

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A Amendment No. 1

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: March 15, 2002
(Date of earliest event reported)

BANCWEST CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-7949
(Commission File Number)

99-0156159
(IRS Employer
Identification No.)

999 Bishop Street, Honolulu, Hawaii
(Address of principal executive offices)

96813
(Zip Code)

Registrant's telephone number, including area code: **(808) 525-7000**

Not Applicable
(Former name or former address, if changed since last report)

TABLE OF CONTENTS

[Item 2 Acquisition or Disposition of Assets](#)

[Item 7 Financial Statements, Pro Forma Information and Exhibits](#)

[SIGNATURE](#)

[EXHIBIT INDEX](#)

[EXHIBIT 23.3](#)

[EXHIBIT 99.1](#)

[EXHIBIT 99.2](#)

Table of Contents

Item 2 Acquisition or Disposition of Assets

As previously reported, on March 15, 2002, BancWest Corporation (“BancWest”), a wholly-owned subsidiary of BNP Paribas, completed its acquisition of all of the outstanding stock of United California Bank (“UCB”) from UFJ Bank Ltd. of Japan.

On March 15, 2002, UCB had total assets of \$10.1 billion, net loans of \$8.5 billion, total deposits of \$8.3 billion and a total of 115 branches. The preceding amounts do not include final purchase price accounting adjustments. The acquisition was accounted for as a purchase and the purchase price of approximately \$2.4 billion was paid in cash. BNP Paribas funded BancWest’s acquisition of UCB by providing \$1.6 billion of additional capital to BancWest and by lending it \$800 million.

On April 1, 2002, UCB was merged into Bank of the West, a subsidiary of BancWest. Branches of UCB are expected to be fully integrated into the Bank of the West branch network system by late 2002.

This amendment provides financial statements of the acquired business and pro forma information that were not available at the time of the initial filing.

Item 7 Financial Statements, Pro Forma Information and Exhibits

(a) Financial Statements of Business Acquired.

Audited consolidated balance sheets as of December 31, 2001 and December 31, 2000 and audited statements of income and comprehensive income, changes in stockholder’s equity and cash flows for the years ended December 31, 2001, December 31, 2000 and December 31, 1999 of United California Bank and Subsidiaries are filed as Exhibit 99.1 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(b) Pro Forma Financial Information.

Unaudited pro forma combined statement of income for the year ended December 31, 2001 of BancWest Corporation and Subsidiaries is filed as Exhibit 99.2 to this Current Report on Form 8-K/A and is incorporated herein by reference. The Annual Report on Form 10-K for the year ended December 31, 2001 and the quarterly report on Form 10-Q for the quarter ended March 31, 2002 of BancWest Corporation and Subsidiaries are incorporated herein by reference.

(c) Exhibits.

23.1 The consent of Arthur Andersen LLP to the inclusion of its Report of Independent Public Accountants on Consolidated Financial Statements dated February 26, 2002 is omitted pursuant to Securities Act Rule 437a.

23.2 The consent of KPMG LLP to the inclusion of its Independent Auditors’ Report dated February 2, 2001, concerning certain financial statements of Tokai Bank of California and subsidiary as of December 31, 2000, is omitted because KPMG LLP declined to issue such consent without a “bring-down” letter from Arthur Andersen LLP, which was unavailable. See description of Exhibit 23.1.

23.3 Consent of independent accountants — PricewaterhouseCoopers LLP.

99.1 Audited consolidated balance sheets as of December 31, 2001 and December 31, 2000 and audited statements of income and comprehensive income, changes in stockholder’s equity and cash flows for the years ended December 31, 2001, December 31, 2000 and December 31, 1999 of United California Bank and Subsidiaries.

99.2 Unaudited pro forma combined statement of income for the year ended December 31, 2001 of BancWest Corporation and Subsidiaries and UCB and Subsidiaries.

SIGNATURE

Pursuant to the requirements of 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.

Dated: May 29, 2002

BANCWEST CORPORATION

By /s/ Howard H. Karr

Howard H. Karr
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
23.1	The consent of Arthur Andersen LLP to the inclusion of its Report of Independent Public Accountants on Consolidated Financial Statements dated February 26, 2002 is omitted pursuant to Securities Act Rule 437a.
23.2	The consent of KPMG LLP to the inclusion of its Independent Auditors' Report dated February 2, 2001, concerning certain financial statements of Tokai Bank of California and subsidiary as of December 31, 2000, is omitted because KPMG LLP declined to issue such consent without a "bring-down" letter from Arthur Andersen LLP, which was unavailable. See description of Exhibit 23.1.
23.3	Consent of independent accountants — PricewaterhouseCoopers LLP.
99.1	Audited consolidated balance sheets as of December 31, 2001 and December 31, 2000 and audited statements of income and comprehensive income, changes in stockholder's equity and cash flows for the years ended December 31, 2001, December 31, 2000 and December 31, 1999 of United California Bank and Subsidiaries.
99.2	Unaudited pro forma combined statement of income for the year ended December 31, 2001 of BancWest Corporation and Subsidiaries and UCB and Subsidiaries.

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the registration statements on Form S-3 (No. 333-48552 and 333-48552-01) of BancWest Corporation of our reports dated January 16, 2002 relating to the financial statements, which appear in the BancWest Corporation's Annual Report on Form 10-K for the year ended December 31, 2001, which is incorporated in this Current Report on Form 8-K/A dated March 15, 2002.

/s/ PricewaterhouseCoopers LLP

San Francisco, CA
May 28, 2002

THIS PAGE WAS INTENTIONALLY LEFT BLANK.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors and Stockholder of United California Bank:

We have audited the accompanying consolidated balance sheets of United California Bank (a California chartered bank and a wholly-owned subsidiary of Sanwa Bank, Ltd. and Tokai Bank, Ltd.) and subsidiaries (the Bank) as of December 31, 2001 and 2000, and the related consolidated statements of income and comprehensive income, changes in stockholder's equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Tokai Bank of California for years prior to its merger during 2001 with Sanwa Bank California in a transaction accounted for as a reorganization of entities under common control, as discussed in Note 13 to the accompanying consolidated financial statements. Such statements are included in the accompanying consolidated financial statements of the Bank and reflect total assets of 17 percent as of December 31, 2000, and net income of 18 percent and 14 percent for the years ended December 31, 2000 and 1999, respectively, of the related consolidated totals. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to amounts included for Tokai Bank of California prior to the merger, is based solely upon the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United California Bank and subsidiaries as of December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States.

/s/ ARTHUR ANDERSEN LLP
Los Angeles, California
February 26, 2002

[This is a copy of a report previously issued by Arthur Andersen LLP. That report has not been reissued by Arthur Andersen LLP nor has Arthur Andersen LLP provided a consent to the inclusion of its report in this filing.]

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Tokai Bank of California:

We have audited the consolidated balance sheets of Tokai Bank of California and subsidiary (Tokai Bank) (a wholly-owned subsidiary of The Tokai Bank, Ltd., Japan) as of December 31, 2000 and the related consolidated statements of operations, stockholder's equity and comprehensive income and cash flows for each of the years in the two-year period then ended. These consolidated financial statements are the responsibility of Tokai Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in note 2 to the Tokai Bank 2000 consolidated financial statements (not included herein), Tokai Bank has charged to its stockholder's equity, the excess of the acquisition cost over the fair value of the net assets acquired in connection with the acquisition of another bank. This treatment was required by bank regulatory authorities but is not in accordance with accounting principles generally accepted in the United States of America, which require such amounts to be amortized to expense over the estimated benefit period. Had accounting principles generally accepted in the United States of America been applied to this acquisition transaction, net earnings would be decreased by approximately \$998,400 in both 2000 and 1999, and retained earnings would be increased by approximately \$998,400 and \$1,996,800 at December 31, 2000 and 1999, respectively.

In our opinion, except for the effects on the consolidated financial statements of not capitalizing and amortizing the excess of the acquisition price over the fair value of net assets acquired as discussed in the preceding paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tokai Bank of California and subsidiary as of December 31, 2000 and the results of their operations and their cash flows for each of the years in the two-year period then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ KPMG LLP
February 2, 2001
Los Angeles, California

[This is a copy of a report previously issued by KPMG LLP. That report has not been reissued by KPMG LLP nor has KPMG LLP provided a consent to the inclusion of its report in this filing.]

THIS PAGE WAS INTENTIONALLY LEFT BLANK.

THIS PAGE WAS INTENTIONALLY LEFT BLANK.

UNITED CALIFORNIA BANK AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in thousands except par value)

	December 31,	
	2001	2000
ASSETS		
Cash and due from banks	\$ 602,112	\$ 770,544
Federal funds sold	3,500	93,454
Interest-bearing deposits with banks	25,205	115,205
Trading securities	76,568	82,588
Securities available for sale	548,058	696,703
Loans and leases (net of allowance for credit losses of \$210,000 in 2001 and \$189,580 in 2000)	8,795,040	9,006,592
Premises and equipment, net	133,081	133,213
Customers' acceptance liability	8,861	8,698
Accrued interest receivable	62,924	72,912
Other real estate (net of allowances of \$303 in 2001 and \$784 in 2000)	995	2,257
Other assets	268,463	239,105
TOTAL ASSETS	\$ 10,524,807	\$ 11,221,271
LIABILITIES		
Checking	\$ 3,367,484	\$ 3,303,953
Savings	3,161,372	2,086,731
Time	2,183,968	3,600,653
Total deposits	8,712,824	8,991,337
Federal funds purchased and securities sold under agreements to repurchase	285,915	848,774
FHLB advances	200,000	100,000
Other borrowed funds	53,342	55,832
Acceptances outstanding	8,861	8,698
Accrued expenses and other liabilities	179,839	146,764
TOTAL LIABILITIES	9,440,781	10,151,405
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
STOCKHOLDER'S EQUITY		
Capital stock - \$50 par value, 12,000,000 shares authorized, 10,864,198 shares outstanding	543,210	543,210
Surplus	206,127	206,127
Accumulated other comprehensive income (loss)	17,610	(1,514)
Retained earnings	317,079	322,043
TOTAL STOCKHOLDER'S EQUITY	1,084,026	1,069,866
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 10,524,807	\$ 11,221,271

The accompanying notes are an integral part of these consolidated financial statements.

