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WESTAMERICA BANCORPORATION

Form 8-K

April 22, 2009

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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):
April 17, 2009

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-4c))

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Exhibits

99.1 Press release dated April 17, 2009

Item 2.02: Results of Operations and Financial Condition

On April 17, 2009 Westamerica Bancorporation announced earnings for the first quarter of 2009. 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
April 22, 2009

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INDEX TO EXHIBITS

Exhibit No. -----	Description -----	Sequentially Number Page -----
(99.1)	Press release dated April 17, 2009	5-14

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FOR IMMEDIATE RELEASE
April 17, 2009

WESTAMERICA BANCORPORATION REPORTS

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FIRST QUARTER 2009 RESULTS

San Rafael, CA: Westamerica Bancorporation (NASDAQ: WABC), parent company of Westamerica Bank, today reported net income applicable to common shareholders for the first quarter of 2009 of \$52.2 million and diluted earnings per common share ("EPS") of \$1.80. First quarter 2009 results include Westamerica Bank's acquisition of County Bank from the Federal Deposit Insurance Corporation (FDIC) on February 6, 2009. First quarter 2009 earnings include the results of operations of the former County Bank following the acquisition. Further, the estimated fair value of assets purchased exceeded the estimated fair value of liabilities assumed, resulting in gain recognition under Financial Accounting Standard 141R. First quarter 2009 results also include a refund of federal income taxes related to 2004. The FAS 141R gain and tax refund combined to increase EPS by \$1.00.

"The integration of County Bank is proceeding consistent with our historical merger timelines. We would expect to complete the integration during the third quarter this year," said Chairman, President and CEO David Payne. "County Bank loans and foreclosed loan collateral are covered by a loss-sharing agreement with the FDIC. Annualized net losses on legacy Westamerica Bank loans represented 0.42 percent of such loans. We are pleased to have delivered an annualized return on our common shareholders' equity, excluding the FAS 141R gain and tax refund, of 21 percent this quarter," added Payne.

Total assets grew \$1.4 billion from \$4.0 billion at December 31, 2008 to \$5.4 billion at March 31, 2009 due to the County Bank acquisition. As a result, earnings in prior periods were generated from a lower asset base. Net income in the fourth quarter of 2008 totaled \$20.8 million and EPS of \$0.71, including securities losses equivalent to \$0.07 EPS. Net income in the first quarter of 2008 totaled \$26.8 million and EPS of \$0.92, including benefits from Visa's initial public offering which increased EPS by \$0.16.

Net interest income on a fully taxable equivalent (FTE) basis was \$59.4 million for the first quarter of 2009, compared to \$49.9 million for the fourth quarter of 2008 and to \$48.0 million for the first quarter of 2008. The increase in net interest income in the first quarter 2009 is due to the acquisition of County Bank on February 6, 2009. The first quarter 2009 net interest margin on a fully taxable equivalent basis was 5.35 percent, compared to 5.44 percent and 4.79 percent for the fourth and first quarters of 2008, respectively.

The provision for loan losses was \$1.8 million for the first quarter of 2009, compared to \$900 thousand for the fourth quarter of 2008, and \$600 thousand for the first quarter of 2008. First quarter 2009 net loan losses totaled \$2.5 million or 0.42 percent (annualized) of average loans not covered by the FDIC loss sharing agreement, compared to 1.08 percent and 0.14 percent, respectively, for the fourth and first quarters of 2008.

Noninterest income for the first quarter of 2009 totaled \$15.1 million, excluding the FAS 141R gain. Noninterest income for the fourth quarter 2008 totaled \$13.2 million, excluding \$3.3 million in securities losses. Noninterest income in the first quarter 2008 totaled \$13.7 million, excluding \$5.7 million in securities gains. The increase in noninterest income in the first quarter 2009 compared to the fourth and first quarters of 2008 is primarily due to an increase in deposit service charges from the larger deposit base following the County Bank acquisition.

