

Reg F Reporting Information

This financial information is provided to assist you in analyzing financial exposure related to your transactions with Sterling Saving Bank, and with the other Banks that are currently chosen by Sterling Savings Bank as “Approved Buyers” in the Federal Funds Agency Program.

Sterling Savings Bank

Selected ratios for Regulation F Reporting purposes

| | Tier 1 Leverage Ratio (1) | Tier 1 Risk- Based Capital Ratio (2) | Total Risk- Based Capital Ratio (3) | Period ending | Well Capitalized |
|------------------------------|---------------------------------|--------------------------------------------------|-------------------------------------------------|------------------|---------------------|
| Sterling Savings Bank | 4.22 | 5.92 | 7.25 | 12/31/09 | No |
| | 6.84 | 9.26 | 10.57 | 06/30/09 | Yes |

| | Tier 1 Leverage Ratio (1) | Tier 1 Risk- Based Capital Ratio (2) | Total Risk- Based Capital Ratio (3) | Period ending | Well Capitalized |
|-----------------------------------|---------------------------------|--------------------------------------------------|-------------------------------------------------|------------------|---------------------|
| Sterling's Approved Buyers | | | | | |
| Key Bank | 8.86 | 9.91 | 14.24 | 12/31/09 | Yes |
| US Bank | 6.27 | 7.20 | 11.15 | 12/31/09 | Yes |
| Wells Fargo Bank | 7.50 | 8.90 | 11.87 | 12/31/09 | Yes |

- (1) **Tier 1 Leverage Ratio** means the ratio of Tier 1 capital to average total assets. The regulatory minimum for a “well capitalized” bank is 5%
- (2) **Tier 1 Risk-Based Capital Ratio** means the ratio of Tier 1 capital to total risk-weighted assets. The regulatory minimum for a “well capitalized” bank is 6%
- (3) **Total Risk-Based Capital Ratio** means the ratio of qualifying total risk-based capital to total risk-weighted assets. The regulatory minimum for a “well capitalized” bank is 10%

Tier 1 capital is the sum of common stockholders’ equity, noncumulative perpetual preferred stock and minority interests in consolidated subsidiaries; minus all intangible assets, identified losses, qualifying investments in securities subsidiaries and deferred tax assets in excess of defined limits.