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WESTAMERICA BANCORPORATION

Form 8-K

July 21, 2005

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
July 20, 2005

WESTAMERICA BANCORPORATION

(Exact Name of Registrant as Specified in Its Charter)

CALIFORNIA

(State or Other Jurisdiction of Incorporation)

001-9383 94-2156203
----- -----
(Commission File Number) (IRS Employer Identification No.)

1108 Fifth Avenue, San Rafael, California 94901

(Address of Principal Executive Offices) (Zip Code)

(707) 863-6000

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Exhibits

99.1 Press release dated July 19, 2005

Item 2.02: Results of Operations and Financial Condition

On July 19, 2005 Westamerica Bancorporation announced their quarterly earnings for the second quarter of 2005. 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

Dennis R. Hansen
Senior Vice President and Controller
July 20, 2005

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Exhibit No.	Description	Sequentially Number Page
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(99.1)	Press release dated July 19, 2005	5-16

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FOR IMMEDIATE RELEASE

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July 19, 2005

WESTAMERICA BANCORPORATION REPORTS RECORD \$27.9 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 2005 of \$27.9 million, or \$0.84 diluted earnings per share, compared to net income of \$24.6 million, or \$0.76 diluted earnings per share for the second quarter of 2004. Second quarter 2005 results include a property sale gain, which increased diluted earnings per share \$0.03. Return on assets was 2.17 percent and return on equity was 26.0 percent for the second quarter of 2005. The second quarter of 2005 represents the first full quarter of operations following the March 1, 2005 acquisition of Redwood Empire Bancorp.

"Non-interest revenue growth following the Redwood acquisition is diversifying our revenues. Merchant credit card income increased \$1.1 million during the second quarter of 2005 compared to the first quarter, and deposit service charges increased \$615 thousand. The integration of Redwood's systems and branches is complete, and our retention of Redwood employees and customers is ahead of our expectations," said Chairman, President and CEO David Payne. "We are proud to be growing diluted earnings per share and delivering 26 percent return on equity for our shareholders," Payne added.

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Net interest income on a taxable equivalent basis was \$57.0 million for the second quarter of 2005, \$2.7 million higher than the \$54.3 million reported for the second quarter of 2004. The increased net interest income is attributable to a higher earning asset base, offset in part by a reduced net interest margin. Average earning assets were \$542 million higher in the second quarter 2005 compared to the year ago quarter, primarily due to the Redwood Empire Bancorp acquisition. The second quarter 2005 net interest margin on a taxable equivalent basis was 4.84 percent, compared to 4.90 percent for the prior quarter and 5.21 percent for the second quarter of 2004. The reduced net interest margin primarily resulted from time deposit and wholesale funding costs rising more than earning asset yields.

The provision for loan losses was \$300 thousand for the second quarter of 2005 unchanged from the prior quarter and down from \$750 thousand for the second quarter of 2004. Net charge-offs for the second quarter of 2005 totaled \$297 thousand, or 0.04 percent (annualized) of average loans compared to 0.11 percent (annualized) of average loans for the second quarter of 2004. Non-performing loans and repossessed loan collateral at June 30, 2005 totaled \$7.8 million, down from \$8.4 million at March 31, 2005.

Noninterest income for the second quarter of 2005 was \$15.5 million, compared to \$7.2 million for the previous quarter and \$11.7 million for the second quarter of 2004. Of the \$8.3 million increase over the first quarter:

* \$1.8 million is attributable to higher operating revenues, including merchant credit card income primarily from the acquired Redwood Empire Bancorp (\$1.1 million increase), higher service charges on deposit accounts primarily due to the higher post-acquisition deposit base (\$615 thousand increase), and higher debit card income (\$114 thousand increase).

* \$1.3 million is attributable to the property sale gain in the second quarter 2005, and

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* \$4.9 million is attributable to securities losses realized in the first quarter to manage the Company's interest rate risk position taking into consideration the acquisition of Redwood Empire Bancorp.

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The \$3.8 million increase in noninterest income over the second quarter 2004 is attributable to higher revenues from merchant credit card income (\$1.5 million increase), higher service charges on deposit accounts (\$182 thousand increase), higher debit card income (\$173 thousand increase), and the property sale gain (\$1.3 million).

