

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2014

1. Net Income Summary.

	<i>(in thousands except per-share amounts)</i>				
	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
1 Net Interest and Fee Income (Fully Taxable Equivalent)	\$38,864	\$43,835	-11.3%	\$40,050	-3.0%
2 Provision for Loan Losses	1,000	2,800	-64.3%	1,600	-37.5%
3 Noninterest Income	12,990	14,278	-9.0%	14,030	-7.4%
4 Noninterest Expense	26,873	28,677	-6.3%	27,987	-4.0%
5 Income Before Taxes (FTE)	23,981	26,636	-10.0%	24,493	-2.1%
6 Income Tax Provision (FTE)	8,674	9,365	-7.4%	8,437	2.8%
7 Net Income	\$15,307	\$17,271	-11.4%	\$16,056	-4.7%
8 Average Common Shares Outstanding	26,433	27,145	-2.6%	26,609	-0.7%
9 Diluted Average Common Shares Outstanding	26,537	27,157	-2.3%	26,754	-0.8%
10 Operating Ratios:					
11 Basic Earnings Per Common Share	\$0.58	\$0.64	-9.4%	\$0.60	-3.3%
12 Diluted Earnings Per Common Share	0.58	0.64	-9.4%	0.60	-3.3%
13 Return On Assets (annualized)	1.27%	1.43%		1.31%	
14 Return On Common Equity (annualized)	11.6%	12.9%		11.8%	
15 Net Interest Margin (FTE) (annualized)	3.83%	4.27%		3.92%	
16 Efficiency Ratio (FTE)	51.8%	49.3%		51.8%	
17 Dividends Paid Per Common Share	\$0.38	\$0.37	2.7%	\$0.38	0.0%
18 Common Dividend Payout Ratio	66%	58%		63%	

2. Net Interest Income.

	<i>(dollars in thousands)</i>				
	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
1 Interest and Fee Income (FTE)	\$39,762	\$45,087	-11.8%	\$41,074	-3.2%
2 Interest Expense	898	1,252	-28.3%	1,024	-12.3%
3 Net Interest and Fee Income (FTE)	\$38,864	\$43,835	-11.3%	\$40,050	-3.0%
4 Average Earning Assets	\$4,093,087	\$4,135,863	-1.0%	\$4,062,976	0.7%
5 Average Interest-Bearing Liabilities	2,534,251	2,664,391	-4.9%	2,523,585	0.4%
6 Yield on Earning Assets (FTE) (annualized)	3.92%	4.39%		4.02%	
7 Cost of Funds (annualized)	0.09%	0.12%		0.10%	
8 Net Interest Margin (FTE) (annualized)	3.83%	4.27%		3.92%	
9 Interest Expense/Interest-Bearing Liabilities (annualized)	0.14%	0.19%		0.16%	
10 Net Interest Spread (FTE) (annualized)	3.78%	4.20%		3.86%	

3. Loans & Other Earning Assets.

	<i>(average volume, dollars in thousands)</i>				
	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
1 Total Assets	\$4,889,940	\$4,908,483	-0.4%	\$4,876,884	0.3%
2 Total Earning Assets	4,093,087	4,135,863	-1.0%	4,062,976	0.7%
3 Total Loans	1,822,065	2,077,989	-12.3%	1,846,700	-1.3%
4 Commercial Loans	388,997	404,892	-3.9%	364,534	6.7%
5 Commercial Real Estate Loans	788,270	904,841	-12.9%	817,090	-3.5%
6 Consumer Loans	644,798	768,256	-16.1%	665,076	-3.0%
7 Total Investment Securities	2,271,022	2,057,874	10.4%	2,216,276	2.5%
8 Available For Sale (Market Value)	1,147,966	902,633	27.2%	1,081,164	6.2%
9 Held To Maturity	1,123,056	1,155,241	-2.8%	1,135,112	-1.1%
10 HTM Unrealized (Loss) Gain at Period-End	(6,502)	23,283	n/m	(19,623)	n/m
11 Loans / Deposits	43.3%	49.5%		44.1%	