UNITED CALIFORNIA BANK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(dollars in thousands)

	Year Ended December 31,		
	2001	2000	1999
INTEREST INCOME			
Loans and leases	\$ 686,697	\$ 788,414	\$ 654,232
Securities available for sale	39,452	58,229	66,997
Trading securities	1,747	2,974	2,566
Interest-bearing deposits with banks	4,847	8,276	8,965
Federal funds sold	3,061	9,923	9,551
TOTAL INTEREST INCOME	735,804	867,816	742,311
INTEREST EXPENSE			
Deposits	225,393	294,153	249,402
Federal funds purchased and securities sold under agreements to repurchase	24,495	59,968	32,485
FHLB advances	8,382	6,546	6,023
Other borrowed funds	1,585	2,665	2,077
TOTAL INTEREST EXPENSE	259,855	363,332	289,987
NET INTEREST INCOME	475,949	504,484	452,324
Provision for credit losses	54,544	43,830	14,600
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	421,405	460,654	437,724
NONINTEREST INCOME			
Service charges on deposits	42,016	35,099	35,510
Trust fees	10,308	10,598	17,329
Bankcard services	2,585	1,875	2,644
Capital markets revenues	13,739	10,952	11,181
Trade related services	9,019	9,150	8,412
Mutual fund and annuity sales fees	9,447	8,948	6,404
Securities losses	--	(12,896)	(13)
Gain on sale of credit card portfolio and merchant business	--	--	8,958
Gain on sale of Star System stock	30,117	--	--
Other	11,624	12,642	8,892
TOTAL NONINTEREST INCOME	128,855	76,368	99,317
NONINTEREST EXPENSE			
Salaries	187,416	161,797	154,056
Benefits	30,907	29,237	30,112
Occupancy	36,004	35,708	34,236
Equipment	32,323	31,580	27,683
Outside service fees	23,002	23,202	22,219
Other real estate expense (income) and provision, net	(611)	224	(52)
Other	68,357	57,222	55,365
TOTAL NONINTEREST EXPENSE	377,398	338,970	323,619
Income before income tax expense	172,862	198,052	213,422
Income tax expense	57,961	41,255	75,996
NET INCOME BEFORE CHANGE IN ACCOUNTING PRINCIPLE	\$ 114,901	\$ 156,797	\$ 137,426
Cumulative effect of change in accounting principle, net (Note 11)	6,304	--	--
NET INCOME	\$ 121,205	\$ 156,797	\$ 137,426
OTHER COMPREHENSIVE INCOME (LOSS):			
Unrealized gains (losses) on securities available for sale and cash flow hedges:			
Unrealized holding gains (losses) arising during period	40,558	26,803	(51,265)
Less: reclassification adjustment for (gains) losses included in net income	(7,513)	12,896	13
Other comprehensive income (loss), before tax	33,045	39,699	(51,252)
Income tax expense (benefit) related to items of comprehensive income	13,921	16,519	(20,902)
Other comprehensive income (loss), net of tax	19,124	23,180	(30,350)
COMPREHENSIVE INCOME	\$ 140,329	\$ 179,977	\$ 107,076

The accompanying notes are an integral part of these consolidated financial statements.

UNITED CALIFORNIA BANK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
(dollars in thousands except number of shares)

	Capital Stock		Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Number of Shares	Amount				
Balance, December 31, 1998	10,864,198	\$ 543,210	\$ 206,127	\$ 5,656	\$ 245,552	\$ 1,000,545
Net income					137,426	137,426
Change in unrealized gains/losses on securities available for sale, net of tax				(30,350)		(30,350)
Dividends paid					(102,245)	(102,245)
Balance, December 31, 1999	10,864,198	543,210	206,127	(24,694)	280,733	1,005,376
Net income					156,797	156,797
Change in unrealized gains/losses on securities available for sale, net of tax				23,180		23,180
Dividends paid					(115,487)	(115,487)
Balance, December 31, 2000	10,864,198	543,210	206,127	(1,514)	322,043	1,069,866
Net income					121,205	121,205
Change in unrealized gains/losses on securities available for sale and cash flow hedges, net of tax				19,124		19,124
Dividends paid					(126,169)	(126,169)
Balance, December 31, 2001	10,864,198	\$ 543,210	\$ 206,127	\$ 17,610	\$ 317,079	\$ 1,084,026

The accompanying notes are an integral part of these consolidated financial statements.

UNITED CALIFORNIA BANK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)

	Year Ended December 31,		
	2001	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 121,205	\$ 156,797	\$ 137,426
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Provision for credit losses	54,544	43,830	14,600
Depreciation and amortization	20,684	19,551	18,608
Result of trading operations	(11,238)	(37,211)	49,646
(Credit) provision for losses on other real estate	(400)	885	1,447
(Decrease) increase in trading securities	6,020	(53,322)	99,048
Cumulative effect of change in accounting principle, net of taxes	(6,304)	--	--
Deferred income tax (benefit) provision	(35,764)	(49,657)	19,392
Net increase in other (assets) liabilities	41,425	(1,887)	(55,389)
	190,172	78,986	284,778
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in federal funds sold and interest-bearing deposits with banks	179,954	221,533	(144,317)
Proceeds from sales and maturities of securities available for sale	175,926	485,218	430,872
Purchase of securities available for sale	(12,092)	(32,054)	(670,287)
Proceeds from loan sales	7,528	79,487	294
Purchase of loans	(14,027)	(138,741)	(27,986)
Loans originated, net of payments	162,392	(272,648)	(730,737)
Net purchase of premises and equipment	(21,183)	(21,107)	(9,489)
Proceeds from sales of other real estate	3,072	13,701	7,484
Proceeds from sale of Star System stock	30,152	--	--
Other	(295)	2,273	460
	511,427	337,662	(1,143,706)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in deposits	(278,513)	301,041	255,940
(Increase) decrease in short-term funds borrowed	(565,349)	(311,542)	723,338
Proceeds from long-term debt	200,000	100,000	100,000
Payments on long-term debt	(100,000)	(100,000)	(200,000)
Payment of cash dividends to Parent	(126,169)	(115,487)	(102,245)
	(870,031)	(125,988)	777,033
Net (decrease) increase in cash and due from banks	(168,432)	290,660	(81,895)
Cash and due from banks at beginning of year	770,544	479,884	561,779
	\$ 602,112	\$ 770,544	\$ 479,884
	=====	=====	=====
Supplemental disclosure of noncash investing and financing activities:			
Loans transferred to other real estate	\$ 1,115	\$ 2,820	\$ 12,727
Supplemental disclosure of cash flow information:			
Interest paid	\$ 266,118	\$ 349,262	\$ 290,197
Income taxes paid	83,849	93,005	54,788

The accompanying notes are an integral part of these consolidated financial statements.

UNITED CALIFORNIA BANK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

United California Bank (the Bank) is a California chartered Bank and a wholly-owned subsidiary of Sanwa Bank, Ltd. and Tokai Bank, Ltd. (the Parent). Sanwa Bank California and Tokai Bank of California combined in July 2001. Sanwa Bank California was the surviving entity and changed its name to United California Bank. The combination was accounted for as a reorganization of entities under common control, since in July 2001, both Sanwa Bank, Ltd. and Tokai Bank, Ltd. had become wholly-owned subsidiaries of a newly formed holding company called UFJ Holdings, Inc. Accordingly, all historical financial information has been restated as if the combination had been in effect for all periods presented. The Bank provides a full range of banking services to businesses and individuals through a network of more than 100 offices throughout California. Banking services are also made available to customers through their personal computers and by telephone. Interest income on loans to businesses and individuals located principally in California is the primary source of revenue for the Bank.

The accounting and reporting policies of the Bank conform to accounting principles generally accepted in the United States (GAAP) and prevailing practice within the banking industry. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and income and expenses during the reporting period. Actual results could differ from those estimates. Certain amounts in the financial statements for prior years have been reclassified to conform to the current financial statement presentation. The following are descriptions of the significant accounting policies of the Bank.

Consolidation

The accompanying consolidated financial statements include the accounts of United California Bank and all of its subsidiaries. Subsidiaries include United California Capital, Eureka Investment Advisors and First Bancorp. Intercompany accounts and transactions have been eliminated in consolidation.

Securities

Securities are classified at acquisition as available for sale when the Bank intends to hold the securities for an indefinite period of time but not necessarily to maturity. Any decision to sell a security classified as available for sale would be based on various factors, including significant movements in interest rates, changes in the maturity mix of the Bank's assets and liabilities, liquidity demands, regulatory capital considerations, and other similar factors. Securities classified as available for sale are carried at fair market value. The fair value of securities is principally determined from prices obtained from independent market sources. Changes in fair value, net of the related tax effect, are included in accumulated other comprehensive income. Realized gains and losses are included in noninterest income.

Securities are classified at acquisition as held to maturity when the Bank has the positive intent and ability to hold the securities to maturity. Securities held to maturity are carried at cost, adjusted for amortization of premiums and accretion of discounts to maturity or, in the case of mortgage-backed securities, over the estimated life of the security.

Trading securities, which are generally held for the short-term in anticipation of market gains and resale, are carried at market value. Gains and losses realized from the sale of trading securities and unrealized market value changes are included in noninterest income.