Noninterest expense for the second quarter of 2005 totaled \$26.8 million, increased from \$25.1 million for the first quarter, and up from \$25.0 million for the second quarter of 2004. Comparing the second quarter of 2005 to the first quarter, higher personnel costs, amortization of intangible assets, and occupancy and equipment expense were offset in part by lower professional fees. Comparing the second quarter of 2005 to the second quarter of 2004, the increase in noninterest expense was primarily due to higher personnel costs, amortization of intangible assets, and occupancy and equipment expense. The second quarter 2005 efficiency ratio (expenses divided by revenues) was 36.9 percent, compared to 40.4 percent for the prior quarter and 37.9 percent for the second quarter of 2004.

Shareholders' equity at June 30, 2005 was \$440 million, slightly increased from \$438 million at March 31, 2005. The Company's total regulatory capital ratio increased to 10.4 percent at June 30, 2005 from 10.3 percent at March 31, 2005; both measurements exceed the "well-capitalized" level of 10 percent under regulatory requirements.

Westamerica Bancorporation, through its wholly owned subsidiary Westamerica Bank, operates 89 branches throughout 22 Northern and Central California counties. At June 30, 2005, the Company's total assets and total loans outstanding were \$5.2 billion and \$2.7 billion, respectively.

Westamerica Bancorporation Web Address: www.westamerica.com

For additional information contact:

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

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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

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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, 2005 and Form 10-K for the year ended December 31, 2004, 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 Redwood Empire Bancorp 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
FINANCIAL HIGHLIGHTS
June 30, 2005

Public Information July 19, 2005

1. Net Income Summary.

(dollars in thousands except per-share data)

	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Net Interest Income (Fully Taxable Equivalent)	\$57,023	\$54,271	5.1%	\$55,019	3.6%	\$112,000
2. Loan Loss Provision	300	750	-60.0%	300	0.0%	
3. Noninterest Income:						
4. Investment Securities (Loss/Impairment) Gains	0	395	n/m	(4,903)	n/m	(4,903)
5. Loss on Extinguishment of Debt	0	(390)	n/m	0	n/m	
6. Other	15,479	11,656	32.8%	12,098	27.9%	27,000
7. Total Noninterest Income	15,479	11,661	32.7%	7,195	115.1%	22,000
8. Noninterest Expense	26,757	24,990	7.1%	25,140	6.4%	51,000
9. Income Tax Provision (FTE)	17,531	15,548	12.8%	14,041	24.9%	31,000
10. Net Income	\$27,914	\$24,644	13.3%	\$22,733	22.8%	\$50,000
11. Average Shares Outstanding	32,759	31,760	3.1%	32,022	2.3%	32,000
12. Diluted Average Shares Outstanding	33,364	32,343	3.2%	32,680	2.1%	33,000
13. Operating Ratios:						
14. Basic Earnings Per Share	\$0.85	\$0.78	9.8%	\$0.71	20.0%	\$1.00
15. Diluted Earnings Per Share	0.84	0.76	9.8%	0.70	20.3%	1.00
16. Return On Assets	2.17%	2.21%		1.90%		2.00%
17. Return On Equity	26.0%	31.1%		24.7%		26.0%
18. Net Interest Margin (FTE)	4.84%	5.21%		4.90%		4.80%

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19. Efficiency Ratio (FTE)	36.9%	37.9%		40.4%		3
20.Dividends Paid Per Share	\$0.30	\$0.28	7.1%	\$0.30	0.0%	\$0
21.Dividend Payout Ratio	36%	37%		43%		

2. Net Interest Income.

	(dollars in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Interest and Fee Income (FTE)	\$67,769	\$58,868	15.1%	\$63,376	6.9%	\$131,
2. Interest Expense	10,746	4,597	133.8%	8,357	28.6%	19,
3. Net Interest Income (FTE)	\$57,023	\$54,271	5.1%	\$55,019	3.6%	\$112,
4. Average Earning Assets	\$4,719,635	\$4,177,358	13.0%	\$4,518,930	4.4%	\$4,619,
5. Average Interest-Bearing Liabilities	3,304,766	2,868,615	15.2%	3,132,418	5.5%	3,218,
6. Yield on Earning Assets (FTE)	5.75%	5.65%		5.65%		5
7. Cost of Funds	0.91%	0.44%		0.75%		0
8. Net Interest Margin (FTE)	4.84%	5.21%		4.90%		4
9. Interest Expense/Interest-Bearing Liabilities	1.30%	0.64%		1.08%		1
10.Net Interest Spread (FTE)	4.45%	5.01%		4.57%		4

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3. Loans & Other Earning Assets.

