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Exhibits

99.1 Press release dated January 18, 2007

Item 2.02: Results of Operations and Financial Condition

On January 18, 2007 Westamerica Bancorporation announced their annual earnings for 2006. 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/ JOHN "ROBERT" THORSON

John "Robert" Thorson
Senior Vice President and Chief Financial Officer
January 19, 2007

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| Exhibit No. | Description | Sequentially Number Page |
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| (99.1) | Press release dated January 18, 2007 | 5-15 |

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FOR IMMEDIATE RELEASE
January 18, 2007

WESTAMERICA BANCORPORATION REPORTS ANNUAL EARNINGS

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San Rafael, CA: Westamerica Bancorporation (NASDAQ: WABC), parent company of Westamerica Bank, today reported net income for the year ended December 31, 2006 of \$98.8 million, compared to \$106.0 million for 2005. Diluted earnings per share (EPS) for 2006 were \$3.11, compared to \$3.22 for the year 2005. Return on shareholders' equity for the year 2006 was 23.4 percent and return on assets was 2.01 percent, compared to 25.7 percent and 2.09 percent, respectively, for the year 2005. For the year 2006, shareholder dividends totaled \$1.30 per share, a seven percent increase over \$1.22 per share for the prior year.

Net income for the fourth quarter 2006 totaled \$24.0 million, or EPS of \$0.77, compared to net income of \$24.2 million and EPS of \$0.77 for the third quarter 2006. Fourth quarter 2006 results also compare to EPS of \$0.83 for the fourth quarter 2005, which included company owned life insurance proceeds, which increased EPS \$0.01.

"Fourth quarter 2006 results benefited from strength in merchant card processing and debit card fees, and cost containment," said Chairman, President and CEO David Payne. "During the fourth quarter, we continued to focus our sales efforts on gathering noninterest bearing demand deposits to support our net interest margin. Our cost of funds rose just 0.07 percent in spite of fierce competition for deposits. As a result, our net interest margin was 4.49 percent, well within the top-tier for the banking industry. Our efficiency ratio remains low at 39.0 percent, and our credit quality remained stable. Westamerica generated a 23 percent return on our shareholders' equity for the fourth quarter 2006," continued Payne.

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Net interest income on a fully taxable equivalent basis was \$49.0 million in the fourth quarter of 2006 compared to \$50.2 million in the prior quarter and \$55.8 million in the same quarter a year ago. The fourth quarter 2006 net interest margin on a taxable equivalent basis was 4.49 percent, compared to 4.54 percent for the previous quarter and 4.80 percent for the fourth quarter of 2005. For the full year 2006, net interest income and the net interest margin on a fully taxable equivalent basis were \$204.7 million and 4.57 percent, compared to \$223.9 million and 4.82 percent, respectively, for 2005.

The provision for credit losses was \$70 thousand for the fourth quarter of 2006, compared to \$75 thousand for the previous quarter and \$150 thousand for the year ago quarter. The level of the credit loss provision reflects management's assessment of credit risk for the loan portfolio.

Noninterest income in the fourth quarter of 2006 totaled \$13.7 million, compared to \$13.9 million reported for the previous quarter and \$14.4 million reported for the year ago quarter. The decrease from the prior quarter is primarily attributable to lower deposit service charges offset in part by higher merchant card processing fees. The decrease from the year ago quarter is due to lower deposit service charges and life insurance proceeds of \$355 thousand recognized in the fourth quarter 2005. For the full year 2006, noninterest income increased to \$55.3 million from \$54.5 million for 2005. The \$800 thousand annual increase is attributable to higher merchant card processing and debit card fees offset in part by lower deposit service charges. Noninterest income for 2005 includes a \$4.9 million securities loss, \$3.7 million in gains from the sale of real estate, and \$945 thousand in company owned life insurance proceeds, which combined to reduce noninterest income by \$260 thousand.

Noninterest expense for the fourth quarter of 2006 totaled \$24.5 million compared to \$25.4 million in the prior quarter and \$27.0 million in the year ago quarter. The decrease from the prior quarter is primarily attributable to lower personnel, occupancy, and other expenses offset in part by higher operational losses. The decrease from the year ago quarter is primarily attributable to

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lower personnel and telephone expenses. For the full year 2006, noninterest expense was \$101.7 million, down five percent from \$107.3 million for 2005. The decrease is primarily attributable to lower personnel, telephone and insurance expenses, offset in part by higher amortization of intangible assets due to the acquisition of Redwood Empire Bancorp on March 1, 2005.

