

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
June 30, 2023

1. Net Income Summary.

	<i>(in thousands except per-share amounts)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Net Interest and Fee Income (FTE)	\$70,281	\$48,033	46.3%	\$69,562	1.0%	\$139,843	\$91,840	52.3%
2 Reversal of Provision for Credit Losses (2)	-	-	n/m	(1,550)	n/m	(1,550)	-	n/m
3 Noninterest Income (1)	10,700	11,264	-5.0%	10,549	1.4%	21,249	22,840	-7.0%
4 Noninterest Expense	25,839	24,629	4.9%	26,210	-1.4%	52,049	49,504	5.1%
5 Income Before Taxes (FTE)	55,142	34,668	59.1%	55,451	-0.6%	110,593	65,176	69.7%
6 Income Tax Provision (FTE)	14,894	9,354	59.2%	15,000	-0.7%	29,894	17,246	73.3%
7 Net Income	\$40,248	\$25,314	59.0%	\$40,451	-0.5%	\$80,699	\$47,930	68.4%
8 Average Common Shares Outstanding	26,648	26,889	-0.9%	26,859	-0.8%	26,753	26,880	-0.5%
9 Diluted Average Common Shares Outstanding	26,648	26,901	-0.9%	26,866	-0.8%	26,756	26,893	-0.5%
10 Operating Ratios:								
11 Basic Earnings Per Common Share	\$1.51	\$0.94	60.6%	\$1.51	0.0%	\$3.02	\$1.78	69.7%
12 Diluted Earnings Per Common Share	1.51	0.94	60.6%	1.51	0.0%	3.02	1.78	69.7%
13 Return On Assets (a)	2.35%	1.37%		2.31%		2.33%	1.30%	
14 Return On Common Equity (a)	18.4%	12.9%		19.1%		18.7%	12.4%	
15 Net Interest Margin (FTE) (a)	4.34%	2.74%		4.18%		4.26%	2.63%	
16 Efficiency Ratio (FTE)	31.9%	41.5%		32.7%		32.3%	43.2%	
17 Dividends Paid Per Common Share	\$0.42	\$0.42	0.0%	\$0.42	0.0%	\$0.84	\$0.84	0.0%
18 Common Dividend Payout Ratio	28%	45%		28%		28%	47%	

2. Net Interest Income.

	<i>(dollars in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Interest and Fee Income (FTE)	\$70,888	\$48,516	46.1%	\$70,033	1.2%	\$140,921	\$92,803	51.8%
2 Interest Expense	607	483	25.7%	471	28.9%	1,078	963	11.9%
3 Net Interest and Fee Income (FTE)	\$70,281	\$48,033	46.3%	\$69,562	1.0%	\$139,843	\$91,840	52.3%
4 Average Earning Assets	\$6,457,270	\$7,000,862	-7.8%	\$6,665,156	-3.1%	\$6,560,639	\$6,999,556	-6.3%
5 Average Interest-Bearing Liabilities	3,144,264	3,549,140	-11.4%	3,287,158	-4.3%	3,215,316	3,547,651	-9.4%
6 Yield on Earning Assets (FTE) (a)	4.38%	2.77%		4.21%		4.29%	2.66%	
7 Cost of Funds (a)	0.04%	0.03%		0.03%		0.03%	0.03%	
8 Net Interest Margin (FTE) (a)	4.34%	2.74%		4.18%		4.26%	2.63%	
9 Interest Expense/Interest-Bearing Liabilities (a)	0.08%	0.05%		0.06%		0.07%	0.05%	
10 Net Interest Spread (FTE) (a)	4.30%	2.72%		4.15%		4.22%	2.61%	

