# Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K 

WESTAMERICA BANCORPORATION

## Form 8-K

July 22, 2004
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            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):
                                    July 20, 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) 863-6000
                            --------------
                    (Registrant's area code and telephone number)
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Item 7: Exhibits
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99.1 Press release dated July 20, 2004
Item 12: Results of Operations and Financial Condition
On July 20, 2004 Westamerica Bancorporation announced their quarterly
earnings for the second 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.
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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
-------------------------------------------1
Dennis R. Hansen, SVP and Controller July 22, 2004

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INDEX TO EXHIBITS
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| Exhibit No. | Description | Sequentially <br> Number Page |
| :---: | :---: | :---: |
| (99.1) | Press release dated July 20, 2004 | 5-14 |

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FOR IMMEDIATE RELEASE

July 20, 2004

WESTAMERICA BANCORPORTATION REPORTS RECORD \$24.6 MILLION QUARTERLY EARNINGS

San Rafael, CA: Westamerica Bancorporation (NASDAQ: WABC), parent company of Westamerica Bank, today reported record quarterly net income for the second quarter of 2004 of $\$ 24.6$ million, or $\$ 0.76$ diluted earnings per share, compared to net income of $\$ 24.3$ million, or $\$ 0.74$ diluted earnings per share, for the prior quarter, and $\$ 23.7$ million, or $\$ 0.71$ diluted earnings per share for the second quarter of 2003. Return on assets was 2.21 percent and return on equity was 31.1 percent for the second quarter of 2004 . For the first six months of 2004, diluted earnings per share were $\$ 1.51$ based on year-to-date net income of $\$ 49.0$ million, while diluted earnings per share for the first six months of 2003 were $\$ 1.39$ based on year-to-date net income of $\$ 46.7$ million.

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"New deposit service offerings as well as rising mutual fund and annuity sales have generated growing noninterest revenues. Second quarter 2004 noninterest income has risen $\$ 795$ thousand, or 7.3 percent, from the prior quarter.

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Westamerica's low cost of funds at 0.44 percent and low efficiency ratio at 37.9 percent for the second quarter of 2004 remain hallmarks for the Company," said Chairman, President and CEO David Payne. "We are proud to be delivering consistent growth in diluted earnings per share, and 31 percent return on equity to our shareholders," Payne added.

Net interest income on a taxable equivalent basis was $\$ 54.3$ million for the second quarter of 2004, essentially unchanged from $\$ 54.3$ million for the second quarter of 2003. The second quarter 2004 net interest margin on a taxable equivalent basis was 5.21 percent, compared with 5.43 percent for the second quarter of 2003. The reduced net interest margin primarily resulted from earning asset yields declining more than the cost of funds.

The provision for loan losses was $\$ 750$ thousand for the second quarter of 2004 unchanged from the prior quarter and down from $\$ 900$ thousand for the second quarter of 2003. Net charge-offs for the second quarter of 2004 totaled $\$ 636$ thousand, or 0.11 percent (annualized) of average loans compared to 0.15 percent (annualized) of average loans for the prior quarter and second quarter of 2003.

Noninterest income for the second quarter of 2004 was $\$ 11.7$ million, compared to $\$ 10.9$ million for the previous quarter and $\$ 11.0$ million for the second quarter of 2003. The increase over both the prior quarter and second quarter of 2003 is attributable to increased service charges on deposit accounts, financial services fees, and debit card fees offset in part by lower mortgage banking income. Investment securities gains totaled \$395 thousand, \$1.8 million, and $\$ 277$ thousand in the second quarter of 2004 , first quarter of 2004, and second quarter of 2003, respectively. Losses on the extinguishment of FHLB advances totaled $\$ 390$ thousand, $\$ 1.8$ million, and none in the second quarter of 2004, first quarter of 2004, and second quarter of 2003, respectively. Other noninterest income for the first quarter of 2004 included gains on the sale of repossessed loan collateral totaling $\$ 223$ thousand.

