relationship
The singular force that drives our business
T’S ABOUT MUTUAL TRUST AND CONSULTATION

We believe relationship banking is about more than providing exceptional customer service – although that certainly is an important element. Our vision for relationship includes supporting, guiding and anticipating. It’s about making the right services available when families, businesses and communities need them. It’s about knowing our customers well and staying in touch so we are ready to help when the time is right to buy a home, expand a business or consider a new investment opportunity. Relationship means knowing when to discuss retirement planning and how to advise companies on the best approach to managing their payroll and what steps to take to protect against credit card fraud. Relationship is about all of these things, but mostly it’s about trust.

We are deeply honored by the decision of more than 1.6 million families and organizations to trust us as their financial services partner, and we are committed to maintaining a relationship with each and every one of them that is worthy of that trust.

ABOUT OUR RELATIONSHIP WITH BNP PARIBAS

In 2010, we proudly celebrate our 30th anniversary as a member of the BNP Paribas Group, a global leader in banking and financial services and one of the six strongest banks in the world according to Standard & Poor’s.

As part of a group of companies that is over 200,000 employees strong and operates in 84 countries around the world, we are able to provide our customers the benefit of the expertise and strength of one of the world’s most respected financial services companies, delivered with the exceptional service and relationship orientation that has been the hallmark of Bank of the West for over 135 years.
The kind of bank that builds its business on partnership

MESSAGE FROM THE CHAIRMAN & CEO

Bank of the West took many steps in the challenging year of 2009 to add to its strong foundation for safe and sustainable growth. With the support of our corporate parent, BNP Paribas, we continued to invest in enhancing your bank’s retail delivery network, online capabilities, wealth management and risk management, and remained a reliable financial partner to people and businesses.

Our focus at Bank of the West has remained on our customers and communities, and we were gratified by their decisions to deepen our relationships throughout this turbulent year.

We are all aware that 2009 was an extraordinarily difficult year for the nation’s economy, especially in many of our Western markets. Reflecting these macroeconomic forces, Bank of the West recorded a $403 million loss for the year. Although our losses through the crisis have been much less than many of our peers, they were disappointing. We were pleased, however, that our core businesses performed well, generating very good growth in core deposits and new individual and business relationships.

The health of our franchise allowed us to provide consistent credit and other support to our valued customers through the year, from our California customers whose “registered warrants” we cashed throughout the state’s fiscal crisis, to individuals and businesses throughout our 19-state footprint.

Delivery of exceptional service has been one of the factors that has consistently set us apart from the crowd of some 8,000 banks in this country, and in 2009 we were honored to be ranked “Highest in Customer Satisfaction with Retail Banking in the West” for the second year in a row by J.D. Power and Associates. In 2009 we also received Greenwich Excellence Awards for Small Business and Middle Market Banking from Greenwich Associates.

Our Commercial Banking Group, which accounts for 26 percent of the bank’s revenues, experienced lower levels of loan originations last year, in line with the reduced market demand for commercial lending. Offsetting this reduction however were significant increases in core deposits, cash management services and corporate cards.

The bank’s Wealth Management Group, which includes private banking, trust, insurance services and our retail broker/dealer, achieved very strong investment returns for our clients over the year and increased assets under management by 24 percent.

In the consumer lending businesses, our long term commitment to sound underwriting was evidenced by the strong performance of our loan portfolio relative to the average industry and peer bank results. Our National Finance Group also generated a modest increase in mortgage originations as we continued to provide home financing for existing and new customers.
The relationship banking approach that distinguishes Bank of the West – with an unwavering focus on our customers – proved valuable through the economic downturn. We’ve steadily strengthened our relationships with commercial and retail customers, measured by growth in core deposits, accounts and households, stronger customer trust and loyalty, and our clients’ decisions to deepen their relationships with us.

J. Michael Shepherd
Chairman and CEO
March 31, 2010

Our Regional Banking Group recorded another year of solid performance including a steady increase in the number of customers who recommend to their family and friends the value of doing business with Bank of the West. This growing level of advocacy is not surprising to us. We know the value of outstanding service and have embraced it as part of our culture for many years.

Our multi-year upgrade of our branches achieved significant milestones in 2009 with the deployment of new technologies that speed processing and equip our teams with the tools to better serve our customers.

We made exciting improvements last year to our online banking service with new account opening capabilities and more convenient bill payment and money transfer features. We redesigned bankofthewest.com, and further enhancements in our online services are coming in 2010 as we work to provide the best selection of options and services for our customers.

We invested in our Small and Medium Enterprise banking group, adding staff and dramatically expanding our direct SBA lending at a time when so many small businesses were struggling to find credit.

The positive performance of our core businesses, our history of sound credit underwriting, and the support of our strong parent BNP Paribas, allowed us to steadily build our loan loss reserves throughout last year. As we enter 2010 the bank remains well capitalized and has solid credit reserves.

Amidst all the changes in 2009, we marked the end of an era as Don McGrath stepped down as Chairman in December. His contributions to our bank over more than 30 years were tremendous. His vision and his dedication to customer service, community support and growth truly shaped our franchise and will inspire us in the future.