3. Loans & Other Earning Assets.

	<i>(average volume, dollars in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Total Assets	\$6,865,591	\$7,420,069	-7.5%	\$7,112,317	-3.5%	\$6,988,272	\$7,413,233	-5.7%
2 Total Earning Assets	6,457,270	7,000,862	-7.8%	6,665,156	-3.1%	6,560,639	6,999,556	-6.3%
3 Total Loans	926,795	1,009,633	-8.2%	945,864	-2.0%	936,277	1,019,623	-8.2%
4 Commercial Loans	157,975	202,585	-22.0%	165,360	-4.5%	161,647	205,228	-21.2%
5 Commercial Real Estate Loans	491,902	508,003	-3.2%	493,132	-0.2%	492,514	515,977	-4.5%
6 Consumer Loans	276,918	299,045	-7.4%	287,372	-3.6%	282,116	298,418	-5.5%
7 Total Investment Securities	5,365,377	5,008,929	7.1%	5,548,780	-3.3%	5,456,572	4,978,557	9.6%
8 Debt Securities Available for Sale	4,460,339	4,721,083	-5.5%	4,636,098	-3.8%	4,547,733	4,688,714	-3.0%
9 Debt Securities Held to Maturity	905,038	287,846	214.4%	912,682	-0.8%	908,839	289,843	213.6%
10 Total Interest-Bearing Cash	165,098	982,300	-83.2%	170,512	-3.2%	167,790	1,001,376	-83.2%
11 Loans / Deposits	16.0%	15.7%		15.6%		15.8%	15.9%	

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

	<i>(average volume, dollars in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Total Deposits	\$5,797,504	\$6,424,202	-9.8%	\$6,061,923	-4.4%	\$5,928,983	\$6,408,915	-7.5%
2 Noninterest Demand	2,751,319	2,998,360	-8.2%	2,851,600	-3.5%	2,801,183	3,001,694	-6.7%
3 Interest-Bearing Transaction	1,159,653	1,298,665	-10.7%	1,233,439	-6.0%	1,196,342	1,281,975	-6.7%
4 Savings	1,763,410	1,985,325	-11.2%	1,847,428	-4.5%	1,805,187	1,982,723	-9.0%
5 Time greater than \$100K	53,901	63,790	-15.5%	57,630	-6.5%	55,755	63,980	-12.9%
6 Time less than \$100K	69,221	78,062	-11.3%	71,826	-3.6%	70,516	78,543	-10.2%
7 Total Short-Term Borrowings	98,079	123,298	-20.5%	76,835	27.6%	87,516	140,430	-37.7%
8 Shareholders' Equity	877,964	788,078	11.4%	858,473	2.3%	868,272	782,184	11.0%
9 Demand Deposits / Total Deposits	47.5%	46.7%		47.0%		47.2%	46.8%	
10 Transaction & Savings Deposits / Total Deposits	97.9%	97.8%		97.9%		97.9%	97.8%	

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5. Interest Yields Earned & Rates Paid.