4. Deposits, Other Interest-Bearing Liabilities & Equity.

	<i>(average volume, dollars in thousands)</i>				
	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
1 Total Deposits	\$4,209,723	\$4,199,229	0.2%	\$4,189,135	0.5%
2 Noninterest Demand	1,768,464	1,643,348	7.6%	1,759,495	0.5%
3 Interest-Bearing Transaction	781,779	766,810	2.0%	763,924	2.3%
4 Savings	1,192,651	1,158,454	3.0%	1,160,422	2.8%
5 Time greater than \$100K	258,202	390,518	-33.9%	288,691	-10.6%
6 Time less than \$100K	208,627	240,099	-13.1%	216,603	-3.7%
7 Total Short-Term Borrowings	62,472	57,733	8.2%	54,208	15.2%
8 Federal Home Loan Bank Advances	20,520	25,777	-20.4%	24,846	-17.4%
9 Term Repurchase Agreement	10,000	10,000	0.0%	10,000	0.0%
10 Debt Financing	-	15,000	n/m	4,891	n/m
11 Shareholders' Equity	533,159	541,874	-1.6%	537,709	-0.8%
12 Demand Deposits / Total Deposits	42.0%	39.1%		42.0%	
13 Transaction & Savings Deposits / Total Deposits	88.9%	85.0%		87.9%	

5. Interest Yields Earned & Rates Paid.

	<i>(dollars in thousands)</i>						
	Average	Q1'14 Income/	Yield */	Q4'13 Yield*/	Average	Q1'13 Income/	Yield*/

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2014

2	Nonperforming Nonaccrual Loans	\$4,784	\$7,005	-31.7%	\$5,301	-9.8%	\$5,786	\$7,664	\$10,016	
3	Performing Nonaccrual Loans	39	1,154	-96.6%	75	-47.4%	1,093	1,272	1,759	
4	Total Nonaccrual Loans	4,823	8,159	-40.9%	5,376	-10.3%	6,879	8,936	11,775	
5	Accruing Loans 90+ Days Past Due	196	305	-35.7%	410	-52.2%	392	241	455	
6	Total	5,019	8,464	-40.7%	5,786	-13.2%	7,271	9,177	12,230	
7	Reposessed Originated Loan Collateral	5,347	7,691	-30.5%	5,527	-3.3%	3,162	5,414	9,295	
8	Total Nonperforming Originated Assets	10,366	16,155	-35.8%	11,313	-8.4%	10,433	14,591	21,525	
9	Nonperforming Purchased Covered Loans (1,3):									
10	Nonperforming Nonaccrual Loans	86	9,578	n/m	11,672	n/m	24,348	14,619	11,698	
11	Performing Nonaccrual Loans	-	2,299	n/m	636	n/m	1,937	2,204	1,323	
12	Total Nonaccrual Loans	86	11,877	n/m	12,308	n/m	26,285	16,823	13,021	
13	Accruing Loans 90+ Days Past Due	-	88	n/m	-	n/m	23	74	155	
14	Total	86	11,965	n/m	12,308	n/m	26,308	16,897	13,176	
15	Reposessed Purchased Covered Loan Collateral (1,3)	585	13,713	n/m	7,793	n/m	9,273	10,480	13,691	
16	Total Nonperforming Purchased Covered Assets (1,3)	671	25,678	n/m	20,101	n/m	35,581	27,377	26,867	
17	Nonperforming Purchased Non-Covered Loans (2,3):									
18	Nonperforming Nonaccrual Loans	11,578	6,052	n/m	2,920	n/m	2,664	1,890	7,038	
19	Performing Nonaccrual Loans	902	3,060	n/m	698	n/m	701	3,013	461	
20	Total Nonaccrual Loans	12,480	9,112	n/m	3,618	n/m	3,365	4,903	7,499	
21	Accruing Loans 90+ Days Past Due	209	-	n/m	-	n/m	-	-	4	
22	Total	12,689	9,112	n/m	3,618	n/m	3,365	4,903	7,503	
23	Reposessed Purchased Non-Covered Loan Collateral (2,3)	6,254	1,980	n/m	-	n/m	2,535	3,543	3,366	
24	Total Nonperforming Purchased Non-Covered Assets (2,3)	18,943	11,092	n/m	3,618	n/m	5,900	8,446	10,869	
25	Total Nonperforming Assets	\$29,980	\$52,925	-43.4%	\$35,032	-14.4%	\$51,914	\$50,414	\$59,261	
26	Total Originated Loans Outstanding	\$1,529,502	\$1,613,396	-5.2%	\$1,523,284	0.4%	\$1,523,090	\$1,553,303	\$1,664,183	
27	Total Purchased Covered Loans Outstanding (1,3)	18,969	353,034	n/m	250,670	n/m	296,380	324,976	372,283	
28	Total Purchased Non-Covered Loans Outstanding (2,3)	267,848	70,504	n/m	53,790	n/m	57,838	61,062	74,891	
29	Total Loans Outstanding	\$1,816,319	\$2,036,934	-10.8%	\$1,827,744	-0.6%	\$1,877,308	\$1,939,341	\$2,111,357	
30	Total Assets	\$4,921,042	\$4,887,844	0.7%	\$4,847,055	1.5%	\$4,806,487	\$4,813,908	\$4,952,193	
31	Loans:									
32	Allowance for Loan Losses	\$32,109	\$30,354	5.8%	\$31,693	1.3%	\$31,916	\$30,926	\$30,234	
33	Allowance/Loans	1.77%	1.49%	1.73%	1.73%	1.70%	1.59%	1.43%	1.43%	
34	Nonperforming Loans/Loans	0.98%	1.45%	1.19%	1.19%	1.97%	1.60%	1.56%	1.56%	
35	Purchased Covered Loans (1,3):									
36	Fair Value Discount on Purchased Covered Loans	\$643	\$22,660		\$10,933		\$14,489	\$18,514	\$26,128	
37	Discount/Purchased Covered Loans, gross	3.28%	6.03%	4.18%	4.18%	4.66%	5.39%	6.56%	6.56%	
38	Nonperforming Purchased Covered Loans/Total Cvd Loans	0.45%	3.39%	4.91%	4.91%	8.88%	5.20%	3.54%	3.54%	
39	Purchased Non-Covered Loans (2,3):									
40	Fair Value Discount on Purchased Non-Covered Loans	\$12,140	\$4,586		\$3,245		\$2,989	\$3,609	\$5,226	
41	Discount/Purchased Non-Covered Loans, gross	4.34%	6.11%	5.69%	5.69%	4.91%	5.58%	6.52%	6.52%	
42	Nonperforming Purchased NC Loans/Total NC Loans	4.74%	12.92%	6.73%	6.73%	5.82%	8.03%	10.02%	10.02%	