Late last year we mourned the death of Bob Fuhrman, who provided invaluable guidance to our bank as a Director since 1981 and as Chairman of the Board from 1992 to 2005.

2009 was a challenging year for our industry and our response to the challenge has been to retain our focus on our customers, on business fundamentals and on making the right investments for the future.

From this solid foundation, we stand poised and are committed to provide the products and services to our individual and business customers that will contribute to their successes and to the economic recovery of our communities.

J. Michael Shepherd
Chairman and CEO
March 31, 2010
Dedication to outstanding customer service does not ebb and flow with economic cycles. We’ve been devoted to customer service for more than 135 years. We’re proud that in 2009, for the second consecutive year, Bank of the West was ranked “Highest in Customer Satisfaction with Retail Banking in the West” by J.D. Power and Associates – the California, Oregon and Washington region that includes more than half of our personal banking customers.

Retired Albuquerque police captain and businessman Sonny Leeper and his wife Ella, president of an envelope and paper company there, have become true advocates of our bank’s Jefferson Branch. Not only do they have their personal mortgage, checking, credit card and investment accounts with us, but they also refer their friends and family. Their adult children have accounts with us, and recently Ella brought her parents in to set up checking accounts.

The Leepers are not alone in their appreciation for our kind of service. More than 90 percent of our customers are satisfied with our service, according to independent surveys. And that’s a key way we measure our success.

Maybe that’s why we added more than 50,000 core deposit accounts and more than $3.4 billion in core deposits in 2009.

When Nikki Davis and her husband Jeff needed a loan to buy a truck, she turned to us because her employer in Woodbine, Iowa, banked with us. She’s glad she did. Branch staff explored several different types of loans to meet the Davis’ financial needs. She was so pleased with our service that she and her husband moved all their accounts to Bank of the West.

In 2009, we continued to invest in our people and in our technology to make our service even better in the future.

We have been investing heavily in our online channel.

We upgraded our online bill payment service and launched an enhanced bankofthewest.com to make it easier to open accounts online.

Our online account openings jumped more than 300% in 2009 over 2008. Due to this enthusiastic response by new customers, we expect online account openings to increase significantly again in 2010.

To reinforce great customer service, we focused on expanding and improving the channels through which our customers bank with us. Our customers can choose how they want to interact with us, how they receive account information and how they manage their accounts.
finances. Banking with us is easy and hassle-free thanks to our more than 650 conveniently located branches and our broad network of ATMs, which are in the midst of a major upgrade.

We have been able to maintain our commitment to customers and to improving our technology because of our financial strength and our ability to take the long-term view. Through 2009 we remained well capitalized and enjoyed the support and strength of our parent company BNP Paribas.

In 2009, we added branches in Monterey, Santa Cruz and Folsom, California, and we remodeled and relocated several other branches to better serve new and existing customers.

Through a variety of promotional campaigns and innovative products we attracted more than 115,000 new households last year.

Our commitment to diverse communities is demonstrated by the breadth of our services. Our Pacific Rim Banking group has more than 100 relationship bankers who conduct business in Mandarin, Cantonese, Taiwanese, Japanese, Korean, Vietnamese and English. The division has 19 branches in California, many located in communities with large Asian-American populations. In communities where Spanish is prominently used, our branch staff can do business in Spanish.

In the midst of dramatic changes in our industry in 2009, one thing that did not change was our commitment to service. As always, we remain dedicated to doing what is right for our customers today and in the future.

“Our customers appreciate the kind of relationship banking we provide. A personal banking relationship means knowing our customers and understanding their financial situation and goals so we can help them achieve their dreams. Whether through personal contact in a branch, via online banking, at our ATMs, or over the phone, our commitment to customers is unsurpassed. That’s why the majority of our customers recommend us to others. We are honored by their trust.”

*Andy Harmening, Senior EVP, Regional Banking Group*
CONSUMER FINANCE

Our prudent credit philosophy and transparent approach to home loans, vehicle loans and credit cards provided access to the credit our customers needed and helped dealerships thrive in turbulent times.

CONSUMER LENDING

Even in an unstable housing market, customers in record numbers turned to us to help them buy and refinance homes in 2009. The Schimmel family in Rio Rancho, New Mexico, for example, helped us pass the milestone of $1 billion in new mortgage funding in June. As a result of other banking relationships with us, they, like many of our banking customers, qualified for a mortgage discount rate. Conservative, traditional home mortgages are standard at Bank of the West, which had a 3.4% delinquency rate in late 2009, far below the mortgage industry’s 8.2% average.

Sound underwriting, straightforward products and a personalized approach to modifications for customers facing extreme situations make the difference. In Petaluma, California, for example, a customer family with disabled dependents was able to retain ownership of their home of 43 years. We restructured their loan, extending it 10 years and adjusting the rate to reduce their monthly payments and stabilize their situation. Customized solutions like this based on banking relationships benefit both our customers and the bank.

