

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

WESTAMERICA BANCORPORATION

Form 8-K

April 16, 2004

Page 1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of the Report (Date of earliest event reported):
April 13, 2004

Commission File Number: 001-9383

WESTAMERICA BANCORPORATION

(Exact name of registrant as specified in its chapter)

CALIFORNIA

(State of incorporation)

94-2156203

(I.R.S. Employer Identification Number)

1108 Fifth Avenue, San Rafael, California 94901

(Address of principal executive offices and zip code)

(707) 863-8000

(Registrant's area code and telephone number)

Page 2

Item 7: Exhibits

99.1 Press release dated April 13, 2004

Item 12: Results of Operations and Financial Condition

On April 13, 2004 Westamerica Bancorporation announced their quarterly earnings for the first quarter of 2004. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

Page 3

Signatures

Pursuant to the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Westamerica Bancorporation

/s/ DENNIS R. HANSEN

Dennis R. Hansen, SVP and Controller
April 15, 2004

Page 4

INDEX TO EXHIBITS

| Exhibit No. | Description | Sequentially Number Page |
|-------------|---------------------------------------|-----------------------------|
| (99.1) | Press release dated April 13, 2004 | 5-15 |

Page 5

FOR IMMEDIATE RELEASE

April 13, 2004

WESTAMERICA BANCORPORATION REPORTS RECORD QUARTERLY
EARNINGS FOR FIRST QUARTER 2004

San Rafael, CA: Westamerica Bancorporation (NASDAQ: WABC), parent company of Westamerica Bank, today reported record quarterly net income for the first quarter of 2004 of \$24.3 million or \$.74 diluted earnings per share, up from \$23.0 million or \$.69 diluted earnings per share for the first quarter of 2003. The return on equity (ROE) for the first quarter of 2004 was 30.5 percent, and the return on assets (ROA) was 2.20 percent, compared to 29.6 percent and 2.22 percent, respectively, in the first quarter of 2003.

"We are pleased with first quarter results, especially the stabilization of our net interest margin compared to the fourth quarter of 2003, stable loan volume and controlled expenses. Our 5.27 percent margin and 38.2 percent efficiency ratio helped deliver our record earnings level. Annualized net loan losses to average loans were 0.15 percent, unchanged from full-year

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

2003 levels," said Chairman, President and CEO David Payne. "Westamerica's return on equity and return on assets remain at high levels relative to the banking industry," added Payne.

Net interest income on a fully taxable equivalent basis was \$54.6 million in the first quarter of 2004, compared to \$54.8 million in the prior quarter and to \$54.1 million in the first quarter of 2003. The first quarter 2004 net interest margin on a fully taxable equivalent basis was 5.27 percent, up one basis point from 5.26 percent in the prior quarter and compared to 5.58 percent for the first quarter of 2003.

Page 6

The provision for loan losses was \$750 thousand for the first quarter of 2004 unchanged from the previous quarter and down from \$900 thousand for the first quarter of 2003. Net loan losses totaled \$825 thousand or 0.15 percent of average loans (annualized) in the first quarter of 2004.

Noninterest income in the first quarter of 2004 totaled \$10.9 million, up \$374 thousand from the previous quarter, and up \$491 thousand from the first quarter of 2003. The increase in the first quarter of 2004 from the previous quarter included higher gains on sale of OREO and service charges on deposit accounts, offset in part by lower financial services commissions and merchant credit card income. The increase in the first quarter 2004 from the first quarter 2003 included higher gains on sale of OREO, service charges on deposit accounts and debit card fees, offset in part by lower mortgage banking income. First quarter 2004 noninterest income includes securities gains totaling \$1.8 million and losses on extinguishment of FHLB advances totaling \$1.8 million.

Noninterest expense for the first quarter of 2004 totaled \$25.0 million, down \$166 thousand from the previous quarter, and down \$543 thousand from the first quarter of 2003. The reduction in the first quarter of 2004 from the previous quarter included lower occupancy and equipment, professional fees, and loan related expenses, offset in part by higher employee benefits and merchant card expense. The reduction in the first quarter of 2004 from the first quarter of 2003 included lower salaries, occupancy and equipment, amortization of core deposit intangibles, and merchant card expense, offset in part by higher telephone expenses and operational losses. The efficiency ratio for first quarter 2004 was 38.2 percent compared with 38.6 percent in the prior quarter and 39.6 percent in the first quarter of 2003.

