

**HERITAGE OAKS BANCORP**

	CPP Disbursement Date 03/20/2009	RSSD (Holding Company) 2253529	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>				
	2008 \$ millions	2009 \$ millions	%chg from prev	
<b>Assets</b>	\$804	\$942	17.2%	
Loans	\$688	\$743	7.9%	
Construction & development	\$137	\$121	-11.4%	
Closed-end 1-4 family residential	\$32	\$35	10.2%	
Home equity	\$26	\$30	12.8%	
Credit card	\$1	\$1	40.7%	
Other consumer	\$6	\$6	4.4%	
Commercial & Industrial	\$158	\$158	0.0%	
Commercial real estate	\$286	\$338	18.4%	
Unused commitments	\$213	\$152	-28.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$33	\$98	193.7%	
Asset-backed securities	\$0	\$0		
Other securities	\$17	\$23	33.2%	
Cash & balances due	\$18	\$19	8.1%	
<b>Residential mortgage originations</b>				
Closed-end mortgage originated for sale (quarter)	\$0	\$0		
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$0	\$0		
Open-end HELOC originations sold (quarter)	\$0	\$0		
<b>Liabilities</b>	\$723	\$849	17.4%	
Deposits	\$604	\$776	28.4%	
Total other borrowings	\$112	\$65	-41.9%	
FHLB advances	\$109	\$65	-40.4%	
<b>Equity</b>				
Equity capital at quarter end	\$81	\$93	15.4%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$2	\$17	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.6%	8.1%	--	
Tier 1 risk based capital ratio	9.0%	9.3%	--	
Total risk based capital ratio	10.3%	10.5%	--	
Return on equity <sup>1</sup>	-5.4%	-6.3%	--	
Return on assets <sup>1</sup>	-0.6%	-0.6%	--	
Net interest margin <sup>1</sup>	5.3%	5.2%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	57.8%	45.9%	--	
Loss provision to net charge-offs (qtr)	101.0%	100.8%	--	
Net charge-offs to average loans and leases <sup>1</sup>	3.5%	3.5%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
Construction & development	6.4%	8.4%	1.7%	2.1%
Closed-end 1-4 family residential	0.8%	2.9%	1.7%	0.4%
Home equity	0.0%	1.1%	0.0%	0.0%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.2%	0.9%	0.1%	0.2%
Commercial & Industrial	4.5%	5.6%	1.9%	2.3%
Commercial real estate	0.7%	3.3%	0.0%	0.0%
Total loans	2.6%	4.7%	0.9%	0.9%