically hedging loans held for sale	(53)	126	(54)	91	(87)

Gain (loss) from home mortgage loans and originated					

mortgage-backed securities, net of hedging and risk management instruments	(222)	192	95	155	119
Home mortgage loan servicing revenue (expense):					
Home mortgage loan servicing revenue(2)	516	526	514	497	525
Change in MSR fair value due to payments on loans and other	(351)	(401)	(356)	(375)	(410)

Net mortgage loan servicing revenue	165	125	158	122	115
Change in MSR fair value due to valuation inputs or assumptions	(201)	530	(96)	(80)	(469)
Revaluation gain (loss) from derivatives economically hedging MSR	419	(547)	(32)	(33)	353

Home mortgage loan servicing revenue (expense), net of MSR valuation changes and derivative risk management instruments	383	108	30	9	(1)
Total revenue from sales and servicing of home mortgage loans	\$ 161	\$ 300	\$ 125	\$ 164	\$ 118
=====					

Nine Months Ended

Detail of Revenue from Sales and Servicing of Home Mortgage Loans	Sept. 30, 2007	Sept. 30, 2006

Gain from home mortgage loans and originated mortgage-backed securities, net of hedging and risk management instruments(1):		
Gain from home mortgage loans and originated mortgage-backed securities	\$ 45	\$ 563
Revaluation gain from derivatives economically hedging loans held for sale	20	17

Gain from home mortgage loans and originated mortgage-backed securities, net of hedging and risk management		

instruments	65	580
Home mortgage loan servicing revenue:		
Home mortgage loan servicing revenue(2)	1,557	1,683
Change in MSR fair value due to payments on loans and other	(1,109)	(1,279)

Net mortgage loan servicing revenue	448	404
Change in MSR fair value due to valuation inputs or assumptions	233	379
Revaluation loss from derivatives economically hedging MSR	(160)	(603)
Adjustment to MSR fair value for MSR sale	-	(157)

Home mortgage loan servicing revenue, net of MSR valuation changes and derivative risk management instruments	521	23
Total revenue from sales and servicing of home mortgage loans	\$ 586	\$ 603
=====		

(1) Originated mortgage-backed securities represent available-for-sale securities retained on the balance sheet subsequent to the securitization of mortgage loans that were originated by the Company.

(2) Includes contractually specified servicing fees (net of guarantee fees paid to government housing-sponsored enterprises, where applicable), late charges and loan pool expenses (the shortfall of the scheduled interest required to be remitted to investors and that which is collected from borrowers upon payoff).

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Quarter Ended				
	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006

MSR Valuation and Risk Management:					
Change in MSR fair value due to valuation inputs or assumptions	\$(201)	\$ 530	\$ (96)	\$ (80)	\$(469)
Gain (loss) on MSR risk management instruments:					
Revaluation gain (loss) from derivatives	419	(547)	(32)	(33)	353

Revaluation gain (loss) from certain trading securities	4	(4)	4	(5)	39
Loss from certain available-for-sale securities	-	-	-	-	(1)
<hr/>					
Total gain (loss) on MSR risk management instruments	423	(551)	(28)	(38)	391
<hr/>					
Total changes in MSR valuation and risk management	\$ 222	\$ (21)	\$(124)	\$(118)	\$ (78)
<hr/>					

Nine Months Ended

Sept. 30, 2007 Sept. 30, 2006

MSR Valuation and Risk Management(1):					
Change in MSR fair value due to valuation inputs or assumptions				\$ 233	\$ 379
Loss on MSR risk management instruments:					
Revaluation loss from derivatives			(160)	(603)	
Revaluation gain (loss) from certain trading securities			4	(50)	
Loss from certain available-for-sale securities			-	(1)	
<hr/>					
Total loss on MSR risk management instruments			(156)	(654)	
<hr/>					
Total changes in MSR valuation and risk management			\$ 77	\$(275)	
<hr/>					

(1) Excludes \$157 million downward adjustment to MSR fair value recognized in the nine months ended September 30, 2006.