Over the course of the year our fair and transparent approach to credit cards proved to be an attractive alternative in the market. We saw our consumer credit card accounts increase by 22% in 2009, with a 23%

“Our longstanding approach to consumer lending is straightforward and consistent. We align a prudent credit culture with our commitment to helping our customers meet their financial goals. And, through our continuous national presence providing loans to individuals for automobiles, recreational vehicles and pleasure boats, we help maintain the availability of credit for these important industries regardless of economic conditions.”

Carole Merchant, EVP/National Finance Group
increase in spending. Also in 2009, Congress passed new restrictions on credit cards. We’re proud that our cards already met many standards of the new CARD Act.

**INDIRECT LENDING AND INVENTORY FINANCE**

Our loans and leases for cars, pleasure boats and RVs are available through almost 4,000 dealerships nationwide, including Lichtsinn Motors, which sells Winnebago RVs exclusively in Forest City, Iowa, the hometown of Winnebago Industries. After we demonstrated our volume-based ‘preferred customer’ program, Lichtsinn tripled its approvals and funding. Improved results have led to a stronger relationship and a mutually beneficial increase in lending and in customer satisfaction.

And because we lend primarily to our existing customers, we have also developed deeper relationships with many dealers and now support their inventory floor plan and business borrowing needs. As other lenders pulled back from the automotive market in 2009 and U.S. automakers and RV manufacturers faced bankruptcy, we remained engaged and emerged as the #1 RV loan originator in the nation, helping dealers seize opportunities and respond to changing market conditions.

Near Miami, Florida, Qvale Auto Group had an opportunity to buy one of the nation’s largest Audi dealerships out of bankruptcy. Our longstanding customers, the Qvale family needed to move quickly to secure inventory financing as a condition for obtaining Audi’s approval. Within six business days surrounding Christmas, the bank approved the floor plan financing and set up cash management services for the dealership. Qvale was awarded the dealership and was fully operational prior to year end.

Providing the steady availability of credit to individuals and business is a key factor in helping our customers achieve home ownership, mobility and recreation, and we’re proud to provide credit solutions for both individuals and dealerships nationwide.
Our wealth management services are an integral component of Bank of the West’s solutions for our clients with more complex financial management needs.

Our wealth managers understand that building and protecting accumulated wealth is important to our clients; so is the personal service provided through a single point of contact they know and trust. Our integrated, advisory-based approach to financial planning is premised upon building relationships with clients to fully understand their financial objectives. We enhance their plans by developing customized, holistic strategies to meet both short- and long-term needs and goals. This approach results in better coordination of financial assets and liabilities, avoidance of unnecessary fees and a broad diversification of assets designed to optimize clients’ specific risk and return criteria.

By closely aligning our Private Banking and Investment Management & Trust professionals we are able to coordinate a full complement of financial planning services, including asset allocation and investment management, retirement planning, portfolio analysis, insurance and risk management, brokerage, and Trust services. We also provide estate planning and specialty services such as real estate transaction finance and business succession planning.

Faced with the unplanned divestiture of their long-held Chino, California dairy farm through eminent domain for a nearby dam, a 40-year Bank of the West agribusiness customer turned to our Wealth Management team to effectively manage their sudden increase in liquidity. Our teams went into action modeling efficient asset allocation portfolios and working with the client’s attorney and accountant to discuss specific needs related to the eminent domain exchange and the expedited sale of their substantial dairy assets. Soon after the sale closed, escrow proceeds were wired to an investment management account to be prudently managed for income and to fund future real estate investment purchases.

We strive to deliver superior risk-adjusted returns over time through diversified revenue streams.
INVESTMENTS AND INSURANCE SERVICES

Serving the entire 19-state Bank of the West branch network, BancWest Investment Services (BWIS) is a full service brokerage firm and subsidiary of the bank. With approximately $6.1 billion in assets under management, BWIS is one of the 25 largest bank investment programs in the U.S., and offers a wide range of investment products including mutual funds, exchange-traded funds, IRAs, annuities, and services such as retirement planning, investment allocation, educational savings planning and insurance needs analysis.

Whether clients are planning for retirement or seeking more from investments, experienced BWIS financial advisors affiliated with branches work by appointment with clients to develop plans to meet their specific investment and retirement objectives.

BW Insurance Agency, Inc. is a full-service personal and business insurance agency and subsidiary of the bank providing automobile, homeowners, life, business and other insurance products. Licensed to do business in 49 states, BW Insurance agents provide customized plans for each client, whether the client is buying a first home or protecting business assets. Customers are able to obtain insurance quotes by phone, online or by stopping in at select bank branches and dedicated agency offices across nine states. As a national independent agency, BW Insurance partners with insurance companies to offer high quality insurance coverage at a competitive price.

“Building lasting relationships is the cornerstone of our wealth management philosophy. Whether it’s financial planning, banking, insurance or investment solutions, our wealth management clients are provided a single point of contact supported by a team of highly knowledgeable financial professionals to help them understand, then achieve their ultimate financial goals.”