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Noninterest expense for the first quarter of 2009 totaled \$34.1 million, including approximately \$400 thousand in incremental expenses related to the

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County Bank acquisition. These incremental expenses consisted of legal and professional fees, travel expenses, temporary signage and other expenses. Noninterest expense for the fourth quarter of 2008 totaled \$26.2 million. Noninterest expense for the first quarter 2008 totaled \$25.4 million, excluding the reversal of a \$2.3 million accrual for Visa related litigation. The increased noninterest expense in the first quarter 2009 compared to the fourth and first quarters of 2008 reflects increased operating costs from the acquisition of County Bank. Personnel costs are higher by approximately \$3.5 million, and occupancy and equipment costs are higher by approximately \$2.3 million. Westamerica recognized an identifiable intangible asset related to the County Bank customer deposit base totaling \$28.1 million. As a result, amortization of identifiable intangible assets increased by approximately \$860 thousand in the first quarter 2009 compared to the fourth and first quarters of 2008. Excluding the FAS 141R gain, the efficiency ratio was 45.8 percent in the first quarter 2009.

At March 31, 2009, Westamerica Bancorporation's tangible common equity-to-asset ratio was 5.5 percent, Westamerica Bancorporation's total regulatory capital ratio was 11.4 percent, and Westamerica Bank's total regulatory capital ratio was 10.9 percent.

At March 31, 2009, the Company's assets totaled \$5.4 billion and loans outstanding totaled \$3.4 billion.

Westamerica Bancorporation, through its wholly owned subsidiary Westamerica Bank, operates commercial banking and trust offices throughout Northern and Central California.

Westamerica Bancorporation Web Address: www.westamerica.com

For additional information contact:

Westamerica Bancorporation
Robert A. Thorson - SVP & Chief Financial Officer
707-863-6840

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FORWARD-LOOKING INFORMATION:

This press release contains forward-looking statements about Westamerica Bancorporation for which it claims the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statements of plans, objectives and expectations of the Company or its management or board of directors, including those relating to products or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes", "anticipates", "expects", "intends", "targeted", "projected", "continue", "remain", "will", "should", "may" and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

These forward-looking statements are based on Management's current knowledge and belief and include information concerning the Company's possible or assumed future financial condition and results of operations. A number of factors, some of which are beyond the Company's ability to predict or control, could cause future results to differ materially from those contemplated. The Company's most recent annual report for the year ended December 31, 2008 filed with the Securities and Exchange Commission describes some of these factors. These

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factors include but are not limited to (1) the length and severity of current difficulties in the national and California economies and the effects of federal government efforts to address those difficulties; (2) continued low liquidity levels in capital markets; (3) fluctuations in asset prices including, but not limited to, stocks, bonds, real estate, and commodities; (4) the effect of acquisitions and integration of acquired businesses including the recently acquired County Bank; (5) economic uncertainty created by terrorist threats and attacks on the United States, the actions taken in response, and the uncertain effect of these events on the national and regional economies; (6) changes in the interest rate environment; (7) changes in the regulatory environment; (8) significantly increasing competitive pressure in the banking industry; (9) operational risks including data processing system failures or fraud; (10) volatility of rate sensitive loans, deposits and investments; (11) asset/liability management risks and liquidity risks; and (12) changes in the securities markets. The Company undertakes no obligation to update any forward-looking statements to reflect circumstances or events that occur after the date forward-looking statements are made.

Forward-looking statements speak only as of the date they are made.

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WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
March 31, 2009

Public Information April 17, 2009

1. Net Income Summary.

	(dollars in thousands except per-share amounts)				
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08
1 Net Interest Income (Fully Taxable Equivalent)	\$59,359	\$47,982	23.7%	\$49,850	19.1%
2 Provision for Loan Losses	1,800	600	200.0%	900	100.0%
3 Noninterest Income:					
4 Net Gain (Loss) From Equity Securities	0	5,698	n/m	(3,269)	n/m
5 FAS 141R Gain	48,844	0	n/m	0	100.0%
6 Other	15,124	13,680	10.6%	13,177	14.8%
7 Total Noninterest Income	63,968	19,378	n/m	9,908	n/m
8 Noninterest Expense:					
9 VISA Litigation	0	(2,338)	n/m	0	n/m
10 Other	34,123	25,394	34.4%	26,166	30.4%
11 Total Noninterest Expense	34,123	23,056	48.0%	26,166	30.4%
12 Income Before Taxes (FTE)	87,404	43,704	100.0%	32,692	167.4%
13 Income Tax Provision (FTE)	34,579	16,926	104.3%	11,882	191.0%
14 Net Income	52,825	26,778	97.3%	20,810	153.8%
15 Preferred Stock Dividends and Discount Accretion	578	0	n/m	0	n/m