Noninterest expense for the second quarter of 2004 totaled $\$ 25.0$ million, essentially unchanged from $\$ 25.0$ million for the prior quarter, and down 1.9 percent from $\$ 25.5$ million for the second quarter of 2003 . Comparing the second quarter of 2004 to the prior quarter, lower personnel costs offset increased equipment expense and professional fees. Comparing the second quarter of 2004 to the second quarter of 2003, lower personnel, occupancy, and equipment expenses offset increased telephone expenses. The second quarter 2004 efficiency ratio (expenses divided by revenues) was 37.9 percent, compared to 38.2 percent for the prior quarter and 39.0 percent for the second quarter of 2003 .

Non-performing loans and repossessed loan collateral at June 30, 2004 totaled $\$ 7.1$ million, down from $\$ 7.5$ million at March 31, 2004 and $\$ 9.1$ million at June 30, 2003.

Shareholders' equity at June 30, 2004 was $\$ 330$ million, down from $\$ 339$ million at March 31, 2004. The decrease is primarily due to retained earnings, net of dividends paid, of $\$ 16$ million, reduced by depreciation in the available for sale investment portfolio of $\$ 23$ million, net of tax, and the net cost of share repurchases, totaling $\$ 2$ million. The Company's equity-to-asset ratio was 7.2 percent at June 30, 2004.

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Westamerica Bancorporation, through its wholly owned subsidiary Westamerica Bank, operates 87 branches throughout 22 Northern and Central California counties. At June 30, 2004, the Company's total assets and total loans outstanding were $\$ 4.6$ billion and $\$ 2.3$ billion, respectively.

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Westamerica Bancorporation Web Address: www.westamerica.com

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-Q for the quarter ended March 31, 2004 and 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.

## \#\#\#\#\#

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WESTAMERICA BANCORPORATION
Public Information July 20, 2004
FINANCIAL HIGHLIGHTS
June 30, 2004

1. Net Income Summary.

> (dollars in thousands except per-share
> Q2'04 / $22^{\prime} 04 /$

| Q2'04 | Q2'03 | Q2'03 | Q1'04 | Q1'04 | 6'30 |
| :--- | :--- | :--- | :--- | :--- | :--- |

1. Net Interest Income (Fully $\$ 54,271 \quad \$ 54,324 \quad-0.1 \% \quad \$ 54,605 \quad-0.6 \% \quad \$ 108$,

Taxable Equivalent)
2. Loan Loss Provision

| 750 | 900 | -16.7\% | 750 | 0.0\% | 1, |
| :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{gathered} 395 \\ (390) \end{gathered}$ | $\begin{array}{r} 277 \\ 0 \end{array}$ | $\begin{aligned} & 42.6 \% \\ & \mathrm{n} / \mathrm{m} \end{aligned}$ | $\begin{gathered} 1,788 \\ (1,814) \end{gathered}$ | $\begin{aligned} & \mathrm{n} / \mathrm{m} \\ & \mathrm{n} / \mathrm{m} \end{aligned}$ | 2, $(2)$ |
| 11,656 | 10,759 | 8.3\% | 10,892 | 7.0\% | 22, |
| 11,661 | 11,036 | 5.7\% | 10,866 | 7.3\% | 22, |
| 24,990 | 25,476 | -1.9\% | 24,992 | -0.0\% | 49, |
| 15,548 | 15,313 | 1.5\% | 15,415 | 0.9\% | 30 , |
| \$24,644 | \$23,671 | 4.1\% | \$24,314 | 1.4\% | \$48, |
| 31,760 | 33,000 | -3.8\% | 32,051 | -0.9\% | 31, |
| 32,343 | 33,492 | -3.4\% | 32,662 | -1.0\% | 32, |
| \$0.78 | \$0.72 | 8.2\% | \$0.76 | 2.3\% | \$1 |
| 0.76 | 0.71 | 7.8\% | 0.74 | 2.4\% |  |
| 2.21\% | 2.21\% |  | 2.20\% |  |  |
| 31.1\% | 29.3\% |  | 30.5\% |  |  |
| 5.21\% | 5.43\% |  | 5.27\% |  |  |
| 37.9\% | 39.0\% |  | 38.2\% |  |  |
| \$0.28 | \$0.24 | 16.7\% | \$0.26 | 7.7\% | \$0 |
| 37\% | 34\% |  | 35\% |  |  |

2. Net Interest Income.
3. Interest and Fee Income (FTE)
4. Interest Expense
5. Net Interest Income (FTE)
6. Average Earning Assets
7. Average Interest-Bearing
Liabilities
8. Yield on Earning Assets (FTE)
9. Cost of Funds
10. Net Interest Margin (FTE)
11. Interest Expense/Interest-
Bearing Liabilities
12. Net Interest Spread (FTE)


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WESTAMERICA BANCORPORATION FINANCIAL HIGHLIGHTS
June 30, 2004
3. Loans \& Other Earning Assets.

