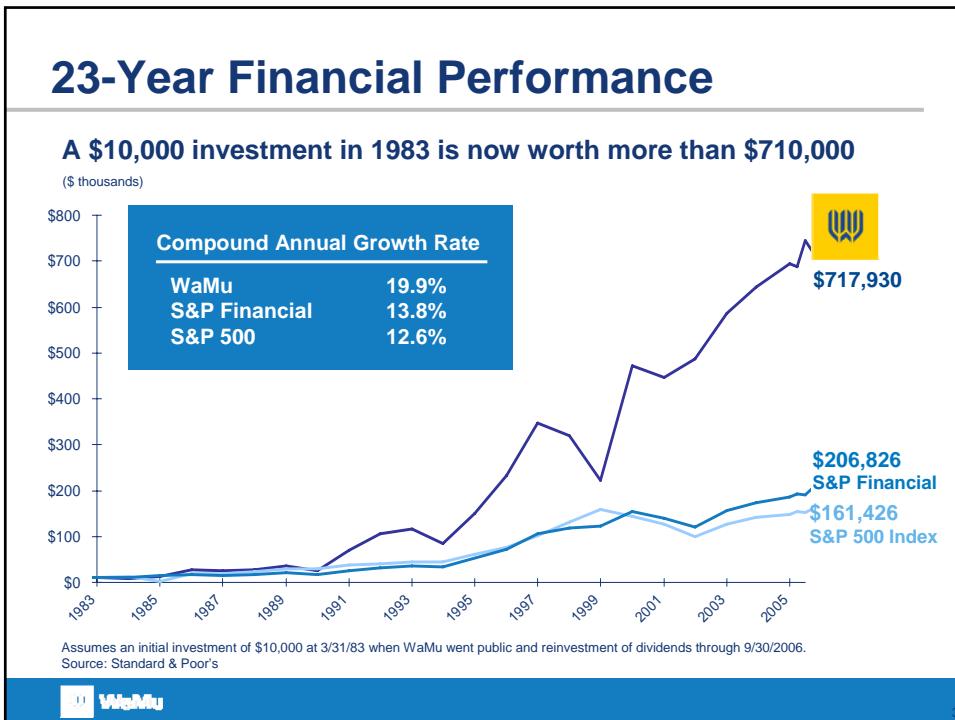




Vision

**To be the national leader in
consumer and
small business banking**



Five-Year Targets

| | Targets 2005 – 2009 | Results to Date 2005 – 3Q '06 |
|--|------------------------|----------------------------------|
| ROCE ¹ | High teens | 14.03% |
| Earnings per share growth ¹ | Double digit | 14.42% (2005 vs. 2004) |
| Efficiency ratio ¹ | < 50% | 58.42% |
| Nonperforming assets / total assets ² | < 1% | 0.69% |
| Tangible equity / total tangible assets ² | > 5.50% | 5.86% |

¹Average over the period
²Period end

WaMu

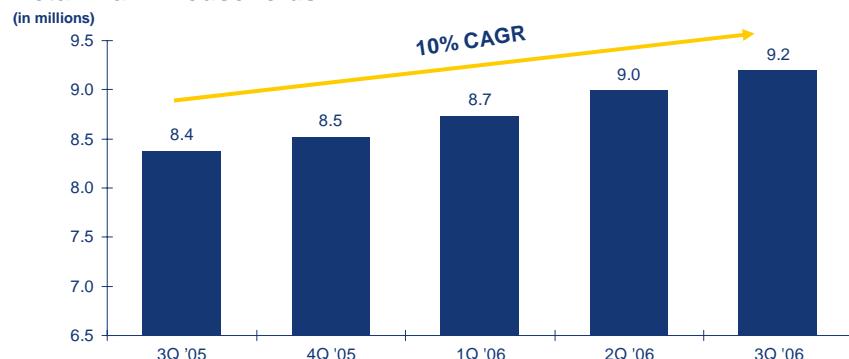
2

2006 Strategic Actions

- Sale of retail mutual fund management business to the Principal Financial Group
- Sold \$2.5 billion in mortgage servicing rights to Wells Fargo
- Significant acceleration of our operating efficiency initiatives

Free Checking Drives Household Growth

Retail Bank Households (in millions)



Net Change:

| | | | | | |
|---------------------|---------|---------|---------|---------|---------|
| Checking Households | 253,095 | 203,190 | 340,157 | 404,190 | 307,433 |
| Households | 167,000 | 143,000 | 210,000 | 259,000 | 256,000 |
| Cross-sell Ratio | 6.09 | 6.31 | 6.46 | 6.53 | 6.55 |