	<i>(dollars in thousands)</i>						
	Q2'2023		Q1'2023		Q2'2022		
	Average Volume	Income/Expense	Yield (a)/Rate (a)	Yield (a)/Rate (a)	Average Volume	Income/Expense	Yield (a)/Rate (a)
1 Interest & Fee Income Earned:							
2 Total Earning Assets (FTE)	\$6,457,270	\$70,888	4.38%	4.21%	\$7,000,862	\$48,516	2.77%
3 Total Loans (FTE)	926,795	11,937	5.17%	5.07%	1,009,633	12,426	4.94%
4 Commercial Loans (FTE)	157,975	2,777	7.05%	6.77%	202,585	2,716	5.38%
5 Commercial Real Estate Loans	491,902	5,732	4.67%	4.63%	508,003	6,192	4.89%
6 Consumer Loans	276,918	3,428	4.97%	4.86%	299,045	3,518	4.72%
7 Total Investment Securities (FTE)	5,365,377	56,841	4.22%	4.06%	5,008,929	34,088	2.72%
8 Total Debt Securities Available for Sale (FTE)	4,460,339	47,752	4.26%	4.06%	4,721,083	32,059	2.72%
9 Corporate Securities	2,210,511	15,456	2.80%	2.80%	2,589,490	17,857	2.76%
10 Collateralized Loan Obligations	1,555,328	26,754	6.81%	6.34%	1,610,811	10,572	2.60%
11 Agency Mortgage Backed Securities	291,270	1,765	2.42%	2.45%	357,727	2,049	2.29%
12 Securities of U.S. Government sponsored entities	306,983	2,776	3.62%	3.62%	59,892	533	3.56%
13 Obligations of States and Political Subdivisions (FTE)	82,074	617	3.00%	3.04%	88,829	682	3.07%
14 Other Debt Securities Available for Sale (FTE)	14,173	384	10.84%	11.59%	14,334	366	10.23%
15 Total Debt Securities Held to Maturity (FTE)	905,038	9,089	4.02%	4.01%	287,846	2,029	2.82%
16 Agency Mortgage Backed Securities	94,960	510	2.15%	2.15%	128,319	595	1.85%
17 Corporate Securities	724,157	7,816	4.32%	4.33%	17,749	202	4.56%
18 Obligations of States and Political Subdivisions (FTE)	85,921	763	3.56%	3.54%	141,778	1,232	3.48%
19 Total Interest-Bearing Cash	165,098	2,110	5.06%	4.56%	982,300	2,002	0.81%
20 Interest Expense Paid:							
21 Total Earning Assets	6,457,270	607	0.04%	0.03%	7,000,862	483	0.03%
22 Total Interest-Bearing Liabilities	3,144,264	607	0.08%	0.06%	3,549,140	483	0.05%
23 Total Interest-Bearing Deposits	3,046,185	582	0.08%	0.06%	3,425,842	461	0.05%
24 Interest-Bearing Transaction	1,159,653	104	0.04%	0.03%	1,298,665	91	0.03%
25 Savings	1,763,410	396	0.09%	0.06%	1,985,325	288	0.06%
26 Time less than \$100K	69,221	51	0.30%	0.28%	78,062	42	0.22%
27 Time greater than \$100K	53,901	31	0.23%	0.24%	63,790	40	0.25%
28 Total Short-Term Borrowings	98,079	25	0.10%	0.07%	123,298	22	0.07%
29 Net Interest Income and Margin (FTE)		\$70,281	4.34%	4.18%		\$48,033	2.74%

6. Noninterest Income.

	<i>(dollars in thousands except per-share amounts)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
	1 Service Charges on Deposit Accounts	\$3,459	\$3,687	-6.2%	\$3,465	-0.1%	\$6,924	\$7,269
2 Merchant Processing Services	2,869	3,374	-15.0%	2,637	8.8%	5,506	5,997	-8.2%
3 Debit Card Fees (1)	1,759	1,709	2.9%	1,642	7.1%	3,401	4,581	-25.8%
4 Trust Fees	810	809	0.1%	765	5.9%	1,575	1,652	-4.7%
5 ATM Processing Fees	702	469	49.7%	654	7.3%	1,356	920	47.4%
6 Other Service Fees	458	480	-4.6%	399	14.7%	857	929	-7.8%
7 Financial Services Commissions	103	118	-12.7%	89	15.7%	192	235	-18.3%
8 Securities Losses	(125)	-	n/m	-	n/m	(125)	-	n/m
9 Other Noninterest Income	665	618	7.6%	898	-25.9%	1,563	1,257	24.3%
10 Total Noninterest Income	\$10,700	\$11,264	-5.0%	\$10,549	1.4%	\$21,249	\$22,840	-7.0%
11 Operating Ratios:								
12 Total Revenue (FTE)	\$80,981	\$59,297	36.6%	\$80,111	1.1%	\$161,092	\$114,680	40.5%
13 Noninterest Income / Revenue (FTE)	13.2%	19.0%		13.2%		13.2%	19.9%	
14 Service Charges / Avg. Deposits (a)	0.24%	0.23%		0.23%		0.24%	0.23%	
15 Total Revenue Per Avg. Common Share (a)	\$12.19	\$8.85	37.8%	\$12.10	0.7%	\$12.14	\$8.60	41.1%