1. Total Assets
2. Total Earning Assets
3. Total Loans
4. Commercial Loans
5. Commercial Real Estate Loans
6. $\quad$ Consumer Loans
7. Total Investment Securities
8. $\quad$ Available For Sale
9. $\quad$ Held To Maturity
10. $\quad$ HTM Unrealized (Loss)
11. Loans / Deposits

Public Information July 20, 2004
Public Information July 20, 2004

|  | (average volume, dollars in thousands) <br> Q2'04 / | Q2'03 | Q2'03 | Q1'04 |
| :---: | :---: | :---: | :---: | :---: |
| Q2'04 / | Q1'04 | $6 / 30 ' 04$ |  |  |


| \$4,482,261 | \$4,304,387 | $4.1 \%$ \$ | 4,451,674 | $0.7 \%$ 4, 466, |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 4,177,358 | 4,007,049 | 4.3\% | 4,157,061 | $0.5 \%$ | 4,167, |
| 2,268,989 | 2,375,491 | -4.5\% | 2,281,900 | -0.6\% | 2,275, |
| 623,688 | 613,062 | 1.7\% | 616,110 | 1.2\% | 619, |
| 779,408 | 915,817 | -14.9\% | 805,420 | -3.2\% | 792, |
| 865,893 | 846,612 | 2.3\% | 860,370 | $0.6 \%$ | 863 , |
| 1,908,369 | 1,631,558 | 17.0\% | 1,875,161 | 1.8\% | 1,891, |
| 1,092,295 | 1,100,239 | -0.7\% | 1,357,097 | -19.5\% | 1, 227, |
| 816,074 | 531,319 | $53.6 \%$ | 518,064 | 57.5\% | 664 , |
| $(11,265)$ | 11,253 | $\mathrm{n} / \mathrm{m}$ | 9,008 | $\mathrm{n} / \mathrm{m}$ | (11, |
| 65.0\% | $70.5 \%$ |  | $66.4 \%$ |  | 6 |

4. Deposits \& Other Interest-Bearing Liabilities.
(average volume, dollars in thousands Q2'04 / Q2'04 /

| Q2'04 | Q2'03 | Q2'03 | Q1'04 | Q1'04 |
| :--- | :--- | :--- | :--- | :--- |


| 1. Total Deposits | \$3,489, 250 | \$3,370,433 | 3. $5 \%$ \$ | 3,437,549 | 1. $5 \%$ | ; 3, 463, |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2. Noninterest Demand | 1,256,128 | 1,130,608 | 11.1\% | 1,209,299 | 3.9\% | 1,232, |
| 3. Interest-Bearing Transaction | 574,854 | 559,459 | 2.8\% | 564,703 | 1.8\% | 569, |
| 4. Savings | 1,044,943 | 977,704 | $6.9 \%$ | 1,040,497 | $0.4 \%$ | 1, 042 , |
| 5. Other Time >\$100K | 339,773 | 390,730 | -13.0\% | 340,403 | -0.2\% | 340, |
| 6. Other Time <\$100K | 273,552 | 311,932 | -12.3\% | 282,647 | -3.2\% | 278,0 |
| 7. Total Short-Term Borrowings | 614,065 | 382,677 | $60.5 \%$ | 533,158 | 15.2\% | 573, |
| 8. Fed Funds Purchased | 323,953 | 228,499 | 41.8\% | 399,075 | -18.8\% | 361 , |
| 9. Other Short-Term Funds | 290,112 | 154,178 | 88.2\% | 134,083 | $116.4 \%$ | 212, |
| 10.FHLB Debt | 0 | 170,000 | $\mathrm{n} / \mathrm{m}$ | 96,613 | $\mathrm{n} / \mathrm{m}$ | 48 , |
| 11.Long-Term Debt | 21,428 | 21,393 | $0.2 \%$ | 22,537 | -4.9\% | 21, |
| 12. Shareholders' Equity | 318,560 | 324,350 | $-1.8 \%$ | 320,390 | -0.6\% | 319 , |
| 13. Demand Deposits/Total Deposits | $36.0 \%$ | 33.5\% |  | 35.2\% |  |  |
| 14.Transaction \& Savings Deposits/ Total Deposits | -82.4\% | 79.2\% |  | 81.9\% |  |  |

