

2007

ANNUAL  
REPORT

**PACIFIC CAPITAL BANCORP**



AS LOCAL AS THE OAKS

## COMPANY OVERVIEW

Pacific Capital Bancorp (“PCB”) is the largest independent bank holding company on the Central Coast of California, with 50 branches and \$7.4 billion in assets. It is the parent company of Pacific Capital Bank, N.A., a nationally chartered financial services institution that operates under the highly respected brands of Santa Barbara Bank & Trust, First National Bank of Central California, South Valley National Bank, San Benito Bank and First Bank of San Luis Obispo.

PCB has distinct strengths that provide it with competitive advantages in its three primary business lines—Private Wealth Management, Commercial Banking and Community Banking. The Company has the financial strength and breadth of products and services found at larger financial institutions, with the added leverage of operating through local bank brands that are acknowledged as long-time leaders in their markets. PCB’s community banks deliver exceptional service, with one-on-one decisions available promptly from local bankers who have the experience, expertise and authority to provide truly individualized solutions to address the needs of their customers. Because their relationships with their customers are personal as well as professional, PCB’s local bankers can deliver a broad spectrum of financial services that build enduring allegiances for the Company.

With a presence on California’s Central Coast that spans almost 50 years, and a tradition of significant financial and volunteer support for the communities it serves, PCB occupies a unique position in highly attractive markets. The Company is executing a tightly-focused strategy that builds on its heritage, takes advantage of its specific strengths and pursues the many profitable opportunities available within its service area.

## FINANCIAL HIGHLIGHTS

*Year Ended December 31, 2007 (Amounts in Millions Except Per Share Data)*

	2003	2004	2005	2006	2007
OPERATING RESULTS					
Income	\$75.7	\$ 87.9	\$ 99.3	\$ 94.5	\$100.9
Net interest income	\$218.3	\$257.0	\$314.7	\$373.8	\$361.2
Return on average equity	19.44%	20.30%	19.18%	15.99%	15.34%
Return on average assets	1.63%	1.54%	1.55%	1.32%	1.35%
DILUTED PER SHARE DATA					
Earnings per share	\$1.64	\$1.92	\$2.14	\$2.01	\$2.14
Dividends paid	\$0.60	\$0.69	\$0.78	\$0.88	\$0.88
Percentage growth in EPS	2.5%	17.1%	11.5%	-6.1%	6.5%
BALANCES (DOLLARS IN BILLIONS)					
Total assets	\$4.9	\$6.0	\$6.9	\$7.5	\$7.4
Total loans	\$3.2	\$4.1	\$4.9	\$5.7	\$5.4
Total deposits	\$3.9	\$4.5	\$5.0	\$5.0	\$5.0
Non-performing assets as a percentage of total assets	0.89%	0.42%	0.30%	0.27%	1.04%

MARKET PRESENCE



*Pacific Capital Bancorp's service area encompasses some of California's most affluent and attractive markets.*

## STRATEGIC INITIATIVES

IN WHAT REMAINS A CHALLENGING ENVIRONMENT FOR ALL FINANCIAL INSTITUTIONS, PACIFIC CAPITAL BANCORP has moved decisively to enhance the value of our respected franchise by implementing six LONG-TERM STRATEGIC INITIATIVES that together create a clear and comprehensive game plan for our future success. These HIGHLY TARGETED YET FLEXIBLE initiatives enable our shareholders, customers and employees to understand exactly who we are and where we are going:

- 1 FOCUSING ON WHAT WE DO BEST
- 2 DELIVERING QUALITY AND INNOVATION TO OUR CUSTOMERS
- 3 RECRUITING, RETAINING AND REWARDING SUPERIOR TALENT
- 4 CONTROLLING OUR EXPENSES, MANAGING OUR RISK
- 5 BUILDING ENDURING RELATIONSHIPS
- 6 RETURNING VALUE TO OUR KEY CONSTITUENCIES





STRATEGIC INITIATIVE

1

FOCUSING ON WHAT  
WE DO BEST

*As the core of our enterprise, we are growing the Bank by doing what we have done since 1960 — delivering quality financial products and services to customers throughout California's Central Coast. We are aggressively seeking deposits, making quality loans, leveraging our Private Wealth Management and Commercial Banking divisions, serving dynamic small companies and strengthening our Refund Anticipation Loan (RAL) and Refund Transfer (RT) programs. We are continually monitoring the return on investment and future prospects of every business line, systematically evaluating each one for its own performance and for how it contributes to the Bank as a whole.*

## TO OUR SHAREHOLDERS, CUSTOMERS AND EMPLOYEES:

In last year's message to shareholders, we anticipated that a difficult operating environment would continue to challenge financial services providers throughout 2007. Accordingly, we made a number of key strategic changes that would better position Pacific Capital Bancorp to weather the macro factors outside our control. Following the transition to a new CEO in April, we began by evaluating all aspects of our business. We then put in place a strategic business plan that would fortify against a flat yield curve and rising deposit costs. In addition to industry-wide issues, we also recognized that we faced some challenges that were specific to our Company. These included concerns about our Refund Anticipation Loan (RAL) product, which negatively impacted our stock price. In the second half of the year, we made many significant changes to this and other business models within the Company, as we positioned our franchise for growth in 2008.