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Washington Mutual, Inc.
 Selected Financial Information
 (dollars in millions)
 (unaudited)

Quarter Ended

Sept. 30, 2007 June 30, 2007 Mar. 31, 2007 Dec. 31, 2006 Sept. 30, 2006

Rollforward of Mortgage Servicing Rights(1) Balance, beginning of period	\$ 7,231	\$ 6,507	\$ 6,193	\$ 6,288	\$ 9,162
Home loans: Additions	116	592	760	357	533
Change in MSR fair value due to payments on loans and other	(351)	(401)	(356)	(375)	(410)
Change in MSR fair value due to valuation inputs or assumptions	(201)	530	(96)	(80)	(469)
Sale of MSR	-	-	-	1	(2,527)
Net change in commercial real estate MSR	(1)	3	6	2	(1)

Balance, end of period	\$ 6,794	\$ 7,231	\$ 6,507	\$ 6,193	\$ 6,288
=====					

Rollforward of Mortgage Loans Serviced for Others Balance, beginning of period	\$474,867	\$467,782	\$444,696	\$439,208	\$ 570,352
Home loans: Additions	8,700	29,949	44,550	25,833	29,899
Sale of servicing Loan	-	-	-	-	(141,842)
payments and other	(20,716)	(24,213)	(22,469)	(20,744)	(19,288)
Net change in commercial real estate loans	585	1,349	1,005	399	87

Balance, end of period	\$463,436	\$474,867	\$467,782	\$444,696	\$ 439,208
=====					

	Sept. 30,	June 30,	Mar. 31,	Dec. 31,	Sept. 30,
	2007	2007	2007	2006	2006

Total Servicing Portfolio Mortgage loans serviced for others	\$463,436	\$474,867	\$467,782	\$444,696	\$ 439,208
Consumer loans serviced for others	16,078	14,745	13,645	12,415	13,112
Servicing on					

retained MBS without MSR	980	1,023	1,082	1,140	1,199
Servicing on owned loans	232,392	218,122	226,217	251,766	245,925
Subservicing portfolio	418	439	465	84,797	137,089

Total servicing portfolio	\$713,304	\$709,196	\$709,191	\$794,814	\$ 836,533
=====					

September 30, 2007

	Unpaid Principal Balance	Weighted Average Servicing Fee

Mortgage Loans Serviced for Others by Loan Type		(in basis points, annualized)
Agency	\$247,878	31
Private	183,409	57
Subprime mortgage channel-home	32,149	51

Total mortgage loans serviced for others(2)	\$463,436	43
=====		

(1) MSR as a percentage of mortgage loans serviced for others was 1.47%, 1.52%, 1.39%, 1.39% and 1.43% at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006.

(2) Weighted average coupon rate was 6.33% at September 30, 2007.
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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

	Quarter Ended				
	Sept. 30, 2007	June 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sept. 30, 2006

Allowance for Loan and Lease Losses					
Balance, beginning of quarter	\$1,560	\$1,540	\$1,630	\$1,550	\$1,663
Allowance transferred to loans held for sale	(217)	(81)	(148)	(158)	(125)
Allowance acquired through business combinations/other	-	-	7	30	-
Provision for loan and lease losses	967	372	234	344	166

	2,310	1,831	1,723	1,766	1,704
Loans charged off: Loans secured by real estate: Home loans(1)	(52)	(21)	(35)	(16)	(12)

Home equity loans and lines of credit(1)	(104)	(55)	(29)	(13)	(8)
Subprime mortgage channel(2)	(146)	(103)	(40)	(52)	(47)
Home construction(3)	-	(1)	-	(4)	(3)
Other real estate	(1)	(1)	-	(1)	(2)

Total loans secured by real estate	(303)	(181)	(104)	(86)	(72)
Consumer:					
Credit card	(120)	(106)	(96)	(68)	(98)
Other	(2)	(2)	(3)	(3)	(3)
Commercial	(20)	(15)	(9)	(9)	(6)