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WESTAMERICA BANCORPORATION Public Information July 20, 2004
FINANCIAL HIGHLIGHTS
June 30, 2004
5. Interest Yields Earned \& Rates Paid.

|  | (dollars in thousands) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Q2'04 |  | Q1'04 |  | Q2'0 |
| Average | Income/ | Yield/ | Yield/ | Average | Incom |
| Volume | Expense | Rate | Rate | Volume | Expen |


| 2. Total Earning Assets (FTE) | \$4,177,358 | \$58,868 | 5.65\% | 5.80\%\$4,007,049 |  | \$61, |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 3. Total Loans (FTE) | 2,268,989 | 34,771 | 6.16\% | 6.23\% | 2,375,491 | 40 , |
| 4. Commercial Loans (FTE) | 623,688 | 9,337 | $6.00 \%$ | $6.17 \%$ | 613,062 | 9, |
| 5. Commercial Real Estate Loans | 779,408 | 14,709 | $7.57 \%$ | 7.40\% | 915,817 | 18, |
| 6. Consumer Loans | 865,893 | 10,725 | 5.02\% | 5.21\% | 846,612 | 12, |
| 7. Total Investment Securities (FTE) | 1,908,369 | 24,097 | 5.05\% | 5.28\% | 1,631,558 | 21, |
| 8. Interest Expense Paid to: |  |  |  |  |  |  |
| 9. Total Earning Assets | 4,177,358 | 4,597 | $0.44 \%$ | $0.53 \%$ | 4,007,049 | 7, |
| 10. Total Interest-Bearing Liabilities | 2,868,615 | 4,597 | $0.64 \%$ | $0.77 \%$ | 2,813,895 | 7 |
| 11. Total Interest-Bearing Deposits | 2,233,122 | 2,994 | $0.54 \%$ | $0.57 \%$ | 2,239,825 | 4, |
| 12. <br> Interest-Bearing Transaction | 574,854 | 124 | 0.09\% | 0.08\% | 559,459 |  |
| 13. Savings | 1,044,943 | 992 | $0.38 \%$ | $0.43 \%$ | 977,704 | 1 |
| 14. Other Time <\$100K | 273,552 | 956 | 1.41\% | 1.43\% | 311,932 | 1 |
| 15. Other Time >\$100K | 339,773 | 922 | 1.08\% | 1.09\% | 390,730 | 1 |
| 16. Total Short-Term Borrowings | 614,065 | 1,285 | $0.83 \%$ | $0.84 \%$ | 382,677 |  |
| 17. Fed Funds Purchased | 323,953 | 828 | 1.01\% | 1.00\% | 228,499 |  |
| 18. Other Short-Term Funds | 290,112 | 457 | $0.62 \%$ | $0.38 \%$ | 154,178 |  |
| 19. FHLB Debt | 0 | 2 | $0.00 \%$ | 3.75\% | 170,000 | 1 |
| 20. Long-Term Debt | 21,428 | 316 | 5.90\% | 5.95\% | 21,393 |  |
| 21. Net Interest Income and Margin (FTE) |  | \$54, 271 | 5.21\% | 5.27\% |  | \$54, |