Carolyn Paul, SVP/Wealth Management, Rocky Mountain Regional Manager

To purchase property for a new physical fitness company she was opening in Highlands Ranch, Colorado, Beci Campisi and husband David turned to our Denver Private Banking team. We provided the credit supported, in part, by David’s position as president of The Sports Authority, a major sporting goods retailer. The Campisis have since turned to us for investment management, business and personal accounts and a consumer loan to keep them headed toward their goals.
SMALL & MEDIUM ENTERPRISE BANKING

Relationship banking begins with listening to our customers. We take the time to understand the opportunities and challenges confronting small and mid-sized businesses.

Whether they’re trying to grow revenue, expand operations or manage cash flow, small businesses want a relationship with a trustworthy financial advisor. Our bankers are adept at finding financial solutions for their clients. We combine professional, personal service with the right financial products and services to meet the unique needs of small and medium-size companies.

Keita Grant and his family have banked for years with us in Orinda, California. Keita helps Burger King franchisees start their restaurants. When his branch manager learned that Keita had an opportunity to own and operate his own Burger King within Oakland International Airport, he referred him to our experts in SBA lending, and they said “have it your way!”

Skyline Displays Corporation, a woman-owned business manufacturing tradeshow displays near Portland, Oregon, needed more space because business was booming. CEO Debra Sears Bergeson knew she could count on us to finance the expansion. She and her husband and company president Roger have personal and business accounts with us, and they were comfortable with and confident in our team.

Whether a business needs a conventional small business loan to grow, an SBA-guaranteed loan to acquire property, or cash management solutions that are scalable for a growing company, we can meet those needs.

Our service and capabilities are recognized locally and nationally. Bank of the West received eight national and "We know that entrepreneurship is about more than just starting a business. We understand the hard work, creativity, and determination that go into acquiring, starting or running a business or franchise. We understand the entrepreneurial spirit that presses on in difficult times - a spirit that endures years later when that original dream has grown into a successful enterprise. We understand because we’ve been guiding and supporting entrepreneurs every step of the way.”

Michelle Di Gangi, EVP/Small and Medium Enterprise Division
regional awards of excellence from financial consulting and research firm Greenwich Associates for 2009, for overall satisfaction in small business/middle market customer service, relationship manager performance, cash management, and financial stability.

In addition to providing a full range of solutions, we serve diverse industries, including manufacturers, retailers, law offices, accounting firms and medical practices.

Dr. Basil Besh decided to build a state-of-the-art orthopedic surgery center in Fremont, California, and he wanted more than a loan; Dr. Besh wanted to do business with a lender committed to a long-term relationship. So he turned to us for an SBA loan, and maintains multiple personal and business deposit accounts with us as well.

Environmental engineering firm Trihydro Corporation in Laramie, Wyoming, needed a mix of deposit and loan solutions in 2009. The company was attracted to Bank of the West’s creativity, teamwork and responsiveness. After considering various banks’ proposals, Trihydro moved its banking relationship to Bank of the West, including lines of credit, deposit accounts and cash management services with remote deposit.

When Enrique Mendoza, a veteran store manager for a large supermarket chain, and his partner decided to open their own store in San Jose, California, we helped finance his dream. A few months later we helped him add a taqueria next door. Six months later, he acquired a second store and soon after opened a third Santa Fe Mercado. Mendoza has more than a dozen business deposit accounts with us and also uses our credit card.

We are customer oriented. We are knowledgeable about our customers’ needs and goals and are committed to ensuring they have the best solutions. We are honored by their business and their referrals.

Through our branch network, we provide small and mid-sized companies and entrepreneurs with both deposit and credit solutions. Equipment leasing, inventory flooring plans, corporate cards, and other commercial banking products, as well as insurance and wealth management services, are also available to business owners.

A certified Preferred Small Business Administration (SBA) Lender, Bank of the West has SBA experts ready to help business partners and their clients choose from a variety of financing solutions on government-guaranteed loans that range from $25,000 to $5,000,000.

Small and medium-sized businesses are the backbone of the American economy and the primary generator of employment growth. We are committed to developing relationships with small and mid-sized firms to assist in their growth, ensure their success and thus contribute to the success of our communities. We continued to lend to credit-worthy businesses through the downturn, and we plan to do even more as our economy improves.
COMMERCIAL BANKING

As a relationship bank, we offer our larger middle-market commercial clients a full range of credit and deposit solutions, with specialized expertise in agribusiness, equipment finance, commercial real estate, government banking and church banking. Our commercial bankers are based in cities throughout our 19-state retail footprint, and we also have a representative office in New York City. Our relationship with our parent, BNP Paribas, provides an added dimension of advisory expertise and service value in 84 countries; through the BNP Paribas Global Trade Network, we provide efficient trade finance in 54 of those countries.

In many cases we partner with BNP Paribas in directly supporting the needs of our multinational clients. In 2009, for instance, we were able to arrange BNP Paribas cash management services in Poland for our Kansas-based customer, GPS manufacturer Garmin International.

We offer a consultative approach to support the long-term financial health of our client companies, new and ongoing. During the recent downturn, our commercial customers knew they could turn to their relationship managers and experts as trusted advisors for assistance.