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16	Net Income Applicable to Common Equity	\$52,247	\$26,778	95.1%	\$20,810	151.1%
17	Average Common Shares Outstanding	28,876	28,861	0.1%	28,884	-0.0%
18	Diluted Average Common Shares Outstanding	29,105	29,210	-0.4%	29,218	-0.4%
19	Operating Ratios:					
20	Basic Earnings Per Common Share	\$1.81	\$0.93	94.6%	\$0.72	151.2%
21	Diluted Earnings Per Common Share	1.80	0.92	95.7	0.71	152.7%
22	Return On Assets (annualized)	4.24%	2.43%		2.04%	
23	Return On Common Equity (annualized)	48.0%	27.3%		20.6%	
24	Net Interest Margin (FTE) (annualized)	5.35%	4.79%		5.44%	
25	Efficiency Ratio (FTE)	27.7%	34.2%		43.8%	
26	Dividends Paid Per Common Share	\$0.36	\$0.34	5.9%	\$0.35	2.9%
27	Common Dividend Payout Ratio	20%	37%		49%	

2. Net Interest Income.

(dollars in thousands)						
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08	
1	Interest and Fee Income (FTE)	\$64,192	\$60,810	5.6%	\$54,442	17.9%
2	Interest Expense	4,833	12,828	-62.3%	4,592	5.3%
3	Net Interest Income (FTE)	\$59,359	\$47,982	23.7%	\$49,850	19.1%
4	Average Earning Assets	\$4,475,371	\$4,028,221	11.1%	\$3,654,966	22.4%
5	Average Interest-Bearing Liabilities	3,155,685	2,771,526	13.9%	2,425,928	30.1%
6	Yield on Earning Assets (FTE) (annualized)	5.79%	6.06%		5.94%	
7	Cost of Funds (annualized)	0.44%	1.27%		0.50%	
8	Net Interest Margin (FTE) (annualized)	5.35%	4.79%		5.44%	
9	Interest Expense/Interest-Bearing Liabilities (annualized)	0.62%	1.85%		0.75%	
10	Net Interest Spread (FTE) (annualized)	5.17%	4.21%		5.19%	

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3. Loans & Other Earning Assets.

	(average volume, dollars in thousands)				
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08
1 Total Assets	\$4,998,964	\$4,433,934	12.7%	\$4,053,295	23.3%
2 Total Earning Assets	4,475,371	4,028,221	11.1%	3,654,966	22.4%
3 Total Loans	3,135,944	2,477,666	26.6%	2,399,741	30.7%
4 Commercial Loans	885,232	616,994	43.5%	586,245	51.0%
5 Commercial Real Estate Loans	1,191,260	850,504	40.1%	819,645	45.3%
6 Consumer Loans	1,059,452	1,010,168	4.9%	993,851	6.6%
7 Total Investment Securities	1,339,427	1,550,555	-13.6%	1,255,225	6.7%
8 Available For Sale (Market Value)	400,092	518,217	-22.8%	299,494	33.6%
9 Held To Maturity	939,335	1,032,338	-9.0%	955,731	-1.7%
10 HTM Unrealized Gain at Period-End	1,768	13,324	n/m	885	n/m
11 Loans / Deposits	81.2%	77.1%		77.0%	