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Shareholders' equity was \$424 million at December 31, 2006, and the equity-to-asset ratio was 8.9 percent. At December 31, 2006, there were approximately 1.4 million shares remaining to purchase under the Company's existing share repurchase program. At December 31, 2006, the Company's assets totaled \$4.8 billion and loans outstanding totaled \$2.5 billion.

Westamerica Bancorporation, through its wholly owned subsidiary Westamerica Bank, operates 87 branches throughout 21 Northern and Central California counties.

Westamerica Bancorporation Web Address: www.westamerica.com

For additional information contact:

Westamerica Bancorporation
Robert A. Thorson - SVP & Chief Financial Officer
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 September 30, 2006 and Form 10-K for the year ended December 31, 2005, 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, and 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

Public Information January 18, 2007

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December 31, 2006

1. Net Income Summary.

| | (dollars in thousands except per-share data) | | | | | |
|---|--|----------|------------------|----------|------------------|-----|
| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
| | | | | | | |
| 1 Net Interest Income (Fully Taxable Equivalent) | \$49,029 | \$55,830 | -12.2% | \$50,197 | -2.3% | |
| 2 Provision for Credit Losses | 70 | 150 | -53.3% | 75 | -6.7% | |
| 3 Noninterest Income: | | | | | | |
| 4 Investment Securities (Loss/Impairment) Gains | 0 | 0 | n/m | 0 | n/m | |
| 5 Gains on Sales of Real Property | 0 | 0 | n/m | 0 | n/m | |
| 6 Other | 13,747 | 14,427 | -4.7% | 13,899 | -1.1% | |
| 7 Total Noninterest Income | 13,747 | 14,427 | -4.7% | 13,899 | -1.1% | |
| 8 Noninterest Expense | 24,492 | 26,980 | -9.2% | 25,403 | -3.6% | |
| 9 Income Tax Provision (FTE) | 14,256 | 16,003 | -10.9% | 14,381 | -0.9% | |
| 10 Net Income | \$23,958 | \$27,124 | -11.7% | \$24,237 | -1.2% | |
| 11 Average Shares Outstanding | 30,699 | 32,029 | -4.2% | 31,070 | -1.2% | |
| 12 Diluted Average Shares Outstanding | 31,204 | 32,572 | -4.2% | 31,558 | -1.1% | |
| 13 Operating Ratios: | | | | | | |
| 14 Basic Earnings Per Share | \$0.78 | \$0.85 | -7.8% | \$0.78 | 0.0% | |
| 15 Diluted Earnings Per Share | 0.77 | 0.83 | -7.8% | 0.77 | -0.0% | |
| 16 Return On Assets | 1.98% | 2.11% | | 1.98% | | |
| 17 Return On Equity | 22.8% | 25.5% | | 22.7% | | |
| 18 Net Interest Margin (FTE) | 4.49% | 4.80% | | 4.54% | | |
| 19 Efficiency Ratio (FTE) | 39.0% | 38.4% | | 39.6% | | |
| 20 Dividends Paid Per Share | \$0.34 | \$0.32 | 6.3% | \$0.32 | 6.3% | |
| 21 Dividend Payout Ratio | 44% | 38% | | 42% | | |

2. Net Interest Income.

| | (dollars in thousands) | | | | | |
|---------------------------------|------------------------|----------|------------------|----------|------------------|-----|
| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
| | | | | | | |
| 1 Interest and Fee Income (FTE) | \$66,511 | \$68,349 | -2.7% | \$67,185 | -1.0% | |
| 2 Interest Expense | 17,482 | 12,519 | 39.6% | 16,988 | 2.9% | |
| 3 Net Interest Income (FTE) | \$49,029 | \$55,830 | -12.2% | \$50,197 | -2.3% | |