Period end

Outstanding Performance from Card Services

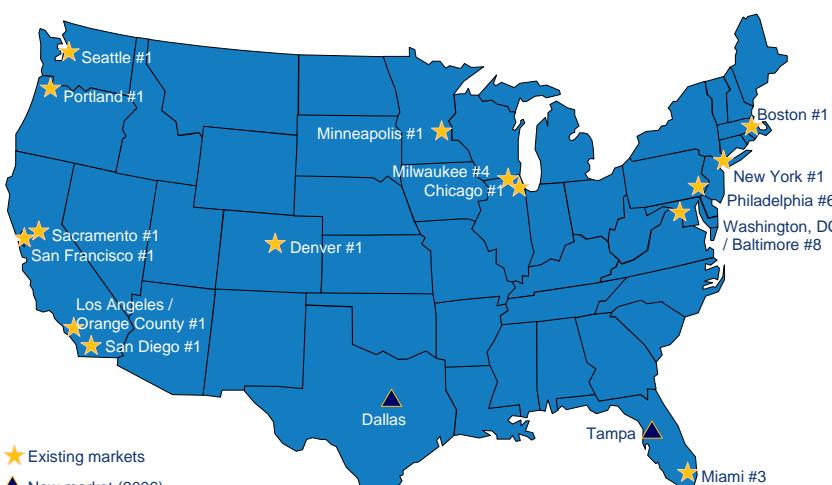
- 6th largest bank card issuer
- Almost \$22 billion in managed receivables
- Nearly 11 million customer accounts
- Large, information-driven direct marketer (500 million contacts annually)
- Strong management team



As of 9/30/06

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Leading Share in Target Multi-Family Markets



Source: 2005 HMDA data

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Home Loans: Focus

Strategy

- Focus on higher-margin products
- Leverage Home Loans and Retail distribution channels
- Stable earnings with reduced volatility
- Attack cost structure to achieve best-in-class efficiency

Current State

- Major restructuring actions taken; focusing on building profitable market share

Business Environment

▪ Economy

- Sound, but slowing economic growth
- Relatively low unemployment rate

▪ Interest rates

- Likely at or near the end of Fed tightening cycle
- Expecting return to a more normal positive sloping yield curve

▪ Housing market

- Showing signs of slowing
- Market correction appears to be orderly

Business Environment

- **Credit Spreads**
 - Currently very tight
 - WaMu limiting balance sheet growth at this time
- **Consolidation**
 - M&A activity at high level
 - WaMu employs disciplined approach to acquisitions
- **Mortgage Banking**
 - Severe overcapacity
 - Low industry margins and profitability



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Credit Quality

| Loan Type | 9/30/06 Balance | FICO | Estimated Current LTV | YTD Q3 '06 Net Charge-offs ¹ |
|----------------------------------|-----------------|------------|------------------------|---|
| Single Family Residential | \$121.1B | 715 | 56% | 0.04% |
| Option ARMs ² | \$64.8B | 707 | 57% | 0.03% |
| Subprime³ | \$20.1B | 627 | 66% | 0.53% |
| Home Equity & HELOC | \$54.4B | 732 | 70%⁴ | 0.05% |
| Multi-Family | \$27.4B | na | 60% | (0.01%) |

1 Represents an annualized rate excluding NPA sales

2 Option ARMs include \$654 million of negative amortization or the amount the current UPB>original UPB

3 Subprime loans are comprised of loans that have been purchased or originated through WaMu's Subprime lending programs

4 Combined 1st and 2nd position at date of origination of home equity loan



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2006 & 2007 Earnings Drivers

| Driver | 2006 Guidance | 2007 Guidance |
|--|-----------------------|-----------------------|
| 1) Average assets | 5 – 7% growth | 0 – 5% growth |
| 2) Net interest margin | 2.60 - 2.65% | 2.85 – 2.95% |
| 3) Credit provisioning | \$650 – \$750 million | \$850 – \$950 million |
| 4) Depositor and other retail banking fees | 15 – 17% growth | 10 – 12% growth |
| 5) Noninterest income | \$6.3 – \$6.5 billion | \$6.5 – \$6.8 billion |
| 6) Noninterest expense | \$8.6 - \$8.8 billion | \$8.3 – \$8.5 billion |
| 7) Discontinued operations | \$700 million | -- |



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Key Takeaways

- Unique and valuable franchise
- Retail Banking and Card Services producing strong results
- Commercial Group business is solid
- Home Loans is underperforming in a challenging environment
- Key steps taken to significantly improve performance
- Improving expectations for 2007



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Forward-Looking Statement

This presentation 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 2005 Annual Report on Form 10-K/A and "Cautionary Statements" in our Form 10-Q/A for the quarter ended March 31, 2006 and Forms 10-Q for the quarters ended June 30, 2006 and September 30, 2006 which include:

- general business and economic conditions, including movements in interest rates, the slope of the yield curve, and the overextension of housing prices in certain geographic markets;
- rising interest rates, unemployment and decreases in housing prices impact credit performance;
- risks related to the option adjustable-rate mortgage product;
- risks related to subprime lending;
- 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; and
- negative public opinion which may impact the Company's reputation.

There are other factors not described in our 2005 Form 10-K/A and 2006 Forms 10-Q and which are beyond the Company's ability to anticipate or control that could cause results to differ.

