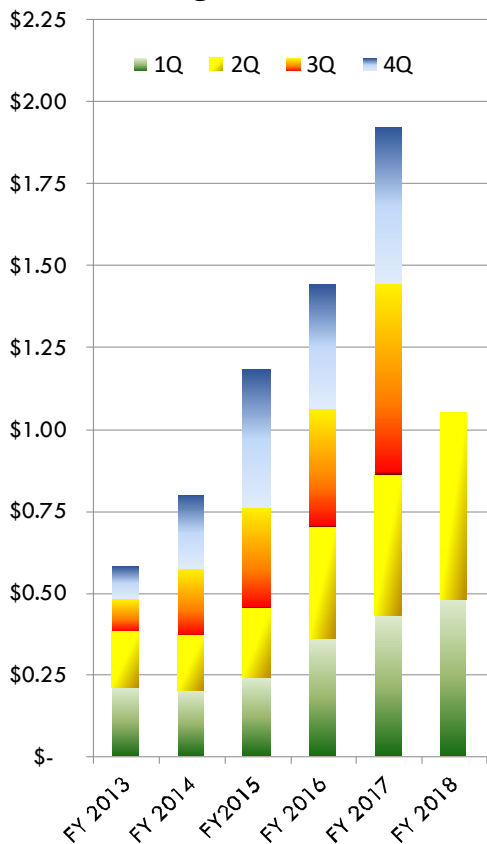


Earnings Per Share



FY 2Q18 Financial Highlights (ended 03/31/2018)

- ◆ Total assets grew 6% to \$1.00 billion at 3/31/18 from \$946.7 million a year ago;
- ◆ Earnings grew 36% to \$4.27 million in 2QFY18 from \$3.13 million in 2QFY17;
- ◆ EPS grew 22% to \$1.05 in the first half of FY2018 from \$0.86 a year ago;
- ◆ ROAE was 14.79% and ROAA was 1.75% for 2QFY18;
- ◆ Asset quality is solid with NPAs declining to 0.46% of assets at 03/31/18;
- ◆ Total deposits grew 9% year-over-year to \$880.4 million;
- ◆ Net interest margin improved to 4.19% in 2QFY18 from 3.88% in 2QF17;
- ◆ Net loans grew 5% year-over-year to \$708.6 million;
- ◆ Tangible book value per share grew 12% to \$15.18 from \$13.50 a year ago;
- ◆ Declared a regular quarterly dividend of \$0.13 per share and declared a \$0.10 special dividend, both payable May 25, 2018, to owners of record on May 11, 2018. The special dividend marks the third supplemental dividend paid in the past three years.

Period millions	EPS*	Net	Net	Net Interest Margin	NPA/ Assets	Tangible Equity/ Tangible Assets
		Income*	Loans			
1HFY18	\$ 1.05	\$ 7.88	\$ 709	4.19%	0.46%	11.27%
FY17	\$ 1.92	\$ 14.17	\$ 690	4.07%	0.60%	11.13%
FY16	\$ 1.43	\$ 10.15	\$ 663	3.88%	0.88%	10.29%
FY15	\$ 1.17	\$ 8.29	\$ 604	3.80%	1.84%	10.31%
FY14*	\$ 0.80	\$ 5.64	\$ 565	3.84%	2.94%	10.42%
FY13*	\$ 0.58	\$ 4.02	\$ 546	3.82%	3.75%	11.34%