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| | | | | | | |
|---|-------------|-------------|-------|-------------|-------|-----|
| 4 Average Earning Assets | \$4,366,676 | \$4,639,319 | -5.9% | \$4,419,609 | -1.2% | \$4 |
| 5 Average Interest-Bearing Liabilities | 2,975,221 | 3,168,720 | -6.1% | 3,045,282 | -2.3% | 3 |
| 6 Yield on Earning Assets (FTE) | 6.07% | 5.87% | | 6.05% | | |
| 7 Cost of Funds | 1.58% | 1.07% | | 1.51% | | |
| 8 Net Interest Margin (FTE) | 4.49% | 4.80% | | 4.54% | | |
| 9 Interest Expense/Interest-Bearing Liabilities | 2.32% | 1.56% | | 2.20% | | |
| 10 Net Interest Spread (FTE) | 3.75% | 4.31% | | 3.85% | | |

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3. Loans & Other Earning Assets.

| | (average volume, dollars in thousands) | | | | | |
|--|--|-------------|---------------|-------------|---------------|-----|
| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
| 1 Total Assets | \$4,793,700 | \$5,089,078 | -5.8% | \$4,846,286 | -1.1% | \$4 |
| 2 Total Earning Assets | 4,366,676 | 4,639,319 | -5.9% | 4,419,609 | -1.2% | 4 |
| 3 Total Loans | 2,547,524 | 2,616,813 | -2.6% | 2,555,472 | -0.3% | 2 |
| 4 Commercial Loans | 637,194 | 698,375 | -8.8% | 654,179 | -2.6% | |
| 5 Commercial Real Estate Loans | 915,578 | 921,141 | -0.6% | 913,919 | 0.2% | |
| 6 Consumer Loans | 994,752 | 997,297 | -0.3% | 987,373 | 0.7% | |
| 7 Total Investment Securities | 1,819,152 | 2,022,506 | -10.1% | 1,864,137 | -2.4% | 1 |
| 8 Available For Sale (Market Value) | 630,827 | 670,499 | -5.9% | 636,480 | -0.9% | |
| 9 Held To Maturity | 1,188,325 | 1,352,007 | -12.1% | 1,227,657 | -3.2% | 1 |
| 10 HTM Unrealized (Loss) at Period-End | (9,356) | (13,434) | n/m | (6,777) | n/m | |
| 11 Loans / Deposits | 71.7% | 67.1% | | 70.9% | | |

4. Deposits & Other Interest-Bearing Liabilities.

| | (average volume, dollars in thousands) | | | | | |
|--------------------------------|--|-------------|---------------|-------------|---------------|-----|
| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
| 1 Total Deposits | \$3,553,379 | \$3,898,859 | -8.9% | \$3,602,565 | -1.4% | \$3 |
| 2 Noninterest Demand | 1,332,213 | 1,435,193 | -7.2% | 1,311,786 | 1.6% | 1 |
| 3 Interest-Bearing Transaction | 593,236 | 655,109 | -9.4% | 602,996 | -1.6% | |
| 4 Savings | 896,538 | 1,073,971 | -16.5% | 943,396 | -5.0% | |
| 5 Other Time >\$100K | 505,390 | 470,016 | 7.5% | 509,741 | -0.9% | |
| 6 Other Time <\$100K | 226,002 | 264,570 | -14.6% | 234,646 | -3.7% | |
| 7 Total Short-Term Borrowings | 717,114 | 664,752 | 7.9% | 717,524 | -0.1% | |
| 8 Fed Funds Purchased | 517,913 | 480,649 | 7.8% | 485,095 | 6.8% | |

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| | | | | | | |
|----|--|---------|---------|-------|---------|--------|
| 9 | Other Short-Term Funds | 199,201 | 184,103 | 8.2% | 232,429 | -14.3% |
| 10 | Long-Term Debt | 36,941 | 40,302 | -8.3% | 36,978 | -0.1% |
| 11 | Shareholders' Equity | 417,597 | 421,536 | -0.9% | 422,735 | -1.2% |
| 12 | Demand Deposits / Total Deposits | 37.5% | 36.8% | | 36.4% | |
| 13 | Transaction & Savings Deposits / Total Deposits | 79.4% | 81.2% | | 79.3% | |

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5. Interest Yields Earned & Rates Paid.