6. Noninterest Income.

| Q2'04 | Q2'04 / |  | (dollars in thousands) |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | Q2'04 / |  |
|  | Q2'03 | Q2'03 | Q1'04 | Q1'04 | $6 / 30 ' 04$ |
| \$7,360 | \$6,648 | 10.7\% | \$6,868 | 7. 2 \% | \$14, |


| Accounts |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2. Merchant Credit Card Income | 909 | 900 | 1.0\% | 825 | 10.2\% | 1, |
| 3. ATM Fees \& Interchange | 643 | 601 | 7.0\% | 583 | 10.3\% | 1, |
| 4. Debit Card Fees | 638 | 563 | 13.3\% | 549 | 16.2\% | 1, |
| 5. Financial Services Fees | 360 | 210 | 71.4\% | 187 | 92.5\% |  |
| 6. Mortgage Banking Income | 131 | 301 | -56.5\% | 133 | -1.5\% |  |
| 7. Trust Fees | 258 | 277 | -6.9\% | 250 | 3.2\% |  |
| 8. Other Income | 1,357 | 1,259 | 7.8\% | 1,497 | -9.4\% | 2, |
| 9. Sub-total | 11,656 | 10,759 | 8.3\% | 10,892 | 7.0\% | 22, |
| 10.Investment Securities Gains | 395 | 277 | 42.6\% | 1,788 | $\mathrm{n} / \mathrm{m}$ | 2, |
| 11.Loss on Extinguishment of Debt | (390) | 0 |  | $(1,814)$ | $\mathrm{n} / \mathrm{m}$ | (2, |
| 12.Total Noninterest Income | \$11,661 | \$11,036 | 5.7\% | \$10,866 | 7.3\% | \$22, |
| 13.Operating Ratios: |  |  |  |  |  |  |
| 14. Total Revenue (FTE) | \$65,932 | \$65,360 | 0.9\% | \$65,471 | $0.7 \%$ | \$131, |
| 15. Noninterest Income / Revenue (FTE) | 17.7\% | 16.9\% |  | 16.6\% |  |  |
| 16. Service Charges / Deposits (annualized) | 0.85\% | $0.79 \%$ |  | 0.80\% |  |  |
| 17. Total Revenue Per Share (annualized) | \$8.35 | \$7.94 | 5.1\% | \$8.22 | 1.6\% | \$8 |

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WESTAMERICA BANCORPORATION
Public Information July 20, 2004
FINANCIAL HIGHLIGHTS
June 30, 2004
7. Noninterest Expense.

|  | (dollars in thousands) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Q2'04 / |  | Q2'04 |  |
| Q2'04 | Q2'03 | Q2'03 | Q1'04 | Q1'04 | 6/30'04 |

1. Salaries \& Benefits
2. Occupancy
3. Equipment
4. Data Processing
5. Courier
6. Postage
7. Telephone
8. Professional Fees
9. Stationery \& Supplies
10. Loan Expense
11. Merchant Card Expense
12. Operational Losses
13. Amortization of Core Deposit
Intangibles
14. Other Operating
15. Total Noninterest Expense

| \$13,332 | \$13,598 | -2.0\% | \$13,526 | -1.4\% | \$26, |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 2,944 | 3,044 | -3.3\% | 2,948 | -0.1\% | 5, |
| 1,273 | 1,381 | -7.8\% | 1,162 | 9.6\% | 2, |
| 1,521 | 1,518 | 0.2\% | 1,517 | 0.3\% | 3, |
| 888 | 926 | -4.1\% | 884 | 0.5\% | 1, |
| 364 | 401 | -9.2\% | 395 | -7.8\% |  |
| 535 | 423 | 26.5\% | 572 | -6.5\% | 1, |
| 511 | 457 | 11.8\% | 409 | 24.9\% |  |
| 309 | 308 | 0.3\% | 288 | 7.3\% |  |
| 295 | 380 | -22.4\% | 255 | 15.7\% |  |
| 268 | 316 | -15.2\% | 272 | -1.5\% |  |
| 238 | 228 | 4.4\% | 243 | -2.1\% |  |
| 136 | 165 | -17.6\% | 136 | 0.0\% |  |
| 2,376 | 2,331 | 1.9\% | 2,385 | -0.4\% | 4, |
| \$24,990 | \$25,476 | -1.9\% | \$24,992 | -0.0\% | \$49, |


| 16. Full Time Equivalent Staff | 995 | 1,033 | $-3.7 \%$ | 1,001 |
| :--- | ---: | ---: | ---: | ---: |
| 17.Average Assets / Full Time |  |  |  |  |
| Equivalent Staff | $\$ 4,505$ | $\$ 4,167$ | $8.1 \%$ | $\$ 4,447$ |