7. Noninterest Expense.

	<i>(dollars in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
	1 Salaries & Benefits	\$11,828	\$11,412	3.6%	\$12,067	-2.0%	\$23,895	\$23,332
2 Occupancy and Equipment	5,012	4,856	3.2%	5,485	-8.6%	10,497	9,602	9.3%
3 Outsourced Data Processing	2,488	2,423	2.7%	2,444	1.8%	4,932	4,860	1.5%
4 Limited Partnership Operating Losses	1,440	1,431	0.6%	1,434	0.4%	2,874	2,862	0.4%
5 Professional Fees	485	736	-34.1%	476	1.9%	961	1,472	-34.7%
6 Courier Service	611	661	-7.6%	615	-0.7%	1,226	1,243	-1.4%
7 Other Noninterest Expense	3,975	3,110	27.8%	3,689	7.8%	7,664	6,133	25.0%
8 Total Noninterest Expense	\$25,839	\$24,629	4.9%	\$26,210	-1.4%	\$52,049	\$49,504	5.1%
9 Operating Ratios:								
10 Noninterest Expense / Avg. Earning Assets (a)	1.60%	1.41%		1.59%		1.60%	1.43%	
11 Noninterest Expense / FTE Revenues	31.9%	41.5%		32.7%		32.3%	43.2%	

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8. Allowance for Credit Losses.

	<i>(dollars in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Average Total Loans	\$926,795	\$1,009,633	-8.2%	\$945,864	-2.0%	\$936,277	\$1,019,623	-8.2%
2 Beginning of Period Allowance for Credit Losses (ACLL)	\$19,509	\$22,925	-14.9%	\$20,284	-3.8%	\$20,284	\$23,514	-13.7%
3 Reversal of Provision for Credit Losses (2)	-	-	n/m	(1,550)	n/m	(1,550)	-	n/m
4 Net ACLL (Losses) Recoveries	(1,029)	(612)	68.1%	775	n/m	(254)	(1,201)	-78.9%
5 End of Period ACLL	<u>\$18,480</u>	<u>\$22,313</u>	-17.2%	<u>\$19,509</u>	-5.3%	<u>\$18,480</u>	<u>\$22,313</u>	-17.2%
6 Gross ACLL Recoveries / Gross ACLL Losses	38%	57%		138%		93%	54%	
7 Net ACLL Losses (Recoveries) / Avg. Total Loans (a)	0.45%	0.24%		-0.33%		0.05%	0.24%	

	<i>(dollars in thousands)</i>							
	6/30/23	6/30/22	6/30/23 / 6/30/22	3/31/23	6/30/23 / 3/31/23	12/31/22	9/30/22	3/31/22
8 Allowance for Credit Losses on Loans	\$18,480	\$22,313	-17.2%	\$19,509	-5.3%	\$20,284	\$21,218	\$22,925
9 Allowance for Credit Losses on Held to Maturity Securities	1	7	-85.5%	1	0.0%	1	7	7
Total Allowance for Credit Losses	<u>\$18,481</u>	<u>\$22,320</u>	-17.2%	<u>\$19,510</u>	-5.3%	<u>\$20,285</u>	<u>\$21,225</u>	<u>\$22,932</u>
10 Allowance for Unfunded Credit Commitments	\$201	\$201	0.0%	\$201	0.0%	\$201	\$201	\$201

9. Credit Quality.

	<i>(dollars in thousands)</i>							
	6/30/23	6/30/22	6/30/23 / 6/30/22	3/31/23	6/30/23 / 3/31/23	12/31/22	9/30/22	3/31/22
1 Nonperforming Loans:								
2 Nonperforming Nonaccrual Loans	\$192	\$12	n/m	\$207	-7.2%	\$146	\$131	\$63
3 Performing Nonaccrual Loans	5	235	-97.9%	7	-28.6%	-	66	421
4 Total Nonaccrual Loans	<u>197</u>	<u>247</u>	-20.2%	<u>214</u>	-7.9%	<u>146</u>	<u>197</u>	<u>484</u>
5 Accruing Loans 90+ Days Past Due	<u>656</u>	<u>614</u>	6.8%	<u>571</u>	14.9%	<u>628</u>	<u>769</u>	<u>431</u>
6 Total Nonperforming Loans	<u>\$853</u>	<u>\$861</u>	-0.9%	<u>\$785</u>	8.7%	<u>\$774</u>	<u>\$966</u>	<u>\$915</u>
7 Total Loans Outstanding	\$919,583	\$999,768	-8.0%	\$938,628	-2.0%	\$958,488	\$979,033	\$1,002,514
8 Total Assets	6,582,740	7,222,405	-8.9%	6,700,471	-1.8%	6,950,317	7,177,025	7,306,417
9 Loans:								
10 Allowance for Credit Losses on Loans	\$18,480	\$22,313	-17.2%	\$19,509	-5.3%	\$20,284	\$21,218	\$22,925
11 Allowance for Credit Losses on Loans / Loans	2.01%	2.23%		2.08%		2.12%	2.17%	2.29%
12 Nonperforming Loans / Total Loans	0.09%	0.09%		0.08%		0.08%	0.10%	0.09%