- (1) Purchased covered loans and reposessed loan collateral represent assets purchased in a business combination on which losses are shared with the FDIC per a Loss-Sharing Agreement
(2) Purchased non-covered loans and reposessed loan collateral represent assets purchased in a business combination.
(3) The FDIC indemnification of non-single family assets acquired from the former County Bank expired 2/6/14 and were reclassified into purchased non-covered loans and reposessed loan collateral.

10. Capital.

	<i>(in thousands, except per-share amounts)</i>							
	3/31/14	3/31/13	3/31/14 / 3/31/13	12/31/13	3/31/14 / 12/31/13	9/30/13	6/30/13	12/31/12
1 Shareholders' Equity	\$540,883	\$558,980	-3.2%	\$542,934	-0.4%	\$541,840	\$544,622	\$560,102
2 Tier I Regulatory Capital	399,886	408,643	-2.1%	405,798	-1.5%	404,189	405,851	409,763
3 Total Regulatory Capital	442,274	444,401	-0.5%	446,331	-0.9%	442,920	443,052	444,205
4 Total Assets	4,921,042	4,887,844	0.7%	4,847,055	1.5%	4,806,487	4,813,908	4,952,193
5 Risk-Adjusted Assets	2,910,773	2,778,938	4.7%	2,759,311	5.5%	2,769,664	2,772,900	2,720,332
6 Total Shareholders' Equity / Total Assets	10.99%	11.44%		11.20%		11.27%	11.31%	11.31%
7 Total Shareholders' Equity / Total Loans	29.78%	27.44%		29.71%		28.86%	28.08%	26.53%
8 Tier I Capital / Total Assets	8.13%	8.36%		8.37%		8.41%	8.43%	8.27%
9 Tier I Capital / Risk-Adjusted Assets	13.74%	14.71%		14.71%		14.59%	14.64%	15.06%
10 Total Regulatory Capital / Risk-Adjusted Assets	15.19%	15.99%		16.18%		15.99%	15.98%	16.33%
11 Tangible Common Equity Ratio	8.40%	8.75%		8.56%		8.58%	8.61%	8.64%
12 Common Shares Outstanding	26,299	27,018	-2.7%	26,510	-0.8%	26,578	26,769	27,213
13 Common Equity Per Share	\$20.57	\$20.69	-0.6%	\$20.48	0.4%	\$20.39	\$20.34	\$20.58
14 Market Value Per Common Share	\$54.08	\$45.33	19.3%	\$56.46	-4.2%	\$49.74	\$45.69	\$42.59