Derivative Financial Instruments

Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (SFAS No. 133), was issued during the second quarter of 1998 and was adopted by the Bank as of

January 1, 2001. This statement establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging purposes. Upon entering into a derivative contract, the Bank will designate the derivative as a fair value hedge, a cash flow hedge or a trading instrument. See Note 11 for details.

Derivative financial instruments may be constructed to act as hedges either to protect against adverse changes in the fair value of, or the cash flows associated with, assets, liabilities, firm commitments to purchase or sell specific assets or liabilities, or other probable transactions. The asset, liability, or firm commitment is referred to as the hedged or underlying item. The hedge is constructed so that its fair value or cash flows change in response to certain events in an offsetting manner to the changes in the fair value or cash flows of the underlying item.

SFAS No. 133 requires that all derivatives be recorded at their current fair value on the balance sheet. A change in the fair value of the hedge results in a gain or loss for the holder, just like changes in the fair value of the underlying asset or liability being hedged results in a gain or loss for the holder. SFAS No. 133 specifies how and when the gains and losses relating to both the hedge itself and the hedged item are recognized. Recognition of the gains and losses depends on the how the hedge is classified. Under SFAS No. 133, if certain conditions are met, derivatives may be specifically classified or designated as fair value hedges or cash flow hedges.

Fair value hedges are intended to reduce or eliminate the exposure to adverse changes in the fair value of a specific underlying item. Gains or losses in the hedging instrument are recognized in the income statement during the period that the change in fair value occurred. The offsetting gain or loss on the hedged item, which is attributable to the risk being hedged, is also recognized in the income statement for the same period. Hedge ineffectiveness results if the changes in fair values do not exactly offset. This ineffectiveness is included in earnings in the period in which it occurs.

Cash flow hedges are intended to hedge exposure to variable cash flows of a forecasted transaction or an underlying instrument. They are effective to the extent that the holder receives additional cash flows from the hedge when it receives lower cash flows from the hedged item and vice-versa. The effective portion of the hedge gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings when the forecasted transaction affects earnings. The ineffective portion of the gain or loss is reported in earnings immediately.

Hedges meeting certain other criteria may be classified as interest rate and foreign exchange hedges. Such hedges are used in the Bank's trading activities and are carried at market value. Realized and unrealized gains and losses are reported in noninterest income. Interest rate contracts include futures, forwards, options and swaps. Foreign exchange contracts include spots, futures, forwards and swaps.

If a hedge does not meet the requirements for designation as one of these specific categories of hedge, gains or losses associated with changes in its fair value are immediately recognized in the income statement. The accounting for the underlying instrument will follow normal accounting policies for the specific type of asset or liability.

The Bank uses interest rate swaps and floors to manage exposure to interest rate risks. The periodic net settlement for these interest rate contracts is recorded as an adjustment to the interest income or interest expense of the related financial instrument.

Foreign currency translations

Foreign currency positions are translated into U.S. dollars using rates of exchange at the reporting date. Net gains or losses arising from translation are included in noninterest income.

Loans and leases

Loans are reported at the principal amounts outstanding, net of unamortized nonrefundable loan fees and related direct loan origination costs. Deferred net fees and costs are recognized as an adjustment to interest income over the loan term using a method that approximates a level yield on the recorded investment in the loan.

Loans, other than residential real estate loans, are placed on nonaccrual status upon becoming 90 days past due as to interest or principal (unless both well-secured and in the process of collection), when the full and timely collection of interest or principal becomes uncertain or when a portion of the principal balance has been charged off. Residential real estate loans (both first liens and junior liens) are placed on nonaccrual status after 90 days of becoming past due as to interest or principal, regardless of collateral value or collection process.

When a loan is placed on nonaccrual status, all unpaid accrued interest is reversed and deferred net fees or costs are no longer amortized. Interest received on nonaccrual loans is accounted for on the cash or cost recovery method until the loan is returned to accrual status. Generally, a loan is returned to accrual status when all delinquent interest and principal become current in accordance with the terms of the loan agreement, the borrower has resumed sustained payment of the principal and interest and the Bank expects that the full contractual balance of the loan plus interest will be collected, or when the loan is both well-secured and in the process of collection.

Statement of Financial Accounting Standards (SFAS) No. 114, Accounting by Creditors for Impairment of a Loan, as amended by SFAS No. 118, Accounting by Creditors for Impairment of a Loan - Income Recognition and Disclosures, prescribes the measurement methods, income recognition and disclosures related to impaired loans. A loan is considered impaired when it is probable the Bank will be unable to collect all amounts due according to the original contractual terms of the loan agreement, including scheduled interest payments.

For loans covered by SFAS No. 114, the Bank makes an assessment of impairment when such loans are on nonaccrual. When a loan has been identified as being impaired, the amount of impairment will be measured using discounted cash flows, except when the Bank has established the market price of the loan or determined that the sole remaining source of repayment for the loan is the operation or liquidation of the underlying collateral. In such cases, the market price of the loan or the current fair value of the collateral, less estimated costs to sell, is used to measure impairment. Additionally, impaired loans with balances of less than \$500,000 are aggregated for the purpose of measuring impairment using historical loss factors.

If the measurement of the impaired loan is less than the recorded investment in the loan, impairment is recognized by creating or adjusting the allocation of the allowance for credit losses.

Allowance for credit losses

The Bank maintains an allowance for credit losses to absorb losses inherent in the loan and lease portfolio and from other credit-related sources, such as commitments to extend credit and standby letters of credit. The allowance is increased by the provision for credit losses, which is charged against current period earnings, and decreased by the amount of loans charged off, net of recoveries.

The allowance is based on quarterly assessments of probable credit losses. The methodology used to assess the appropriateness of the allowance consists of calculated allowances, specific allowances and a judgmental allowance.

Calculated allowances are determined by applying loss factors to outstanding loans and leases, standby letters of credit, and the amount of commitments the Bank estimates it will fund. Loss factors are based on the Bank's historical loss experience and may be adjusted for factors that affect the collectibility of the portfolio as of the evaluation date. The Bank derives the loss factors from, among other things, past chargeoff history

for satisfactory loans, a loss migration model for classified loans, and analysis of recent pool trends and consideration of historical pool performance for pooled loans. Pooled loans are homogeneous in nature and include consumer loans, residential mortgages and automobile leases.

Specific allowances are established on impaired loans when the measure of the impaired loan is less than the recorded investment in the loan.

The judgmental allowance has two components. The first component reflects the imprecision inherent in judgments of collectibility and estimates of losses. The second component is based on the evaluation of various conditions that are not directly measured in the determination of the formula and specific allowances. These conditions may include concentration risk for specific industries and portfolios, loans with a high likelihood for further downgrade, general economic and business conditions, portfolio trends, and recent grade variance statistics.

Premises and equipment

Premises and equipment are carried at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of each type of asset or term of related leases, whichever is shorter.

Other real estate

Other real estate, acquired through foreclosure or deed in-lieu of foreclosure, is initially accounted for at the lower of the recorded investment in the loan or fair value less estimated selling costs. Any excess of the recorded amount of the loan over fair value less estimated selling costs is charged to the allowance for credit losses and a new cost basis is established. Following acquisition, the property is carried at the lower of the new cost basis or fair value less estimated selling costs. Changes in the carrying values of other real estate are then recognized through a provision charged to noninterest expense.

Income taxes

Income tax expense is the amount of estimated tax due (or refundable) on the Bank's tax returns and the change in the amount of deferred tax assets and liabilities. Deferred tax assets or liabilities represent the estimated income tax benefits receivable, or expense payable, for temporary differences between the accounting basis and tax basis of the Bank's assets and liabilities.

Consolidated statements of cash flows

For purposes of the consolidated statements of cash flows, the Bank has defined cash and cash equivalents as the amount included in the consolidated balance sheets as "Cash and due from banks".

Other comprehensive income (loss)/Accumulated other comprehensive income (loss)

SFAS No. 130, Reporting Comprehensive Income, established standards for the reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. Comprehensive income refers to the total of all components of comprehensive income, including net income. Other comprehensive income (loss) refers to revenues, expenses, gains and losses that under generally accepted accounting principles are included in comprehensive income but excluded from net income. For the Bank, other comprehensive income (loss) represents only the change in unrealized gains (losses) on cash flow hedges and securities available for sale, net of tax and reclassification adjustments. Accumulated other comprehensive income (loss) presented in the consolidated balance sheets and consolidated statements of changes in stockholders' equity is comprised of unrealized gains (losses) on securities available for sale and cash flow hedges, net of tax.

Other Recent Accounting Pronouncements

In September of 2000, the Financial Accounting Standards Board (FASB) issued SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. This Statement replaces SFAS No. 125, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities.

SFAS No. 140 revises the standards for accounting for securitizations and other transfers of financial assets and collateral and requires certain additional disclosures. SFAS No. 140 carries over most of SFAS No. 125's provisions without reconsideration. For the transfers and servicing of financial assets and extinguishments of liabilities, SFAS No. 140 requires a financial-components approach that focuses on control. Under that approach, after a transfer of financial assets, the Bank will 1) recognize the financial and servicing assets it controls and the liabilities it has incurred, 2) derecognize financial assets when control has been surrendered, and 3) derecognize liabilities when extinguished.

SFAS No. 140 is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001, and recognition and reclassification of collateral and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. The adoption of SFAS 140 did not have a material impact on the Bank's financial position or results of operations.