4. Deposits & Other Interest-Bearing Liabilities.

	(average volume, dollars in thousands)				
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08
1 Total Deposits	\$3,862,435	\$3,212,347	20.2%	\$3,115,989	24.0%
2 Noninterest Demand	1,286,013	1,199,604	7.2%	1,167,490	10.2%
3 Interest-Bearing Transaction	667,425	546,417	22.1%	533,746	25.0%
4 Savings	877,729	768,443	14.2%	742,897	18.1%
5 Time greater than \$100K	664,474	500,936	32.6%	479,207	38.7%
6 Time less than \$100K	366,794	196,947	86.2%	192,649	90.4%
7 Total Short-Term Borrowings	552,645	722,025	-23.5%	450,778	22.6%
8 Fed Funds Purchased	314,856	565,415	-44.3%	325,275	-3.2%
9 Other Short-Term Funds	237,789	156,610	51.8%	125,503	89.5%
10 Long-Term Debt	26,618	36,758	-27.6%	26,651	-0.1%
11 Shareholders' Equity	485,054	394,273	23.0%	401,598	20.8%
12 Demand Deposits / Total Deposits	33.3%	37.3%		37.5%	
13 Transaction & Savings Deposits / Total Deposits	73.3%	78.3%		78.4%	

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5. Interest Yields Earned & Rates Paid.

(dollars in thousands)					
Q1'09					
	Average Volume	Income/ Expense	Yield */ Rate	Q4'08 Yield*/ Rate	Average Volume
1 Interest & Fees Income Earned					
2 Total Earning Assets (FTE)	\$4,475,371	\$64,192	5.79%	5.94%	\$4,028,221
3 Total Loans (FTE)	3,135,944	46,187	5.97%	6.14%	2,477,666
4 Commercial Loans (FTE)	885,232	12,785	5.86%	6.19%	616,994
5 Commercial Real Estate					
Loans	1,191,260	19,072	6.49%	7.02%	850,504
6 Consumer Loans	1,059,452	14,330	5.49%	5.39%	1,010,168
7 Total Investment Securities (FTE)	1,339,427	18,005	5.38%	5.54%	1,550,555
8 Interest Expense Paid					
9 Total Earning Assets	4,475,371	4,833	0.44%	0.50%	4,028,221
10 Total Interest-Bearing Liabilities	3,155,685	4,833	0.62%	0.75%	2,771,526
11 Total Interest-Bearing Deposits	2,576,422	3,784	0.60%	0.73%	2,012,743
12 Interest-Bearing Transaction	667,425	205	0.12%	0.19%	546,417
13 Savings	877,729	900	0.42%	0.41%	768,443
14 Time less than \$100K	366,794	1,452	1.61%	2.20%	196,947
15 Time greater than \$100K	664,474	1,227	0.75%	1.24%	500,936
16 Total Short-Term Borrowings	552,645	626	0.46%	0.52%	722,025
17 Fed Funds Purchased	314,856	151	0.19%	0.50%	565,415
18 Other Short-Term Funds	237,789	475	0.81%	0.58%	156,610
19 Long-Term Debt	26,618	423	6.35%	6.34%	36,758
20 Net Interest Income and Margin (FTE)		\$59,359	5.35%	5.44%	
* Annualized					

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6. Noninterest Income.

(dollars in thousands except per share amounts)					
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08
1 Service Charges on Deposit Accounts	\$8,422	\$7,296	15.4%	\$7,383	14.1%
2 Merchant Credit Card Income	2,432	2,580	-5.7%	2,623	-7.3%

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3	ATM Fees & Interchange	813	718	13.1%	685	18.7%
4	Debit Card Fees	856	904	-5.3%	917	-6.7%
5	Financial Services Commissions	154	230	-33.3%	141	8.9%
6	Mortgage Banking Income	17	40	-57.2%	19	-7.6%
7	Trust Fees	364	303	20.3%	255	42.9%
8	Other Income	2,066	1,609	28.4%	1,154	79.0%

9	Sub-total	15,124	13,680	10.6%	13,177	14.8%
10	Net Gain (Loss) From Equity Securities	0	5,698	n/m	(3,269)	n/m
11	FAS 141R Gain	48,844	0	n/m	0	n/m

