



## TRANSACTION PROFILE: PACIFIC CONTINENTAL/NWB FINANCIAL

Hovde Financial is pleased to announce the terms of our second transaction in Washington this year (first transaction was Pacifica Bancorp, our client, selling to UCBH Holdings out of San Francisco announced in 2Q 2005 and expected to close in 4Q 2005), and second largest Pacific Northwest deal in 2005, with the announced signing of a merger agreement between Seattle, Washington-based NWB Financial Corporation and its wholly-owned subsidiary Northwest Business Bank (*our client*) and Pacific Continental Corporation (NASDAQ: PCBK) of Eugene, OR. Hovde both initiated the transaction and served as NWB Financial Corporation's exclusive financial advisor.

For your reference, we are attaching our Hovde Financial Transaction Alert regarding the terms of this deal. NWB Financial will receive approximately \$39.0 million in stock and cash consideration, based on Pacific Continental's market close of \$15.75 on August 17, 2005, in which shareholders will have the election to receive all stock, all cash, or a mixture provided that the aggregate consideration results in approximately 60% stock and 40% cash. Pacific Continental will issue a fixed number of shares of approximately 1.4 million and a fixed amount of cash of approximately \$14.5 million. Options outstanding at closing will be converted into options of Pacific Continental and the final pricing will be determined based on a 20-day period prior to closing with downside price protection being provided. The \$39.0 million value equates to 220.9% of NWB Financial's tangible book value, 312.8% of normalized book value (7.00%), 21.5x trailing-four-quarters earnings, and a 33.9% core deposit premium. Not only does this transaction represent the second highest aggregate deal value in the Pacific Northwest this year, it also represents the third highest core deposit premium multiple ever in the State of Washington.

The acquisition provides Pacific Continental entry into the State of Washington and the Seattle MSA and adds a strong team of relationship focused community bankers skilled in providing banking services to the business community in the greater Seattle and Bellevue markets. The transaction also creates a dynamic pro-forma company that will provide valuable middle-market business banking services exclusively to the three major metropolitan markets in the Pacific Northwest, Eugene, Portland, and Seattle, while positioning itself for further Washington-state expansion.

### About Hovde Financial LLC

Hovde Financial LLC is a nationwide investment bank focused exclusively on the financial services industry, specializing in providing a variety of investment banking and financial advisory services to community banks and thrifts. Founded in 1987, the firm has been a financial advisor in 225 merger and acquisition transactions for an aggregate deal value of over \$17 billion. In addition, Hovde has advised on approximately \$5.5 billion in branch transactions. Client-driven and results-oriented, the firm's experienced principals and bankers are committed to providing superior, value-added advice.

## M & A TRANSACTION ALERT

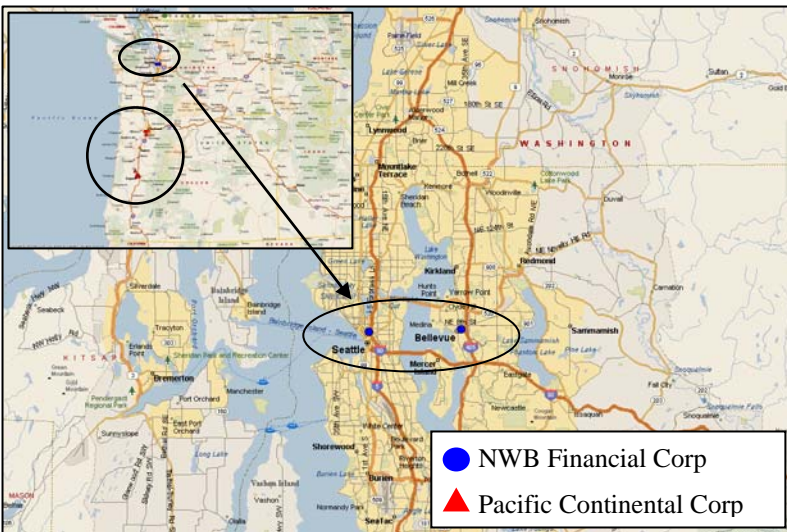
### *NWB Financial Corporation - Seattle, WA* has agreed to merge with *Pacific Continental Corporation - Eugene, OR*