8. Loan Loss Provision.


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WESTAMERICA BANCORPORATION
Public Information July 20, 2004
FINANCIAL HIGHLIGHTS
June 30, 2004
9. Credit Quality.
(dollars in thousano 6/30/04 /
6/30/04/
$6 / 30 / 04 \quad 6 / 30 / 03 \quad 6 / 30 / 03 \quad 3 / 31 / 04 \quad 3 / 31 / 04 \quad 12 / 31 /$

1. Nonperforming Nonaccrual Loans
2. Performing Nonaccrual Loans
3. Total Nonaccrual Loans
4. Accruing Loans $90+$ Days
Past Due

| \$4,695 | \$5,484 | -14.4\% | \$5,045 | -6.9\% |
| :---: | :---: | :---: | :---: | :---: |
| 2,233 | 1,353 | 65.0\% | 2,212 | $0.9 \%$ |
| 6,928 | 6,837 | 1.3\% | 7,257 | -4.5\% |
| 202 | 386 | -47.7\% | 190 | 6.3\% |


| 5. Total Nonperforming Loans <br> 6. Repossessed Collateral | $\begin{array}{r} 7,130 \\ 0 \end{array}$ | $\begin{aligned} & 7,223 \\ & 1,888 \end{aligned}$ | $-1.3 \%$ | $\begin{array}{r} 7,447 \\ 80 \end{array}$ | -4.3\% |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 7. Total Nonperforming Loans \& |  |  |  |  |  |
| 8. Repossessed Collateral | \$7,130 | \$9,111 | $-21.7 \%$ | \$7,527 | -5.3\% |
| 9. Classified Loans | \$21,495 | \$27,324 | $-21.3 \%$ | \$22,965 | -6.4\% |
| 10.Allowance for Loan Losses | \$53,949 | \$54, 159 | -0.4\% | \$53, 834 | $0.2 \%$ |
| 11.Total Loans Outstanding | 2,319,255 | 2,406,889 | -3.6\% | 2,322,881 | -0.2\% |
| 12.Total Assets | 4,611,811 | 4,564,692 | 1.0\% | 4,424,816 | 4.2\% |
| 13.Allowance for Loan Losses / Total Loans | $2.33 \%$ | $2.25 \%$ |  | $2.32 \%$ |  |
| 14. Nonperforming Loans / Total Loans | $0.31 \%$ | $0.30 \%$ |  | $0.32 \%$ |  |
| 15. Nonperforming Loans \& Reposs |  |  |  |  |  |
| 16. Assets / Total Assets | $0.15 \%$ | $0.20 \%$ |  | $0.17 \%$ |  |
| 17.Allowance for Loan Losses / Nonperforming Loans | 757\% | 750\% |  | 723\% |  |
| 18.Allowance for Loan Losses / Classified Loans | 251\% | 198\% |  | 234\% |  |
| 19.Classified Loans / <br> 20. (Equity + Allowance for Loan Losses) | 5.6\% | 6.6\% |  | $5.9 \%$ |  |

10.Capital.
(dollars in thousands, except per-sha 6/30/04 / 6/30/04 /
6/30/04 6/30/03 6/30/03 3/31/04 $3 / 31 / 04 \quad 12 / 31$

