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## IndyMac cuts back by 53%

IndyMac Bancorp Inc., the second-biggest independent U.S. mortgage lender last year behind Countrywide Financial Corp., decided after its market value plummeted 90 percent this year to cut their employment by 53%. 3,800 IndyMac employees will lose their jobs after IndyMac regulators said the company is no longer "well capitalized" and the quarterly loss is widened.

Michael Perry, CEO of the California based company, said in a statement on IndyMac's website "We don't expect to be able to raise capital until there is more stability and less uncertainty in the housing and mortgage markets".

Bloomberg Press reports Jason Arnold, analyst at RBC Capital Markets in San Francisco, as saying "We don't expect, given the really rough state of the housing market, that IndyMac is going to be able to get out of this. The big problem is that no one will give them money. There's too much risk involved and not enough value in their franchise."

IndyMac said they are offering \$20,000 in severance to employees with five or more years of service. Michael Perry, who earned \$1 million in salary last year plus option awards, said he's asking the board to reduce his base pay by 50 percent.