SPECIALIZED BANKING

In addition to providing general commercial banking services, we have developed deep expertise in a number of specialized market segments in which we believe our knowledge and expertise greatly benefit our customers.

We are an efficient provider of valued products and high quality service, benefiting from the financial strength and global resources of BNP Paribas.

With a strong presence in the nation’s most productive farming regions, Bank of the West is the #3 agribusiness bank in the country. We believe that steady support for our clients in both good and challenging times is a key to building trusting relationships. We financed growth for many thriving businesses in 2009. In July, for instance, Center Fresh Egg Farm, Sioux Center, Iowa, expanded its existing relationship with us to include operating credit, foreign exchange, interest rate swaps and cash management in financing its new Hawkeye Egg Farm. Once complete, the combined operation will be one of the 10 largest egg producers in the U.S. In the Midwest, we have
specialized expertise in livestock feed lots. We also specialize in supporting nursery businesses throughout the country, and the agricultural group banks a wide variety of nut and tree fruit growers and processors. Our premium wine bankers in California and the Northwest have grown their business rapidly from a base in Napa.

As the nation’s leading specialized bank lender to churches, our thorough understanding of the business dynamics of religious organizations has produced a superb record over 20 years of helping congregations develop facilities that further their ministries. With more than $1.2 billion in its church portfolio, the bank has no nonperforming borrowers. Working with us since 1997, Vineyard Christian Fellowship in Phoenix, Arizona completed a $21 million project in 2009 that included a ‘compassion center,’ a 6,000 square foot building designed to provide a food bank, clothing center, job counseling service and other community outreach services in an area hard-hit by recession.

Vineyard also turned to us for cash management and investment services.

Government banking, another area of specialized focus, develops public finance, cash management, and investment relationships in the public sector. In September 2009, our Government Banking group entered into a five-year relationship with Los Angeles County’s Deferred Compensation Division to manage an employee benefit program.

Avid Health, Inc. manufactures vitamins in Vancouver, Washington, with products in the largest national retailers. Seeking to refinance part of their debt capital, Avid wanted a consultative bank partner. Our Seattle-based commercial team, working with cash management, foreign exchange, capital markets and syndication experts, offered credit and ancillary solutions, and Avid established a relationship with a bank that fully understands its banking needs.

“We believe in a customer-centric, full relationship banking model focused on our customers’ growth goals. The partnership we forge with our middle-market customers is what enables us to effectively tailor solutions that address a company’s total spectrum of financial needs. This approach differentiates us, as does our deep expertise in specialized market segments including agriculture, real estate, government and church banking. Our customers also seek out our expertise in equipment finance, investment services, foreign exchange, global trade, syndication, commercial cards and cash management.”

Gerard Denot, Vice Chairman, Commercial Banking Group
Successful relationships entail addressing all of our customers’ financial needs

COMMERCIAL BANKING

option initially funded at $121 million. We provide a similar service for the City of Los Angeles. We are also an official depository bank for the State of California, and when the State found it necessary to issue ‘registered warrants’ in lieu of checks in mid-2009, we accepted them through the entire period of issuance.

Our extensive experience in equipment finance includes manufacturer leasing programs in many industries; we have expertise in commercial real estate, construction, both commercial and residential, and in banking for title, escrow and property management firms. We also offer syndication solutions for larger loans.

DEPOSIT, CASH MANAGEMENT AND INVESTMENT SOLUTIONS

While all banks can provide basic deposit and credit products, our ability to provide customers with an integrated solution – including value-added products – sets us apart. Our product consultants can be the first point of contact for new customers, providing transaction and investment solutions prior to a credit relationship. Capital markets, cash management, foreign exchange or global trade are often a company’s initial focus, followed by additional products and services as needed. Our objective is to fully understand each client company, its business and its strategic objectives. This enables us to insightfully provide the right solutions at the right time to meet each company’s evolving needs.

Our capital markets capabilities ensure that commercial customers have access to the best advice on derivatives, fixed income investment and depository solutions that fit their specific needs.

In today’s business environment, optimizing the use of excess operating capital is critical to profitability. From commercial paper and money market investments to Treasury securities, CDs and municipal bonds, our fixed income team is highly adept at putting corporate capital to its highest use.

Currency risk is a common concern for companies that operate internationally, and we provide custom foreign exchange hedging solutions and strategies in all currencies. For example, Schwan’s Global Food Service, based in Marshall, Minnesota, markets and distributes frozen foods in 50 countries. Schwan’s specific foreign exchange need arose when it divested business lines in Britain and Germany, and we were there to provide strategic counsel and efficient execution. In addition to foreign exchange, we also provide fixed income investment services for Schwan’s.
Inspiring trust with reliable solutions, thorough and transparent consultation, customized service and strong execution allows commercial relationships to develop and expand. TriZetto Group in Newport Beach, California, develops and markets medical record software that allows physicians and insurers to communicate efficiently. As one of a group of banks providing the firm’s operating capital, we had studied TriZetto’s financial needs and knew the company well. As a result, our team was able to present the company with a customized and compelling service offer to supply their cash management, fixed income investments and corporate credit card solutions.