(dollars in thousands)

| | Q4'06 | | | Q3'06 | | |
|----|---------------------------------------|--------------------|----------------|----------------|-------------------|-------------|
| | Average Volume | Income/ Expense | Yield/ Rate | Yield/ Rate | Average Volume | |
| 1 | Interest & Fees Income Earned | | | | | |
| 2 | Total Earning Assets (FTE) | \$4,366,676 | \$66,511 | 6.07% | 6.05% | \$4,639,319 |
| 3 | Total Loans (FTE) | 2,547,524 | 42,449 | 6.61% | 6.61% | 2,616,813 |
| 4 | Commercial Loans (FTE) | 637,194 | 12,810 | 7.69% | 7.74% | 698,375 |
| 5 | Commercial Real Estate Loans | 915,578 | 16,361 | 7.09% | 7.12% | 921,141 |
| 6 | Consumer Loans | 994,752 | 13,278 | 5.41% | 5.36% | 997,297 |
| 7 | Total Investment Securities (FTE) | 1,819,152 | 24,062 | 5.29% | 5.28% | 2,022,506 |
| 8 | Interest Expense Paid | | | | | |
| 9 | Total Earning Assets | 4,366,676 | 17,482 | 1.58% | 1.52% | 4,639,319 |
| 10 | Total Interest-Bearing Liabilities | 2,975,221 | 17,482 | 2.32% | 2.20% | 3,168,720 |
| 11 | Total Interest-Bearing Deposits | 2,221,166 | 9,282 | 1.66% | 1.56% | 2,463,666 |
| 12 | Interest-Bearing Transaction | 593,236 | 486 | 0.32% | 0.28% | 655,109 |
| 13 | Savings | 896,538 | 1,203 | 0.53% | 0.49% | 1,073,971 |
| 14 | Other Time <\$100K | 226,002 | 1,772 | 3.11% | 2.91% | 264,570 |
| 15 | Other Time >\$100K | 505,390 | 5,821 | 4.57% | 4.43% | 470,016 |
| 16 | Total Short-Term Borrowings | 717,114 | 7,622 | 4.16% | 4.04% | 664,752 |
| 17 | Fed Funds Purchased | 517,913 | 6,936 | 5.24% | 5.25% | 480,649 |
| 18 | Other Short-Term Funds | 199,201 | 686 | 1.37% | 1.52% | 184,103 |
| 19 | Long-Term Debt | 36,941 | 578 | 6.26% | 6.25% | 40,302 |
| 20 | Net Interest Income and Margin (FTE) | | \$49,029 | 4.49% | 4.54% | |

6. Noninterest Income.

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(dollars in thousands except per share data)

| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
|---|----------|----------|------------------|----------|------------------|-----|
| 1 Service Charges on Deposit Accounts | \$6,990 | \$7,202 | -2.9% | \$7,155 | -2.3% | |
| 2 Merchant Credit Card Income | 2,652 | 2,751 | -3.6% | 2,430 | 9.1% | |
| 3 ATM Fees & Interchange | 676 | 653 | 3.5% | 753 | -10.2% | |
| 4 Debit Card Fees | 902 | 865 | 4.3% | 883 | 2.2% | |
| 5 Financial Services Fees | 331 | 380 | -13.0% | 377 | -12.1% | |
| 6 Mortgage Banking Income | 44 | 62 | -28.5% | 36 | 24.2% | |
| 7 Trust Fees | 311 | 275 | 13.0% | 298 | 4.4% | |
| 8 Other Income | 1,841 | 2,239 | -17.8% | 1,967 | -6.5% | |
| 9 Sub-total | 13,747 | 14,427 | -4.7% | 13,899 | -1.1% | |
| 10 Gains on Sales of Real Property | 0 | 0 | n/m | 0 | n/m | |
| 11 Investment Securities Gains (Losses) | 0 | 0 | n/m | 0 | n/m | |
| 12 Total Noninterest Income | \$13,747 | \$14,427 | -4.7% | \$13,899 | -1.1% | |
| 13 Operating Ratios: | | | | | | |
| 14 Total Revenue (FTE) | \$62,776 | \$70,257 | -10.6% | \$64,096 | -2.1% | |
| 15 Noninterest Income / Revenue (FTE) | 21.9% | 20.5% | | 21.7% | | |
| 16 Service Charges / Deposits (annualized) | 0.78% | 0.73% | | 0.79% | | |
| 17 Total Revenue Per Share (annualized) | \$8.11 | \$8.70 | -6.8% | \$8.18 | -0.9% | |

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7. Noninterest Expense.

