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NEWS RELEASE

For Immediate Release

December 18, 2008

Idaho Financial Institutions Remain Strong *Outperform Institutions Nationwide in Several Key Areas*

Boise, Idaho Based on recently released national third quarter financial performance statistics, Idaho based financial institutions continue to outperform institutions nationwide. Gavin Gee, director of the Idaho Department of Finance, said the numbers reflect that Idaho headquartered financial institutions remain well-positioned to ride out the current financial turbulence. For example, Idaho headquartered banks and thrifts on average outperformed banks and thrifts nationwide with higher levels of core capital (12.20 percent vs. 7.81 percent,) lower percentages of non-current loans (1.92 percent vs. 2.31 percent) and net charge-offs (0.45 percent vs. 1.18 percent), and stronger loan growth (6.97 percent vs. 3.71 percent). Likewise, Idaho credit unions outperformed their nationwide counterparts in similar categories. "This should help reassure Idahoans that there is no safer place to put their money than in an insured account at a bank, thrift or credit union," said Gee. "Moreover, Idaho financial institutions are continuing to make good loans to credit-worthy borrowers."

All banks and thrifts headquartered in Idaho are currently classified by the regulators as "well capitalized", the highest possible designation. Capital serves several very important functions. It absorbs losses during periods when a bank is experiencing operating losses or other adverse financial results, provides a measure of assurance to the public that it will continue to provide financial services when losses have been incurred, thereby helping to promote public confidence, and provides protection to depositors and the FDIC insurance fund.

An important reminder is that the basic federal deposit insurance limit has been raised to at least \$250,000 per depositor and will continue at that limit for another year, until December 31, 2009. Also until December 31, 2009, all Idaho banks and thrift institutions are providing unlimited deposit insurance coverage for certain no-interest checking accounts such as business payroll accounts.

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