12	Total Noninterest Income	\$63,968	\$19,378	n/m	\$9,908	n/m
=====						
13	Operating Ratios:					
14	Total Revenue (FTE)	\$123,327	\$67,360	83.1%	\$59,758	106.4%
15	Noninterest Income / Revenue (FTE)	51.9%	28.8%	83.1%	16.6%	
16	Service Charges / Avg. Deposits (annualized)	0.88%	0.91%		0.94%	
17	Total Revenue Per Avg. Common Share (annualized)	\$17.32	\$9.39	84.5%	\$8.23	110.4%

7. Noninterest Expense.

(dollars in thousands)						
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08	

1	Salaries & Benefits	\$16,371	\$12,984	26.1%	\$12,823	27.7%
2	Occupancy	5,410	3,390	59.6%	3,405	58.9%
3	Equipment	1,222	921	32.7%	976	25.2%
4	Data Processing	2,104	2,120	-0.7%	2,117	-0.6%
5	Courier	898	829	8.3%	835	7.6%
6	Postage	462	383	20.5%	346	33.7%
7	Telephone	387	335	15.2%	344	12.2%
8	Professional Fees	888	536	65.8%	920	-3.5%
9	Stationery & Supplies	367	279	31.8%	334	10.0%
10	Loan Expense	994	170	484.2%	258	284.5%
11	Operational Losses	195	184	5.8%	352	-44.5%
12	Amortization of Identifiable Intangibles	1,685	858	96.4%	788	113.8%
13	Other Operating	3,140	2,405	30.6%	2,668	17.7%

14	Sub-total	34,123	25,394	34.4%	26,166	30.4%
15	VISA Litigation	0	(2,338)	n/m	0	n/m

16	Total Noninterest Expense	\$34,123	\$23,056	48.0%	\$26,166	30.4%
=====						
17	Full Time Equivalent Staff	1,144	886	29.1%	886	29.1%
18	Average (Avg.) Assets / Full Time Equivalent Staff	\$4,370	\$5,004	-12.7%	\$4,575	-4.5%
19	Operating Ratios:					
20	FTE Revenue / Full Time					

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	Staff (annualized)	\$437	\$306	42.8%	\$268	63.1%
21	Noninterest Expense / Avg. Earning Assets (annualized)	3.09%	2.30%		2.85%	
22	Noninterest Expense / FTE Revenues	27.7%	34.2%		43.8%	

8. Provision for Loan Losses.

	(dollars in thousands)					
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08	
1	Average (Avg.) Total Loans	\$3,135,944	\$2,477,666	26.6%	\$2,399,741	30.7%
2	Avg Total Covered Loans (1)	\$761,855	\$0	n/m	\$0	n/m
3	Avg. Total Non-Covered Loans	\$2,374,089	\$2,477,666	-4.2%	\$2,399,741	-1.1%
4	Non-Covered Loans:					
5	Provision for Loan Losses	\$1,800	\$600	200.0%	\$900	100.0%
6	Gross Loan Losses	2,928	1,537	90.4%	6,881	-57.4%
7	Net Loan Losses	2,467	872	183.0%	6,527	-62.2%
8	Recoveries / Gross Loan Losses	16%	43%		5%	
9	Net Loan Losses / Avg. Non-Covered Loans (a)	0.42%	0.14%		1.08%	
10	Provision for Loan Losses / Avg. Non-Covered Loans (a)	0.31%	0.10%		0.15%	
11	Provision for Loan Losses / Net Loan Losses	73.0%	68.8%		13.8%	

(1) Covered loans represent purchased loans on which losses are shared with the FDIC per a Loss Coverage Agreement. Covered loans were recorded at estimated fair value at the time of purchase.

(a) annualized

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9. Credit Quality.

	(dollars in thousands)					
	3/31/09	3/31/08	3/31/09 / 3/31/08	12/31/08	3/31/08 / 12/31/08	
1	Non-Covered Nonperforming Loans:					
2	Nonperforming Nonaccrual Loans	\$10,943	\$3,728	193.5%	\$8,883	23.2%
3	Performing Nonaccrual Loans	27	1,652	-98.4%	1,143	-97.6%