(dollars in thousands)

| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
|--|----------|----------|------------------|----------|------------------|-----|
| 1 Salaries & Benefits | \$12,405 | \$13,866 | -10.5% | \$13,080 | -5.2% | |
| 2 Occupancy | 3,227 | 3,196 | 1.0% | 3,321 | -2.8% | |
| 3 Equipment | 1,174 | 1,321 | -11.2% | 1,194 | -1.6% | |
| 4 Data Processing | 1,529 | 1,524 | 0.3% | 1,503 | 1.7% | |
| 5 Courier | 891 | 952 | -6.5% | 904 | -1.5% | |
| 6 Postage | 431 | 441 | -2.1% | 410 | 5.3% | |
| 7 Telephone | 365 | 497 | -26.5% | 371 | -1.5% | |
| 8 Professional Fees | 614 | 599 | 2.5% | 532 | 15.4% | |
| 9 Stationery & Supplies | 314 | 314 | 0.1% | 307 | 2.3% | |
| 10 Loan Expense | 199 | 200 | -0.6% | 253 | -21.3% | |
| 11 Operational Losses | 320 | 303 | 5.6% | 129 | 147.9% | |
| 12 Amortization of Identifiable Intangibles | 1,016 | 1,064 | -4.5% | 1,016 | 0.0% | |

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| | | | | | |
|--|----------|----------|--------|----------|--------|
| 13 Other Operating | 2,007 | 2,703 | -25.8% | 2,383 | -15.8% |
| 14 Total Noninterest Expense | \$24,492 | \$26,980 | -9.2% | \$25,403 | -3.6% |
| 15 Full Time Equivalent Staff | 891 | 945 | -5.7% | 901 | -1.1% |
| 16 Average Assets / Full Time Equivalent Staff | \$5,380 | \$5,385 | -0.1% | \$5,379 | 0.0% |
| 17 Operating Ratios: | | | | | |
| 18 FTE Revenue / Full Time Equivalent Staff (annualized) | \$280 | \$295 | -5.2% | \$282 | -1.0% |
| 19 Noninterest Expense / Earning Assets (annualized) | 2.23% | 2.31% | | 2.28% | |
| 20 Noninterest Expense / Revenues | 39.0% | 38.4% | | 39.6% | |

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8. Provision for Credit Losses.

(dollars in thousands)

| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/06 |
|--|-------------|-------------|---------------|-------------|---------------|-------------|
| 1 Provision for Credit Losses | \$70 | \$150 | -53.3% | \$75 | -6.7% | |
| 2 Gross Loan Losses | 848 | 701 | 20.9% | 1,011 | -16.2% | |
| 3 Net Loan Losses | 78 | 287 | -72.9% | 421 | -81.5% | |
| 4 Recoveries / Gross Loan Losses | 91% | 59% | | 58% | | |
| 5 Average Total Loans | \$2,547,524 | \$2,616,813 | -2.6% | \$2,555,472 | -0.3% | \$2,555,472 |
| 6 Net Loan Losses / Loans (annualized) | 0.01% | 0.04% | | 0.07% | | |
| 7 Provision for Credit Losses / Loans (annualized) | 0.01% | 0.02% | | 0.01% | | |
| 8 Provision for Credit Losses / Net Loan Losses | 89.9% | 52.3% | | 17.8% | | |

9. Credit Quality.

(dollars in thousands)

| | 12/31/06 | 12/31/05 | 12/31/06 / 12/31/05 | 9/30/06 | 12/31/06 / 9/30/06 | 6/30/06 |
|----------------------------------|----------|----------|---------------------|---------|--------------------|---------|
| 1 Nonperforming Nonaccrual Loans | \$61 | \$2,068 | -97.1% | \$1,162 | -94.8% | |
| 2 Performing Nonaccrual Loans | 4,404 | 4,256 | 3.5% | 3,889 | 13.2% | |
| 3 Total Nonaccrual Loans | 4,465 | 6,324 | -29.4% | 5,051 | -11.6% | |