Shareholders' equity was \$339 million at March 31, 2004, essentially unchanged from \$337 million at March 31, 2003. The Company's equity-to-asset ratio was 7.7 percent at March 31, 2004, compared to 7.7 percent at March 31, 2003. Net repurchases of the Company's common stock in the first quarter 2004 totaled approximately 500 thousand shares.

At March 31, 2004, the Company had total assets of \$4.4 billion, up one percent from March 31, 2003. At March 31, 2004, total loans outstanding were \$2.3 billion, essentially unchanged from December 31, 2003.

Page 7

Westamerica Bancorporation, through its wholly owned subsidiary Westamerica Bank, operates 87 branches and two trust offices throughout 22 Northern and Central California counties.

Westamerica Bancorporation Web Address: www.westamerica.com

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

For additional information contact:

Westamerica Bancorporation
Robert A. Thorson - SVP & Treasurer
707-863-6840

FORWARD-LOOKING INFORMATION:

The following appears in accordance with the Private Securities Litigation Reform Act of 1995:

This press release may contain forward-looking statements about the Company, including descriptions of plans or objectives of its management for future operations, products or services, and forecasts of its revenues, earnings or other measures of economic performance. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may."

Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors - many of which are beyond the Company's control - could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. The Company's most recent annual and quarterly reports filed with the Securities and Exchange Commission, including the Company's Form 10-K for the year ended December 31, 2003, describe some of these factors, including certain credit, market, operational, liquidity and interest rate risks associated with the Company's business and operations. Other factors described in these reports include changes in business and economic conditions, competition, fiscal and monetary policies, disintermediation, legislation including the Sarbanes-Oxley Act of 2002 and the Gramm-Leach-Bliley Act of 1999, the combination of the former Kerman State Bank, and other mergers and acquisitions.

Forward-looking statements speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date forward looking statements are made.

#####

Page 8

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2004

Public Information April 13, 2004

1. Net Income Summary.

| | (dollars in thousands except per-share data) | | | | |
|---|--|----------|------------------|----------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Net Interest Income (Fully Taxable Equivalent) | \$54,605 | \$54,062 | 1.0% | \$54,758 | -0.3% |
| 2. Loan Loss Provision | 750 | 900 | -16.7% | 750 | 0.0% |
| 3. Noninterest Income: | | | | | |
| 4. Investment Securities Gains | 1,788 | 15 | n/m | 0 | n/m |
| 5. Loss on Extinguishment of Deb | (1,814) | 0 | n/m | 0 | n/m |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | | | | | |
|--|----------|----------|-------|----------|-------|
| 6. Other | 10,892 | 10,360 | 5.1% | 10,492 | 3.8% |
| ----- | | | | | |
| 7. Total Noninterest Income | 10,866 | 10,375 | 4.7% | 10,492 | 3.6% |
| ----- | | | | | |
| 8. Noninterest Expense | 24,992 | 25,535 | -2.1% | 25,158 | -0.7% |
| 9. Income Tax Provision (FTE) | 15,415 | 14,990 | 2.8% | 15,035 | 2.5% |
| ----- | | | | | |
| 10. Net Income | \$24,314 | \$23,012 | 5.7% | \$24,307 | 0.0% |
| ===== | | | | | |
| 11. Average Shares Outstanding | 32,051 | 33,110 | -3.2% | 32,523 | -1.4% |
| 12. Diluted Average Shares Outstanding | 32,662 | 33,565 | -2.7% | 33,154 | -1.5% |
| ----- | | | | | |
| 13. Operating Ratios: | | | | | |
| 14. Basic Earnings Per Share | \$0.76 | \$0.70 | 9.1% | \$0.75 | 1.5% |
| 15. Diluted Earnings Per Share | 0.74 | 0.69 | 8.6% | 0.73 | 1.5% |
| 16. Return On Assets | 2.20% | 2.22% | | 2.17% | |
| 17. Return On Equity | 30.5% | 29.6% | | 29.4% | |
| 18. Net Interest Margin (FTE) | 5.27% | 5.58% | | 5.26% | |
| 19. Efficiency Ratio (FTE) | 38.2% | 39.6% | | 38.6% | |
| ----- | | | | | |
| 20. Dividends Paid Per Share | \$0.26 | \$0.24 | 8.3% | \$0.26 | 0.0% |
| 21. Dividend Payout Ratio | 35% | 35% | | 35% | |