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4 Total Nonaccrual Loans	10,970	5,380	103.9%	10,026	9.4%
5 Accruing Loans 90+ Days Past Due	777	268	189.9%	755	2.9%
6 Total Non-Covered Nonperforming Loans	11,747	5,648	108.0%	10,781	9.0%
7 Non-Covered Repossessed Loan Collateral	4,756	954	398.5%	3,505	35.7%
8 Total Non-Covered Nonperforming Assets	16,503	6,602	150.0%	14,286	15.5%
9 Covered Nonperforming Loans (1):					
10 Nonperforming Nonaccrual Loans	34,437	0	n/m	0	n/m
11 Performing Nonaccrual Loans	3,632	0	n/m	0	n/m
12 Total Nonaccrual Loans	38,069	0	n/m	0	n/m
13 Accruing Loans 90+ Days Past Due	9,866	0	n/m	0	n/m
14 Total Covered Nonperforming Loans (1)	47,935	0	n/m	0	n/m
15 Covered Repossessed Loan Collateral (1)	13,391	0	n/m	n/m	n/m
16 Total Covered Nonperforming Assets (1)	61,326	0	n/m	0	n/m
16 Total Nonperforming Assets	\$77,829	\$6,602	n/m	\$14,286	n/m
17 Non-Covered Classified Loans	\$41,453	\$33,303	24.5%	\$34,028	21.8%
18 Covered Classified Loans (1)	169,778	0	n/m	0	n/m
19 Total Classified Loans	\$216,232	\$33,303	n/m	\$34,028	535.5%
20 Total Non-Covered Loans Outstanding	\$2,356,237	\$2,448,320	-3.8%	\$2,382,426	-1.1%
21 Total Covered Loans Outstanding (1)	1,089,071	0	n/m	0	n/m
22 Total Loans Outstanding	\$3,445,308	\$2,448,320	40.7%	\$2,382,426	44.6%
23 Total Assets	\$5,428,865	\$4,342,302	25.0%	\$4,032,934	34.6%
24 Non-Covered Loans:					
25 Allowance for Loan Losses	\$43,803	\$52,234	-16.1%	\$44,470	-1.5%
26 Allowance/Non-Covered Loans	1.86%	2.13%		1.87%	
27 Non-Covered Nonperforming Loans/Non-Covered Loans	0.50%	0.23%		0.45%	
28 Non-Covered Nonperforming Assets/Total Assets	0.30%	0.15%		0.35%	
29 Allowance/Non-Covered Nonperforming Loans	373%	925%		412%	
30 Covered Loans (1):					
31 Fair Value Discount on Covered Loans	\$149,290	n/a		n/a	
32 Discount/Covered Loans, gross	12.06%	n/a		n/a	

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33 Covered Nonperforming Assets/ Total Assets	1.13%	n/a	n/a
34 Fair Value Discount on Reposessed Loan Collateral	\$11,178	n/a	n/a
35 Discount/Covered Reposessed Loan Collateral, gross	45.50%	n/a	n/a

(1) Covered loans and reposessed loan collateral represent purchased assets on which losses are shared with the FDIC per a Loss-Sharing Agreement. Covered assets were recorded at estimated fair value at the time of purchase.

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10.Capital.

(dollars in thousands, except per-share amounts)

	3/31/09	3/31/08	3/31/09 / 3/31/08	12/31/08	3/31/08 / 12/31/08
1 Shareholders' Equity	\$536,668	\$399,109	34.5%	\$409,852	30.9%
2 Tier I Regulatory Capital	394,829	283,768	39.1%	288,859	36.7%
3 Total Regulatory Capital	442,186	321,819	37.4%	324,455	36.3%
4 Total Assets	5,428,865	4,342,302	25.0%	4,032,934	34.6%
5 Risk-Adjusted Assets	3,896,397	2,914,007	33.7%	2,758,866	41.2%
6 Shareholders' Equity / Total Assets	9.89%	9.19%		10.16%	
7 Shareholders' Equity / Total Loans	15.58%	16.30%		17.20%	
8 Tier I Capital /Total Assets	7.27%	6.53%		7.16%	
9 Tier I Capital / Risk-Adjusted Assets	10.13%	9.74%		10.47%	
10 Total Capital / Risk-Adjusted Assets	11.35%	11.04%		11.76%	
11 Tangible Common Equity Ratio	5.52%	6.18%		7.01%	
12 Common Shares Outstanding	28,874	28,772	0.4%	28,880	-0.0%
13 Book Value Per Common Share	\$15.73	\$13.87	13.4%	\$14.19	10.8%
14 Market Value Per Common Share	\$45.56	\$52.60	-13.4%	\$51.15	-10.9%

