



April 27, 2009

To Our Valued Customers and Friends:

We are writing to give you an update on Pacific Western Bank's financial strength. We value our relationship with you and recognize how important it is to share this information with you given the current economic climate.

Pacific Western Bank and its holding company PacWest Bancorp (Nasdaq: PACW) remained profitable in the 1st quarter of 2009 and further increased their capital levels and regulatory capital ratios. Pacific Western Bank's tangible capital ratio of 10.1% at December 31, 2008 was in the top 14% in the country for commercial banks with over \$1 billion in assets. At March 31, 2009, the Bank added an additional \$12 million in tangible capital bringing its tangible capital ratio to 10.54%. The Bank's March 31, 2009 balance sheet and its statement of earnings for the 1st quarter of 2009 are enclosed. PacWest Bancorp's earnings release and related financial information can be found at www.pacwestbancorp.com.

First Quarter Highlights

- The Bank's net earnings for the 1st quarter of 2009 were \$5.4 million.
- At March 31, 2009, the Bank had \$507 million in capital, an increase of \$12 million from \$495 million in capital at December 31, 2008. Pacific Western's capital ratios at December 31, 2008 exceeded the regulatory minimum for being "well-capitalized," the highest capital category for banks.
- Pacific Western Bank is the 15th largest commercial bank headquartered in California out of 311 institutions. Established in 1982, Pacific Western has been the premier commercial bank serving small and medium-sized businesses in Southern California for nearly 27 years.
- At March 31, 2009, the Bank had \$4.5 billion in assets and 61 branches throughout Southern California.
- We participate in the FDIC's Temporary Liquidity Guarantee Program which means that all your noninterest-bearing deposits are fully insured through December 31, 2009.
- The Bank's tangible capital ratio (tangible equity expressed as a percentage of tangible assets) increased to 10.5% at March 31, 2009 from 10.1% as of year-end.
- The Bank's high capital ratios compared to the regulatory minimums along with the dollar amount of excess capital are shown in the following table:

Capital Statistics at March 31, 2009
(Dollars in Millions)

	Minimum Regulatory Well-Capitalized Requirements	Pacific Western Actual Ratios	Dollar Excess Over Well-Capitalized Minimums
Tier 1 leverage capital ratio	5.00%	10.76%	\$256.5
Tier 1 risk-based capital ratio	6.00%	11.20%	\$222.3
Total risk-based capital ratio	10.00%	12.45%	\$104.9

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Partner with Strength

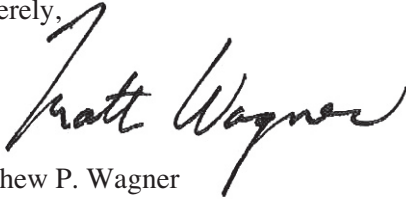
You may have noticed a difference in our branches. In March 2009, we launched our “Partner with Strength” campaign. Our branches have new artwork and materials that highlight the message “***Partner with Strength. Partner with Pacific Western Bank.***” This message embodies the core of who we are and what we do. We are intent on remaining one of the strongest banks in the country from a financial perspective, and partnering with you to give you the benefit of that strength, stability and security.

* * *

We thank you for banking with us and we look forward to continuing to serve you.

We hope you are extremely happy with our service and feel reassured by our strength. If your family, friends and colleagues are not with a strong and customer-oriented financial institution, please encourage them to call us today. We’d love to meet with them. Please feel free to contact me, or your banking representative, if you have any questions or would like additional information.

Sincerely,

A handwritten signature in black ink that reads "Matt Wagner". The signature is written in a cursive style with a large, sweeping initial "M".

Matthew P. Wagner
Chairman and Chief Executive Officer

Enclosures



UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands)

	March 31, 2009
Assets:	
Cash and due from banks	\$ 118,008
Total cash and cash equivalents	118,008
Interest-bearing deposits in financial institutions	95,758
Securities available for sale	141,004
Loans, net	3,853,892
Premises and fixed assets	23,390
Intangible assets	41,804
Other assets	214,110
Total assets	\$ 4,487,966
Liabilities and Shareholder's Equity:	
Liabilities:	
Total deposits	3,488,629
Other borrowed money	450,000
Other liabilities	42,642
Total liabilities	3,981,271
Shareholder's Equity:	
Total shareholder's equity	506,695
Total liabilities and shareholder's equity	\$ 4,487,966

	Minimum Regulatory Requirements	Actual as of March 31, 2009
	Well Capitalized	Pacific Western
Tier 1 leverage capital ratio	5.00%	10.76%
Tier 1 risk-based capital ratio	6.00%	11.20%
Total risk-based capital	10.00%	12.45%
Tangible common equity (TCE) ratio	—	10.54%



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF EARNINGS
(In thousands)

	Three Months Ended March 31, 2009
Interest income:	
Interest and fees on loans	\$ 61,846
Interest on interest-bearing deposits in other financial institutions	61
Interest on securities	1,546
Total interest income	<u>63,453</u>
Interest expense:	
Interest expense on deposits	9,320
Interest expense on borrowed money	3,560
Total interest expense	<u>12,880</u>
Net interest income before provision for credit losses:	50,573
Provision for credit losses	14,000
Net interest income after provision for credit losses	<u>36,573</u>
Noninterest income:	
Service charges on deposit accounts	3,149
Other income	2,507
Total noninterest income	<u>5,656</u>
Noninterest expense:	
Salaries and employee benefits	16,372
Premises and fixed assets	6,195
Intangible asset amortization	2,247
Other expense	8,946
Total noninterest expense	<u>33,760</u>
Earnings before income taxes	8,469
Income taxes	3,070
Net earnings	<u>\$ 5,399</u>



PARTNER WITH **STRENGTH**

Despite challenging economic times, Pacific Western Bank remains one of the most respected banking franchises in the country. Pacific Western Bank is the 15th largest commercial bank headquartered in California out of 311 institutions. Established in 1982, Pacific Western has been the premier commercial bank serving small and medium-sized businesses and their principals throughout Southern California for nearly 27 years.

Pacific Western is a Large, Stable and Well-Managed Institution

At March 31, 2009, Pacific Western had \$4.5 billion in assets and 61 branches throughout Southern California. Our conservative approach to banking and avoidance of risky investments has kept Pacific Western Bank financially strong and well-capitalized.

Pacific Western is Financially Strong, with Positive 1st Quarter Earnings and Significant Capital

The Bank's net earnings for the 1st quarter of 2009 were \$5.4 million. At March 31, 2009, we had \$507 million in capital, an increase of \$12 million from \$495 million in capital at December 31, 2008.

Pacific Western's High Capital Ratios Mean Safety and Security

Pacific Western's capital ratios at March 31, 2009 exceeded the regulatory minimum for being "well-capitalized," the highest capital category for banks.

Client Driven – Client Focused

We are guided by the highest standards of service, value, integrity and fairness. We have developed a comprehensive suite of products and services to help optimize cash flow and enhance the operating efficiency of your business. Additionally, we have a broad range of lending solutions to accommodate both short and long-term financing needs.

PARTNER WITH PACIFIC WESTERN BANK

If you are looking to build a long-term banking relationship with a strong, stable and secure financial institution, we invite you to visit www.pacificwesternbank.com or stop by one of our branch locations.