*Hovde Financial both initiated this transaction and served as exclusive financial advisor to NWB Financial Corporation*

#### Overview of the Deal

- Eugene, OR-based Pacific Continental Corporation ("PCBK") has expanded in the Pacific Northwest and entered the State of Washington with the announced signing of a definitive agreement to acquire Seattle, WA-based NWB Financial Corporation ("NWB") in a mixed consideration transaction valued at \$39.0 million based on PCBK's market close on August 17th, 2005 of \$15.75
- At \$39.0 million, this price represents 21.5x NWB's trailing 12-months earnings and a 33.9% core deposit premium (3rd highest in WA history)
- This is PCBK's first acquisition, and first expansion out of the Oregon market into the attractive Seattle and Bellevue markets
- PCBK will enter the aggregate Seattle and Bellevue markets with the 22nd ranked deposit market share position

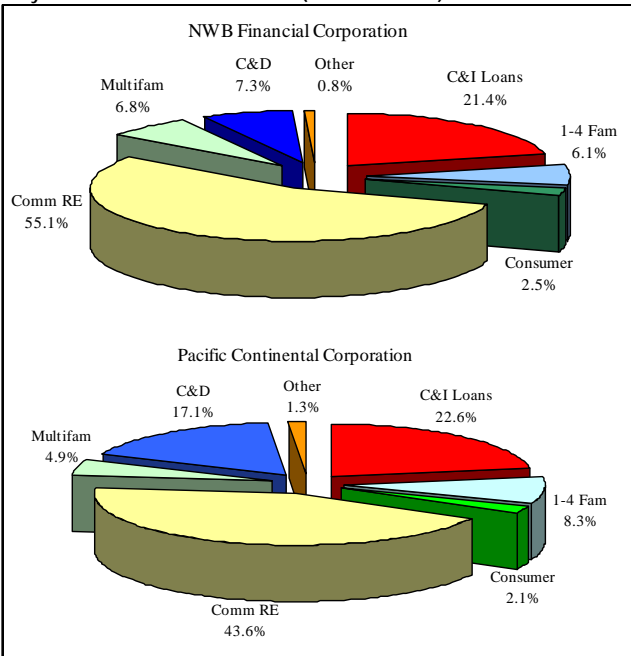
#### Pro Forma Branch Map - Seattle and Bellevue (Pacific Northwest inset)



#### Transaction Pricing

Aggregate Deal Price (\$million)	\$39.0
Announced Date	8/17/2005
Anticipated Closing Date	Q4 2005
Form of Consideration	60% Stock / 40% Cash
Consideration Structure	Fixed Exchange Ratio, Fixed Cash
Price-to-Book Value	220.9%
Price-to-Tangible Book Value	220.9%
Price-to-Adj. TBV (7.00% - \$ for \$ on excess)	314.5%
Price-to-12 Months Trailing Earnings	21.5x
Premium-to-Core Deposits	33.9%
Price-to-Assets	27.2%

#### Buyer and Seller Loan Portfolios (as of 6/30/2005)



#### Buyer and Seller Financial Information (as of 6/30/2005)

	<u>PCBK</u>	<u>NWB</u>
Headquarters	Eugene, OR	Seattle, WA
Ticker	PCBK	N/A
States of Operation	OR(10)	WA(2)
Total Branches	10	2
Total Assets (\$000)	553,768	143,407
Total Deposits (\$000)	450,892	112,491
Core Deposits (\$000)	397,326	62,995
Total Equity (\$000)	53,133	17,673
Tangible Equity (\$000)	52,857	17,673
LTM Net Income (\$000)	8,632	1,813
LTM ROAA (%)	1.68	1.24
LTM ROAE (%)	17.33	10.26
LTM Efficiency Ratio (%)	53.31	48.48
LTM Non-Interest Income/AA (%)	0.83	0.32
Nonperforming Loans/Loans (%)	0.22	0.01
Tangible Equity Ratio (%)	9.55	12.32