Our cash management relationship specialists work with many clients on a daily basis, serving as a natural extension of our customers’ financial departments. They are a key component in our ability to achieve long-term client satisfaction and to deepen commercial relationships through identification of unmet needs.

By educating customers to manage their corporate spending as well as their employee expenses through more efficient commercial card accounts, we had by year’s end increased our commercial card client list by 27%. Collectively, our commercial card customers spent 40% more on their cards than in 2008. We have increasingly expanded our focus to include scalable commercial card programs for ever larger companies. Near the end of 2009, the large Idaho paper and packaging manufacturer Boise, Inc. shifted their commercial card accounts to us so that their nearly 4,000 employees could benefit from our efficient card program.

Especially now, solid, timely execution of essential business financial services helps create success, and Bank of the West cash, investment and payment solutions give client companies a high degree of dependability and a marketplace advantage.

Whatever our customers’ needs, our customer-centric, full relationship banking model enables strong, results-oriented partnerships between the bank and our middle-market company customers.
COMMUNITY SUPPORT

Our relationships in the communities we serve are as important as those we forge in our branches, online and in boardrooms. Working to sustain and improve the economic health of these communities is of great importance to us. We contribute to our communities in a variety of ways including grant-making, community development lending and investment in underserved communities. We maintain the spirit of local participation consistent with our roots in community banking.

INVESTING IN RELATIONSHIPS

In 2002, Bank of the West established an investment goal of $75 billion in equities, loans and contributions in support of low and moderate-income communities through 2015. By the end of 2009, we had achieved 79% of this target, representing $52.2 billion of community investment.

Despite a difficult small business lending environment, we continued to support microlending through our community development work. For example, our investment in the Colorado Enterprise Fund (CEF), a community development financial institution in Denver, helped nearly 3,000 entrepreneurs obtain loans that averaged $27,000 each to fuel their growth. CEF has made loans to restart a school, build and grow a small family-owned collision repair shop, and save a remodeling company in the Denver suburb of Longmont that needed a boost to get past the impact of recession. We are proud to have played a role in the success of this effort.

In 2009, we made more than 2,000 grants to local nonprofit organizations in the communities we serve, most of them focused on programs that assist low- and moderate-income individuals and communities. We also encourage bank employees to sponsor grant applications by nonprofits with which they volunteer in order to facilitate a bank match.

Frequently we are able to help nonprofit organizations with financing as well as through our charitable contributions. Los Angeles-based AltaMed Health Services, for example, has been providing health care for the uninsured and underserved in Southern
California for 35 years. In addition to more than $30,000 in charitable donations, we provided AltaMed with a $5 million line of credit to bridge funding gaps in Medi-Cal and Medicare receivables caused by disruptions to the California state budget.

In Portland, we’ve developed a relationship with the Native American Youth and Family Center, providing contributions, volunteer participation and financial education, plus a $2.5 million commercial real estate loan for a building with classrooms, a cafeteria and an auditorium.

**FINANCIAL LITERACY**

Financial education and literacy continue to be a major emphasis for the bank. Partnering with Operation Hope, the Elder Financial Protection Network, Junior Achievement and other groups, we work to strengthen the ability of all Americans to manage their personal finances. Among other projects, we enabled the YMCA of Silicon Valley to teach the value of saving to groups of low-income elementary students at Campo Alegre in the Santa Cruz mountains.

**ENVIRONMENTAL CITIZENSHIP**

Our environmental citizenship efforts in 2009 focused on energy efficiency, reduced paper use, increased recycling, and ‘green’ design characteristics for a major new bank facility.

In designing a single new office facility to replace six smaller buildings and house more than 1,500 employees, we’re using sustainable materials and creating open work stations to maximize use of available natural light. We also reduced paper use bank-wide by 10%, and we expect to see a further 20% reduction resulting from this effort in 2010.

**COMMUNITY EVENT SPONSORSHIP**

Events serve an important role in community building and we are proud to sponsor events that contribute to community well-being, ranging from university sports programs in California, Colorado and other states to free public concerts in Omaha and Des Moines, to Cheyenne Frontier Days and our signature Bank of the West Classic women’s professional tennis tournament held each year at Stanford University.

The March of Dimes has been a popular cause at the bank for more than a decade. Each spring hundreds of bank employees participate in fundraising efforts through the March for Babies, the national charity’s largest effort to generate giving to support research and direct service in the reduction of birth defects and low birth weight.

