

# CALIFORNIA BANK & TRUST

## 2009 4<sup>TH</sup> QUARTER FINANCIAL RESULTS

(January 27, 2010)

### 2009 Significant Items

- The Net Loss for 2009 was \$50.2 million, compared to Net Income of \$38.6 million for 2008. The decrease was primarily due to \$319.0 million of securities losses.
- The Net Interest Margin for 2009 increased to 4.78% from 4.51% in 2008.
- 2009 results included gains of \$152.7 million on the acquisitions of the banking operations of Alliance Bank and Vineyard Bank.
- The Provision for Loan Losses was \$251.5 million for 2009, compared to \$82.9 million for 2008.
- The Allowance for Loan Losses was \$223.4 million as of December 31, 2009, compared to \$208.1 million
- The Tier 1 Risk-Based Capital Ratio increased to 10.25% as of December 31, 2009, compared to 9.93% as of September 30, 2009 and 8.33% as of December 31, 2008.

Performance Ratios <sup>1</sup>	Year Ended		Three Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Net Interest Margin	4.78%	4.51%	4.81%	4.61%
Operating Efficiency Ratio <sup>2</sup>	47.1%	47.3%	47.8%	47.4%
Cash Return on Average Assets <sup>2</sup>	0.48%	1.13%	0.79%	1.16%
Cash Return on Average Equity <sup>2</sup>	5.3%	16.2%	8.4%	15.8%
Net Charge-offs/Average Loans <sup>3</sup>	1.85%	0.78%	2.04%	0.89%

Balance Sheet Amounts / Ratios	December 31, 2009	September 30, 2009	December 31, 2008
Total Loans	\$8,961,918	\$9,226,342	\$7,867,139
Nonperforming Loans + OREO/Loans + OREO <sup>3</sup>	3.43%	3.23%	1.87%
Allowance for Credit Losses <sup>4</sup> /Loans <sup>3</sup>	3.21%	2.94%	1.69%
Total Deposits	\$9,761,552	\$9,466,702	\$7,964,440
Loan-to-Deposit Ratio	91.8%	97.5%	98.8%

Capital Ratios	December 31, 2009	September 30, 2009	December 31, 2008
Tangible Equity/Tangible Assets	9.22%	9.04%	8.92%
Tier 1 Leverage	8.81%	9.45%	8.77%
Tier 1 Risk-based Capital	10.25%	9.93%	8.33%
Total Risk-based Capital	11.51%	11.19%	11.05%

Credit Rating <i>(Ratings are current as of January 27, 2010)</i>	Moody's	Fitch	S&P
<b>California Bank &amp; Trust</b>			
Long-Term Issuer	Ba3	BBB	–
Certificate of Deposits	Ba2	BBB+	–
<b>Zions Bancorporation</b>			
Long-Term Issuer	–	BBB	BBB-
Senior Unsecured Debt	B2	BBB	BBB-
Short-Term/Commercial Paper	NP	F2	A-3

<sup>1</sup> Performance Ratios as calculated on internal unaudited management financial reports

<sup>2</sup> Excludes net losses on securities & gains on acquisitions of Alliance Bank & Vineyard Bank

<sup>3</sup> Excludes FDIC Supported Assets

<sup>4</sup> Includes Allowance for Credit losses on Off-Balance Sheet Credit Exposures included in Other Liabilities

## CB&T Statement of Condition

Dollars in thousands (unaudited)

Assets	December 31, 2009		September 30, 2009		December 31, 2008	
Cash and Due from Banks	\$	191,985	\$	206,098	\$	218,428
Money Market Investments		440,087		40,303		371,922
Investment Securities		291,992		402,562		719,276
Loans and Leases, Net of Unearned Income		7,611,860		7,738,394		7,867,139
FDIC Supported Assets		1,403,531		1,542,735		-
Allowance for Loan and Lease Losses		(223,405)		(208,101)		(116,236)
Premises & Equipment		51,830		47,552		46,751
Intangible Assets		395,758		397,188		385,815
Other Assets		1,091,170		1,130,942		652,277
<b>Total Assets</b>	<b>\$</b>	<b>11,254,808</b>	<b>\$</b>	<b>11,297,673</b>	<b>\$</b>	<b>10,145,372</b>

## Liabilities & Capital

Liabilities						
Demand Deposits	\$	3,120,067	\$	2,896,835	\$	2,338,521
Interest Checking		537,663		492,332		455,256
Savings		255,342		262,334		221,851
Money Market		4,010,327		3,967,193		3,676,176
Time Deposits		1,429,351		1,836,729		1,265,833
Foreign Deposits		408,802		11,279		6,803
<b>Total Deposits</b>		<b>9,761,552</b>		<b>9,466,702</b>		<b>7,964,440</b>
Other Interest Bearing Liabilities		9,742		354,400		824,094
Allowance for Credit losses on Off-Balance Sheet						
Credit Exposures		21,264		19,375		16,895
Other Liabilities		80,169		75,089		84,677
<b>Total Liabilities</b>		<b>9,872,727</b>		<b>9,915,566</b>		<b>8,890,106</b>
<b>Shareholder's Equity</b>		<b>1,382,081</b>		<b>1,382,107</b>		<b>1,255,266</b>
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>\$</b>	<b>11,254,808</b>	<b>\$</b>	<b>11,297,673</b>	<b>\$</b>	<b>10,145,372</b>

## CB&T Statement of Earnings

Dollars in thousands (unaudited)

Earnings	Year Ended	
	December 31, 2009	December 31, 2008
Interest Income	\$ 539,446	\$ 575,477
Interest Expense	74,428	160,193
<b>Net Interest Income</b>	<b>465,018</b>	<b>415,284</b>
Provision for Loan Losses	251,531	82,885
<b>Net Interest Income after Provision for Loan Losses</b>	<b>213,487</b>	<b>332,399</b>
Noninterest Income	299,633	79,164
Securities Gains (Losses), Net	(319,024)	(117,923)
<b>Noninterest Expense</b>		
Salaries and Employee Benefits	140,383	122,841
Premises & Equipment	36,367	33,281
Amortization of Intangible Assets	5,033	4,109
Other Operating Expenses	108,083	76,413
<b>Total Noninterest Expense</b>	<b>289,866</b>	<b>236,644</b>
<b>Income Before Income Taxes</b>	<b>(95,770)</b>	<b>56,996</b>
Income Taxes	(45,594)	18,352
<b>Net Income</b>	<b>\$ (50,176)</b>	<b>\$ 38,644</b>