On June 30, 2001, the FASB issued SFAS No. 141, Business Combinations, and SFAS No. 142, Goodwill and Other Intangible Assets. The Bank was required to adopt SFAS No. 141 upon issuance. Since the merger of Sanwa Bank California and Tokai Bank of California was accounted for as a reorganization of entities under common control, the adoption of SFAS No. 141 did not have any impact on the Bank's financial position or results of operations. All future business combinations, which involve the Bank, must be accounted for as purchase transactions. The Bank adopted SFAS No. 142 on January 1, 2002. With the adoption of SFAS No. 142, goodwill is no longer subject to amortization over its estimated useful life. Rather, goodwill will be subject to at least an annual assessment for impairment by applying a fair-value-based test. Additionally, identifiable intangible assets that have been separately recognized will continue to be subject to amortization over their useful lives. As the Bank did not have existing goodwill or intangible assets, the adoption of SFAS No. 142 did not have any impact on the Bank's financial position or results of operations.

In August 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. This statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets and supercedes or amends previous pronouncements including SFAS No. 121, APB Opinion No. 30, and Accounting Research Board No. 51. This statement became effective for the Bank on January 1, 2002 and did not have a material effect on the Bank's financial position or results of operations.

(2) RESTRICTIONS ON CASH AND DUE FROM BANKS

The Bank is required by the Federal Reserve Bank of San Francisco to maintain reserve balances on transaction deposits. The average amount of these reserve balances for the years ended December 31, 2001 and 2000 were \$31,426,000 and \$27,027,000, respectively.

(3) SECURITIES AVAILABLE FOR SALE

The amortized costs and estimated fair values of securities available for sale at December 31, 2001 were as follows:

(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and other government agency securities	\$152,919	\$ 4,706	\$ -	\$157,625
Collateralized mortgage obligations	128,222	1,716	(30)	129,908
Asset-backed securities	171,981	4,547	(25)	176,503
Mortgage-backed securities	68,555	1,417	(356)	69,616
Other securities	14,116	292	(2)	14,406
Total	\$535,793	\$ 12,678	\$ (413)	\$548,058

The amortized costs and estimated fair values of securities available for sale at December 31, 2000 were as follows:

(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and other government agency securities	\$273,682	\$ 1,229	\$ (2,187)	\$272,724
Collateralized mortgage obligations	176,826	250	(1,211)	175,865
Asset-backed securities	177,061	199	(1,948)	175,312
Mortgage-backed securities	56,887	659	(5)	57,541
Other securities	14,905	356	--	15,261
Total	\$699,361	\$ 2,693	\$ (5,351)	\$696,703

Securities having an amortized cost of \$336,984,000 and \$541,829,000 at December 31, 2001 and 2000, respectively, were pledged primarily as collateral for securities sold under agreements to repurchase and also to secure public funds and for other purposes as required or permitted by law. Securities having an amortized cost of \$102,894,000 and \$144,601,000 were pledged as collateral for reverse repurchase agreements at December 31, 2001 and 2000, respectively.

The amortized cost and estimated fair value of securities at December 31, 2001, by contractual maturity, are shown below. Collateralized mortgage obligations are classified in accordance with their estimated life. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

(dollars in thousands)	Amortized Cost	Fair Value
Due in one year or less	\$ 16,751	\$ 17,062
Due after one year through five years	275,965	282,195
Due after five years through ten years	33,705	34,306
Due after ten years	209,372	214,495
Total	\$535,793	\$548,058

During the years ended December 31, 2001, 2000 and 1999, sales of securities recorded gross losses of \$0, \$12,896,000 and \$13,000, respectively. There were no gross gains recorded for sales of securities during the years ended December 31, 2001, 2000 and 1999.

(4) LOANS AND LEASES AND ALLOWANCE FOR CREDIT LOSSES

The loan portfolio as of December 31, 2001 and 2000 consisted of the following:

(dollars in thousands)	2001	2000
Commercial	\$3,898,008	\$4,270,500
Consumer	1,489,392	1,671,224
Residential mortgages	1,845,917	1,505,324
Agricultural	988,783	1,011,419
Leases	27,066	332
Real estate construction	755,874	737,373
	9,005,040	9,196,172
Less allowance for credit losses	210,000	189,580
	\$8,795,040	\$9,006,592

The loan and lease categories above are presented net of unearned interest income (consisting mostly of unearned interest income on dealer paper loans) and net unamortized deferred fees of \$18,787,000 and \$24,764,000 at December 31, 2001 and 2000, respectively. At December 31, 2001 and 2000, loans secured by first trust deeds on residential property with principal balances of \$323,000,000 and \$330,000,000, respectively, were pledged as collateral to the Federal Reserve Bank of San Francisco, \$140,000,000 and \$161,000,000, respectively, were pledged to the State of California and \$1,528,000,000 and \$1,208,000,000, respectively, were pledged to the Federal Home Loan Bank of San Francisco.

The loan portfolio is well diversified and does not contain significant concentrations of loans to any particular industry sector. Total real estate loans, which include loans for single family homes, construction and land development, and properties secured by non residential properties were 61 percent and 57 percent of total loans at December 31, 2001 and 2000, respectively. Total agricultural loans, which include loans for dairy farms, fruit orchards and field crops, were 11 percent of total loans at both December 31, 2001 and 2000.

The Bank's recorded investment in impaired loans and the related valuation allowance, were as follows:

(dollars in thousands)	2001		2000	
	Recorded Investment	Valuation Allowance	Recorded Investment	Valuation Allowance
Impaired loans-				
Valuation allowance required	\$ 91,459	\$ 36,394	\$ 39,452	\$ 13,461
No valuation allowance required	51,954	--	43,976	--
Total impaired loans	\$143,413	\$ 36,394	\$ 83,428	\$ 13,461

The average recorded investment in impaired loans for the years ended December 31, 2001 and 2000 was \$111,746,000 and \$54,653,000, respectively. Interest income recognized on impaired loans for the years ended December 31, 2001, 2000 and 1999 was \$1,764,000, \$1,538,000 and \$3,098,000, respectively.

The Bank had nonaccrual loans of \$143,413,000 and \$76,663,000 at December 31, 2001 and 2000, respectively. If interest on nonaccrual loans had been accrued in accordance with their original terms, interest income would have increased by approximately \$9,100,000, \$5,075,000 and \$2,941,000 for the years ended December 31, 2001, 2000, and 1999, respectively.

The Bank has extended treasury and correspondent banking facilities to the Parent of approximately \$566 million. It is management's opinion that these credit facilities have been extended under substantially the same terms and conditions as those that would be provided to unaffiliated institutions of comparable credit standing.

The changes in the allowance for credit losses follows:

(dollars in thousands)	2001	2000	1999
Balance at beginning of year	\$ 189,580	\$ 178,986	\$ 177,750
Provision for credit losses	54,544	43,830	14,600
Loans charged off	(49,870)	(41,088)	(23,520)
Recoveries of loans previously charged off	15,746	7,852	10,156
Balance at end of year	\$ 210,000	\$ 189,580	\$ 178,986

(5) PREMISES AND EQUIPMENT

Premises and equipment at December 31, 2001 and 2000, consisted of the following:

(dollars in thousands)	ESTIMATED USEFUL LIFE	2001	2000
Land and buildings	25 to 50 years	\$ 104,997	\$ 107,114
Equipment and leased properties	3 to 20 years	132,264	129,859
Leasehold improvements	1 to 30 years	25,364	27,982
Furniture and fixtures	5 to 20 years	28,365	33,457
		290,990	298,412
Less - accumulated depreciation and amortization		(157,909)	(165,199)
		\$ 133,081	\$ 133,213

Depreciation and amortization expense for the years ended December 31, 2001, 2000 and 1999 was \$21,315,000, \$20,251,000 and \$18,667,000, respectively.

The Bank has capitalized certain leases on premises. As of December 31, 2001, the future minimum lease payments under capital and operating leases, net of estimated sublease rental income from leased premises, were as follows:

(dollars in thousands)	Capital Leases	Operating Leases	Total
Year ending December 31 -			
2002	\$ 1,888	\$17,317	\$19,205
2003	1,888	16,330	18,218
2004	1,004	15,491	16,495
2005	1,004	14,208	15,212
2006	588	7,349	7,937
Thereafter	1,562	19,490	21,052
Total minimum capital lease payments	7,934		
Less - amount representing interest*	2,167		
Present value of net minimum future capital Lease payments	\$ 5,767		

*Amount necessary to reduce minimum future capital lease payments to present value, calculated using a weighted average interest rate of approximately 11 percent.

Rental expense for banking premises included in noninterest expense for the years ended December 31, 2001, 2000 and 1999 was \$18,485,000, \$19,656,000, and \$18,087,000, respectively, which is net of rental income of \$6,807,000, \$4,078,000, and \$5,162,000, respectively. Included in rental income are amounts received from the Parent of \$2,975,000, \$1,041,000, and \$1,056,000 for the years ended December 31, 2001, 2000 and 1999, respectively.

(6) OTHER REAL ESTATE

Other real estate consists primarily of commercial and industrial land, commercial and industrial buildings and residential real estate in California. At December 31, 2001 and 2000, other real estate, net of allowances for changes in fair value, was \$995,000 and \$2,257,000, respectively.