15 Share Repurchase Programs

	<i>(shares in thousands)</i>				
	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
16 Total Shares Repurchased / Canceled	437	347	26.0%	326	34.1%
17 Average Repurchase Price	\$51.93	\$44.47	16.8%	\$53.74	-3.4%
18 Net Shares Repurchased	211	195	8.1%	68	208.0%

11. Period-End Balance Sheets.

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2014

(unaudited, dollars in thousands)

	3/31/14	3/31/13	3/31/14 / 3/31/13	12/31/13	3/31/14 / 12/31/13	9/30/13	6/30/13	12/31/12
1 Assets:								
2 Cash and Due from Banks	\$428,840	\$355,459	20.6%	\$472,028	-9.1%	\$388,579	\$384,276	\$491,382
3 Investment Securities Available For Sale	1,240,288	972,176	27.6%	1,079,381	14.9%	1,060,428	1,004,888	825,636
4 Investment Securities Held to Maturity	1,110,329	1,162,358	-4.5%	1,132,299	-1.0%	1,141,083	1,134,615	1,156,041
5 Loans	1,816,319	2,036,934	-10.8%	1,827,744	-0.6%	1,877,308	1,939,341	2,111,357
6 Allowance For Loan Losses	(32,109)	(30,354)	5.8%	(31,693)	1.3%	(31,916)	(30,926)	(30,234)
7 Total Loans, net	1,784,210	2,006,580	-11.1%	1,796,051	-0.7%	1,845,392	1,908,415	2,081,123
8 Other Real Estate Owned	12,186	23,384	-47.9%	13,320	-8.5%	14,970	19,437	26,352
9 Premises and Equipment, net	36,675	38,519	-4.8%	37,314	-1.7%	37,972	38,267	38,639
10 Identifiable Intangibles, net	17,452	22,042	-20.8%	18,557	-6.0%	19,714	20,877	23,261
11 Goodwill	121,673	121,673	0.0%	121,673	0.0%	121,673	121,673	121,673
12 Other Assets	169,389	185,653	-8.8%	176,432	-4.0%	176,676	181,460	188,086
13 Total Assets	\$4,921,042	\$4,887,844	0.7%	\$4,847,055	1.5%	\$4,806,487	\$4,813,908	\$4,952,193
14 Liabilities and Shareholders' Equity:								
15 Deposits:								
16 Noninterest Bearing	\$1,778,034	\$1,621,887	9.6%	\$1,740,182	2.2%	\$1,689,986	\$1,644,151	\$1,676,071
17 Interest-Bearing Transaction	771,299	771,268	0.0%	763,088	1.1%	737,029	725,852	748,818
18 Savings	1,207,881	1,160,976	4.0%	1,167,744	3.4%	1,150,219	1,139,110	1,165,032
19 Time	457,569	607,819	-24.7%	492,767	-7.1%	531,073	592,281	642,571
20 Total Deposits	4,214,783	4,161,950	1.3%	4,163,781	1.2%	4,108,307	4,101,394	4,232,492
21 Short-Term Borrowed Funds	64,382	61,854	4.1%	62,668	2.7%	47,821	66,640	53,687
22 Federal Home Loan Bank Advances	20,437	25,743	-20.6%	20,577	-0.7%	25,631	25,687	25,799
23 Term Repurchase Agreement	10,000	10,000	0.0%	10,000	0.0%	10,000	10,000	10,000
24 Debt Financing	-	15,000	n/m	-	n/m	15,000	15,000	15,000
25 Other Liabilities	70,557	54,317	29.9%	47,095	49.8%	57,888	50,565	55,113
26 Total Liabilities	4,380,159	4,328,864	1.2%	4,304,121	1.8%	4,264,647	4,269,286	4,392,091
27 Shareholders' Equity:								
28 Common Equity:								
29 Paid-In Capital	386,201	376,680	2.5%	381,657	1.2%	373,799	374,209	375,113
30 Accumulated Other Comprehensive Income	8,856	15,372	-42.4%	4,313	105.3%	4,120	4,524	14,625
31 Retained Earnings	145,826	166,928	-12.6%	156,964	-7.1%	163,921	165,889	170,364
32 Total Shareholders' Equity	540,883	558,980	-3.2%	542,934	-0.4%	541,840	544,622	560,102
33 Total Liabilities and Shareholders' Equity	\$4,921,042	\$4,887,844	0.7%	\$4,847,055	1.5%	\$4,806,487	\$4,813,908	\$4,952,193