15 Share Repurchase Programs

(shares in thousands)

Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08
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16 Total Shares Repurchased / Canceled	16	424	-96.2%	16	2.2%
17 Average Repurchase Price	\$41.58	\$47.68	-12.8%	\$50.74	-18.0%
18 Net Shares Repurchased	6	246	-97.5%	15	-59.4%

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11.Period-End Balance Sheets.

	(unaudited, dollars in thousands)				
	3/31/09	3/31/08	3/31/09 / 3/31/08	12/31/08	3/31/08 / 12/31/08
1 Assets:					
2 Cash and Money Market Assets	\$149,566	\$139,957	6.9%	\$139,224	7.4%
3 Investment Securities					
Available For Sale	436,343	477,686	-8.7%	288,454	51.3%
4 Investment Securities					
Held to Maturity	918,745	1,016,613	-9.6%	949,325	-3.2%
5 Non-Covered Loans	2,356,237	2,448,320	-3.8%	2,382,426	-1.1%
6 Allowance For Loan Losses	(43,803)	(52,234)	-16.1%	(44,470)	-1.5%
7 Non-Covered Loans, net	2,312,434	2,396,086	-3.5%	2,337,956	-1.1%
8 Covered Loans, net (1)	1,089,071	0	n/m	0	n/m
9 Total Loans	3,401,505	2,396,086	42.0%	2,337,956	45.5%
10 Other Real Estate Owned	4,756	954	n/m	3,505	35.7%
11 Covered Other Real Estate					
Owned, net (1)	13,391	0	n/m	0	n/m
12 Premises and Equipment	26,729	28,031	-4.6%	27,351	-2.3%
13 Identifiable Intangible					
Assets	41,630	17,571	136.9%	15,208	173.7%
14 Goodwill	121,699	121,719	-0.0%	121,699	0.0%
15 Interest Receivable and					
Other Assets	314,501	143,685	118.9%	150,212	109.4%
16 Total Assets	\$5,428,865	\$4,342,302	25.0%	\$4,032,934	34.6%
17 Liabilities and Shareholders' Equity:					
18 Deposits:					
19 Noninterest Bearing	\$1,353,696	\$1,202,165	12.6%	\$1,158,632	16.8%
20 Interest-Bearing					
Transaction	730,153	542,468	34.6%	525,153	39.0%
21 Savings	968,411	749,471	29.2%	745,496	29.9%
22 Time	1,204,021	700,534	71.9%	665,773	80.8%
23 Total Deposits	4,256,281	3,194,638	33.2%	3,095,054	37.5%

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24	Short-Term Borrowed Funds	441,418	635,264	-30.5%	457,275	-3.5%
25	Federal Home Loan Bank Advances	86,772	0	n/m	0	n/m
25	Debt Financing and Notes Payable	26,598	36,736	-27.6%	26,631	-0.1%
26	Liability For Interest, Taxes and Other	81,128	76,555	6.0%	44,122	83.9%
27	Total Liabilities	4,892,197	3,943,193	24.1%	3,623,082	35.0%
28	Shareholders' Equity:					
29	Preferred Stock	82,550	0	n/m	0	n/m
30	Paid-In Capital	356,326	339,468	5.0%	354,674	0.5%
31	Accumulated Other Comprehensive Income (Loss)	2,274	(3,954)	-157.5%	1,040	118.6%
33	Retained Earnings	95,518	63,595	50.2%	54,138	76.4%
34	Total Common Equity	454,118	399,109	13.8%	409,852	10.8%
35	Total Shareholders' Equity	536,668	399,109	34.5%	409,852	30.9%
36	Total Liabilities and Shareholders' Equity	\$5,428,865	\$4,342,302	25.0%	\$4,032,934	34.6%

(1) Covered loans and repossessed loan collateral represent purchased assets on which losses are shared with the FDIC per a Loss-Sharing Agreement. Covered assets were recorded at estimated fair value at the time of purchase.

