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## West Coast Bancorp Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

[Operator Instructions]. Your first question comes from the line of Jeff Rulis.

**Jeff Rulis - D.A. Davidson & Co.**

Good morning.

**Bob Sznewajs**

Good morning.

**Jeff Rulis - D.A. Davidson & Co.**

I wanted to see if you had any more capacity to downstream capital from the holding company at the bank if there is a bit of a room there.

**Anders Giltvedt**

Not material.

**Jeff Rulis - D.A. Davidson & Co.**

Okay. And given sort of your expectation, I guess, everyone's expectation that 2009 will remain challenging on the economic front, I don't know if you could comment any more specifically on a potential capital raise or any other options, the capital purchase program, if you are looking at those things, if you could comment on that.

**Hadley Robbins**

As we have talked or said in previous calls, we continue to analyze our capital position. We continue to take actions that we think are in our best interest to preserve and grow capital, as evidenced by controlling operating expenses, which is the least costly form of capital for us to raise. As you know, we reduced the dividend to \$0.01 and controlled our risk-based assets. So, we continue to manage all of the things that we have talked about in the past.

**Jeff Rulis - D.A. Davidson & Co.**

And then, just real quick; Anders, I don't know if you could just breakout the margin decline in the quarter, the 32 basis points. Could you break that out in terms of what was interest dispersal, what was just core margin compression?

**Anders Giltvedt**

Are you talking about linked-quarters?

**Jeff Rulis - D.A. Davidson & Co.**

Right.

**Anders Giltvedt**

It was a combination of lower amortized construction fees in the margin, slightly lower value of the DDAs given the current market rates, as well as a compression in the spread between loan and deposits, due to the rapid decrease in market interest rates.

**Jeff Rulis - D.A. Davidson & Co.**

But in terms of a basis point interest reversals, was what portion of that 32 basis points?

**Anders Giltvedt**

That was not meaningful. That was not substantial in the quarter.

**Jeff Rulis - D.A. Davidson & Co.**

Okay, thanks.

**Operator**

Your next question comes from the line of Louis Feldman.

**Louis Feldman - Hoefler & Arnett Inc**

Good morning.

**Anders Giltvedt**

Good morning.

**Louis Feldman - Hoefler & Arnett Inc**

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