



News Release – For Immediate Release: April 16, 2009

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PACIFIC WEST BANK REPORTS FIRST QUARTER 2009 FINANCIAL RESULTS

West Linn, OR – Pacific West Bank (OTCBB: PWBO) reported a net loss of \$49,000 and diluted loss per share of \$0.06 for the quarter ended March 31, 2009 compared with net income of \$36,000 and diluted earnings per share of \$0.05 for the comparable period in 2008.

Douglas H. Leeding, the Bank's Chief Executive Officer, commented, "While we remain committed to improving our profitability, we have focused our efforts on improving the structure of our balance sheet, which we believe to be critical in this economic and regulatory environment. We believe the small financial loss taken in the first quarter is more than offset by the improvement to our balance sheet and the increase in our franchise value brought by advancing our strategic priorities."

President Steven W. Gray continued, "Heading into the quarter we had four priorities: improve the performance of our loan portfolio, protect our capital, improve our liquidity, and grow our core customer relationships. Our loan portfolio has shown improved performance, our capital remains strong, our liquidity position has improved substantially, and our core customer deposit accounts have increased 14% in the past three months."

Credit Quality

The Bank experienced improvement in the performance of its loan portfolio in the first quarter as the level of past due and nonaccrual loans was reduced. Remaining nonperforming loans are believed to be well-secured by the underlying collateral based on recent appraisals and other market considerations.

The Bank recorded a provision for loan losses of \$85,000 for the quarter, while recording a charge to the allowance for loan losses of \$24,000. As of March 31, 2009, the allowance for loan losses stands at \$837,000 or 1.40% of loans, net of deferred fees.

Mr. Leeding reiterated that although the Bank has loans to residential developers and builders, it has no exposure to regional or national builders and it has no subprime or Alt-A mortgage loans in the portfolio.

Capital Adequacy

The Bank continues to be classified as well-capitalized by regulatory standards. Total risk-based capital was approximately 12.3% at quarter end, in comparison to the regulatory minimum of 10% to be classified as well-capitalized.

Liquidity

Over the first quarter, the Bank substantially increased its liquidity, as asset-based liquidity increased from 3.78% to 13.95% of assets. In addition, the Bank reduced its Federal Home Loan Bank borrowings during the quarter by \$2 million and opened a primary borrowing line with the Federal Reserve, thereby increasing available credit with these sources.

Other financial highlights:

- Total assets increased to \$74.9 million as of March 31, 2009 compared with \$64.3 million as of December 31, 2008 (16% increase), with the majority of growth in liquid assets.
- Loans, net of deferred fees, increased to \$59.7 million as of March 31, 2009 compared with \$58.1 million as of December 31, 2008 (3% increase).
- Total deposits increased to \$61.4 million as of March 31, 2009 compared with \$48.8 million as of December 31, 2008 (26% increase).

About Pacific West Bank:

Pacific West Bank, a community bank, commenced operations in November 2004. The Bank, headquartered in West Linn, Oregon, opened its second branch in Lake Oswego, Oregon in 2008. Pacific West Bank provides not only highly personalized deposit and loan services to individuals and small-to-medium-sized businesses but also financial and volunteer support to a variety of community, business and charitable organizations. For more information about Pacific West Bank, please call 503-905-2222 or visit www.bankpacificwest.com. Information about the Bank's stock may be obtained through the Over the Counter Bulletin Board at www.otcbb.com. Pacific West Bank's stock symbol is PWBO.

Forward-looking Statements:

Certain statements in this release may be deemed to be "forward-looking statements". Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement.

PACIFIC WEST BANK

BALANCE SHEETS

(in thousands) (unaudited)

	3/31/09	12/31/08	3/31/08
Cash and due from banks	\$ 1,136	\$ 959	\$ 2,360
Federal funds sold	9,305	1,470	-
Investment securities	-	-	2,543
Loans, net of deferred fees	59,662	58,091	42,781
Allowance for loan losses	(837)	(776)	(598)
Premises and equipment, net	3,213	3,246	331
Other assets	2,381	1,311	1,014
Total assets	\$ 74,860	\$ 64,301	\$ 48,431
Noninterest-bearing deposits	\$ 6,331	\$ 4,813	\$ 6,277
Interest-bearing deposits	55,106	44,029	30,680
Borrowed funds	5,500	7,500	3,595
Other liabilities	393	384	320
Total liabilities	67,330	56,726	40,872
Common stock	7,698	7,694	7,653
Accumulated deficit	(168)	(119)	(97)
Accumulated other comprehensive income	-	-	3
Shareholders' equity	7,530	7,575	7,559
Total liabilities and shareholders' equity	\$ 74,860	\$ 64,301	\$ 48,431

STATEMENTS OF INCOME

(in thousands, except earnings per share) (unaudited)

	Three Months Ended	
	3/31/09	3/31/08
Interest and fee income	\$ 1,001	\$ 844
Interest expense	405	326
Net interest income	596	518
Provision for loan losses	85	60
Net interest income after provision for loan losses	511	458
Noninterest income	9	13
Salaries and employee benefits	331	258
Occupancy expense	74	34
Other noninterest expense	196	119
Total noninterest expense	601	411
Income (loss) before income taxes	(81)	60
Provision for income taxes (benefit)	(32)	24
Net income (loss)	\$ (49)	\$ 36
Earnings (loss) per share-diluted	\$ (0.06)	\$ 0.05
Return on average assets (annualized)	-0.30%	0.33%
Return on average equity (annualized)	-2.63%	1.94%
Efficiency ratio	99.35%	77.39%
Net interest margin (annualized)	3.94%	4.75%
Book value per share at balance sheet dates	\$ 9.92	\$ 9.97