10. Liquidity.

At June 30, 2023, the Company had \$266,187 thousand in cash balances. During the twelve months ending June 30, 2024, the Company expects to receive \$288,000 thousand in principal payments from its debt securities. If additional operational liquidity is required, the Company can pledge debt securities as collateral for borrowing purposes; at June 30, 2023, the Company's debt securities which qualify as collateral for borrowing totaled \$3,924,826 thousand. In the ordinary course of business, the Company pledges debt securities as collateral for certain depository customers; at June 30, 2023, the Company had pledged \$704,822 thousand in debt securities for depository customers. In the ordinary course of business, the Company pledges debt securities as collateral for borrowing from the Federal Reserve Bank; at June 30, 2023, the Company's had pledged \$1,000,132 thousand in debt securities at the Federal Reserve Bank. During the six months ended June 30, 2023, the Company's average borrowings from the Federal Reserve Bank and other correspondent banks were \$-0- thousand, and at June 30, 2023, the Company's borrowings from the Federal Reserve Bank and other correspondent banks were \$-0- thousand. At June 30, 2023, the Company's estimated unpledged collateral qualifying debt securities totaled \$2,072,988 thousand. Debt securities eligible as collateral are shown in market value unless otherwise noted.

	<i>(in thousands)</i>
	6/30/23
1 Debt Securities Eligible as Collateral:	
2 Corporate Securities	\$2,587,771
3 Collateralized Loan Obligations rated AAA	503,037
4 Obligations of States and Political Subdivisions	162,528
5 Agency Mortgage Backed Securities	344,657
6 Securities of U.S. Government Sponsored Entities (Par Value)	326,833
7 Total Debt Securities Eligible as Collateral	<u>\$3,924,826</u>
8 Debt Securities Pledged as Collateral:	
9 Deposits by Public Entities	(\$704,822)
10 Short-Term Borrowed Funds (Deposit Sweep)	(140,765)
11 Other	(6,119)
12 Total Debt Securities Pledged as Collateral	<u>(\$851,706)</u>
13 Debt Securities Pledged at the Federal Reserve Bank	<u>(\$1,000,132)</u>
14 Estimated Debt Securities Available to Pledge	\$2,072,988

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11. Capital.

	<i>(in thousands, except per-share amounts)</i>							
	6/30/23	6/30/22	6/30/23 / 6/30/22	3/31/23	6/30/23 / 3/31/23	12/31/22	9/30/22	3/31/22
1 Shareholders' Equity	\$651,862	\$617,126	5.6%	\$642,925	1.4%	\$602,110	\$538,988	\$701,744
2 Total Assets	6,582,740	7,222,405	-8.9%	6,700,471	-1.8%	6,950,317	7,177,025	7,306,417
3 Total Shareholders' Equity / Total Assets	9.90%	8.54%		9.60%		8.66%	7.51%	9.60%
4 Total Shareholders' Equity / Total Loans	70.89%	61.73%		68.50%		62.82%	55.05%	70.00%
5 Tangible Common Equity Ratio	8.20%	6.97%		7.92%		7.03%	5.91%	8.06%
6 Common Shares Outstanding	26,648	26,896	-0.9%	26,648	0.0%	26,913	26,911	26,883
7 Common Equity Per Share	\$24.46	\$22.94	6.6%	\$24.13	1.4%	\$22.37	\$20.03	\$26.10
8 Market Value Per Common Share	38.30	55.66	-31.2%	44.30	-13.5%	59.01	52.29	60.50