Total loans charged off	(445)	(304)	(212)	(166)	(179)
Recoveries of loans previously charged off:					
Loans secured by real estate:					
Home loans(1)	1	1	1	-	-
Home equity loans and lines of credit(1)	3	3	3	2	2
Subprime mortgage channel(2)	1	11	1	4	-
Other real estate	2	-	-	-	-

Total loans secured by real estate	7	15	5	6	2
Consumer:					
Credit card	14	15	16	18	16
Other	-	-	6	3	4
Commercial	3	3	2	3	3

Total recoveries of loans previously charged off	24	33	29	30	25

Net charge-offs	(421)	(271)	(183)	(136)	(154)

Balance, end of quarter	\$1,889	\$1,560	\$1,540	\$1,630	\$1,550
=====					
Net charge-offs (annualized) as a percentage of average loans held in portfolio	0.74%	0.50%	0.33%	0.23%	0.26%
Allowance as a percentage of loans held in portfolio	0.80	0.73	0.71	0.72	0.64

(1) Excludes home loans and home equity loans and lines of credit in the subprime mortgage channel.

(2) Represents mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach Mortgage name and held in the investment portfolio.

(3) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.

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Washington Mutual, Inc.
Selected Financial Information
(dollars in millions)
(unaudited)

Sept. 30, June 30, Mar. 31, Dec. 31, Sept. 30,
2007 2007 2007 2006 2006

Nonperforming Assets					
Nonaccrual					
loans(1)(2):					
Loans secured by					
real estate:					
Home loans(3)	\$ 1,452	\$ 991	\$ 690	\$ 640	\$ 568
Home equity loans and lines of credit(3)	533	378	297	231	162
Subprime mortgage channel(4)	2,356	1,707	1,503	1,283	1,121
Home construction(5)	44	47	41	27	35
Multi-family	120	69	60	46	31
Other real estate	49	52	52	51	53

Total nonaccrual loans secured by real estate	4,554	3,244	2,643	2,278	1,970
Consumer	1	1	1	1	1
Commercial	22	30	28	16	16

Total nonaccrual loans held in portfolio	4,577	3,275	2,672	2,295	1,987
Foreclosed assets(6)	874	750	587	480	405

Total nonperforming assets(7)	\$ 5,451	\$ 4,025	\$ 3,259	\$ 2,775	\$ 2,392
=====					
Total nonperforming assets as a percentage of total assets					
	1.65%	1.29%	1.02%	0.80%	0.69%

(1) Nonaccrual loans held for sale, which are excluded from the nonaccrual balances presented above, were \$7 million, \$171 million, \$195 million, \$185 million and \$129 million at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006. Loans held for sale are accounted for at lower of aggregate cost or fair value, with valuation changes included as adjustments to noninterest income.

(2) Credit card loans are exempt under regulatory rules from being classified as nonaccrual because they are charged off when they are determined to be uncollectible, or by the end of the month in which the account becomes 180 days past due.

(3) Excludes home loans and home equity loans and lines of credit in the subprime mortgage channel.

(4) Represents mortgage loans purchased from recognized subprime lenders and mortgage loans originated under the Long Beach

Mortgage name and held in the investment portfolio.

- (5) Represents loans to builders for the purpose of financing the acquisition, development and construction of single-family residences for sale and construction loans made directly to the intended occupant of a single-family residence.
- (6) Foreclosed real estate securing Government National Mortgage Association ("GNMA") loans of \$46 million, \$49 million, \$72 million, \$99 million and \$129 million at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006 have been excluded. These assets are fully collectible as the corresponding GNMA loans are insured by the Federal Housing Administration ("FHA") or guaranteed by the Department of Veterans Affairs ("VA").
- (7) Excludes accruing restructured loans of \$287 million, \$285 million, \$355 million, \$330 million and \$331 million at September 30, 2007, June 30, 2007, March 31, 2007, December 31, 2006 and September 30, 2006.

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