

FIRST FEDERAL SAVINGS
Promotional Video Script

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- 1 Various business scenes including a corporate high-rise, a line of products coming off a manufacturing line, a group of executives, a series of advertising slogans, a busy shopping mall, etc.

NARRATOR

What makes a company successful? Is it products?
People? Location? Marketing? Financial Assets?
(beat)

Different people evaluate a company's performance in different ways. A consumer may only be interested in the best product, or the lowest price. A marketing manager may look for the most creative advertising or the most innovative promotional campaign.

- 2 An exterior shot of a stock exchange, an interior of the exchange floor, brokers doing business.

NARRATOR

But a professional in the financial community looks beyond products or advertising or reputation... to certain benchmarks which may not be quite as obvious. For a financial analyst, the criteria for excellence tend to be based on a series of benchmarks which create a recognizable profile for success.

- 3 Graphic of benchmarks listed in copy.

NARRATOR

Has the company shown a continuity of qualified management, with a proven track record of success?
(beat)

Does the company operate in a favorable business environment?

(beat)

Does the company have a superior record of operational performance?

(beat)

Does the company have programs in place to establish an effective marketing niche?

(beat)

Has the company's stock been a good performer?

CONTINUED:

- 4 First Federal Plaza from a variety of angles/vantage points.

NARRATOR

In this presentation we'll measure First Federal Savings Bank of California against the typical benchmarks by which the financial community judges a company.

- 5 Another view of First Federal Plaza. Superimpose "CONTINUITY".

NARRATOR

First, let's take a look at First Federal's history.

- 6 Period photos of the Santa Monica area circa 1929.

NARRATOR

The year was 1929. The place, Santa Monica. At the time, this area was quite popular with the Hollywood film community. Louis B. Mayer, Stan Laurel and Irving Thalberg, among others, kept residence here. In this fertile economic environment, a group of dedicated, public-spirited pioneers founded First Federal Savings Bank and began a tradition of growth and strong leadership that continued through World War II.

- 7 Period photos of the Los Angeles area circa 1946; construction projects of the late '40's.

NARRATOR

When the war ended, Southern California like the rest of the nation discovered a tremendous need for housing. In this era of growth, First Federal's focus remained on the needs of the community. Under the continued leadership of its founders, and \$3 million in assets, the bank played a major role in funding this new building boom, especially homes and apartment complexes.

- 8 Period photos of Los Angeles circa 1950.

CONTINUED:

NARRATOR

By the early 1950's, First Federal's assets had grown to about \$12 million.

- 9 Interior of a First Federal branch, circa 1950 - tellers working, loan officers helping customers, etc.

NARRATOR

In 1955 the grandson of one of the company's original founders began a career at First Federal. His name was Bill Mortensen. Today, thirty-three years later, he is First Federal's Chairman of the Board and Chief Executive Officer.

- 10 William S. Mortensen and other senior officers in current settings.

NARRATOR

This is typical of the kind of continuity and stability represented by First Federal's outstanding corps of senior officers. This highly qualified and experienced management team continues to provide secure, sound guidance for the bank in a continuing process of expansion and growth.

- 11 Various views of the City of Los Angeles 1988. Superimpose "BUSINESS ENVIRONMENT".

NARRATOR

Critical to the growth of any company is a favorable business environment.

- 12 California Map highlighting counties in which First Fed does business.

NARRATOR

First Federal maintains offices in Los Angeles, Orange, Riverside, San Diego and Santa Clara counties...

- 13 Different views of Los Angeles than seen before, surrounding business-oriented areas.

CONTINUED:

NARRATOR

But without question, First Federal's "heartland" is Los Angeles, which accounts for 90% of the company's deposits and loans.

- 14 Map overlays of mentioned states license plates, or recognizable state landmarks.

NARRATOR

The population of the Los Angeles/Orange County marketing area would make it the tenth largest state in the nation... and it's growing.

(beat)

In today's economy, diversity is fundamental for continued economic success. Los Angeles and Orange Counties thrive on diversity.

- 15 Agricultural scenes.

NARRATOR

They produce over \$500 million in agricultural commodities.

- 16 Electronics and aerospace manufacturing plants.

NARRATOR

They create nearly \$90 billion in manufactured goods, representing the largest total volume of manufacturing in the nation.

- 17 Downtown Los Angeles, especially new high-rise buildings.

NARRATOR

In terms of finance, the Los Angeles/Orange County area is second only to New York. It is home to over 24,000 insurance, real estate and finance firms employing over 300 thousand people.