	<i>(shares in thousands)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
9 Share Repurchase Programs:								
10 Total Shares Repurchased / Canceled	-	-	n/m	274	n/m	274	3	n/m
11 Average Repurchase Price	\$-	\$-	n/m	\$50.11	n/m	\$50.11	\$58.66	n/m
12 Net Shares (Issued) Repurchased	-	(13)	n/m	265	n/m	265	(30)	n/m

12. Period-End Balance Sheets.

	<i>(unaudited, dollars in thousands)</i>							
	6/30/23	6/30/22	6/30/23 / 6/30/22	3/31/23	6/30/23 / 3/31/23	12/31/22	9/30/22	3/31/22
1 Assets:								
2 Cash and Due from Banks	\$266,187	\$753,293	-64.7%	\$195,202	36.4%	\$294,236	\$413,665	\$1,037,593
3 Debt Securities Available for Sale:								
4 Corporate Securities	1,901,504	2,296,853	-17.2%	2,019,240	-5.8%	2,099,955	2,138,508	2,547,118
5 Collateralized Loan Obligations	1,514,962	1,601,333	-5.4%	1,542,377	-1.8%	1,572,883	1,587,622	1,616,584
6 Agency Mortgage Backed Securities	259,190	331,425	-21.8%	276,078	-6.1%	286,048	296,689	363,181
7 Securities of U.S. Government sponsored entities	291,402	290,725	0.2%	297,140	-1.9%	290,853	272,525	-
8 Obligations of States and Political Subdivisions	79,400	86,676	-8.4%	82,678	-4.0%	82,004	80,987	89,595
9 Other Debt Securities Available for Sale	-	102	n/m	-	n/m	-	-	110
10 Total Debt Securities Available for Sale	4,046,458	4,607,114	-12.2%	4,217,513	-4.1%	4,331,743	4,376,331	4,616,588
11 Debt Securities Held to Maturity:								
12 Agency Mortgage Backed Securities	91,141	121,810	-25.2%	98,006	-7.0%	104,852	112,371	133,754
13 Corporate Securities	725,252	181,316	300.0%	723,553	0.2%	721,854	720,154	-
14 Obligations of States and Political Subdivisions (3)	83,963	139,228	-39.7%	87,760	-4.3%	89,207	103,742	146,766
15 Total Debt Securities Held to Maturity (3)	900,356	442,354	103.5%	909,319	-1.0%	915,913	936,267	280,520
16 Loans	919,583	999,768	-8.0%	938,628	-2.0%	958,488	979,033	1,002,514
17 Allowance For Credit Losses on Loans	(18,480)	(22,313)	-17.2%	(19,509)	-5.3%	(20,284)	(21,218)	(22,925)
18 Total Loans, net	901,103	977,455	-7.8%	919,119	-2.0%	938,204	957,815	979,589
19 Premises and Equipment, net	27,908	30,309	-7.9%	28,331	-1.5%	28,819	29,756	30,626
20 Identifiable Intangibles, net	463	707	-34.5%	523	-11.5%	583	644	771
21 Goodwill	121,673	121,673	0.0%	121,673	0.0%	121,673	121,673	121,673
22 Other Assets	318,592	289,500	10.0%	308,791	3.2%	319,146	340,874	239,057
23 Total Assets	<u>\$6,582,740</u>	<u>\$7,222,405</u>	-8.9%	<u>\$6,700,471</u>	-1.8%	<u>\$6,950,317</u>	<u>\$7,177,025</u>	<u>\$7,306,417</u>
24 Liabilities and Shareholders' Equity:								
25 Deposits:								
26 Noninterest-Bearing	\$2,721,046	\$2,987,725	-8.9%	\$2,788,992	-2.4%	\$2,947,277	\$3,069,907	\$3,000,268
27 Interest-Bearing Transaction	1,133,006	1,303,700	-13.1%	1,201,356	-5.7%	1,273,143	1,338,855	1,279,165
28 Savings	1,735,083	1,983,713	-12.5%	1,783,667	-2.7%	1,874,115	1,949,711	1,984,719
29 Time	116,792	140,453	-16.8%	125,300	-6.8%	130,755	136,783	141,722
30 Total Deposits	5,705,927	6,415,591	-11.1%	5,899,315	-3.3%	6,225,290	6,495,256	6,405,874
31 Short-Term Borrowed Funds	138,005	118,167	16.8%	83,088	66.1%	57,792	76,886	124,442
32 Other Liabilities	86,946	71,521	21.6%	75,143	15.7%	65,125	65,895	74,357
33 Total Liabilities	5,930,878	6,605,279	-10.2%	6,057,546	-2.1%	6,348,207	6,638,037	6,604,673
34 Shareholders' Equity:								
35 Common Equity:								
36 Paid-In Capital	471,510	473,555	-0.4%	471,159	0.1%	475,121	474,732	472,470
37 Accumulated Other Comprehensive Loss	(252,043)	(188,025)	34.0%	(231,573)	8.8%	(256,105)	(290,797)	(88,300)
38 Retained Earnings	432,395	331,596	30.4%	403,339	7.2%	383,094	355,053	317,574
39 Total Shareholders' Equity	651,862	617,126	5.6%	642,925	1.4%	602,110	538,988	701,744
40 Total Liabilities and Shareholders' Equity	<u>\$6,582,740</u>	<u>\$7,222,405</u>	-8.9%	<u>\$6,700,471</u>	-1.8%	<u>\$6,950,317</u>	<u>\$7,177,025</u>	<u>\$7,306,417</u>