2. Net Interest Income.

| | (dollars in thousands) | | | | |
|--|------------------------|-------------|------------------|-------------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| ----- | | | | | |
| 1. Interest and Fee Income (FTE) | \$60,120 | \$61,799 | -2.7% | \$60,521 | -0.7% |
| 2. Interest Expense | 5,515 | 7,737 | -28.7% | 5,763 | -4.3% |
| ----- | | | | | |
| 3. Net Interest Income (FTE) | \$54,605 | \$54,062 | 1.0% | \$54,758 | -0.3% |
| ===== | | | | | |
| 4. Average Earning Assets | \$4,157,061 | \$3,906,020 | 6.4% | \$4,149,994 | 0.2% |
| 5. Average Interest-Bearing Liabilities | 2,880,558 | 2,730,272 | 5.5% | 2,842,273 | 1.3% |
| 6. Yield on Earning Assets (FTE) | 5.80% | 6.38% | | 5.81% | |
| 7. Cost of Funds | 0.53% | 0.80% | | 0.55% | |
| 8. Net Interest Margin (FTE) | 5.27% | 5.58% | | 5.26% | |
| 9. Interest Expense/Interest Bearing Liabilities | 0.77% | 1.14% | | 0.80% | |
| 10. Net Interest Spread (FTE) | 5.03% | 5.24% | | 5.01% | |

Page 9

WESTAMERICA BANCORPORATION

Public Information April 13, 2004

3. Loans & Other Earning Assets.

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | (average volume, dollars in thousands) | | | | |
|--|--|-------------|------------------|-------------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Total Assets | \$4,451,674 | \$4,201,864 | 5.9% | \$4,451,423 | 0.0% |
| 2. Total Earning Assets | 4,157,061 | 3,906,020 | 6.4% | 4,149,994 | 0.2% |
| 3. Total Loans | 2,281,900 | 2,424,017 | -5.9% | 2,285,717 | -0.2% |
| 4. Commercial Loans | 1,421,530 | 1,567,405 | -9.3% | 1,443,303 | -1.5% |
| 5. Consumer Loans | 860,370 | 856,612 | 0.4% | 842,414 | 2.1% |
| 6. Total Investment Securities | 1,875,161 | 1,482,003 | 26.5% | 1,864,277 | 0.6% |
| 7. Available For Sale (Market Va | 1,344,306 | 986,413 | 36.3% | 1,312,412 | 2.4% |
| 8. Held To Maturity | 530,855 | 495,590 | 7.1% | 551,865 | -3.8% |
| 9. HTM Unrealized Gain (Loss) at Period-End | 9,008 | 10,684 | -15.7% | 7,352 | 22.5% |
| 10.Loans / Deposits | 66.4% | 73.3% | | 64.5% | |

4. Deposits & Other Interest-Bearing Liabilities.

| | (average volume, dollars in thousands) | | | | |
|---|--|-------------|------------------|-------------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Total Deposits | \$3,437,549 | \$3,306,929 | 3.9% | \$3,542,433 | -3.0% |
| 2. Noninterest Demand | 1,209,299 | 1,117,566 | 8.2% | 1,243,860 | -2.8% |
| 3. Interest-Bearing Transaction | 564,703 | 557,227 | 1.3% | 569,965 | -0.9% |
| 4. Savings | 1,040,497 | 965,313 | 7.8% | 1,085,299 | -4.1% |
| 5. Other Time >\$100K | 340,403 | 348,780 | -2.4% | 348,405 | -2.3% |
| 6. Other Time <\$100K | 282,647 | 318,043 | -11.1% | 294,904 | -4.2% |
| 7. Total Short-Term Borrowings | 533,158 | 348,479 | 53.0% | 418,896 | 27.3% |
| 8. Fed Funds Purchased | 399,075 | 175,553 | 127.3% | 270,515 | 47.5% |
| 9. Other Short-Term Funds | 134,083 | 172,926 | -22.5% | 148,381 | -9.6% |
| 10.FHLB Debt | 96,613 | 170,000 | -43.2% | 105,000 | -8.0% |
| 11.Long-Term Debt | 22,537 | 22,430 | 0.5% | 19,804 | 13.8% |
| 12.Shareholders' Equity | 320,390 | 315,132 | 1.7% | 328,209 | -2.4% |
| 13.Demand Deposits / Total Deposit | 35.2% | 33.8% | | 35.1% | |
| 14.Transaction & Savings Deposits / Total Deposits | 81.9% | 79.8% | | 81.8% | |

