

CtW Investment Group

FOR IMMEDIATE RELEASE

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CtW Inv Grp Welcomes Glass Lewis Recommendation Against Two WaMu Directors

Washington DC — The CtW Investment Group announced today that Glass Lewis, a leading independent proxy voting advisory service, has recommended that its clients withhold their votes from nominees Mary E. Pugh, Chair of the Finance Committee, and James H. Stever, Chair of the Human Resources Committee, as well as other directors, at Washington Mutual's annual meeting of stockholders on April 15, 2008.

In its April 3 analysis of director Pugh's performance, Glass Lewis noted that she "has served on the finance committee during periods in which the committee failed to adequately oversee the Company's risk controls following significant changes in the Company's business strategy." Glass Lewis also expressed concern that "Ms. Pugh's past relationship with the Company might have affected her objectivity and oversight of the Company's risk management." Pugh is a principal at Pugh Capital Management, which has received over \$1.1 million in investment management fees from Washington Mutual.

Glass Lewis further urged clients to withhold from nominee Stever along with the four other members of the human resources committee, questioning the committee's decision "to exclude the effects of home loan losses from the executive bonus calculations for 2008," especially since "the Company's poor performance during the past fiscal year was due in large part to the Company's home loans business." Glass Lewis expressed concern "that this change in metrics may be blatant manipulation by the human resources committee to allow the board to continue awarding bonuses to executives regardless of performance."

"The recommendation by Glass Lewis reinforces our conviction that Washington Mutual – which has suffered a 70% drop in share price since the beginning of 2007 – needs a stronger and more independent board," said Bill Patterson, Executive Director of the CtW Investment Group. "Removing Ms. Pugh and Mr. Stever will help re-align executive and shareholder interests by enhancing the independence of risk oversight by the finance committee and by ensuring that executive compensation decisions reflect an appreciation for risk management."

In an March 27 letter urging Washington Mutual shareholders to withhold from directors Pugh and Stever, the CtW Investment Group argued that as chairs of the committees charged with risk management oversight and compensation plan design, respectively, Ms. Pugh and Mr. Stever bear responsibility for Washington Mutual's failure to recognize and act in a timely manner on the risks to shareholder value presented by the housing bubble, and for attempting to insulate executive bonuses from the consequences of this risk management failure.

Also today, in a letter to shareholders filed with the SEC, Washington Mutual reiterated its previous arguments in support of Pugh and Stever, offering no new information nor refuting any of the data that CtW relied upon in its original analysis. As before, Washington Mutual's defense of Pugh and Stever fails to meaningfully address Pugh's lack of independence and offers no coherent explanation for the boards' executive compensation decisions.

For additional information on the CtW Investment Group, including our letter explaining in detail why we believe shareholders should withhold from Pugh and Stever, please visit www.ctwinvestmentgroup.com.

*This is not a proxy solicitation and no proxies will be accepted.
Please DO NOT send your proxy to the CtW Investment Group.*

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