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
June 30, 2023

13. Income Statements.

	<i>(unaudited, in thousands, except per-share amounts)</i>							
	Q2'2023	Q2'2022	Q2'23 / Q2'22	Q1'2023	Q2'23 / Q1'23	6/30'23YTD	6/30'22YTD	6/30'23YTD / 6/30'22YTD
1 Interest and Fee Income:								
2 Loans	\$11,845	\$12,331	-3.9%	\$11,740	0.9%	\$23,585	\$25,273	-6.7%
3 Equity Securities	152	129	17.8%	152	0.0%	304	257	18.3%
4 Debt Securities Available for Sale	47,452	31,764	49.4%	46,810	1.4%	94,262	60,330	56.2%
5 Debt Securities Held to Maturity	8,930	1,771	404.3%	8,980	-0.6%	17,910	3,415	424.5%
6 Interest-Bearing Cash	2,110	2,002	5.4%	1,942	8.7%	4,052	2,481	63.3%
7 Total Interest and Fee Income	<u>70,489</u>	<u>47,997</u>	46.9%	<u>69,624</u>	1.2%	<u>140,113</u>	<u>91,756</u>	52.7%
8 Interest Expense:								
9 Transaction Deposits	104	91	14.3%	94	10.6%	198	179	10.6%
10 Savings Deposits	396	288	37.5%	280	41.4%	676	571	18.4%
11 Time Deposits	82	82	0.0%	84	-2.4%	166	163	1.8%
12 Short-Term Borrowed Funds	25	22	13.6%	13	92.3%	38	50	-24.0%
13 Total Interest Expense	<u>607</u>	<u>483</u>	25.7%	<u>471</u>	28.9%	<u>1,078</u>	<u>963</u>	11.9%
14 Net Interest Income	<u>69,882</u>	<u>47,514</u>	47.1%	<u>69,153</u>	1.1%	<u>139,035</u>	<u>90,793</u>	53.1%
15 Reversal of Provision for Credit Losses (2)	-	-	n/m	(1,550)	n/m	(1,550)	-	n/m
16 Noninterest Income:								
17 Service Charges on Deposit Accounts	3,459	3,687	-6.2%	3,465	-0.1%	6,924	7,269	-4.7%
18 Merchant Processing Services	2,869	3,374	-15.0%	2,637	8.8%	5,506	5,997	-8.2%
19 Debit Card Fees (1)	1,759	1,709	2.9%	1,642	7.1%	3,401	4,581	-25.8%
20 Trust Fees	810	809	0.1%	765	5.9%	1,575	1,652	-4.7%
21 ATM Processing Fees	702	469	49.7%	654	7.3%	1,356	920	47.4%
22 Other Service Fees	458	480	-4.6%	399	14.7%	857	929	-7.8%
23 Financial Services Commissions	103	118	-12.7%	89	15.7%	192	235	-18.3%
24 Securities Losses	(125)	-	n/m	-	n/m	(125)	-	n/m
25 Other Noninterest Income	665	618	7.6%	898	-25.9%	1,563	1,257	24.3%
26 Total Noninterest Income	<u>10,700</u>	<u>11,264</u>	-5.0%	<u>10,549</u>	1.4%	<u>21,249</u>	<u>22,840</u>	-7.0%
27 Noninterest Expense:								
28 Salaries and Related Benefits	11,828	11,412	3.6%	12,067	-2.0%	23,895	23,332	2.4%
29 Occupancy and Equipment	5,012	4,856	3.2%	5,485	-8.6%	10,497	9,602	9.3%
30 Outsourced Data Processing	2,488	2,423	2.7%	2,444	1.8%	4,932	4,860	1.5%
31 Limited Partnership Operating Losses	1,440	1,431	0.6%	1,434	0.4%	2,874	2,862	0.4%