Page 10

WESTAMERICA BANCORPORATION

Public Information April 13, 2004

5. Interest Yields Earned & Rates Paid.

| | (dollars in thousands) | | | | |
|--|------------------------|------------------|--------|-----------------|---------|
| | Average | Q1'04 Income/ | Yield/ | Q4'03 Yield/ | Average |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | Volume | Expense | Rate | Rate | Volume | Expens |
|--|-------------|----------|-------|-------|-------------|--------|
| 1. Interest Income Earned to: | | | | | | |
| 2. Total Earning Assets (FTE) | \$4,157,061 | \$60,120 | 5.80% | 5.81% | \$3,906,020 | \$61, |
| 3. Total Loans (FTE) | 2,281,900 | 35,390 | 6.23% | 6.39% | 2,424,017 | 41, |
| 4. Commercial Loans (FTE) | 1,421,530 | 24,333 | 6.91% | 7.17% | 1,567,405 | 28, |
| 5. Consumer Loans | 860,370 | 11,057 | 5.21% | 5.39% | 856,612 | 13, |
| 6. Total Investment Securities (| 1,875,161 | 24,730 | 5.28% | 5.10% | 1,482,003 | 20, |
| 7. Interest Expense Paid to: | | | | | | |
| 8. Total Earning Assets | 4,157,061 | 5,515 | 0.53% | 0.55% | 3,906,020 | 7, |
| 9. Total Interest-Bearing Liabilities | 2,880,558 | 5,515 | 0.77% | 0.80% | 2,730,272 | 7, |
| 10. Total Interest-Bearing Deposits | 2,228,250 | 3,153 | 0.57% | 0.62% | 2,189,363 | 4, |
| 11. Interest-Bearing Transactions | 564,703 | 112 | 0.08% | 0.09% | 557,227 | |
| 12. Savings | 1,040,497 | 1,111 | 0.52% | 0.59% | 965,313 | 1, |
| 13. Other Time <\$100K | 282,647 | 1,004 | 1.43% | 1.46% | 318,043 | 1, |
| 14. Other Time >\$100K | 340,403 | 926 | 1.09% | 1.16% | 348,780 | 1, |
| 15. Total Short-Term Borrowings | 533,158 | 1,131 | 0.84% | 0.80% | 348,479 | |
| 16. Fed Funds Purchased | 399,075 | 1,006 | 1.00% | 0.99% | 175,553 | |
| 17. Other Short-Term Funds | 134,083 | 125 | 0.38% | 0.45% | 172,926 | |
| 18. FHLB Debt | 96,613 | 896 | 3.75% | 3.70% | 170,000 | 1, |
| 19. Long-Term Debt | 22,537 | 335 | 5.95% | 6.20% | 22,430 | |
| 20. Net Interest Income and Margin (FTE) | | \$54,605 | 5.27% | 5.26% | | \$54, |

6. Noninterest Income.

| | (dollars in thousands) | | | | |
|---|------------------------|----------|---------------|----------|---------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Service Charges on Deposit Accounts | \$6,868 | \$6,425 | 6.9% | \$6,572 | 4.5% |
| 2. Merchant Credit Card Income | 825 | 862 | -4.3% | 864 | -4.5% |
| 3. ATM Fees & Interchange | 583 | 560 | 4.1% | 573 | 1.7% |
| 4. Debit Card Fees | 549 | 494 | 11.1% | 512 | 7.2% |
| 5. Financial Services Fees | 187 | 207 | -9.7% | 227 | -17.6% |
| 6. Mortgage Banking Income | 133 | 226 | -41.2% | 139 | -4.3% |
| 7. Trust Fees | 250 | 238 | 5.0% | 235 | 6.4% |
| 8. Other Income | 1,497 | 1,348 | 11.1% | 1,370 | 9.3% |
| 9. Sub-total | 10,892 | 10,360 | 5.1% | 10,492 | 3.8% |
| 10. Investment Securities Gains | 1,788 | 15 | | 0 | n/m |
| 11. Loss on Extinguishment of Debt | (1,814) | 0 | | 0 | n/m |
| 12. Total Noninterest Income | \$10,866 | \$10,375 | 4.7% | \$10,492 | 3.6% |
| 13. Operating Ratios: | | | | | |
| 14. Total Revenue (FTE) | \$65,471 | \$64,437 | 1.6% | \$65,250 | 0.3% |
| 15. Noninterest Income / Revenue (FTE) | 16.6% | 16.1% | | 16.1% | |
| 16. Service Charges / Deposits (annualized) | 0.80% | 0.79% | | 0.74% | |
| 17. Total Revenue Per Share | \$8.22 | \$7.89 | 4.1% | \$7.96 | 3.2% |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