Volunteers like Orange County branch managers Cynthia Pearson, left, and Maria Thomas, have made our annual campaign one of the top corporate producers in the country.
FINANCIAL HIGHLIGHTS

AUDITED FINANCIAL STATEMENTS
The financial highlights immediately below are extracted from the bank’s audited financial statements for 2009. These detailed financial statements are available in print or online at:

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<th>(dollar amounts in thousands)</th>
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<td>.72%</td>
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<td>44,476,351</td>
<td>47,194,511</td>
<td>43,735,307</td>
</tr>
<tr>
<td>Total deposits</td>
<td>40,205,146</td>
<td>37,261,171</td>
<td>38,055,451</td>
</tr>
<tr>
<td>Total risk based capital ratio</td>
<td>11.08%</td>
<td>10.44%</td>
<td>10.57%</td>
</tr>
</tbody>
</table>

**STRONG CREDIT RATINGS**
Credit ratings* are a key measure of capital strength and financial stability. They are also recognition from rating agencies of a strong balance sheet and consistent financial performance.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>A1</td>
</tr>
<tr>
<td>Standard &amp; Poor’s</td>
<td>AA-</td>
</tr>
<tr>
<td>Fitch</td>
<td>AA</td>
</tr>
</tbody>
</table>

* long-term deposit ratings

**STRONG CAPITAL POSITION**
Bank of the West is one of the largest commercial banks in the United States. Our capital position exceeds regulatory requirements.

<table>
<thead>
<tr>
<th></th>
<th>Bank of the West Q4, 2009</th>
<th>Well-Capitalized Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Leverage Ratio</td>
<td>8.41%</td>
<td>5.00%</td>
</tr>
<tr>
<td>Tier 1 Risk-Based Capital Ratio</td>
<td>9.80%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Total Risk Based Capital Ratio</td>
<td>11.08%</td>
<td>10.00%</td>
</tr>
</tbody>
</table>

As of December 31, 2009
Based in San Francisco, we have representative offices in New York, Taipei and Tokyo. Our sister bank, First Hawaiian Bank, is based in Honolulu.
EXECUTIVE MANAGEMENT COMMITTEE

J. Michael Shepherd  
Chairman & Chief Executive Officer

Gerard Denot  
Vice Chairman  
Commercial Banking Group

Thibault Fulconis  
Vice Chairman  
Finance Group

Richard Byrd  
Senior Executive Vice President  
Wealth Management Group

Donald Duggan  
Senior Executive Vice President  
Chief Information Officer

William Even  
Senior Executive Vice President  
Chief Credit Officer

Scott Germer  
Senior Executive Vice President  
Risk Management

Andrew Harmening  
Senior Executive Vice President  
Regional Banking Group

Russell Playford  
Senior Executive Vice President  
Chief Risk Officer

Vanessa Washington  
Senior Executive Vice President  
General Counsel and Secretary

Paul Wible  
Senior Executive Vice President  
National Finance Group

Michael Bracco  
Executive Vice President  
Chief Administrative Officer  
Director of Human Resources

Gilles Karpowicz  
Director of Audit and Inspection

SENIOR MANAGEMENT COMMITTEE

EXECUTIVE VICE PRESIDENTS

**Thomas Anderson**
President, BW Insurance Agency, Inc.

**Lynne Anstadt**
Branch and Customer Service

**Dan Beck**
Controller

**Ross Biatek**
General Auditor

**Bob Dalrymple**
Great Plains Division

**Richard Davis**
Southern California Division

**Jack Devereaux**
Rocky Mountain Division

**Michelle Di Gangi**
Small & Medium Enterprise Division

**Eric Eisenberg**
Central Operations
Transaction Processing

**Tani Girton**
Treasurer

**Mark Glasky**
National Banking Division

**James Hanna**
Chief Technology Officer

**Bruce Heysse**
National Finance Group
Direct Lending

**Jim Kennedy**
Specialized Depository Division

**Allen Kirschenbaum**
Real Estate Industries Division

**Stew Larsen**
Mortgage Banking Division

**Maria Lazzarini**
Northern California Division

**Matt Macomber**
Internet Channel Banking

**Carole Merchant**
National Finance Group
Indirect Consumer Lending

**Dan Mikes**
Church Loan Division

**Paul Nakae**
Real Estate Industries Division

**Jerry Newell**
Equipment Finance Division

**Yukinori Nishio**
Pacific Rim Banking Division

**Patrick Poupon**
Cash Management Division

**Brad Rasmus**
Midwest Division

**Martin Resch**
Financial Modeling

**Michael Robinson**
Central California/Nevada Division

**Miguel Serricchio**
Cash Management Division

**George Stanfield**
Southwest Division

**Michael Stead**
Capital Markets

**Roger Sturdevant**
Agribusiness Division

**John Thomason**
Corporate Real Estate

**Bill Williamson**
Northwest Division

**Dan Wilson**
National Banking Division Area Manager

**Gina Wolley**
Regional Banking Group Administration and Branch Support

SENIOR VICE PRESIDENTS

**Chris Ball**
Deputy General Counsel

**Mark Beecher**
National Finance Group
Sales and Marketing

**Sue Bulloch**
National Finance Group
Financial Manager

**Bernard Digeon**
Commercial Banking Group
Risk Manager

**Ted Dunn**
Syndications

**Joe Ford**
Chief Security Officer

**Susan Forman**
Corporate Communications Manager

**Arcinee Hovanessian**
Deputy Chief Credit Officer

**John Hyche**
Syndications

**Richard Lewis**
National Finance Group
Risk Officer

**Lori Rivers**
National Finance Group
Projects and Systems

**Andrew Rosen**
Chief Marketing Officer

**George Saleh**
Operations and Systems
Operations Manager

**Chris Summers**
Chief Compliance Officer
BOARD OF DIRECTORS

Frank Bonetto
Vice Chairman (retired)
Regional Banking Group
Bank of the West

Bernard Brasseur
Risk Manager (retired)
Bank of the West

Francois Dambrine
Head of U.S. Retail Banking
BNP Paribas, Paris

Gerard Denot
Vice Chairman
Commercial Banking Group
Bank of the West

Walter A. Dods, Jr.
Chairman (retired)
First Hawaiian Bank
Chairman, Alexander & Baldwin, Inc.
Trustee, Estate of S.M. Damon