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| | | | | | | |
|----|---|-----------|-----------|--------|-----------|--------|
| 4 | Accruing Loans 90+ Days Past Due | 65 | 162 | n/m | 252 | n/m |
| 5 | Total Nonperforming Loans | 4,530 | 6,486 | -30.2% | 5,303 | -14.6% |
| 6 | Repossessed Collateral | 647 | 0 | n/m | 656 | n/m |
| 7 | Total Nonperforming Loans & Repossessed Collateral | \$5,177 | \$6,486 | -20.2% | \$5,959 | -13.1% |
| 9 | Classified Loans | \$20,180 | \$29,997 | -32.7% | \$24,767 | -18.5% |
| 10 | Allowance for Loan Losses | \$55,330 | \$55,849 | -0.9% | \$55,338 | -0.0% |
| 11 | Total Loans Outstanding | 2,531,734 | 2,672,221 | -5.3% | 2,552,929 | -0.8% |
| 12 | Total Assets | 4,769,335 | 5,157,559 | -7.5% | 4,845,360 | -1.6% |
| 13 | Allowance for Loan Losses / Total Loans | 2.19% | 2.09% | | 2.17% | |
| 14 | Nonperforming Loans / Total Loans | 0.18% | 0.24% | | 0.21% | |
| 15 | Nonperforming Loans & Repossessed Collateral / Total Assets | 0.11% | 0.13% | | 0.12% | |
| 17 | Allowance / Nonperforming Loans | 1221% | 861% | | 1044% | |
| 18 | Allowance for Loan Losses / Classified Loans | 274% | 186% | | 223% | |
| 19 | Classified Loans / (Equity + Allowance for Loan Losses) | 4.2% | 6.1% | | 5.1% | |

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10.Capital.

(dollars in thousands, except per-share amounts)

| | 12/31/06 | 12/31/05 | 12/31/06 / 12/31/05 | 9/30/06 | 12/31/06 / 9/30/06 | |
|----|--|-----------|------------------------|---------|-----------------------|-------|
| 1 | Shareholders' Equity | \$424,235 | \$435,064 | -2.5% | \$426,976 | -0.6% |
| 2 | Tier I Regulatory Capital | 298,576 | 296,746 | 0.6% | 300,344 | -0.6% |
| 3 | Total Regulatory Capital | 339,114 | 339,881 | -0.2% | 341,207 | -0.6% |
| 4 | Total Assets | 4,769,335 | 5,157,559 | -7.5% | 4,845,360 | -1.6% |
| 5 | Risk-Adjusted Assets | 3,057,054 | 3,267,226 | -6.4% | 3,094,942 | -1.2% |
| 6 | Shareholders' Equity / Total Assets | 8.90% | 8.44% | | 8.81% | |
| 7 | Shareholders' Equity / Total Loans | 16.76% | 16.28% | | 16.72% | |
| 8 | Tier I Capital / Total Assets | 6.26% | 5.75% | | 6.20% | |
| 9 | Tier I Capital / Risk-Adjusted Assets | 9.77% | 9.08% | | 9.70% | |
| 10 | Total Capital / | 11.09% | 10.40% | | 11.02% | |

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| Risk-Adjusted Assets | | | | | |
|--------------------------------|---------|---------|-------|---------|-------|
| 11 Shares Outstanding | 30,547 | 31,882 | -4.2% | 30,910 | -1.2% |
| 12 Book Value Per Share (\$) | \$13.89 | \$13.65 | 1.8% | \$13.81 | 0.5% |
| 13 Market Value Per Share (\$) | 50.63 | 53.07 | -4.6% | 50.51 | 0.2% |
| 14 Share Repurchase Programs | | | | | |

| | (shares in thousands) | | | | | |
|---|-----------------------|---------|------------------|---------|------------------|-----|
| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
| 15 Total Shares Repurchased / Canceled | 410 | 500 | -17.9% | 436 | -5.8% | |
| 16 Average Repurchase Price | \$49.32 | \$52.91 | -6.8% | \$47.98 | 2.8% | |
| 17 Net Shares Repurchased (Issued) | 363 | 316 | 14.9% | 291 | 24.7% | |