The activity in the allowance for changes in fair value is summarized below:

(dollars in thousands)	2001	2000	1999
Balance at beginning of year	\$ 784	\$ 1,571	\$ 505
Provision (credit)	(400)	885	1,447
Reversals/losses on sale	(81)	(1,672)	(381)
Balance at end of year	\$ 303	\$ 784	\$ 1,571

(7) INCOME TAXES

Income tax expense for the years ended December 31, 2001, 2000 and 1999 was as follows:

(dollars in thousands)	2001	2000	1999
Current			
Federal	\$ 98,369	\$ 89,390	\$ 55,889
State	--	1,522	715
Total	98,369	90,912	56,604
Deferred			
Federal	(35,764)	(7,186)	14,972
State	--	(43,721)	4,420
Total	(35,764)	(50,907)	19,392
Total			
Federal	\$ 62,605	\$ 82,204	70,861
State	--	(42,199)	5,135
Change in valuation allowance for deferred tax asset	(1,250)	1,250	--
Subtotal	61,355	41,255	75,996
Tax expense on change in accounting principle	(3,394)	--	--
Income tax expense	\$ 57,961	\$ 41,255	\$ 75,996

Income tax expense differs from the amount computed using the federal statutory tax rate of 35 percent for the years ended December 31, 2001, 2000 and 1999 as follows:

(dollars in thousands)	AMOUNT 2001	RATE		
		2001	2000	1999
Tax expense at statutory rate	\$ 63,896	35.0%	35.0%	35.0%
State franchise tax (benefit) expense, net of federal benefit	--	--	(13.9)	1.6
Interest on obligations of states and political subdivisions and ESOPs that are exempt from federal taxation	(523)	(.3)	(.3)	(.3)
Valuation allowance	(1,250)	(.7)	.6	--
Other, net	(768)	(.4)	(.6)	(.7)
Income tax expense	61,355	33.6%	20.8%	35.6%
Tax expense on change in accounting principle	(3,394)	(1.8)	--	--
Income tax expense	\$ 57,961	31.8%	20.8%	35.6%

Deferred income tax assets and liabilities represent the tax effect of temporary differences between the accounting basis and tax basis of the Bank's assets and liabilities. The significant components of deferred tax assets and liabilities were as follows:

(dollars in thousands)	As of December 31,	
	2001	2000
Deferred tax assets:		
Credit losses	\$ 73,500	\$ 66,352
Accrued expenses	8,775	5,703
Other	13,950	9,442
Total	96,225	81,497
Deferred tax liabilities:		
Mark to market	--	1,237
Depreciation	7,200	8,439
Pension expense	6,705	5,861
Equipment and auto leasing	6,462	4,509
Other (1)	5,716	27,073
Total	26,083	47,119
Net deferred tax assets (liabilities) before deferred tax on unrealized gain/loss on securities available for sale and cash flow hedges	70,142	34,378
Deferred tax (liability) asset on unrealized gain/loss on securities available for sale and cash flow hedges	(12,776)	1,144
Valuation allowance	--	(1,250)
Net deferred tax assets	\$ 57,366	\$ 34,272

(1) Includes deferred tax liabilities related to FHLB stock, partnership investments, and in 2000 California unitary tax reserve.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. Management considers the scheduled reversal of deferred tax liabilities and available tax carrybacks in making this assessment. Management has determined that it is more likely than not that the deferred tax asset will be realized and the valuation allowance has been eliminated.

In 2001 and 2000, the Bank's state effective tax rate was reduced below the statutory rate due to worldwide unitary taxation in California. Additionally, in 2000, the Bank reversed \$27.5 million of accrued state tax liability (net of federal benefit) based on a revaluation of prior years' worldwide unitary liabilities.

(8) EMPLOYEE BENEFIT PLANS

Retirement plan

The Bank has a defined benefit pension plan covering substantially all of the domestic employees of United California Bank. The plan also covers employees of certain U.S. branches and agencies of the Parent. The benefits are based on years of service and the employee's compensation during the highest consecutive five-year employment period. Contributions are intended to provide not only benefits attributable to service to date, but also for those expected to be earned in the future.

The United California Bank retirement plan funded status as of December 31, 2001 and 2000 is presented below:

(dollars in thousands)	2001	2000
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	\$ 155,011	\$ 144,299
Service cost	5,489	5,489
Interest cost	12,163	11,021
Plan amendments	522	--
Benefits paid	(6,089)	(5,561)
Actuarial loss (gain)	25,898	(237)
Projected benefit obligation at end of year	192,994	155,011
Change in plan assets:		
Fair value of plan assets at beginning of year	205,576	213,250
Actual return on plan assets	(13,309)	(1,867)
Benefits paid	(6,089)	(5,561)
Administrative expenses	(308)	(246)
Fair value of plan assets at end of year	185,870	205,576
Funded status	(7,124)	50,565
Unrecognized net actuarial loss (gain)	29,653	(30,080)
Unrecognized prior service cost	130	(443)
Total prepaid pension expense	22,659	20,042
Less amounts attributed to affiliates	(3,502)	(3,297)
Prepaid pension expense	\$ 19,157	\$ 16,745

The projected benefit obligation includes \$15,973,000 and \$12,110,000 allocable to employees of certain branches and agencies of the Parent at December 31, 2001 and 2000, respectively.

Pension expense for 2001, 2000 and 1999 included the following components:

(dollars in thousands)	2001	2000	1999
Service cost	\$ 5,489	\$ 5,490	\$ 6,388
Interest cost	12,163	11,021	10,506
Expected loss return on assets	(19,141)	(17,707)	(15,607)
Amortization of prior service cost	(51)	(49)	(49)
Amortization of transitional asset	--	--	(832)
Recognized actuarial (gain)	(1,077)	(909)	--
Total pension (credit) expense	(2,617)	(2,154)	406
Less amounts attributed to affiliates	205	135	(61)
Pension (credit) expense	\$ (2,412)	\$ (2,019)	\$ 345

The principal assumptions used in determining pension expense and related pension obligations were:

	At December 31,		
	2001	2000	1999
Discount rate	7.00%	8.00%	6.75%
Rates of increase in compensation levels	4.00%	4.00%	4.00%
Expected long-term rate of return on plan assets	9.25%	9.25%	9.25%

Profit-sharing plan

The Bank maintains two 401(k) profit-sharing plans for its employees. Contributions are made monthly as set forth in the plan documents. Contributions made by the Bank and charged to noninterest expense for the years ended December 31, 2001, 2000 and 1999 were \$3,420,000, \$3,797,000, and \$3,612,000, respectively.

Post-retirement health care plan

The Bank currently provides health care coverage to its retired employees if they have at least 10 years of credited service and have participated in a Bank sponsored medical plan for at least the one-year period before retirement. The Bank's medical plan for retirees age 65 and over is supplemental to Medicare. Participant contributions are required and are based on the health care organization selected, Medicare eligibility and coverage of eligible family members. Coverage is available until death as long as contributions are made and the family members continue to meet the plan's eligibility requirements. The plan requires participants to contribute at least 25 percent of the cost with the Bank's contribution provided by credits earned under a formula using years of service under the Bank's retirement plan.

For employees who retired prior to October 1, 1995, the Bank provided health care coverage to retired employees if they had attained retirement age while working for the Bank and had at least 5 years of service and had been enrolled in a Bank sponsored medical plan for at least the one-year period before retirement. Coverage is available until the retiree's death as long as contributions are made and the dependent continues to meet the plan's definition of a dependent. These retirees contribute one-half of the cost of coverage and the Bank contributes the other half.

The accumulated benefit obligation of the Bank's post retirement health care plan at December 31, 2001 and 2000 follows:

(dollars in thousands)	2001	2000
-----	-----	-----
Change in accumulated benefit obligation:		
Accumulated benefit obligation at beginning of year	\$ 9,508	\$ 8,233
Service cost	115	140
Interest cost	708	603
Benefits paid	(603)	(495)
Actuarial loss	649	1,027
	-----	-----
Accumulated benefit obligation at end of year	10,377	9,508
Change in plan assets:		
Fair value of plan assets at beginning of year	--	--
Bank contributions	603	495
Benefits paid	(603)	(495)
	-----	-----
Fair value of plan assets at end of year	--	--
Funded status	(10,377)	(9,508)
Unrecognized net actuarial gain	(26)	(675)
Unrecognized transition obligation	4,268	4,656
	-----	-----
Total accrued post-retirement health care expense	(6,135)	(5,527)
Less amounts attributed to affiliates	81	87
	-----	-----
Accrued post-retirement health care expense	\$ (6,054)	\$ (5,440)
	=====	=====

The components of the Bank's post-retirement health care expense are as follows:

(dollars in thousands)	2001	2000	1999
-----	-----	-----	-----
Service cost	\$ 115	\$ 140	\$ 138
Interest cost	708	603	390
Amortization of prior service cost	--	--	388
Amortization of transitional obligation	388	388	--
Recognized actuarial loss (gain)	--	(59)	(205)
	-----	-----	-----
Total post-retirement health care expense	\$ 1,211	\$ 1,072	\$ 711
	=====	=====	=====

The discount rate used in determining the accumulated post-retirement health care benefit obligation was 7.00 percent. The health care cost trend rate is 10.00 percent in the year 2002 and 9.00 percent for the year 2003 and trending downward to 5.00 percent in 2007 and thereafter. Assumed health care cost trend rates have an effect on the amounts reported for the health care plan. A one percent increase in the assumed health care cost trend rates for each year would increase the post-retirement health care benefit obligation and the service and interest cost components by \$379,000 and \$31,000, respectively. A one percent decrease would decrease the post-retirement health care benefit obligation and the service and interest cost components by \$508,000 and \$28,000, respectively.

(9) DEBT AND STOCKHOLDER'S EQUITY

The following is a summary of the Bank's debt as of December 31, 2001 and 2000:

(DOLLARS IN THOUSANDS)	2001		2000	
	Balance	Avg. Rate	Balance	Avg. Rate
FHLB floating rate advances	\$200,000	2.85%	\$100,000	6.55%

The \$200 million of Federal Home Loan Bank (FHLB) of San Francisco advances are comprised of two \$100 million advances maturing in February 2003 and February 2004, respectively. The \$100 million advance from December 2000 matured in February 2001. The advance maturing in February 2003 reprices semi-annually at a spread of two basis points below the London Interbank Offered Rate (LIBOR) for six-month eurodollar deposits. The advance maturing in February 2004 reprices quarterly at a spread of one basis point below the LIBOR for three-month eurodollar deposits. The FHLB advances are secured by liens on loans secured by first trust deeds on residential property.