| 1. Shareholders' Equity | \$ 329,795 | \$ 357,311 | -7.7\% | \$ 338,600 | -2.6\% | \$340, |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2. Tier I Regulatory Capital | 309,037 | 308,534 | $0.2 \%$ | 295,076 | $4.7 \%$ | 304 , |
| 3. Total Regulatory Capital | 350,834 | 347,219 | 1.0\% | 335,535 | 4.6\% | 342 , |
| 4. Total Assets | 4,611,811 | 4,564,692 | 1.0\% | 4,424,816 | 4.2\% | 4,576, |
| 5. Risk-Adjusted Assets | 2,979,145 | 3,067,975 | -2.9\% | 2,983,467 | -0.1\% | 3,007, |
| 6. Shareholders' Equity / Total Assets | $7.15 \%$ | $7.83 \%$ |  | $7.65 \%$ |  | 7 |
| 7. Shareholders' Equity / Total Loans | 14.22\% | $14.85 \%$ |  | $14.58 \%$ |  | 14 |
| 8. Tier I Capital/Total Assets | $6.70 \%$ | $6.76 \%$ |  | $6.67 \%$ |  | 6 |
| 9. Tier I Capital/Risk-Adjusted Assets | $10.37 \%$ | 10.06\% |  | 9.89\% |  | 10 |
| 10.Total Capital/Risk-Adjusted Assets | 11.78\% | 11.32\% |  | $11.25 \%$ |  | 11 |
| 11. Shares Outstanding | 31,784 | 32,937 | -3.5\% | 31,787 | -0.0\% | 32, |
| 12. Book Value Per Share (\$) | \$10.38 | \$10.85 | -4.4\% | \$10.65 | -2.6\% | \$10 |
| 13. Market Value Per Share (\$) | 52.45 | 43.08 | 21.8\% | 50.46 | 3.9\% | 49 |

15. Total Shares Repurchased /
Canceled
16. Average Repurchase Price
17. Net Shares Repurchased
(Issued)

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WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
June 30, 2004
11.Period-End Balance Sheets.

Public Information July 20, 2004

|  |  |  | (dollars | thousand |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 6/30/04 / |  | 6/30/04 / |  |
| 6/30/04 | 6/30/03 | 6/30/03 | 3/31/04 | 3/31/04 | 12/31/ |


| \$186,056 | \$202,193 | -8.0\% | \$167,183 | 11.3\% | \$190, |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1,024,798 | 1,251,341 | $-18.1 \%$ | 1,219,364 | -16.0\% | 1,413, |
| 960,522 | 588,231 | $63.3 \%$ | 586,171 | 63.9\% | 535, |
| $\begin{array}{r} 2,319,255 \\ (53,949) \end{array}$ | $\begin{array}{r} 2,406,889 \\ (54,159) \end{array}$ | $\begin{aligned} & -3.6 \% \\ & -0.4 \% \end{aligned}$ | $\begin{aligned} & 2,322,881 \\ & (53,834) \end{aligned}$ | $\begin{array}{r} -0.2 \% \\ 0.2 \% \end{array}$ | $\begin{array}{r} 2,323, \\ (53, \end{array}$ |
| 2,265,306 | 2,352,730 | -3.7\% | 2,269,047 | -0.2\% | 2,269, |
| 35,343 | 36,408 | -2.9\% | 35,412 | -0.2\% | 35, |
| 3,166 | 3,800 | -16.7\% | 3,302 | -4.1\% | 3, |
| 18,996 | 18,996 | $0.0 \%$ | 18,996 | $0.0 \%$ | 18, |
| 117,624 | 110,993 | 6.0\% | 125,341 | -6. 2 \% | 109, |

$\$ 4,611,811 \$ 4,564,692$
$======================$
$1.0 \% \$ 4,424,816$
$4.2 \% \$ 4,576$

## Edgar Filing: WESTAMERICA BANCORPORATION - Form 8-K

14.Liabilities and Shareholders' Equity:
15. Deposits:
16. Noninterest Bearing
17. Interest-Bearing Transaction
18. Savings
19. Time
20. Total Deposits
21. Short-Term Borrowed Funds
22. FHLB Debt
23.
24. Debt Financing and Notes Payable
25. Liability For Interest, Taxes and Other
26.Total Liabilities
27.Shareholders' Equity:
28. Paid-In Capital
29. Unrealized (Loss) Gain on Investment Securities
30. Available For Sale
31. Retained Earnings
32.Total Shareholders' Equity
33.Total Liabilities and Shareholders' Equity

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WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
June 30, 2004
12. Income Statements.