32 Professional Fees	485	736	-34.1%	476	1.9%	961	1,472	-34.7%
33 Courier Service	611	661	-7.6%	615	-0.7%	1,226	1,243	-1.4%
34 Other Noninterest Expense	3,975	3,110	27.8%	3,689	7.8%	7,664	6,133	25.0%
35 Total Noninterest Expense	<u>25,839</u>	<u>24,629</u>	4.9%	<u>26,210</u>	-1.4%	<u>52,049</u>	<u>49,504</u>	5.1%
36 Income Before Income Taxes	<u>54,743</u>	<u>34,149</u>	60.3%	<u>55,042</u>	-0.5%	<u>109,785</u>	<u>64,129</u>	71.2%
37 Income Tax Provision	<u>14,495</u>	<u>8,835</u>	64.1%	<u>14,591</u>	-0.7%	<u>29,086</u>	<u>16,199</u>	79.6%
38 Net Income	<u>\$40,248</u>	<u>\$25,314</u>	59.0%	<u>\$40,451</u>	-0.5%	<u>\$80,699</u>	<u>\$47,930</u>	68.4%
39 Average Common Shares Outstanding	26,648	26,889	-0.9%	26,859	-0.8%	26,753	26,880	-0.5%
40 Diluted Average Common Shares Outstanding	26,648	26,901	-0.9%	26,866	-0.8%	26,756	26,893	-0.5%
41 Per Common Share Data:								
42 Basic Earnings	\$1.51	\$0.94	60.6%	\$1.51	0.0%	\$3.02	\$1.78	69.7%
43 Diluted Earnings	1.51	0.94	60.6%	1.51	0.0%	3.02	1.78	69.7%
44 Dividends Paid	0.42	0.42	0.0%	0.42	0.0%	0.84	0.84	0.0%

Footnotes and Abbreviations:

(1) The Company received a \$1.2 million reconciling payment from a payments network in the first quarter 2022.

(2) A recovery of a previously charged off loan in the first quarter 2023 resulted in a \$1,550 thousand reversal of the allowance for credit loss provision in the first quarter 2023.

(3) Debt Securities Held to Maturity and Obligations of States and Political Subdivisions are net of related reserve for expected credit losses of \$1 thousand at June 30, 2023, March 31, 2023 and December 31, 2022, \$7 thousand at September 30, 2022, June 30, 2022 and March 31, 2022.

(FTE) Fully Taxable Equivalent. The Company presents its net interest margin and net interest income on a FTE basis using the current statutory federal tax rate. Management believes the FTE basis is valuable to the reader because the Company's loan and investment securities portfolios contain a portion of municipal loans and securities that are federally tax exempt. The Company's tax exempt loans and securities composition may not be similar to that of other banks, therefore in order to reflect the impact of the federally tax exempt loans and securities on the net interest margin and net interest income for comparability with other banks, the Company presents its net interest margin and net interest income on a FTE basis.

(a) Annualized