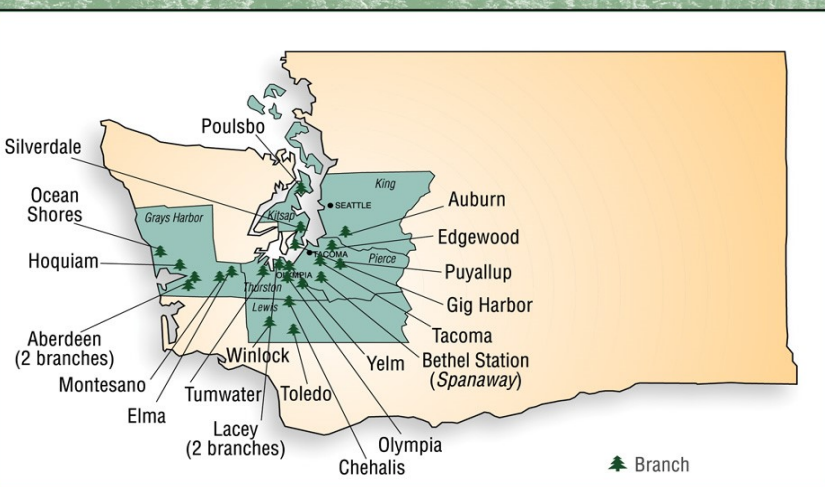
*after preferred dividends

ABOUT TIMBERLAND BANCORP

Timberland Bancorp, parent company of Timberland Bank, is a full-service community bank serving consumers and small business customers throughout Western Washington.

Headquartered at the base of the Olympic Peninsula on Washington's scenic coast, the company has 22 offices throughout Western Washington. The majority of its branches are located in counties adjacent to, or directly traversed by, Western Washington's economically important I-5 corridor. Its 2004 acquisition of 7 branch offices complemented its expansion into high growth markets in the Seattle, Tacoma and Olympia. Timberland Bank celebrated its 100th Anniversary in 2015.

Timberland Branch Locations



TSBK

Share Price at April 25, 2018

Recent Price	\$32.37	Tangible Book Value	\$15.18
Shares Outstanding	7.39M	Price/Tangible Book	2.17x
Insider Ownership	14.5%	Net Interest Margin (MRQ)	4.19%
Institutional Ownership	56.2%	EPS (TTM)	\$2.11
52-week Price Range	\$33.28 - \$21.08	P/E (TTM)	15.6x
Market Cap	\$239.2M	Dividend Yield	1.58%



BALANCE SHEET

FINANCIAL HIGHLIGHTS (in thousands, except per share)

Income Statement

(unaudited)

Quarter Ended

	3/31/2018	12/31/2017	3/31/2017
Interest and Dividend Income	\$ 10,290	\$ 10,035	\$ 9,299
Interest Expense	666	601	847
Net Interest Income	9,624	9,434	8,452
Provision for (recapture of) Loan Losses	-	-	(250)
Net Interest Income after Provision	9,624	9,434	8,702
Non-interest Income	3,082	3,137	2,851
Non-interest Expense	7,221	7,176	6,857
Net Income before Taxes	5,485	5,395	4,696
Provision for Taxes	1,216	1,781	1,568
Net Income to Common S/H	\$ 4,269	\$ 3,614	\$ 3,128
Diluted EPS	\$ 0.57	\$ 0.48	\$ 0.42
Diluted Weighted Avg. Shares O/S	7,512	7,508	7,379

Balance Sheet

	3/31/2018	12/31/2017	3/31/2017
Total Assets	\$ 1,001,201	\$ 993,895	\$ 946,682
Net Loans	\$ 708,568	\$ 705,268	\$ 676,079
Total Deposits	\$ 880,411	\$ 876,074	\$ 808,852
Total Stockholders' Equity	\$ 117,843	\$ 114,112	\$ 104,829
Book Value / Share	\$ 15.95	\$ 15.49	\$ 14.27
Tangible Book Value / Share	\$ 15.18	\$ 14.72	\$ 13.50



TOP INSTITUTIONAL OWNERS

Timberland Bancorp ESOP
Dimensional Funds Advisors
Royce & Associates
Sienna Capital Management
BlackRock Inc.
Renaissance Technologies
Cutler Capital Management
Vanguard Group

Bridgeway Capital Management
Westport Asset Management
Context BH Capital Management
State Street Global Advisors
Northern Trust Global Investments
Acadian Asset Management
Analytic Investors
Invesco PowerShares Capital Management

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