

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

## Banner Corporation Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

Thank you sir. (Operator Instructions) And our first question is from the line of Tim Coffey with Fig Partners. Please go ahead.

#### Timothy Coffey - Fig Partners

Good morning gentlemen. How are you doing?

#### D. Michael Jones

Not well, but thank you Tim.

#### Timothy Coffey - Fig Partners

Good. Since the following up on your recently released last couple of comments there about NPAs and provision in the last quarter, and you get some feeling that you've taken care of NPAs for a big part of 1Q or do you think there is something more to come?

#### D. Michael Jones

Tim I need to tell you, first, because I've made this statement twice in the past, once in the first quarter of '08, and once in October of this year that I felt NPAs were peaking or would peak in the fourth quarter, or the first quarter of this year, and I don't think I should be predicting those things, because that's clearly wrong in both those cases. I'm serious in what I just said to you about what and how appears to happen in the Puget Sound economy. We maybe a bit more fortunate just because of where our real estate is in that area, which is more concentrated in the King County area by a lot than it is down in the Pierce County and/or up in the (inaudible) County, but nevertheless that County is going to get clearly get weaker with these job reductions that are taking place.

I actually think we have peaked in the Portland marketplace in Boise in terms of the number of NPAs, but a little bit of that is the activity of moving through the NPAs, we have control of selling them out as some others will come in, but the absolute total I believe probably have peaked. I don't think that's true in Puget Sound.

#### Timothy Coffey - Fig Partners

Okay. I kind of feeling from comments from the press release, particularly the comments about the slowdown in the back half of the quarter. So, I'm wondering, has this -- has this kind of slowdown

will finally switch (ph) into January, given you because, any thoughts about a different approach to underlying on our lending in this environment?

**D. Michael Jones**

We're not making too many than the one before or wherever and land area at this point at all.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.