- 18 LAX, a truck on the open highway, the Port of Los Angeles.

NARRATOR

In world trade this area is again second only to New York. In 1985, Los Angeles/Orange Counties exported \$65 billion in goods and services, up 83% in five years.

- 19 Scenic views of Japan, China, etc.

NARRATOR

The main reason for this rapid international growth is Los Angeles' position as gateway to the Pacific Rim. Tapping these fast-evolving markets, Los Angeles and Orange Counties could easily overtake New York by the turn of the century.

- 20 Disneyland, Knotts Berry Farm, beach areas, Movieland Wax Museum, Magic Mountain, etc.

NARRATOR

Also keeping the Los Angeles/Orange County area economically balanced is its tourist trade. In 1985 over 72 million visitors spent over \$13 billion here.

- 21 A quick review of agriculture, manufacturing, finance centers, tourist centers, etc.

NARRATOR

If the Los Angeles and Orange County area were rated economically as a nation, its Gross National Product would stand as the fifteenth largest in the world. The stability and diversity of this environment will continue to provide First Federal with opportunities for growth far into the future.

- 22 First Federal employees at work, management teams, etc. Superimpose "OPERATIONS".

NARRATOR

To examine operational performance, we turn to William S. Mortensen, Chairman of the Board and Chief Executive Officer.

- 23 Graphics illustrate performance.

William S. Mortensen will provide narration for this section. Points covered with charts and photographs will include:

- *Five year comparison, Total Assets (core earnings)*
- *Loan Originations*

CONTINUED:

- *Percent Adjustable Loans*
- *Scheduled Items Ratio*
- *Net Interest Income*
- *Expense to Assets Ratio*
- *Net Earnings*
- *Earnings per Share*
- *Return on Average Assets*
- *Return on Average Equity*

24 The Los Angeles skyline from a distance, move in gradually closer. Superimpose "MARKETING NICHE".

NARRATOR

Successful companies are almost always effective marketers. First Federal is firmly committed to effective consumer marketing. From its founding, the bank has placed a priority on providing superior service to its customers.

25 First Federal employees at work.

NARRATOR

First Federal places strong emphasis on programs that link reward to performance. Employee incentives are paid in stock and recognition. When an employee performs well, the company performs well.

26 Customer gives First Federal employee an Exceptional Service Certificate.

NARRATOR

First Federal's Exceptional Service Certificate enables depositors to actively single out employees who provide superior service. First Federal then rewards these employees.

27 Public and private schools.

CONTINUED:

NARRATOR

First Federal has a wide array of marketing programs to position it uniquely in the markets it serves and through community involvement has worked to establish itself as a special kind of caring company. It has focused its community programs on enhancing educational opportunities in both public and private schools. Last year, First Federal gave over \$200 thousand in donations to school systems.

- 28 A Los Angeles newspaper's stock report section, a variety of stock certificates. Superimpose "STOCK PERFORMANCE".

NARRATOR

Management track record, business environment, operational performance, marketing programs... we've touched on all of these.

(beat)

But what about the bottom line? How has First Federal's stock performed compared to other leading financial institutions?

- 29 Basic graph with lines added for comparison. Graph includes:

- Ahmanson and Great Western
- Golden West and Glendale Federal
- Home Federal
- California Federal
- Compare to First Federal

NARRATOR

First Federal's stock price shows a growth rate which is more than four times greater than Ahmanson or Great Western, the recognized industry leaders. And as much as one-hundred times greater than Cal Fed.

- 30 More stock certificates or corporate annual reports.

NARRATOR

And how has the stock performed compared to the leading American Corporations?

31 Basic graph with lines added for comparison. Graph includes:

- Stock price vs. IBM
- Sears and GM
- MERCK
- Compared to First Federal

NARRATOR

First Federal has kept pace with these quality companies and substantially outdistanced the S&P 500.

32 A quick recap of Santa Monica area circa 1920's through to present - First Federal customers, tellers, management teams, ending with a current view of First Federal Plaza.

NARRATOR

First Federal is a company that has proven itself with a successful track record over many years. It's supported by a strong management team. It is a company based in one of the most highly populated, fastest growing and most diversified marketing areas in the nation. It has a proven record of performance and profitability and an effective marketing strategy. In terms of stock, we've seen outstanding performance - not only in comparison to other financial institutions but to other industries as well.

(beat)

First Federal Savings Bank of California has proven itself in the past and positioned itself for the future... looking forward to the years ahead.

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