(annualized)

Page 11

WESTAMERICA BANCORPORATION

Public Information April 13, 2004

7. Noninterest Expense.

| | (dollars in thousands) | | | | |
|--|------------------------|----------|------------------|----------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Salaries & Benefits | \$13,526 | \$13,698 | -1.3% | \$13,183 | 2.6% |
| 2. Occupancy | 2,948 | 2,995 | -1.6% | 3,037 | -2.9% |
| 3. Equipment | 1,162 | 1,374 | -15.4% | 1,290 | -9.9% |
| 4. Data Processing | 1,517 | 1,559 | -2.7% | 1,523 | -0.4% |
| 5. Courier | 884 | 929 | -4.8% | 900 | -1.8% |
| 6. Postage | 395 | 420 | -6.0% | 422 | -6.4% |
| 7. Telephone | 572 | 425 | 34.6% | 530 | 7.9% |
| 8. Professional Fees | 409 | 413 | -1.0% | 486 | -15.8% |
| 9. Stationery & Supplies | 288 | 318 | -9.4% | 344 | -16.3% |
| 10. Loan Expense | 255 | 276 | -7.6% | 326 | -21.8% |
| 11. Merchant Card Expense | 272 | 342 | -20.5% | 207 | 31.4% |
| 12. Operational Losses | 243 | 173 | 40.5% | 297 | -18.2% |
| 13. Amortization of Core Deposit Intangibles | 136 | 249 | -45.4% | 165 | -17.6% |
| 14. Other Operating | 2,385 | 2,364 | 0.9% | 2,448 | -2.6% |
| 15. Total Noninterest Expense | \$24,992 | \$25,535 | -2.1% | \$25,158 | -0.7% |
| 16. Full Time Equivalent Staff | 1,001 | 1,047 | -4.4% | 1,007 | -0.6% |
| 17. Average Assets / Full Time Equivalent Staff | \$4,447 | \$4,013 | 10.8% | \$4,420 | 0.6% |
| 18. Operating Ratios: | | | | | |
| 19. FTE Revenue / Full Time Equivalent Staff (annualized) | \$263 | \$250 | 5.4% | \$257 | 2.3% |
| 20. Noninterest Expense / Earnin Assets (annualized) | 2.42% | 2.65% | | 2.41% | |
| 21. Noninterest Expense / Revenu | 38.2% | 39.6% | | 38.6% | |

Page 12

WESTAMERICA BANCORPORATION

Public Information April 13, 2004

8. Loan Loss Provision.

| | (dollars in thousands) | | | | |
|--|------------------------|-------|------------------|-------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | | | | | |
|--|-------------|-------------|--------|-------------|--------|
| 1. Loan Loss Provision | \$750 | \$900 | -16.7% | \$750 | 0.0% |
| 2. Gross Loan Losses | 1,558 | 2,028 | -23.2% | 1,542 | 1.0% |
| 3. Net Loan Losses | 826 | 973 | -15.1% | 1,020 | -19.0% |
| 4. Recoveries/Gross Losses | 47% | 52% | | 34% | |
| 5. Average Total Loans | \$2,281,900 | \$2,424,017 | -5.9% | \$2,285,717 | -0.2% |
| 6. Net Loan Losses / Loans (annualized) | 0.15% | 0.16% | | 0.18% | |
| 7. Loan Loss Provision / Loans (annualized) | 0.13% | 0.15% | | 0.13% | |
| 8. Loan Loss Provision / Net Loan Losses | 90.8% | 92.5% | | 73.5% | |