Stuart A. Hall
President & CEO (retired)
Liberty Northwest

Guido van Hauwermeiren
Head of Coverage for International Strategic Clients Corporate and Investment Banking
BNP Paribas, Paris

Conrad W. Hewitt
Chief Accountant, Securities and Exchange Commission (retired)
California Superintendent of Banking, and Commissioner of Financial Institutions 1995-98

Vivien Levy-Garboua
Senior Advisor
Direction Générale
BNP Paribas, Paris

A. Ewan Macdonald
Chairman & CEO (retired)
Del Monte Foods

Yves Martrenchar
Head of Distribution, Markets and Solutions
Retail Banking
BNP Paribas, Paris

Isao “Steve” Matsuura
Chairman (retired)
Sanwa Bank California

Don J. McGrath
Chairman & CEO (retired)
BancWest Corporation
Chairman (retired)
Bank of the West

Rodney R. Peck
Senior Partner
Pillsbury Winthrop Shaw Pittman

Frank Roncey
Head of Risk Management
BNP Paribas-Americas, New York

J. Michael Shepherd
Chairman & CEO
BancWest Corporation
Chairman & CEO
Bank of the West

Admiral Robert L. Toney
U.S. Navy (retired)

Jacques H. Wahl
Senior Advisor to the Chairman (retired)
BNP Paribas
Former Director & President
Banque Nationale de Paris
OUR AWARDS

In 2009, Bank of the West received several industry awards that demonstrate our commitment to customer satisfaction. We thank our loyal customers for the honor of serving them and our employees for their hardworking efforts that made these recognitions possible.

J.D. POWER AND ASSOCIATES

Bank of the West was ranked the “Highest in Customer Satisfaction with Retail Banking in the West” by J. D. Power and Associates. Bank of the West was ranked highest in the West region encompassing California, Oregon and Washington, which represent more than half of the bank’s consumer and business households.

GREENWICH ASSOCIATES

Bank of the West was recognized with eight national and regional awards of excellence by financial consulting and research firm Greenwich Associates for 2009, for overall satisfaction in small business/middle market customer service, relationship manager performance, cash management, and financial stability.
WHO WE ARE

Headquartered and chartered in San Francisco, California, Bank of the West is a full-service commercial bank with $60 billion in assets and $40.2 billion in deposits at December 31, 2009. The bank operates more than 700 branch and commercial banking offices in 19 states – Arizona, California, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Oklahoma, Oregon, Nevada, New Mexico, Nebraska, North Dakota, South Dakota, Utah, Washington, Wisconsin and Wyoming. Bank of the West originates commercial, small business and consumer loans and leases, offering a wide range of banking, insurance, trust and investment solutions for individuals and businesses. Subsidiary Essex Credit Corporation offers loans on marine pleasure craft and recreational vehicles. See www.bankofthewest.com.

Bank of the West is a subsidiary of BancWest Corporation, a bank holding company with assets of approximately $73.8 billion at December 31, 2009. Headquartered in Honolulu, Hawaii with offices in San Francisco, BancWest Corporation also owns First Hawaiian Bank, with $13.7 billion in assets at December 31, 2009 and 63 branches in Hawaii, Guam and Saipan. See www.bancwestcorp.com.

BNP Paribas (www.bnpparibas.com) is one of the six strongest global banks according to Standard & Poor’s and the largest bank in the Euro Zone by deposits. With a presence in more than 80 countries and more than 200,000 employees, including 15,900 in North America and 160,000 in Europe, BNP Paribas is a leading provider of financial services worldwide and a market leader in its three core business segments: Retail Banking, Investment Solutions and Corporate & Investment Banking. BNP Paribas has four domestic retail markets: Belgium, France, Italy and Luxembourg. BNP Paribas’ U.S. presence includes Corporate & Investment Banking. Bank of the West and its sister institution, First Hawaiian Bank. In Corporate & Investment Banking and Investment Solutions, BNP Paribas enjoys top positions in Europe and solid and fast-growing businesses in Asia.

Bank of the West received the highest numerical score among retail banks in the West (CA, OR, WA) region in the proprietary J. D. Power and Associates 2008-2009 Retail Banking Satisfaction Study® based on a total of 28,570 responses measuring 9 providers and measuring opinions of consumers. Proprietary study results are based on experiences and perceptions of consumers surveyed in January, 2009. Your experience may vary. Visit jdpower.com.