The Financial Code of the State of California restricts the payment of dividends by the Bank. As of December 31, 2001, there was \$706,000 of retained earnings available for dividends, without the prior approval of the Department of Financial Institutions.

The Bank's regulatory capital requirements are administered by the FDIC. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgements by the regulators about components, risk-weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios of Total and Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined), and Leverage which is the relationship of Tier 1 capital (as defined) to average assets (as defined). Management believes that, as of December 31, 2001 and 2000, the Bank exceeds all capital adequacy requirements to which it is subject.

As of December 31, 2001, the Bank was categorized as well-capitalized, the highest ranking a bank may receive, under the Federal Deposit Insurance Corporation's (FDIC) regulatory framework for prompt corrective action. To be categorized as well-capitalized, the Bank must maintain minimum Total capital, Tier 1 capital, and Tier 1 Leverage ratios as set forth in the table below. There are no conditions or events that management believes have changed the institution's category.

	Actual		Minimum Capital Requirement		Minimum To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	%	Amount	%	Amount	%
	-----	-----	-----	-----	-----	-----
As of December 31, 2001						
Tier 1 capital and ratio	\$1,066,416	10.93	\$ 390,316	4.00	\$ 585,474	6.00
Total capital and ratio	1,189,477	12.19	975,791	8.00	975,791	10.00
Tier 1 capital and leverage ratio	1,066,416	10.08	317,432	3.00	529,054	5.00
As of December 31, 2000						
Tier 1 capital and ratio	\$1,071,380	10.38	\$ 412,714	4.00	\$ 619,070	6.00
Total capital and ratio	1,201,101	11.64	825,427	8.00	1,031,784	10.00
Tier 1 capital and leverage ratio	1,071,380	9.76	329,320	3.00	548,866	5.00

(10) DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values and estimated fair values at December 31, 2001 and 2000 of on-balance sheet financial instruments are disclosed in the table that follows. Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. Where possible, the Bank has utilized quoted market prices to estimate fair value. Since quoted market prices were not available for a significant portion of the financial instruments, the fair values were approximated using discounted cash flow techniques. Fair value estimates are made at a specific point in time, based on judgments regarding future expected loss experience, current economic conditions, risk conditions, risk characteristics of various financial instruments and other factors. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Bank's entire holdings of a particular financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates were based on existing on-balance sheet financial instruments without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. Derivative financial instruments and other financial instruments with off-balance sheet risk are presented in Note 11.

This information is presented solely for compliance with generally accepted accounting principles and is subject to change over time based on a variety of factors. Because no market exists for a significant portion of the financial instruments presented below and the inherent imprecision involved in the estimation process, management does not believe the information presented reflects the amounts that would be received if the Bank's assets and liabilities were sold nor does it represent the fair value of the Bank as an entity.

(dollars in thousands)	December 31, 2001		December 31, 2000	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Financial assets				
Cash and due from banks	\$ 602,112	\$ 602,112	\$ 770,544	\$ 770,544
Federal funds sold	3,500	3,500	93,454	93,454
Interest-bearing deposits with banks	25,205	25,215	115,205	115,172
Securities available for sale	548,058	548,058	696,703	696,703
Trading securities	76,568	76,568	82,588	82,588
Loans(1)	8,977,974	8,967,972	9,195,840	9,214,870
Less allowance for credit losses	210,000	--	189,580	--
Total loans	8,767,974	8,967,972	9,006,260	9,214,870
Financial liabilities				
Deposits with no stated maturity	6,528,856	6,528,856	5,390,684	5,390,684
Time deposits	2,183,968	2,202,813	3,600,653	3,609,826
Total deposits	8,712,824	8,731,669	8,991,337	9,000,510
Federal funds purchased and securities sold under agreements to repurchase	285,915	285,920	848,774	848,979
FHLB advances	200,000	201,552	100,000	100,627
Other borrowed funds	53,342	53,943	55,832	55,425

(1) Leases with a net carrying value of \$27,066,000 and \$332,000 as of December 31, 2001 and 2000, respectively, are excluded from the above disclosure, as they are not considered to be financial instruments as defined.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments. These assumptions were based on subjective estimates of market conditions and perceived risks of the financial instruments at a certain point in time.

Short-term financial instruments

Financial instruments with maturities within 90 days of the balance sheet date are valued at the carrying amounts included in the balance sheet. This approach applies to cash and due from banks, trading account securities, federal funds purchased and sold, and securities sold under agreements to repurchase.

Interest-bearing deposits with banks

The fair value of interest-bearing deposits with banks was estimated by reference to current rates offered for placements with the same remaining maturity.

Securities available for sale

The fair value of securities available for sale is principally determined from prices obtained from independent market sources.

Loans

Fair values were estimated for portfolios of loans with similar financial characteristics. Loans were segregated by type such as commercial, commercial real estate, residential mortgage, and other consumer. Each loan category was further segmented into fixed and adjustable rate interest terms and by performing and nonperforming categories.

The fair value of loans was determined based on discounted cash flow modeling techniques. The discount rate used was based on quoted market rates for loans where there is an active secondary market. The discount rate

for all other loans was based on the current offer rates for loans made to borrowers with similar credit risks and remaining maturities.

Fair value for significant nonperforming loans was based on the carrying value adjusted for anticipated credit loss risk, estimated time for resolution, valuation of the underlying collateral and other related resolution costs.

Deposits

The fair value of deposits with no stated maturity, such as noninterest bearing demand deposits, savings, and money market accounts, is deemed equal to the amount payable on demand at December 31, 2001 and 2000. The fair value of certificates of deposit is based on the discounted value of contractual cash flows. The discount rate was estimated using the rates currently offered for deposits of similar remaining maturities.

The fair value estimated does not include the benefit that results from the low-cost funding provided by the deposit liabilities compared to the cost of borrowing funds in the market.

FHLB advances and other borrowed funds

The fair value of the Bank's FHLB advances and other borrowed funds was estimated by discounting contractual cash flows using discount rates based on current rates offered for debt of the same remaining maturities.

(11) DERIVATIVE ACTIVITY

The Bank adopted SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, on January 1, 2001. SFAS No. 133, as amended by SFAS No. 138 issued in June 2000, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. At the end of 2001, the Bank carried a cash flow hedge of \$600 million in interest rate swaps with a fair market value of \$18,121,000, which were hedging LIBOR-based commercial loans. The interest rate swaps were entered into during 2001 and mature in 2006. The net settlement of these interest rate swaps increased interest income on commercial loans by \$7,513,000 in 2001. The Bank estimates a net settlement gain to interest income of \$19,774,000 over the next twelve months from the cash flow hedge.

At the end of 2000, the Bank held derivatives for purposes other than trading as follows:

(dollars in thousands)	Notional Amount	Book Value	Fair Value	Unrealized Gain (Loss)
DECEMBER 31, 2000				
Interest rate swaps:				
Receive variable/pay fixed	\$ 40,000	\$ 9	\$ (430)	\$ (439)
Options:				
Interest rate floor	1,000,000	4,565	14,702	10,137
	<u>\$1,040,000</u>	<u>\$ 4,574</u>	<u>\$ 14,272</u>	<u>\$ 9,698</u>

Upon the adoption of SFAS No. 133, these instruments were not designated as hedges but were reclassified as trading instruments. The Bank's adoption resulted in a cumulative effect accounting adjustment of \$6,304,000, net of \$3,394,000 of income taxes. The interest rate swaps included \$30 million in fixed rate mortgage hedges, which matured in August 2001, and \$10 million in fixed rate commercial hedges, which matured in October 2001. The \$1 billion in interest rate floor contracts were purchased to protect the Bank from the impact of declining interest rates on its' commercial loan portfolio. By February 2001, the interest rate floor contracts had generated additional pre-tax gains of \$4,897,000. At that time, the Bank sold \$600 million of the floor position. The remaining \$400 million was sold in February 2002 at a loss of \$460,000.

Derivative activity held or issued for trading purposes

In the normal course of business, the Bank is a party to financial instruments with off-balance sheet risk to meet the financing needs of customers, to reduce exposure to fluctuations in interest and foreign exchange rates and to generate trading profits.

Interest rate swap agreements involve the exchange of fixed and floating rate interest payments based on a notional principal amount and maturity date. The Bank minimizes credit risk on interest rate swaps by performing credit reviews of the counterparty.

Forward and futures contracts are contracts for delayed delivery of securities, money-market instruments or foreign currencies in which the seller agrees to make delivery at a specified future date of a specified instrument or currency, at a specified price or yield. Risks arise from the possible inability of counterparties to meet the terms of their obligations and from movements in securities values, interest and exchange rates.

Interest rate options are contracts that allow the holder of the option to purchase or sell a financial instrument at a specified price within a specified period of time from the seller or "writer" of the option. Options are either exchange traded or negotiated directly between two counterparties, which grants the right to purchase or sell at a specified price at a stated number of units at a future date. Caps and floors are similar to option agreements where the obligation to exercise is initiated when an interest rate index exceeds a capped level or falls below a floor level at a future date.

The Bank uses a range of products to modify transactions in terms of maturities, interest rate risk and other financing characteristics. The products listed in the tables below are subject to varying degrees of off-balance sheet credit and market risk. The estimated market values were based on year-end market estimates. The average market values represent the average of the monthly market values and net gains (losses) represent the amounts recorded in capital markets revenues.