12. Income Statements.

(unaudited, in thousands, except per-share amounts)

	Q1'14	Q1'13	Q1'14 / Q1'13	Q4'13	Q1'14 / Q4'13
1 Interest and Fee Income:					
2 Loans	\$22,901	\$27,399	-16.4%	\$23,931	-4.3%
3 Investment Securities Available For Sale	5,630	5,336	5.5%	5,528	1.8%
4 Investment Securities Held to Maturity	7,033	7,730	-9.0%	7,247	-3.0%
5 Total Interest and Fee Income	35,564	40,465	-12.1%	36,706	-3.1%
6 Interest Expense:					
7 Transaction Deposits	67	66	1.5%	67	-1.0%
8 Savings Deposits	234	230	1.9%	232	0.8%
9 Time Deposits	453	603	-25.0%	494	-8.3%
10 Short-Term Borrowed Funds	20	11	85.6%	20	2.7%
11 Federal Home Loan Bank Advances	99	118	-15.8%	120	-16.8%
12 Term Repurchase Agreement	25	24	4.5%	24	1.2%
13 Debt Financing	-	200	n/m	67	n/m
14 Total Interest Expense	898	1,252	-28.3%	1,024	-12.3%
15 Net Interest Income	34,666	39,213	-11.6%	35,682	-2.8%
16 Provision for Loan Losses	1,000	2,800	-64.3%	1,600	-37.5%
17 Noninterest Income:					
18 Service Charges on Deposit Accounts	6,010	6,542	-8.1%	6,266	-4.1%
19 Merchant Processing Services	1,924	2,409	-20.2%	2,058	-6.5%
20 Debit Card Fees	1,405	1,358	3.5%	1,527	-8.0%
21 Other Service Fees	661	762	-13.3%	672	-1.7%
22 ATM Processing Fees	620	705	-12.1%	630	-1.7%
23 Trust Fees	654	568	15.2%	593	10.4%
24 Financial Services Commissions	171	180	-4.8%	218	-21.3%
25 Other	1,545	1,754	-11.9%	2,066	-25.2%
26 Total Noninterest Income	12,990	14,278	-9.0%	14,030	-7.4%
27 Noninterest Expense:					
28 Salaries and Related Benefits	14,126	14,403	-1.9%	14,340	-1.5%
29 Occupancy	3,727	3,886	-4.1%	3,784	-1.5%
30 Outsourced Data Processing	2,105	2,157	-2.4%	2,112	-0.3%
31 Amortization of Identifiable Intangibles	1,105	1,219	-9.4%	1,157	-4.6%
32 Professional Fees	430	635	-32.4%	947	-54.6%
33 Furniture and Equipment	1,005	880	14.2%	994	1.2%
34 Other Real Estate Owned	(350)	334	n/m	245	n/m
35 Courier Service	610	741	-17.7%	664	-8.2%
36 Other	4,115	4,422	-6.9%	3,744	9.9%
37 Total Noninterest Expense	26,873	28,677	-6.3%	27,987	-4.0%
38 Income Before Income Taxes	19,783	22,014	-10.1%	20,125	-1.7%
39 Income Tax Provision	4,476	4,743	-5.6%	4,069	10.0%

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2014

40 Net Income	<u>\$15,307</u>	<u>\$17,271</u>	-11.4%	<u>\$16,056</u>	-4.7%
41 Average Common Shares Outstanding	26,433	27,145	-2.6%	26,609	-0.7%
42 Diluted Average Common Shares Outstanding	26,537	27,157	-2.3%	26,754	-0.8%
43 Per Common Share Data:					
44 Basic Earnings	\$0.58	\$0.64	-9.4%	\$0.60	-3.3%
45 Diluted Earnings	0.58	0.64	-9.4%	0.60	-3.3%
46 Dividends Paid	0.38	0.37	2.7%	0.38	0.0%