	(average volume, dollars in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Total Assets	\$5,170,029	\$4,482,261	15.3%	\$4,864,633	6.3%	\$5,017,
2. Total Earning Assets	4,719,635	4,177,358	13.0%	4,518,930	4.4%	4,619,
3. Total Loans	2,670,662	2,268,989	17.7%	2,374,710	12.5%	2,522,
4. Commercial Loans	724,681	623,688	16.2%	642,461	12.8%	683,
5. Commercial Real Estate Loans	956,931	779,408	22.8%	809,807	18.2%	883,
6. Consumer Loans	989,050	865,893	14.2%	922,442	7.2%	955,
7. Total Investment Securities	2,048,973	1,908,369	7.4%	2,144,220	-4.4%	2,096,
8. Available For Sale (Market Value)	710,960	1,092,295	-34.9%	854,585	-16.8%	782,
9. Held To Maturity	1,338,013	816,074	64.0%	1,289,635	3.8%	1,314,
10. HTM Unrealized (Loss)	8,529	(11,265)	n/m	(13,664)	n/m	8,

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	Gain at Period-End				
11.Loans / Deposits	68.4%	65.0%	63.9%	63.9%	63.9%

4. Deposits & Other Interest-Bearing Liabilities.

	(average volume, dollars in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04		Q2'05 / Q1'05	
			Q1'05	Q1'05	6/30'05	6/30'05
1. Total Deposits	\$3,906,875	\$3,489,250	12.0%	\$3,716,554	5.1%	\$3,811,000
2. Noninterest Demand	1,387,984	1,256,128	10.5%	1,314,485	5.6%	1,351,000
3. Interest-Bearing Transaction	633,645	574,854	10.2%	610,152	3.9%	621,000
4. Savings	1,130,024	1,044,943	8.1%	1,114,421	1.4%	1,122,000
5. Other Time >\$100K	448,104	339,773	31.9%	406,034	10.4%	427,000
6. Other Time <\$100K	307,118	273,552	12.3%	271,462	13.1%	289,200
7. Total Short-Term Borrowings	745,499	614,065	21.4%	703,468	6.0%	724,000
8. Fed Funds Purchased	585,205	323,953	80.6%	551,080	6.2%	568,000
9. Other Short-Term Funds	160,294	290,112	-44.7%	152,388	5.2%	156,000
10.FHLB Debt	0	0	n/m	0	n/m	
11.Long-Term Debt	40,376	21,428	88.4%	26,881	50.2%	33,000
12.Shareholders' Equity	430,796	318,560	35.2%	373,627	15.3%	402,000
13.Demand Deposits / Total Deposits	35.5%	36.0%		35.4%		35.4%
14.Transaction & Savings Deposits / Total Deposits	80.7%	82.4%		81.8%		81.8%

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5. Interest Yields Earned & Rates Paid.

	(dollars in thousands)					
	Q2'05			Q1'05		
	Average Volume	Income/ Expense	Yield/ Rate	Yield/ Rate	Average Volume	Income/ Expense
1. Interest Income Earned to:						
2. Total Earning Assets (FTE)	\$4,719,635	\$67,769	5.75%	5.65%	\$4,177,358	\$58,000
3. Total Loans (FTE)	2,670,662	41,347	6.21%	6.21%	2,268,989	34,000
4. Commercial Loans (FTE)	724,681	12,498	6.88%	6.66%	623,688	9,000
5. Commercial Real Estate Loans	956,931	16,905	7.09%	7.39%	779,408	14,000
6. Consumer Loans	989,050	11,944	4.90%	4.82%	865,893	10,000
7. Total Investment Securities (FTE)	2,048,973	26,422	5.16%	5.04%	1,908,369	24,000
8. Interest Expense Paid to:						