9. Credit Quality.

(dollars in thousands)

| | 3/31/04 | 3/31/03 | 3/31/04 / 3/31/03 | 12/31/03 | 3/31/04 / 12/31/03 | 9/30/03 |
|---|-----------|-----------|----------------------|-----------|-----------------------|-----------|
| 1. Nonperforming Nonaccrual Loans | \$5,045 | \$6,402 | -21.2% | \$5,759 | -12.4% | \$5,000 |
| 2. Performing Nonaccrual Loans | 2,212 | 2,471 | -10.5% | 1,658 | 33.4% | 2,000 |
| 3. Total Nonaccrual Loans | 7,257 | 8,873 | -18.2% | 7,417 | -2.2% | 7,000 |
| 4. Accruing Loans 90+ Days Past Due | 190 | 320 | -40.6% | 199 | -4.5% | 200 |
| 5. Total Nonperforming Loans | 7,447 | 9,193 | -19.0% | 7,616 | -2.2% | 7,200 |
| 6. Repossessed Collateral | 80 | 88 | -9.1% | 90 | n | 100 |
| 7. Total Nonperforming Loans & Repossessed Collateral | \$7,527 | \$9,281 | -18.9% | \$7,706 | -2.3% | \$7,300 |
| 9. Classified Loans | \$22,965 | \$32,505 | -29.3% | \$23,460 | -2.1% | \$23,000 |
| 10. Allowance for Loan Losses | \$53,834 | \$54,154 | -0.6% | \$53,910 | -0.1% | \$54,000 |
| 11. Total Loans Outstanding | 2,322,881 | 2,456,161 | -5.4% | 2,323,330 | -0.0% | 2,364,000 |
| 12. Total Assets | 4,424,816 | 4,386,455 | 0.9% | 4,576,385 | -3.3% | 4,482,000 |
| 13. Allowance for Loan Losses / Total Loans | 2.32% | 2.20% | | 2.32% | | 2.32% |
| 14. Nonperforming Loans/Total Loans | 0.32% | 0.37% | | 0.33% | | 0.32% |
| 15. Nonperforming Loans & Repossessed Assets/Total Assets | 0.17% | 0.21% | | 0.17% | | 0.17% |
| 17. Allowance/Nonperforming Loans | 723% | 589% | | 708% | | 723% |
| 18. Allowance for Loan Losses / Classified Loans | 234% | 167% | | 230% | | 234% |
| 19. Classified Loans / 20. (Equity + Allowance for Loan Losses) | 5.9% | 8.3% | | 6.0% | | 5.9% |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

10.Capital.

| | (dollars in thousands, except per-share) | | | | | |
|---|--|-----------|----------------------|-----------|-----------------------|-----------|
| | 3/31/04 | 3/31/03 | 3/31/04 / 3/31/03 | 12/31/03 | 3/31/04 / 12/31/03 | 9/30/03 |
| 1. Shareholders' Equity | \$338,600 | \$336,946 | 0.5% | \$340,371 | -0.5% | \$350,000 |
| 2. Tier I Regulatory Capital | 295,076 | 294,297 | 0.3% | 304,734 | -3.2% | 312,000 |
| 3. Total Regulatory Capital | 335,535 | 333,545 | 0.6% | 342,627 | -2.1% | 350,000 |
| 4. Total Assets | 4,424,816 | 4,386,455 | 0.9% | 4,576,385 | -3.3% | 4,482,000 |
| 5. Risk-Adjusted Assets | 2,983,467 | 3,114,609 | -4.2% | 3,007,545 | -0.8% | 3,018,000 |
| 6. Shareholders' Equity / Total Assets | 7.65% | 7.68% | | 7.44% | | 7.60% |
| 7. Shareholders' Equity / Total Loans | 14.58% | 13.72% | | 14.65% | | 14.50% |
| 8. Tier I Capital /Total Assets | 6.67% | 6.71% | | 6.66% | | 6.60% |
| 9. Tier I Capital / Risk-Adjusted Assets | 9.89% | 9.45% | | 10.13% | | 10.00% |
| 10.Total Capital / Risk-Adjusted Assets | 11.25% | 10.71% | | 11.39% | | 11.00% |
| 11.Shares Outstanding | 31,787 | 32,907 | -3.4% | 32,287 | -1.6% | 32,000 |
| 12.Book Value Per Share (\$) | \$10.65 | \$10.24 | 4.0% | \$10.54 | 1.0% | \$10.00 |
| 13.Market Value Per Share (\$) | 50.46 | 39.49 | 27.8% | 49.78 | 1.4% | 44.00 |
| 14.Share Repurchase Programs | | | | | | |

| | (shares in thousands) | | | | |
|---|-----------------------|---------|------------------|---------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 15.Total Shares Repurchased / Canceled | 574 | 568 | 1.1% | 530 | 8.3% |
| 16. Average Repurchase Price | \$49.88 | \$40.34 | 23.6% | \$50.80 | -1.8% |
| 17.Net Shares Repurchased | 500 | 504 | -0.7% | 436 | 14.8% |

Page 14

WESTAMERICA BANCORPORATION

Public Information April 13, 2004

11.Period-End Balance Sheets.

