

Dear Shareholders:

Pacific West Bank's financial results for the first quarter of 2015 reflect the continuing positive trend we have exhibited over the past several years. Asset quality continues to improve, our liquidity is strong and improving, and our interest expense has leveled off at a low and sustainable level.

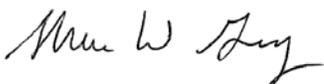
In our recent capital raise we brought in nearly \$1.3 million in new equity, bringing all of our capital levels well above the minimum requirement for "Well Capitalized" status.

We're looking forward to bring to our customers some exciting product enhancements – keep your eyes open for our new mobile banking product, which includes an easy access to bill payment, as well as the ability to deposit checks right through your cell phone. In addition, we'll be rolling out improved deposit account statements in the near future.

We're quite proud of how far we've come, and look forward to continuing to build a sustainable, profitable future.

Thank you for your ongoing support.

Sincerely,



Steven W. Gray

President & CEO

STATEMENTS OF OPERATIONS

(in thousands) (unaudited)

	Three Months Ended	
	3/31/15	3/31/14
Interest and fee income	\$ 518	\$ 548
Interest expense	61	62
Net interest income	457	486
Provision for loan losses	(61)	(28)
Net interest income after provision	518	514
Noninterest income	26	26
Salaries and employee benefits	307	300
Occupancy	93	84
Other noninterest expense	134	143
Total noninterest expense	534	527
Income before income taxes	10	13
Income tax expense	-	-
Net income	\$ 10	\$ 13

BALANCE SHEETS

(in thousands) (unaudited)

	3/31/15	12/31/14
Cash and due from banks	\$ 1,802	\$ 2,183
Overnight funds	8,868	6,260
Investments	2,236	2,236
Loans, net of deferred fees	37,466	38,490
Allowance for loan losses	(710)	(768)
Premises and equipment, net	2,535	2,563
Other assets	694	666
Total assets	\$ 52,891	\$ 51,630
Deposits	\$ 48,041	\$ 46,903
Other liabilities	156	162
Total liabilities	48,197	47,065
Shareholders' equity	4,694	4,565
Total liabilities and shareholders' equity	\$ 52,891	\$ 51,630

SUPPLEMENTAL INFORMATION

	3/31/15	12/31/14
Allowance for loan loss as a percentage of loans	1.90%	2.00%
Tier 1 capital to average assets	9.00%	8.84%
Shares outstanding	5,535,065	5,394,842

	Three Months Ended	
	3/31/15	12/31/14
Yield on earning assets	4.42%	4.75%
Cost of funds	0.52%	0.55%
Net interest margin	3.90%	4.20%

Executive Management



STEVE GRAY

PRESIDENT & CHIEF EXECUTIVE OFFICER

Steve joined the Bank in July 2008, and has over 20 years accounting and finance experience, including seven years with an international CPA firm and six years as Corporate Controller for Microsoft Corporation. Steve is a member of the Board of Directors of the Oregon Bankers Association and is active in several community organizations. A native Oregonian, Steve is a graduate of Oregon State University. 503-905-2217



BOB SEIBERT

CHIEF FINANCIAL OFFICER & SENIOR VICE PRESIDENT

Bob joined Pacific West Bank in 2008 and manages the Bank's finances, internal controls, and financial reporting. Bob has over 20 years experience at community banks in Oregon and is a member of the Oregon Bankers Association's Financial Officers and Investment, Human Resources, and Technology Committees. Bob has served as Treasurer of the West Linn Chamber of Commerce. Bob holds BA and MBA degrees from Willamette University. 503-905-2226



CONNIE KEMP

CHIEF OPERATING OFFICER & SENIOR VICE PRESIDENT

Connie joined Pacific West Bank in April 2010 and was promoted to Chief Operating Officer in August 2010. Connie oversees all areas of operations and business development for the Bank. She has over 36 years of banking experience. Connie serves on Oregon Bankers Association Committees for Operations, Compliance and F.I.S.T and is a former Advisory Board Member and instructor at the Western Compliance School. Connie is a Graduate of Northwest Intermediate Banking School and is a Certified Regulatory Compliance Manager and Bank Compliance Officer. She is a director and President of the Soroptimist Club of Lake Oswego/West Linn and is a former Court Appointed Special Advocate (CASA). 503-905-2220



West Linn

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503.905.2222

Lake Oswego

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503.905.2250

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Forward-looking Statements

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



Pacific West Bank Shareholders' Report

March 31, 2015