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9.	Total Earning Assets	4,719,635	10,746	0.91%	0.75%	4,177,358	4,
10.	Total Interest-Bearing Liabilities	3,304,766	10,746	1.30%	1.08%	2,868,615	4,
11.	Total Interest-Bearing Deposits	2,518,891	5,454	0.87%	0.74%	2,233,122	2,
12.	Interest-Bearing Transaction Savings	633,645	340	0.22%	0.17%	574,854	
13.	Other Time <\$100K	1,130,024	970	0.34%	0.31%	1,044,943	
14.	Other Time >\$100K	307,118	1,542	2.01%	1.85%	273,552	
15.	Total Short-Term Borrowings	448,104	2,602	2.33%	1.99%	339,773	
16.	Fed Funds Purchased	745,499	4,655	2.47%	2.03%	614,065	1,
17.	Other Short-Term Funds	585,205	4,379	2.96%	2.47%	323,953	
18.	FHLB Debt	160,294	276	0.69%	0.43%	290,112	
19.	Long-Term Debt	0	0	0.00%	0.00%	0	
20.		40,376	637	6.31%	6.40%	21,428	
21.	Net Interest Income and Margin (FTE)		\$57,023	4.84%	4.90%		\$54,

6. Noninterest Income.

(dollars in thousands)

	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Service Charges on Deposit Accounts	\$7,542	\$7,360	2.5%	\$6,927	8.9%	\$14,
2. Merchant Credit Card Income	2,417	909	165.9%	1,298	86.2%	3,
3. ATM Fees & Interchange	709	643	10.3%	624	13.6%	1,
4. Debit Card Fees	811	638	27.1%	697	16.4%	1,
5. Financial Services Fees	339	360	-5.8%	279	21.5%	
6. Mortgage Banking Income	67	131	-48.9%	100	-33.0%	
7. Trust Fees	309	258	19.8%	273	13.2%	
8. Other Income	3,285	1,357	142.1%	1,900	72.9%	5,
9. Sub-total	15,479	11,656	32.8%	12,098	27.9%	27,
10. Investment Securities Gains (Losses)	0	395	n/m	(4,903)	n/m	(4,
11. Loss on Extinguishment Debt	0	(390)	n/m	0	n/m	
12. Total Noninterest Income	\$15,479	\$11,661	32.7%	\$7,195	115.1%	\$22,
13. Operating Ratios:						
14. Total Revenue (FTE)	\$72,502	\$65,932	10.0%	\$62,214	16.5%	\$134,
15. Noninterest Income / Revenue (FTE)	21.3%	17.7%		11.6%		1
16. Service Charges / Deposits (annualized)	0.77%	0.85%		0.76%		0
17. Total Revenue Per Share (annualized)	\$8.88	\$8.35	6.3%	\$7.88	12.7%	\$8

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7. Noninterest Expense.

	(dollars in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Salaries & Benefits	\$13,624	\$13,332	2.2%	\$13,160	3.5%	\$26,624
2. Occupancy	3,230	2,944	9.7%	2,952	9.4%	6,116
3. Equipment	1,313	1,273	3.1%	1,230	6.7%	2,756
4. Data Processing	1,539	1,521	1.2%	1,548	-0.6%	3,110
5. Courier	964	888	8.6%	926	4.1%	1,818
6. Postage	376	364	3.3%	422	-10.9%	842
7. Telephone	553	535	3.4%	528	4.7%	1,056
8. Professional Fees	604	511	18.2%	720	-16.1%	1,385
9. Stationery & Supplies	304	309	-1.6%	348	-12.6%	691
10. Loan Expense	232	295	-21.4%	204	13.7%	431
11. Merchant Card Expense	263	268	-1.9%	258	1.9%	519
12. Operational Losses	200	238	-16.0%	190	5.3%	388
13. Amortization of Identifiable Intangibles	1,092	136	n/m	405	n/m	1,533
14. Other Operating	2,463	2,376	3.7%	2,249	9.5%	4,788
15. Total Noninterest Expense	\$26,757	\$24,990	7.1%	\$25,140	6.4%	\$51,927
16. Full Time Equivalent Staff	974	995	-2.1%	963	1.1%	1,932
17. Average Assets / Full Time Equivalent Staff	\$5,308	\$4,505	17.8%	\$5,052	5.1%	\$5,180
18. Operating Ratios:						
19. FTE Revenue / Full Time Equivalent Staff (annualized)	\$299	\$267	12.0%	\$262	14.0%	\$521
20. Noninterest Expense / Earning Assets (annualized)	2.27%	2.41%		2.26%		2.44%
21. Noninterest Expense / Revenues	36.9%	37.9%		40.4%		38.1%