(dollars in thousands)
3/31/04 / 3/31/04 /

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | 3/31/04 | 3/31/03 | 3/31/03 | 12/31/03 | 12/31/03 | 9/30/03 |
|---|-------------|-------------|---------|-------------|----------|-------------|
| 1. Assets: | | | | | | |
| 2. Cash and Money Market Assets | \$167,183 | \$186,914 | -10.6% | \$190,162 | -12.1% | \$189,000 |
| 3. Investment Securities Available For Sale | 1,219,364 | 1,048,386 | 16.3% | 1,413,911 | -13.8% | 1,245,000 |
| 4. Investment Securities Held to Maturity | 586,171 | 520,896 | 12.5% | 535,377 | 9.5% | 569,000 |
| 5. Loans, gross | 2,322,881 | 2,456,161 | -5.4% | 2,323,330 | -0.0% | 2,364,000 |
| 6. Allowance For Loan Losses | (53,834) | (54,154) | -0.6% | (53,910) | -0.1% | (54,000) |
| 7. Loans, net | 2,269,047 | 2,402,007 | -5.5% | 2,269,420 | -0.0% | 2,310,000 |
| 8. Premises and Equipment | 35,412 | 36,543 | -3.1% | 35,748 | -0.9% | 35,000 |
| 9. Core Deposit Intangible Asset | 3,302 | 3,931 | -16.0% | 3,438 | -4.0% | 3,000 |
| 10. Goodwill | 18,996 | 18,996 | 0.0% | 18,996 | 0.0% | 18,000 |
| 11. Interest Receivable and Other Assets | 125,341 | 168,782 | -25.7% | 109,333 | 14.6% | 109,000 |
| 12.Total Assets | \$4,424,816 | \$4,386,455 | 0.9% | \$4,576,385 | -3.3% | \$4,482,000 |
| 13.Liabilities and Shareholders' Equity: | | | | | | |
| 14. Deposits: | | | | | | |
| 15. Noninterest Bearing | \$1,210,829 | \$1,129,455 | 7.2% | \$1,240,379 | -2.4% | \$1,213,000 |
| 16. Interest-Bearing Transaction | 562,369 | 553,105 | 1.7% | 561,696 | 0.1% | 559,000 |
| 17. Savings | 1,049,435 | 980,291 | 7.1% | 1,058,082 | -0.8% | 1,039,000 |
| 18. Time | 624,543 | 667,237 | -6.4% | 603,834 | 3.4% | 724,000 |
| 19. Total Deposits | 3,447,176 | 3,330,088 | 3.5% | 3,463,991 | -0.5% | 3,536,000 |
| 20. Short-Term Borrowed Funds | 491,704 | 416,219 | 18.1% | 590,646 | -16.8% | 433,000 |
| 21. FHLB Debt | 20,000 | 170,000 | -88.2% | 105,000 | | 105,000 |
| 22. Debt Financing and Notes Payable | 21,429 | 21,393 | 0.2% | 24,643 | -13.0% | 9,000 |
| 23. Liability For Interest, Taxes and Other | 105,907 | 111,809 | -5.3% | 51,734 | 104.7% | 47,000 |
| 24.Total Liabilities | 4,086,216 | 4,049,509 | 0.9% | 4,236,014 | -3.5% | 4,131,000 |
| 25.Shareholders' Equity: | | | | | | |
| 26. Paid-In Capital | \$219,301 | \$215,291 | 1.9% | \$220,285 | -0.4% | \$220,000 |
| 27. Unrealized Gain on Investment | | | | | | |
| 28. Securities Available For Sale | 21,213 | 20,710 | 2.4% | 13,191 | 60.8% | 16,000 |
| 29. Retained Earnings | 98,086 | 100,945 | -2.8% | 106,895 | -8.2% | 114,000 |
| 30.Total Shareholders' Equity | 338,600 | 336,946 | 0.5% | 340,371 | -0.5% | 350,000 |
| 31.Total Liabilities and Shareholders' Equity | \$4,424,816 | \$4,386,455 | 0.9% | \$4,576,385 | -3.3% | \$4,482,000 |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