(dollars in thousands)	As of Year End		For the Period ended	
	Notional Amount	Estimated Market Value	Average Market Value	Net Gains (Losses)
DECEMBER 31, 2001				
Interest rate swaps:				
Receive variable/pay fixed	\$ 519,918	\$ (12,126)	\$ (10,600)	\$ (18,006)
Receive fixed/pay variable	519,918	14,356	12,551	18,681
Foreign currency forwards:				
Purchased	282,067	4,954	1,288	(1,310)
Sold	270,641	(4,294)	(904)	2,374
Interest rate futures:				
Purchased	--	--	34	18
Sold	10,000	(139)	(180)	(424)
Options:				
Purchased	433,447	17,883	13,265	17,468
Sold	433,738	(17,883)	(13,845)	(17,452)
	\$2,469,729	\$ 2,751	\$ 1,609	\$ 1,349
	=====	=====	=====	=====

DECEMBER 31, 2000

Interest rate swaps:				
Receive variable/pay fixed	\$ 279,106	\$ (1,784)	\$ 4,648	\$ (6,452)
Receive fixed/pay variable	257,734	3,667	(2,957)	7,223
Foreign currency forwards:				
Purchased	289,910	(4,281)	2,999	(950)
Sold	264,373	4,542	(2,566)	1,681
Interest rate futures:				
Purchased	--	--	(1)	18
Sold	328,000	(654)	(110)	(956)
Options:				
Purchased	2,114	(7)	(33)	29
Sold	2,439	7	27	(13)
	-----	-----	-----	-----
	\$1,423,676	\$ 1,490	\$ 2,007	\$ 580
	=====	=====	=====	=====

Of the \$1,640 million notional amount of both trading and non-trading interest rate swaps at December 31, 2001, \$161 million matures in 2002. The remainder matures in varying increments through 2011.

(12) COMMITMENTS AND CONTINGENCIES

Credit risk is the possibility that loss may occur from counterparty failure to perform according to the terms of the contract. The Bank's exposure to credit risk under commitments to extend credit and letters of credit is limited to the contractual or notional amount of those instruments. The Bank exercises the same credit policies in extending such commitments and conditional obligations as it does for on-balance sheet instruments. The Bank mitigates credit risk through credit approvals, limits and monitoring procedures. The commitments extended are subject to prevailing market rates, and, therefore, do not expose the Bank to interest rate risk.

Commitments to extend credit are agreements to lend to a customer as long as there are no violations of any conditions established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Bank upon extension of credit, is based on management's credit evaluation. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment and income-producing commercial properties. Credit risk for these instruments has been considered in the determination of the allowance for credit losses.

Standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Standby letters of credit are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing and similar transactions. Since the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Short-term guarantees were \$200 million at year-end with the remaining guarantees extending for more than one year and expiring in decreasing amounts through 2007. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Bank holds cash, certificates of deposit and other property as collateral supporting those commitments for which collateral is deemed necessary. The collateral coverage ratios at December 31, 2001 and 2000 were 78 percent and 75 percent, respectively.

(dollars in thousands)	Contractual Amount	
	2001	2000
Commitments to extend credit	\$3,381,430	\$3,678,437
Standby letters of credit with others	329,812	303,167
Commercial and similar letters of credit	53,055	39,034
	\$3,764,297	\$4,020,638

Legal contingencies

The Bank is subject to various pending and threatened legal actions, which arise, in the normal course of business. Although the amount of the ultimate exposure, if any, cannot be determined at this time, it is management's opinion that, based on the advice of counsel, the disposition of claims currently pending will not have a material adverse effect on the Bank's financial position or results of operations.

(13) MERGERS AND ACQUISITIONS

Bank Merger

In July 2001, Sanwa Bank California (SBCL) and Tokai Bank of California (TBC) completed their merger to become United California Bank (UCB). The merger was accounted for as a reorganization of entities under common control and, accordingly, the consolidated financial statements for UCB have been restated to include the accounts of SBCL and TBC for all periods presented. The assets and liabilities of the former SBCL and TBC were combined at historical cost for each year presented in the financial statements. The Bank incurred \$32,093,000 of merger related expenses and writeoffs.

Sanwa Bank, Ltd. owned 81 percent and Tokai Bank, Ltd. owned 19 percent of United California Bank at December 31, 2001. SBCL was previously a wholly-owned subsidiary of The Sanwa Bank, Limited and TBC was previously a wholly-owned subsidiary of The Tokai Bank, Limited.

Prior to the merger, SBCL had 8,800,000 shares outstanding at a par value of \$50 per share and TBC had 23,263,400 shares outstanding at a par value of \$5 per share. At the time of the merger, SBCL shares were exchanged for 8,800,000 shares of UCB stock at a par value of \$50 per share, and TBC shares were exchanged for 2,064,198 shares of UCB stock at a par value of \$50 per share.

The table below reflects the total revenues and net income of SBCL and TBC for the periods preceding the merger:

(dollars in thousands)	SBCL	TBC	UCB (combined)
Total revenues for the six month period ended June 30, 2001	\$396,434	\$ 80,222	\$476,656
Net income for the six month period ended June 30, 2001	72,490	11,667	84,157
Total revenues for the year ended December 31, 2000	762,719	181,465	944,184
Net income for the year ended December 31, 2000	128,566	28,231	156,797
Total revenues for the year ended December 31, 1999	694,809	146,819	841,628
Net income for the year ended December 31, 1999	118,496	18,930	137,426

Sale to BNP Paribas

In December 2001, BNP Paribas, parent company of BancWest Corporation, signed a definitive agreement with Sanwa Bank, Ltd. and Tokai Bank, Ltd. to acquire United California Bank for \$2.4 billion in cash. The sale is scheduled to close (closing date), pending regulatory approval, before the end of the first quarter in 2002. United California Bank will eventually merge into Bank of the West, a wholly-owned subsidiary of BancWest Corporation.

In association with BNP Paribas' purchase of the Bank, the Bank's Parent will extend a tax indemnification to BNP Paribas. Under the terms of this indemnity, the Parent will be required to pay tax liabilities over and above amounts reserved on the books of the Bank as of the closing date.

(14) RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Bank has granted loans to principal officers and directors of the Bank amounting to \$688,000 and \$674,000 at December 31, 2001 and 2000, respectively.

BANCWEST CORPORATION AND UNITED CALIFORNIA BANK

PRO FORMA COMBINED STATEMENT OF INCOME
(UNAUDITED)

The following unaudited pro forma combined statement of income was prepared in connection with BancWest Corporation's ("BancWest") acquisition of United California Bank ("UCB"). BancWest, a wholly-owned subsidiary of BNP Paribas, completed its acquisition of all outstanding stock of UCB from UFJ Bank Ltd. of Japan on March 15, 2002. On this date, UCB had total assets of \$10.1 billion, net loans of \$8.5 billion, total deposits of \$8.3 billion and a total of 115 branches. The preceding amounts do not include final purchase price accounting adjustments. The acquisition was accounted for as a purchase and the purchase price of approximately \$2.4 billion was paid in cash. BNP Paribas funded BancWest's acquisition of UCB by providing \$1.6 billion of additional capital to BancWest and by lending it \$800 million. UCB was merged into Bank of the West, a subsidiary of BancWest Corporation, on April 1, 2002. Branches of UCB are expected to be fully integrated into the Bank of the West network system by late 2002.

The unaudited pro forma combined statement of income is based on the consolidated statements of income (excluding notes) of BancWest and UCB for the year ended December 31, 2001. The pro forma adjustments to income and expense are the result of the pro forma amounts that assume a January 1, 2001 acquisition date. The statement of income does not give effect to the anticipated cost savings, revenue synergies or the disposition of certain assets. In order to attain desired cost savings in overlapping markets, selective branch consolidations are planned.

The finalization of estimates pertaining to the assets and liabilities of UCB may affect the allocation of the purchase price, the actual amount of goodwill and consequently, future net income. However, any such finalization of estimates is not expected to have a significant impact on the ultimate amount of goodwill. The adjustments already included in the unaudited pro forma combined statement of income are subject to change as additional information becomes available. Accordingly, the final combined amounts will differ from those set forth in the unaudited pro forma combined statement of income.

The unaudited pro forma combined statement of income and the accompanying notes should be read in conjunction with and are qualified in their entirety by the consolidated historical financial statements of BancWest in its Annual Report on Form 10-K for the year ended December 31, 2001 and the quarterly report on Form 10-Q for the quarter ended March 31, 2002, which are incorporated herein by reference. The unaudited pro forma combined statement of income and the accompanying notes should also be read in conjunction with and are qualified in their entirety by the consolidated historical financial statements of UCB, which are included as an exhibit to this Form 8-K/A. The pro forma data are presented for comparative purposes only and are not necessarily indicative of the combined results of operations in the future. The pro forma data are also not necessarily indicative of the results of operations which would have been realized had the acquisition been consummated during the period for which the pro forma statement of income is presented.

In addition, this Form 8-K/A includes forward-looking statements that involve inherent risks and uncertainties. BancWest cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. Those factors include fluctuations in interest rates, inflation, government regulations, the progress of integrating UCB with Bank of the West, economic conditions and competition in the geographic and business areas where BancWest conducts its operations, and other factors discussed in this document or in BancWest's other filings with the SEC. BancWest's forward-looking statements are based on management's current views about future events. Those statements speak only as of the date on which they are made. We do not intend to update forward-looking statements, and, except as required by law, we disclaim any obligation or undertaking to update or revise any such statements to reflect any change in our expectations or any change in events, conditions, circumstances or assumptions on which forward-looking statements are based.