| \$1,272,278 | \$1,194,847 | 6.5\%\$1,210,829 |  | $5.1 \%$ \$1,240, |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 569,575 | 554,568 | 2.7\% | 562,369 | 1.3\% | 561, |
| 1,072,701 | 962,967 | 11.4\% | 1,049,435 | 2.2\% | 1, 058, |
| 590,875 | 741,249 | -20.3\% | 624,543 | -5.4\% | 603 , |
| 3,505,429 | 3,453,631 | 1.5\% 3,447,176 |  | 1.7\% 3,463, |  |
| 712,553 | 393,287 | 81.2\% | 491,704 | 44.9\% | 590, |
| 0 | 170,000 | $\mathrm{n} / \mathrm{m}$ | 20,000 | $\mathrm{n} / \mathrm{m}$ | 105, |
| 21,429 | 21,393 | 0.2\% | 21,429 | 0.0\% | 24, |
| 42,605 | 169,070 | -74.8\% | 105,907 | -59.8\% | 51, |
| 4,282,016 | 4,207,381 | 1.8\% 4,086,216 |  | 4.8\% 4,236, |  |
| \$224,042 | \$219,060 | 2.3\% \$219,301 |  | $2.2 \%$ | \$220, |
| $(1,416)$ | 26,001 | $\mathrm{n} / \mathrm{m}$ | 21,213 | $\mathrm{n} / \mathrm{m}$ 13, |  |
| 107,169 | 112,250 | -4.5\% | 98,086 | 9.3\% 106 |  |
| 329,795 | 357,311 | -7.7\% 338,600 |  | -2.6\% 340, |  |
| \$4,611,811 | \$4,564,692 | 1.0\% \$4,424, 816 |  | 4.2\%\$4,576, |  |

Public Information July 20, 2004
ollars in thousands, except per-share amounts) Q2'04 / Q2'04 /
Q2'04 Q2'03 Q2'03 Q1'04 Q1'04 6/30'04

1. Interest and Fee Income:
2. Loans
3. Money Market Assets and Funds Sold
4. Investment Securities Available For Sale
5. Investment Securities Held to Maturity
6. Total Interest Income

7. Interest Expense:
8. Transaction Deposits
9. Savings Deposits
10. Time Deposits
11. Short-Term Borrowed Funds
12. Federal Home Loan Bank Advances
13. Debt Financing and Notes Payable
14.Total Interest Expense
14. Net Interest Income
16.Provision for Loan Losses
15. Noninterest Income:
16. Service Charges on Deposit Accounts
17. Merchant Credit Card
18. Financial Services Commissions
19. Mortgage Banking
20. Trust Fees
21. Securities Gains
22. Loss on Extinguishment of Debt
23. Other
24. Total Noninterest Income
25. Noninterest Expense:
26. Salaries \& Related Benefits
27. Occupancy
28. Equipment
29. Data Processing
30. Professional Fees
31. Other
34.Total Noninterest Expense
35.Income Before Income Taxes 36. Provision for income taxes
32. Net Income
33. Average Shares Outstanding
39.Diluted Average Shares Outstanding

| 124 | 212 | -41.5\% | 112 |
| :---: | :---: | :---: | :---: |
| 992 | 1,561 | -36.5\% | 1,111 |
| 1,878 | 2,697 | -30.4\% | 1,930 |
| 1,285 | 962 | $33.6 \%$ | 1,131 |
| 2 | 1,592 | -99.9\% | 896 |
| 316 | 385 | $-17.9 \%$ | 335 |
| 4,597 | 7,409 | $-38.0 \%$ | 5,515 |
| 48,674 | 49,190 | $-1.0 \%$ | 48,896 |
| 750 | 900 | $-16.7 \%$ | 750 |




1 ,
$\begin{array}{rr}-1.4 \% & 26, \\ -0.1 \% & 5, \\ 9.6 \% & 2, \\ 0.3 \% & 3, \\ 24.9 \% & 10, \\ -0.4 \% & 49, \\ -0.0 \% & 40\end{array}$

| $1.7 \%$ | 68, |
| ---: | ---: |
| $2.5 \%$ | 19, |
| $1.4 \%$ | $\$ 48$, |
| $=-==$ | $===$ |

$$
-3.8 \% \quad 32,051
$$

$$
32,662
$$

$$
\begin{array}{ll}
-0.9 \% & 31 \\
-1.0 \% & 32
\end{array}
$$

$$
2.3 \%
$$

$$
2.4 \%
$$

$$
7.7 \%
$$

