

PacWest Bancorp (NASDAQ: PACW; Los Angeles, CA) has agreed to acquire First California Financial Group, Inc. (NASDAQ: FCAL; Westlake Village, CA)

Deal Value: Approximately \$231 million / \$8.00 per share

Sandler O'Neill provided a fairness opinion to PacWest Bancorp in this transaction. This transaction represents Sandler O'Neill's 81st bank or thrift transaction nationwide since January 1, 2010. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period. Sandler O'Neill has served as a financial advisor or provided a fairness opinion on 5 of the 6 bank or thrift transactions announced in the Western Region with deal value greater than \$100 million since January 1, 2008.¹

PacWest Bancorp ("PacWest") and First California Financial Group, Inc. ("First California") today announced the signing of a definitive agreement and plan of merger whereby PacWest will acquire First California for \$8.00 per First California common share, or approximately \$231 million in aggregate consideration, payable in PacWest common stock. First California, headquartered in Westlake Village, California, is the parent of First California Bank and had approximately \$2.0 billion in assets and 15 branches across Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo and Ventura Counties at September 30, 2012. Directors of PacWest and of First California unanimously approved the transaction. Two independent directors from the board of directors of First California will join PacWest's board of directors upon completion of the acquisition.

The transaction, currently expected to close late in the first quarter of 2013, is subject to customary conditions, including the approval of bank regulatory authorities and the stockholders of both companies. Stockholders of First California, including all current directors and certain other stockholders, owning or controlling approximately 22% in the aggregate of the currently outstanding shares of First California, have agreed to vote in favor of the transaction. As of September 30, 2012, on a pro forma consolidated basis with First California, PacWest would have had approximately \$7.5 billion in assets with 81 branches throughout California. The combined institution would be the eighth largest publicly-owned bank headquartered in California, and the 12th largest commercial bank headquartered in California (out of more than 240 financial institutions).

Pursuant to the terms of the definitive agreement, First California shareholders will receive PacWest common stock for their shares of First California common stock in a tax-free transaction. First California in-the-money option holders will receive cash, net of applicable taxes withheld, for the value of their unexercised stock options. The number of shares of PacWest common stock deliverable for each share of First California common stock will be determined based on an average price of PacWest common stock over a measuring period prior to the receipt of regulatory approval, and will fluctuate if such average price is between \$20.00 and \$27.00 and will be fixed if such average price is below \$20.00 or above \$27.00. Based on PacWest's closing stock price of \$22.27 on Monday, November 5, 2012, First California stockholders would have received 0.3592 of a share of PacWest common stock for each share of First California common stock, which would provide First California stockholders with aggregate ownership, on a pro forma basis, of approximately 22.4% of the common stock of the combined company. Holders of 100% of outstanding shares of First California Series A preferred stock have agreed to convert their shares into common stock, per the terms of the series of preferred stock, and have the resulting common stock exchanged in the transaction. PacWest and First California expect to redeem First California's outstanding Series C preferred stock for cash in accordance with its terms immediately prior to the closing of the transaction.

Comparable Financial Highlights

	PacWest	First California
Total Assets	\$5,539	\$1,991
Gross Loans	\$3,649	\$1,174
Deposits	\$4,787	\$1,600
Equity	\$584	\$237
TCE / TA	8.98%	7.18%

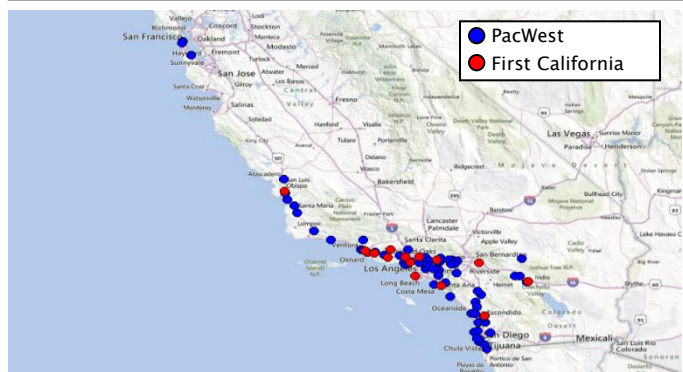
Notes:

Dollars in millions

Financial data as of September 30, 2012

¹ Includes bank or thrift merger transactions with the target headquartered in California, Arizona, Nevada, Washington, Oregon; includes MOE's and transactions structured as P&A's

Pro Forma Branch Network



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