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11. Period-End Balance Sheets.

| | (dollars in thousands) | | | | | |
|---|------------------------|-------------|------------------------|-------------|-----------------------|-----|
| | 12/31/06 | 12/31/05 | 12/31/06 / 12/31/05 | 9/30/06 | 12/31/06 / 9/30/06 | 6 |
| 1 Assets: | | | | | | |
| 2 Cash and Money Market Assets | \$185,009 | \$209,807 | -11.8% | \$192,175 | -3.7% | |
| 3 Investment Securities Available For Sale | 615,525 | 662,388 | -7.1% | 617,736 | -0.4% | |
| 4 Investment Securities Held to Maturity | 1,165,092 | 1,337,216 | -12.9% | 1,211,589 | -3.8% | 1 |
| 5 Loans, gross | 2,531,734 | 2,672,221 | -5.3% | 2,552,929 | -0.8% | 2 |
| 6 Allowance For Loan Losses | (55,330) | (55,849) | -0.9% | (55,338) | -0.0% | |
| 7 Loans, net | 2,476,404 | 2,616,372 | -5.3% | 2,497,591 | -0.8% | 2 |
| 8 Premises and Equipment | 30,188 | 33,221 | -9.1% | 30,979 | -2.6% | |
| 9 Identifiable Intangible Assets | 22,082 | 26,170 | -15.6% | 23,098 | -4.4% | |
| 10 Goodwill | 121,719 | 121,907 | -0.2% | 121,719 | 0.0% | |
| 11 Interest Receivable and Other Assets | 153,316 | 150,478 | 1.9% | 150,473 | 1.9% | |
| 12 Total Assets | \$4,769,335 | \$5,157,559 | -7.5% | \$4,845,360 | -1.6% | \$4 |
| 13 Liabilities and Shareholders' Equity: | | | | | | |

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| | | | | | | |
|----|---|-------------|-------------|--------|-------------|-------|
| 14 | Deposits: | | | | | |
| 15 | Noninterest Bearing | \$1,341,019 | \$1,419,313 | -5.5% | \$1,298,519 | 3.3% |
| 16 | Interest-Bearing Transaction | 588,668 | 658,667 | -10.6% | 581,705 | 1.2% |
| 17 | Savings | 865,268 | 1,022,645 | -15.4% | 926,262 | -6.6% |
| 18 | Time | 721,779 | 745,476 | -3.2% | 744,645 | -3.1% |
| 19 | Total Deposits | 3,516,734 | 3,846,101 | -8.6% | 3,551,131 | -1.0% |
| 20 | Short-Term Borrowed Funds | 731,977 | 775,173 | -5.6% | 768,841 | -4.8% |
| 21 | Debt Financing and Notes Payable | 36,920 | 40,281 | -8.3% | 36,956 | -0.1% |
| 22 | Liability For Interest, Taxes and Other | 59,469 | 60,940 | -2.4% | 61,456 | -3.2% |
| 23 | Total Liabilities | 4,345,100 | 4,722,495 | -8.0% | 4,418,384 | -1.7% |
| 24 | Shareholders' Equity: | | | | | |
| 25 | Paid-In Capital | \$344,263 | \$345,458 | -0.3% | \$346,603 | -0.7% |
| 26 | Accumulated Other Comprehensive Income | 1,850 | 1,882 | n/m | 1,805 | n/m |
| 27 | Retained Earnings | 78,122 | 87,724 | -10.9% | 78,568 | -0.6% |
| 28 | | | | | | |
| 29 | Total Shareholders' Equity | 424,235 | 435,064 | -2.5% | 426,976 | -0.6% |
| 30 | Total Liabilities and Shareholders' Equity | \$4,769,335 | \$5,157,559 | -7.5% | \$4,845,360 | -1.6% |

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12. Income Statements.