BANCWEST AND UNITED CALIFORNIA BANK
PRO FORMA STATEMENT OF INCOME (Unaudited)
YEAR ENDED DECEMBER 31, 2001

(in thousands)	BancWest	United California Bank	Combined	Pro Forma Adjustments	Pro Forma Combined
INTEREST INCOME					
Loans	\$ 1,020,585	\$ 685,862	\$ 1,706,447	\$ --	\$ 1,706,447
Lease financing	147,865	835	148,700	--	148,700
Investment securities:					
Taxable	136,185	38,874	175,059	(5,368)	169,691
Exempt from Federal income taxes	452	578	1,030	--	1,030
Trading securities	--	1,747	1,747	--	1,747
Other	18,562	7,908	26,470	--	26,470
Total interest income	1,323,649	735,804	2,059,453	(5,368)	2,054,085
INTEREST EXPENSE					
Deposits	393,263	225,393	618,656	(6,193)	612,463
Short-term borrowings	34,956	25,673	60,629	--	60,629
Long-term debt	78,916	8,789	87,705	54,320	142,025
Total interest expense	507,135	259,855	766,990	48,127	815,117
Net interest income	816,514	475,949	1,292,463	(53,495)	1,238,968
Provision for loan losses	103,050	54,544	157,594	--	157,594
Net interest income after provision for loan losses	713,464	421,405	1,134,869	(53,495)	1,081,374
NONINTEREST INCOME					
Service charges on deposit accounts	89,175	42,016	131,191	--	131,191
Trust and investment services	32,330	19,755	52,085	--	52,085
Other service charges and fees	78,787	11,604	90,391	--	90,391
Securities gains, net	71,797	30,117	101,914	--	101,914
Other	36,309	27,904	64,213	--	64,213
Total noninterest income	308,398	131,396	439,794	--	439,794
NONINTEREST EXPENSE					
Salaries and wages	207,054	173,810	380,864	--	380,864
Employee benefits	72,442	30,013	102,455	--	102,455
Occupancy	66,233	34,562	100,795	725	101,520
Outside services	47,658	20,320	67,978	--	67,978
Intangible amortization	43,618	--	43,618	12,444	56,062
Equipment	30,664	30,884	61,548	--	61,548
Restructuring and integration costs	3,935	32,093	36,028	--	36,028
Other	124,142	58,257	182,399	--	182,399
Total noninterest expense	595,746	379,939	975,685	13,169	988,854
Income before income taxes	426,116	172,862	598,978	(66,664)	532,314
Provision for income taxes	171,312	57,961	229,273	(26,999)	202,274
NET INCOME BEFORE CHANGE IN ACCOUNTING PRINCIPLE	\$ 254,804	\$ 114,901	\$ 369,705	\$ (39,665)	\$ 330,040
Cumulative effect of change in accounting principle	--	6,304	6,304	--	6,304
NET INCOME	\$ 254,804	\$ 121,205	\$ 376,009	\$ (39,665)	\$ 336,344

NOTE A: BASIS OF PRESENTATION

The pro forma combined statement of income combines the historical consolidated statements of income of BancWest and UCB as if BancWest's acquisition of UCB had become effective on January 1, 2001. Certain amounts in the historical financial statements of UCB have been reclassified in the unaudited pro forma combined statement of income to conform to BancWest's historical financial statements.

The acquisition was accounted for as a purchase, in accordance with Statement of Financial Accounting Standards (SFAS) No. 141, Business Combinations. The assets and liabilities of UCB were adjusted to their estimated fair value and combined with the recorded book values of the assets and liabilities of BancWest. Certain transactions conducted in the ordinary course of business between BancWest and UCB have not been eliminated.

For the purpose of the combined pro forma statement of income, estimates of the fair value of UCB's assets and liabilities and their expected useful lives as of March 15, 2002 have been used. The impact upon income from amortization of the fair value adjustments is, therefore, also an estimate and subject to update as additional information becomes available.

UCB was merged into Bank of the West, a subsidiary of BancWest Corporation, on April 1, 2002. In order to obtain desired cost savings, certain branch and operational consolidations are planned. The impact these consolidations or any revenue synergies may have on future earnings of BancWest has not been incorporated into the pro forma combined statement of income.

NOTE B: PURCHASE PRICE

The purchase price of approximately \$2.4 billion was paid in cash. BNP Paribas funded BancWest's acquisition of UCB by providing \$1.6 billion of additional capital to BancWest and by lending it \$800 million.

The following table provides an allocation of the purchase price:

(dollars in thousands)
Total purchase price
\$2,400,000
Equity of UCB prior to the purchase
1,083,000

Excess of purchase price over the carrying value of net assets acquired
1,317,000

Purchase accounting adjustments related to assets and liabilities acquired:
Sublease loss reserve
32,874
Premise and equipment
(6,421)
Severance and employee relocation liability
38,018
New core deposit intangible
(124,443)
Other assets
11,406
Deposits
8,047
Deferred costs on pension plan
29,783
Deferred tax

liability
2,323
Other
liabilities
10,000 ---

Goodwill
resulting
from
purchase
by
BancWest
\$1,318,587
=====

NOTE C: RESTRUCTURING AND INTEGRATION COSTS EXCLUDED FROM PRO FORMA COMBINED INCOME STATEMENT

BancWest estimates it will incur expenses associated with exiting certain branches, operational centers and technology platforms of pre-merged Bank of the West, as well as certain other conversion and restructuring expenses, totaling approximately \$15 million. These costs have not been included in the combined pro forma income statement as they are not ongoing costs of BancWest. Approximately \$6 million of these costs were incurred during the first quarter of 2002. Exit costs associated with UCB were considered as part of the purchase accounting for the acquisition and are described in Form 10-Q for the first quarter of 2002. BancWest has established a severance reserve of approximately \$40.5 million, to cover approximately 600 employees throughout the organization whose positions will be eliminated as a result of the acquisition. Of this amount, \$3.6 million pertains to the pre-merged Bank of the West employees and were included as part of the \$6 million expensed in the first quarter of 2002. The remaining \$36.9 million pertains to UCB employees and is included in the purchase accounting for the acquisition. These amounts are estimates and subject to change as more information becomes available.

NOTE D: RESTRUCTURING AND INTEGRATION COSTS INCLUDED IN THE PRO FORMA COMBINED INCOME STATEMENT

The restructuring and integration costs of approximately \$4 million included in the pro forma combined statement of income for BancWest relate to the acquisition (in the first quarter of 2001) of 30 branches in Nevada and New Mexico divested by Wells Fargo & Company in connection with its merger with First Security Corporation. The restructuring and integration costs of approximately \$32 million included in the pro forma combined statement of income for UCB relate to the merger of UCB with Tokai Bank, which closed in the third quarter of 2001. These separate transactions, and the restructuring and integration costs reflected, are unrelated to BancWest's acquisition of UCB.

NOTE E: INTEREST INCOME -- SECURITIES

UCB's portfolio of available for sale securities was assigned a cost basis equal to that of its fair value as of March 15, 2002. The resulting fair value premium, which is primarily due to changes in interest rates, is being amortized to interest income over the expected duration of the securities, estimated to be 30 months.

NOTE F: INTEREST EXPENSE -- DEPOSITS

UCB's deposits were recorded at their estimated fair values on March 15, 2002. The resulting fair value premium, primarily due to changes in interest rates, is being amortized to interest expense over the remaining maturities of the associated deposits, not exceeding three years.

NOTE G: INTEREST EXPENSE -- LONG-TERM DEBT

The acquisition was accounted for as a purchase and the purchase price of approximately \$2.4 billion was paid in cash. BNP Paribas funded BancWest's acquisition of UCB by providing \$1.6 billion of additional capital to BancWest and by lending it \$800 million. As of the date of this filing, BancWest and BNP Paribas have not finalized the terms of the \$800 million loan as a long-term financing arrangement and are relying on 30 day bridge financing, currently at a rate of 2.09%. It is expected that a long-term financing agreement will be reached within the next 60 days.

For the purpose of the pro forma combined statement of income, we have assumed that the long-term financing loan agreement will bear a rate of 1.65% over current 10 year Treasuries, or approximately 6.8%. This is similar in basis and spread to earlier financing obtained by BancWest from BNP Paribas.

NOTE H: NONINTEREST EXPENSE -- OCCUPANCY

Premises and buildings owned by UCB were recorded at their estimated fair values on March 15, 2002. The resulting fair value premium is being amortized to occupancy expense over the remaining life of the associated property, not exceeding 30 years.

NOTE I: NONINTEREST EXPENSE -- INTANGIBLE AMORTIZATION

Adjustments have been made to reflect the recording of intangibles. In accordance with SFAS No. 142, Goodwill and Other Intangible Assets, goodwill totaling \$1.3 billion resulting from BancWest's acquisition of UCB will not be expensed over a set period of time, but will be tested for impairment on a regular (annual) basis. In management's opinion, goodwill relating to the acquisition is presently not impaired. The pro forma combined statement of income, therefore, includes no provision for any such goodwill impairment.

Identifiable intangible assets, namely core deposit intangibles of \$124.4 million, are being amortized over their estimated period of benefit (not exceeding 10 years) on a straight-line basis. The 12-month total included in the pro forma adjustment is \$12.4 million.

NOTE J: PURCHASE ACCOUNTING ADJUSTMENTS AND LONG-TERM INTEREST EXPENSE -- FIVE YEAR ESTIMATES

Purchase accounting adjustments were made to reflect the recording of intangibles, including goodwill and core deposit intangibles, and reflect the fair value of UCB's assets and liabilities. The incremental effect on net income of the purchase accounting adjustments and the additional interest expense assumed in completing the purchase is estimated to be a net after-tax expense of approximately \$39.7 million for the first 12-month period subsequent to the acquisition, approximately \$40.9 million for the second 12-month period, approximately \$40.1 million for the third 12-month period, approximately \$40.2 million for the fourth 12-month period and approximately \$40.2 million for the fifth 12-month period.