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8. Loan Loss Provision.

	(dollars in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
1. Loan Loss Provision	\$300	\$750	-60.0%	\$300	0.0%	\$300

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2. Gross Loan Losses	754	1,324	-43.1%	599	25.9%	1,
3. Net Loan (Recoveries) Losses	297	636	-53.3%	(194)	n/m	
4. Recoveries/Gross Losses	61%	52%		132%		
5. Average Total Loans	\$2,670,662	\$2,268,989	17.7%	\$2,374,710	12.5%	\$2,522,
6. Net Loan (Recoveries) Losses / Loans (annualized)	0.04%	0.11%		-0.03%		0
7. Loan Loss Provision / Loans (annualized)	0.05%	0.13%		0.05%		0
8. Loan Loss Provision / Net Loan Losses (Recoveries)	101.0%	117.9%		-154.6%		58

9. Credit Quality.

(dollars in thousands)

	6/30/05	6/30/04	6/30/05 / 6/30/04	3/31/05	6/30/05 / 3/31/05	12/31/04
1. Nonperforming Nonaccrual Loans	\$1,560	\$4,695	-66.8%	\$1,766	-11.7%	\$2,100
2. Performing Nonaccrual Loans	6,072	2,233	171.9%	6,550	-7.3%	4,000
3. Total Nonaccrual Loans	7,632	6,928	10.2%	8,316	-8.2%	7,000
4. Accruing Loans 90+ Days Past Due	84	202	-58.4%	107	n	0
5. Total Nonperforming Loans	7,716	7,130	8.2%	8,423	-8.4%	7,000
6. Repossessed Collateral	40	0	n/m	0	n/m	0
7. Total Nonperforming Loans & 8. Repossessed Collateral	\$7,756	\$7,130	8.8%	\$8,423	-7.9%	\$7,000
9. Classified Loans	\$37,615	\$21,495	75.0%	\$35,258	6.7%	\$19,000
10. Allowance for Loan Losses	\$59,862	\$53,949	11.0%	\$59,859	0.0%	\$54,000
11. Total Loans Outstanding	2,687,566	2,319,255	15.9%	2,708,052	-0.8%	2,300,000
12. Total Assets	5,191,093	4,611,811	12.6%	5,192,111	-0.0%	4,737,000
13. Allowance for Loan Losses / Total Loans	2.23%	2.33%		2.21%		2
14. Nonperforming Loans / Total Loans	0.29%	0.31%		0.31%		0
15. Nonperforming Loans & Repossessed 16. Assets/Total Assets	0.15%	0.15%		0.16%		0
17. Allowance/Nonperforming Loans	776%	757%		711%		
18. Allowance for Loan Losses / Classified Loans	159%	251%		170%		
19. Classified Loans / 20. (Equity + Allowance for Loan Losses)	7.5%	5.6%		7.1%		

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10.Capital.