(dollars in thousands, except per-share amounts)

| | Q4'06 | Q4'05 | Q4'06 / Q4'05 | Q3'06 | Q4'06 / Q3'06 | 12/ |
|----|--------------------------|----------|------------------|----------|------------------|-----|
| 1 | Interest and Fee Income: | | | | | |
| 2 | \$41,197 | \$40,593 | 1.5% | \$41,292 | -0.2% | |
| 3 | 2 | 1 | n/m | 1 | n/m | |
| 4 | 7,184 | 7,638 | -5.9% | 7,227 | -0.6% | |
| 5 | 12,422 | 14,002 | -11.3% | 12,845 | -3.3% | |
| 6 | 60,805 | 62,234 | -2.3% | 61,365 | -0.9% | |
| 7 | Interest Expense: | | | | | |
| 8 | 486 | 457 | 6.4% | 430 | 13.1% | |
| 9 | 1,203 | 953 | 26.2% | 1,173 | 2.6% | |
| 10 | 7,593 | 5,176 | 46.7% | 7,408 | 2.5% | |
| 11 | 7,622 | 5,296 | 43.9% | 7,399 | 3.0% | |
| 12 | 578 | 637 | -9.2% | 578 | 0.0% | |

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| | | | | | | |
|---------------|--|----------|----------|--------|----------|--------|
| Notes Payable | | | | | | |
| 13 | Total Interest Expense | 17,482 | 12,519 | 39.6% | 16,988 | 2.9% |
| 14 | Net Interest Income | 43,323 | 49,715 | -12.9% | 44,377 | -2.4% |
| 15 | Provision for Credit Losses | 70 | 150 | -53.3% | 75 | -6.7% |
| 16 | Noninterest Income: | | | | | |
| 17 | Service Charges on Deposit Accounts | 6,990 | 7,202 | -2.9% | 7,155 | -2.3% |
| 18 | Merchant Credit Card | 2,652 | 2,751 | -3.6% | 2,430 | 9.1% |
| 19 | Financial Services Commissions | 331 | 380 | -13.0% | 377 | -12.1% |
| 20 | Mortgage Banking | 44 | 62 | -28.5% | 36 | 24.2% |
| 21 | Trust Fees | 311 | 275 | 13.0% | 298 | 4.4% |
| 22 | Gains on Sales of Real Property | 0 | 0 | n/m | 0 | n/m |
| 23 | Securities Gains (Losses) | 0 | 0 | n/m | 0 | n/m |
| 24 | Other | 3,419 | 3,757 | -9.0% | 3,603 | -5.1% |
| 25 | Total Noninterest Income | 13,747 | 14,427 | -4.7% | 13,899 | -1.1% |
| 26 | Noninterest Expense: | | | | | |
| 27 | Salaries and Related Benefits | 12,405 | 13,866 | -10.5% | 13,080 | -5.2% |
| 28 | Occupancy | 3,227 | 3,196 | 1.0% | 3,321 | -2.8% |
| 29 | Equipment | 1,174 | 1,321 | -11.2% | 1,194 | -1.6% |
| 30 | Data Processing | 1,529 | 1,524 | 0.3% | 1,503 | 1.7% |
| 31 | Professional Fees | 614 | 599 | 2.5% | 532 | 15.4% |
| 32 | Other | 5,543 | 6,474 | -14.4% | 5,773 | -4.0% |
| 33 | Total Noninterest Expense | 24,492 | 26,980 | -9.2% | 25,403 | -3.6% |
| 34 | Income Before Income Taxes | 32,508 | 37,012 | -12.2% | 32,798 | -0.9% |
| 35 | Provision for income taxes | 8,550 | 9,888 | -13.5% | 8,561 | -0.1% |
| 36 | Net Income | \$23,958 | \$27,124 | -11.7% | \$24,237 | -1.2% |
| 37 | Average Shares Outstanding | 30,699 | 32,029 | -4.2% | 31,070 | -1.2% |
| 38 | Diluted Average Shares Outstanding | 31,204 | 32,572 | -4.2% | 31,558 | -1.1% |
| 39 | Per Share Data: | | | | | |
| 40 | Basic Earnings | \$0.78 | \$0.85 | -7.8% | \$0.78 | 0.0% |
| 41 | Diluted Earnings | 0.77 | 0.83 | -7.8% | 0.77 | -0.0% |
| 42 | Dividends Paid | 0.34 | 0.32 | 6.3% | 0.32 | 6.3% |