12. Income Statements.

| | (dollars in thousands, except per-share amounts) | | | | |
|--|--|----------|------------------|----------|------------------|
| | Q1'04 | Q1'03 | Q1'04 / Q1'03 | Q4'03 | Q1'04 / Q4'03 |
| 1. Interest and Fee Income: | | | | | |
| 2. Loans | \$34,023 | \$40,413 | -15.8% | \$35,435 | -4.0% |
| 3. Money Market Assets and Funds Sold | 0 | 3 | -100.0% | 2 | -100.0% |
| 4. Investment Securities Available For Sale | 15,248 | 11,474 | 32.9% | 13,802 | 10.5% |
| 5. Investment Securities Held to Maturity | 5,140 | 5,235 | -1.8% | 5,572 | -7.8% |
| 6. Total Interest Income | 54,411 | 57,125 | -4.8% | 54,811 | -0.7% |
| 7. Interest Expense: | | | | | |
| 8. Transaction Deposits | 112 | 242 | -53.7% | 129 | -13.2% |
| 9. Savings Deposits | 1,111 | 1,708 | -35.0% | 1,381 | -19.6% |
| 10. Time Deposits | 1,930 | 2,957 | -34.7% | 2,112 | -8.6% |
| 11. Short-Term Borrowed Funds | 1,131 | 851 | 32.9% | 856 | 32.1% |
| 12. Federal Home Loan Bank Advances | 896 | 1,575 | -43.1% | 979 | -8.5% |
| 13. Debt Financing and Notes Payable | 335 | 404 | -17.1% | 306 | 9.5% |
| 14. Total Interest Expense | 5,515 | 7,737 | -28.7% | 5,763 | -4.3% |
| 15. Net Interest Income | 48,896 | 49,388 | -1.0% | 49,048 | -0.3% |
| 16. Provision for Loan Losses | 750 | 900 | -16.7% | 750 | 0.0% |
| 17. Noninterest Income: | | | | | |
| 18. Service Charges on Deposit Accounts | 6,868 | 6,425 | 6.9% | 6,572 | 4.5% |
| 19. Merchant Credit Card | 825 | 862 | -4.3% | 864 | -4.5% |
| 20. Financial Services Commission | 187 | 207 | -9.7% | 227 | -17.6% |
| 21. Mortgage Banking | 133 | 226 | -41.2% | 139 | -4.3% |
| 22. Trust Fees | 250 | 238 | 5.0% | 235 | 6.4% |
| 23. Securities Gains | 1,788 | 15 | n/m | 0 | n/m |
| 24. Loss on Extinguishment of Deb | (1,814) | 0 | n/m | 0 | n/m |
| 25. Other | 2,629 | 2,402 | 9.5% | 2,455 | 7.1% |
| 26. Total Noninterest Income | 10,866 | 10,375 | 4.7% | 10,492 | 3.6% |
| 27. Noninterest Expense: | | | | | |
| 28. Salaries and Related Benefits | 13,526 | 13,698 | -1.3% | 13,183 | 2.6% |
| 29. Occupancy | 2,948 | 2,995 | -1.6% | 3,037 | -2.9% |
| 30. Equipment | 1,162 | 1,374 | -15.4% | 1,290 | -9.9% |
| 31. Data Processing | 1,517 | 1,559 | -2.7% | 1,523 | -0.4% |
| 32. Professional Fees | 409 | 413 | -1.0% | 486 | -15.8% |
| 33. Other | 5,430 | 5,496 | -1.2% | 5,639 | -3.7% |
| 34. Total Noninterest Expense | 24,992 | 25,535 | -2.1% | 25,158 | -0.7% |
| 35. Income Before Income Taxes | 34,020 | 33,328 | 2.1% | 33,632 | 1.2% |
| 36. Provision for income taxes | 9,706 | 10,316 | -5.9% | 9,325 | 4.1% |
| 37. Net Income | \$24,314 | \$23,012 | 5.7% | \$24,307 | 0.0% |

Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

| | ===== | | ===== | | |
|--|--------|--------|-------|--------|-------|
| 38.Average Shares Outstanding | 32,051 | 33,110 | -3.2% | 32,523 | -1.4% |
| 39.Diluted Average Shares Outstanding | 32,662 | 33,565 | -2.7% | 33,154 | -1.5% |
| 40.Per Share Data: | | | | | |
| 41. Basic Earnings | \$0.76 | \$0.70 | 9.1% | \$0.75 | 1.5% |
| 42. Diluted Earnings | 0.74 | 0.69 | 8.6% | 0.73 | 1.5% |
| 43. Dividends Paid | 0.26 | 0.24 | 8.3% | 0.26 | 0.0% |