(dollars in thousands, except per-share amounts)						
	6/30/05	6/30/04	6/30/05 / 6/30/04	3/31/05	6/30/05 / 3/31/05	12/31/04
1. Shareholders' Equity	\$439,617	\$329,795	33.3%	\$437,575	0.5%	\$358,000
2. Tier I Regulatory Capital	299,003	309,037	-3.2%	297,791	0.4%	327,000
3. Total Regulatory Capital	342,967	350,834	-2.2%	342,146	0.2%	367,000
4. Total Assets	5,191,093	4,611,811	12.6%	5,192,111	-0.0%	4,737,000
5. Risk-Adjusted Assets	3,307,055	2,979,145	11.0%	3,329,316	-0.7%	2,948,000
6. Shareholders' Equity / Total Assets	8.47%	7.15%		8.43%		7.7%
7. Shareholders' Equity / Total Loans	16.36%	14.22%		16.16%		15.0%
8. Tier I Capital /Total Assets	5.76%	6.70%		5.74%		6.0%
9. Tier I Capital / Risk-Adjusted Assets	9.04%	10.37%		8.94%		11.0%
10.Total Capital / Risk-Adjusted Assets	10.37%	11.78%		10.28%		12.0%
11.Shares Outstanding	32,593	31,784	2.5%	32,939	-1.1%	31,000
12.Book Value Per Share (\$)	\$13.49	\$10.38	30.0%	\$13.28	1.5%	\$11.00
13.Market Value Per Share (\$)	52.81	52.45	0.7%	51.77	2.0%	58.00
14.Share Repurchase Programs	(shares in thousands)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05
15.Total Shares Repurchased / Canceled	490	154	218.2%	373	31.4%	300
16. Average Repurchase Price	\$51.31	\$49.17	4.4%	\$54.59	-6.0%	\$52.00
17.Net Shares (Issued) Repurchased	346	3	n/m	(1,299)	n/m	(1,000)

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11.Period-End Balance Sheets.

(dollars in thousands)						
	6/30/05	6/30/04	6/30/05 / 6/30/04	3/31/05	6/30/05 / 3/31/05	12/31/04
1. Assets:						
2. Cash and Money Market Assets	\$195,289	\$186,056	5.0%	\$168,881	15.6%	\$126,000

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3.	Investment Securities Available For Sale	691,609	1,024,798	-32.5%	719,097	-3.8%	931,
4.	Investment Securities Held to Maturity	1,349,555	960,522	40.5%	1,331,870	1.3%	1,260,
5.	Loans, gross	2,687,566	2,319,255	15.9%	2,708,052	-0.8%	2,300,
6.	Allowance For Loan Losses	(59,862)	(53,949)	11.0%	(59,859)	0.0%	(54,
7.	Loans, net	2,627,704	2,265,306	16.0%	2,648,193	-0.8%	2,246,
8.							
9.	Premises and Equipment	34,864	35,343	-1.4%	35,586	-2.0%	35,
10.	Identifiable Intangible Assets	28,297	3,166	n/m	29,389	n/m	2,
11.	Goodwill	124,122	18,996	n/m	127,503	n/m	18,
12.	Interest Receivable and Other Assets	139,653	117,624	18.7%	131,592	6.1%	114,
13.	Total Assets	\$5,191,093	\$4,611,811	12.6%	\$5,192,111	-0.0%	\$4,737,
14.	Liabilities and Shareholders' Equity:						
15.	Deposits:						
16.	Noninterest Bearing	\$1,377,680	\$1,272,278	8.3%	\$1,371,819	0.4%	\$1,273,
17.	Interest-Bearing Transaction	614,246	569,575	7.8%	626,693	-2.0%	591,
18.	Savings	1,114,631	1,072,701	3.9%	1,166,858	-4.5%	1,091,
19.	Time	726,283	590,875	22.9%	773,473	-6.1%	626,
20.	Total Deposits	3,832,840	3,505,429	9.3%	3,938,843	-2.7%	3,583,
21.	Short-Term Borrowed Funds	828,280	712,553	16.2%	710,530	16.6%	735,
22.	FHLB Debt	0	0	n/m	0	n/m	
23.	Debt Financing and	40,354	21,429	88.3%	40,391	-0.1%	21,
24.	Notes Payable						
25.	Liability For Interest, Taxes and Other	50,002	42,605	17.4%	64,772	-22.8%	38,
26.	Total Liabilities	4,751,476	4,282,016	11.0%	4,754,536	-0.1%	4,378,
27.	Shareholders' Equity:						
28.	Paid-In Capital	\$319,103	\$224,042	42.4%	\$319,438	-0.1%	\$229,
29.	Unrealized Gain (Loss) on Investment Securities						
30.	Available For Sale	8,185	(1,416)	n/m	3,511	133.1%	9,
31.	Retained Earnings	112,329	107,169	4.8%	114,626	-2.0%	118,
32.	Total Shareholders' Equity	439,617	329,795	33.3%	437,575	0.5%	358,
33.	Total Liabilities and Shareholders' Equity	\$5,191,093	\$4,611,811	12.6%	\$5,192,111	-0.0%	\$4,737,

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12. Income Statements.