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12. Income Statements.

	(unaudited, dollars in thousands, except per-share amounts)					
	Q1'09	Q1'08	Q1'09 / Q1'08	Q4'08	Q1'09 / Q4'08	
1	Interest and Fee Income:					
2	Loans	\$45,095	\$38,732	16.4%	\$35,942	25.5%
3	Money Market Assets and Funds Sold	1	1	n/m	1	n/m
4	Investment Securities For Sale	3,739	5,802	-35.6%	3,426	9.1%
5	Investment Securities Held to Maturity	10,350	10,859	-4.7%	10,076	2.7%
6	Total Interest Income	59,185	55,394	6.8%	49,445	19.7%
7	Interest Expense:					
8	Transaction Deposits	205	452	-54.6%	252	-18.5%

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9	Savings Deposits	900	1,330	-32.3%	763	18.0%
10	Time Deposits	2,678	5,546	-51.7%	2,556	4.8%
11	Short-Term Borrowed Funds	626	4,922	-87.3%	598	4.7%
12	Debt Financing and Notes Payable	423	578	-26.9%	423	-0.0%
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13	Total Interest Expense	4,833	12,828	-62.3%	4,592	5.3%
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14	Net Interest Income	54,352	42,566	27.7%	44,853	21.2%
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15	Provision for Loan Losses	1,800	600	n/m	900	100.0%
<hr/>						
16	Noninterest Income:					
17	Service Charges on Deposit Accounts	8,422	7,296	15.4%	7,383	14.1%
18	Merchant Credit Card	2,432	2,580	-5.7%	2,623	-7.3%
19	ATM Fees & Interchange	813	718	13.1%	685	18.7%
20	Debit Card Fees	856	904	-5.3%	917	-6.7%
21	Financial Services Commissions	154	230	-33.3%	141	8.9%
22	Mortgage Banking	17	40	-57.2%	19	-7.6%
23	Trust Fees	364	303	20.3%	255	42.9%
24	Net Gain (Loss) From Equity Securities	0	5,698	n/m	(3,269)	n/m
25	FAS 141R Gain	48,844	0	n/m	0	n/m
26	Other	2,066	1,609	28.4%	1,154	79.0%
<hr/>						
27	Total Noninterest Income	63,968	19,378	n/m	9,908	n/m
<hr/>						
28	Noninterest Expense:					
29	Salaries and Related Benefits	16,371	12,984	26.1%	12,823	27.7%
30	Occupancy	5,410	3,390	59.6%	3,405	58.9%
31	Equipment	1,222	921	32.7%	976	25.2%
32	Data Processing	2,104	2,120	-0.7%	2,117	-0.6%
33	Professional Fees	888	536	65.8%	920	-3.5%
34	VISA Litigation	0	(2,338)	n/m	0	n/m
35	Other	8,128	5,443	49.3%	5,925	37.2%
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36	Total Noninterest Expense	34,123	23,056	48.0%	26,166	30.4%
<hr/>						
37	Income Before Income Taxes	82,397	38,288	115.2%	27,695	197.5%
38	Income Tax Provision	29,572	11,510	156.9%	6,885	n/m
<hr/>						
39	Net Income	52,825	26,778	97.3%	20,810	153.8%
40	Preferred Stock Dividends and Discount Accretion	578	0	n/m	0	n/m
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41	Net Income Applicable to Common Equity	\$52,247	\$26,778	95.1%	\$20,810	151.1%
<hr/>						
42	Average Common Shares Outstanding	28,876	28,861	0.1%	28,884	-0.0%
43	Diluted Average Common Shares Outstanding	29,105	29,210	-0.4%	29,218	-0.4%
44	Per Common Share Data:					
45	Basic Earnings	\$1.81	\$0.93	94.6%	\$0.72	n/m
46	Diluted Earnings	1.80	0.92	95.7%	0.71	n/m
47	Dividends Paid	0.36	0.34	5.9%	0.35	2.9%