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	(dollars in thousands, except per-share amounts)					
	Q2'05	Q2'04	Q2'05 / Q2'04	Q1'05	Q2'05 / Q1'05	6/30'05

1. Interest and Fee Income:						
2. Loans	\$39,941	\$33,403	19.6%	\$34,933	14.3%	\$74,
3. Money Market Assets and Funds Sold	1	0	n/m	0	n/m	
4. Investment Securities Available For Sale	8,073	11,679	-30.9%	9,469	-14.7%	17,
5. Investment Securities Held to Maturity	13,441	8,189	64.1%	12,901	4.2%	26,
6. Total Interest Income	61,456	53,271	15.4%	57,303	7.2%	118,

7. Interest Expense:						
8. Transaction Deposits	340	124	174.2%	263	29.3%	
9. Savings Deposits	970	992	-2.2%	863	12.4%	1,
10. Time Deposits	4,144	1,878	120.7%	3,231	28.3%	7,
11. Short-Term Borrowed Funds	4,655	1,285	262.3%	3,570	30.4%	8,
12. Federal Home Loan Bank Advances	0	2	n/m	0	n/m	
13. Debt Financing and Notes Payable	637	316	101.6%	430	48.1%	1,
14. Total Interest Expense	10,746	4,597	133.8%	8,357	28.6%	19,

15. Net Interest Income	50,710	48,674	4.2%	48,946	3.6%	99,

16. Provision for Loan Losses	300	750	-60.0%	300	0.0%	

17. Noninterest Income:						
18. Service Charges on Deposit Accounts	7,542	7,360	2.5%	6,927	8.9%	14,
19. Merchant Credit Card	2,417	909	165.9%	1,298	86.2%	3,
20. Financial Services Commissions	339	360	-5.8%	279	21.5%	
21. Mortgage Banking	67	131	-48.9%	100	-33.0%	
22. Trust Fees	309	258	19.8%	273	13.2%	
23. Securities Gains (Losses)	0	395	n/m	(4,903)	n/m	(4,
24. Loss on Extinguishment of Debt	0	(390)	n/m	0	n/m	
25. Other	4,805	2,638	82.1%	3,221	49.2%	8,
26. Total Noninterest Income	15,479	11,661	32.7%	7,195	115.1%	22,

27. Noninterest Expense:						
28. Salaries and Related Benefits	13,624	13,332	2.2%	13,160	3.5%	26,
29. Occupancy	3,230	2,944	9.7%	2,952	9.4%	6,
30. Equipment	1,313	1,273	3.1%	1,230	6.7%	2,
31. Data Processing	1,539	1,521	1.2%	1,548	-0.6%	3,
32. Professional Fees	604	511	18.2%	720	-16.1%	1,
33. Other	6,447	5,409	19.2%	5,530	16.6%	11,
34. Total Noninterest Expense	26,757	24,990	7.1%	25,140	6.4%	51,

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35. Income Before Income Taxes	39,132	34,595	13.1%	30,701	27.5%	69,
36. Provision for Income Taxes	11,218	9,951	12.7%	7,968	40.8%	19,
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37. Net Income	\$27,914	\$24,644	13.3%	\$22,733	22.8%	\$50,
	=====	=====		=====		=====
38. Average Shares Outstanding	32,759	31,760	3.1%	32,022	2.3%	32,
39. Diluted Average Shares Outstanding	33,364	32,343	3.2%	32,680	2.1%	33,
40. Per Share Data:						
41. Basic Earnings	\$0.85	\$0.78	9.8%	\$0.71	20.0%	\$1
42. Diluted Earnings	0.84	0.76	9.8%	0.70	20.3%	1
43. Dividends Paid	0.30	0.28	7.1%	0.30	0.0%	0