### **SOLID PROGRESS IN THE CORE BANK**

In evaluating our Company, we look at two distinct business units: our core bank (which excludes the RAL and RT programs); and the RAL/RT programs on a stand-alone basis.

We made good progress within our core bank in 2007, particularly in light of the challenging operating environment. Excluding certain gains and charges, pre-tax income for the core bank increased approximately 32% over the prior year. We delivered solid results in most areas while also making key strategic changes that will create a stronger foundation for growing our franchise in the future.

Following are some of the 2007 highlights within the core bank:

**SOLID LOAN GROWTH** — Excluding the impact of portfolio sales, we increased our loan portfolio by 7% in 2007. Our experience throughout the year underscores the value of the diversified strategy we have pursued in our lending businesses. Early in the year, our construction and residential real estate lending businesses were significant contributors to our loan growth. As demand in those areas slowed, our success in commercial and industrial lending and commercial real estate lending allowed us to continue growing our overall loan portfolio at a solid rate.



STRATEGIC INITIATIVE

2

DELIVERING QUALITY  
AND INNOVATION TO  
OUR CUSTOMERS

*Our Company has always been known for exceptional customer service, and we are recommitting to excellence in this important area with new programs and standards that emphasize accountability and recognition for top-performing employees. Heightened attention to customer satisfaction surveys and mystery shopper comments, branch renovations, customized products and services, and a renewed focus on delivering truly personalized service are all part of this initiative.*





STRATEGIC INITIATIVE

3

RECRUITING, RETAINING  
AND REWARDING  
SUPERIOR TALENT

*Our people remain our most important asset, and we are providing them with even greater support that includes a revamped compensation structure, employee recognition programs and events, and top-tier recruits for open positions at all levels. We are carefully fostering a pay-for-performance culture that attracts and rewards the very best people while raising the bar throughout the Company.*

AS LOCAL AS RED TILE ROOFS

*...we made good progress in streamlining  
the Company without impacting our  
revenue-generating capabilities.*

**INVESTING IN OUR PRIVATE WEALTH MANAGEMENT FRANCHISE** — We believe that growing our sources of non-interest income is a key factor in enhancing the value of the overall Company, and continuing to expand our Private Wealth Management business is a major component of our new business plan. Driven largely by the acquisition of Morton Capital Management (MCM) in July 2006, our Private Wealth Management fee income increased 19% during 2007. We were particularly pleased that Lon Morton, Founder and Chief Investment Strategist for MCM, was named as one of the top 100 independent financial advisors in the United States by *Barron's*, which we believe further solidifies our position as the finest provider of wealth management services in our markets.

**IMPROVED EFFICIENCY** — We continued to implement the expense reduction initiatives begun in 2006, and we made good progress in streamlining the Company without impacting our revenue-generating capabilities. As evidence of our success in controlling our costs, the operating efficiency ratio of the core bank improved to 58.4% in 2007 from 70.4% in 2006.

**DIVESTITURE OF NON-STRATEGIC BUSINESSES** — A major objective in evaluating our business lines was to determine if there were opportunities to optimize our business mix. After careful review, we decided that our indirect auto financing and commercial equipment leasing businesses were not generating satisfactory total returns. We made the decision to exit these businesses, and the portfolios were successfully sold. We have subsequently reallocated this capital to businesses that generate higher returns, and this is having a positive impact on our overall profitability.

#### **RAL/RT OVERVIEW**

While we were pleased with our execution against the business plan for our core bank, we were disappointed in the results of the 2007 RAL and RT programs. Due primarily to an increase in the fraud identified among both tax filers and tax preparers, we experienced a significantly higher loss rate on RALs than we have in the past. This higher loss rate had a negative impact on the profitability of these programs, and we believe that it ultimately impacted the performance of our stock price.

*We believe the actions we took last year have positioned the Company to increase earnings in both the core bank and the RAL and RT programs in 2008.*

Following the completion of the 2007 RAL/RT programs, we implemented a number of changes designed to address these issues. These included:


- Discontinuing the “pre-file” product (a version of a RAL that was offered prior to the filing of the tax return) which carried a higher risk for the bank
- Significantly enhancing our fraud controls, including expanding the fraud screening criteria that we utilize to evaluate each tax return and determine if we want to make a RAL against it
- Placing tighter controls on the tax preparation firms that send RAL applications to us, including ending relationships with certain offices that were responsible for preparing the returns that resulted in a significant portion of our losses
- Installing an on-site and dedicated Chief Credit Officer to oversee risk management controls of the RAL business

While these measures will have a slightly negative impact on overall RAL transaction volumes, we are confident that these steps will significantly reduce our loss rates and increase the profitability of the entire program in the future.

#### **STRATEGIC PRIORITIES IN 2008**

We believe the actions we took last year have positioned the Company to increase earnings in both the core bank and the RAL and RT programs in 2008. The comprehensive evaluation of our business lines resulted in careful planning for our future. We are now on course with a strategic plan that is focused on those key areas that we believe will provide the best growth opportunities in our markets. Despite the national projections for slowing economic conditions, we are confident that we are well positioned to create significant value for our shareholders.



The background of the page features two women in traditional flamenco attire, specifically black dresses with vibrant red floral patterns and ruffled skirts. They are captured in a dynamic pose, suggesting a dance performance. The lighting is dramatic, highlighting the textures of the fabric and the movement of the skirts. The overall aesthetic is elegant and culturally rich.

STRATEGIC INITIATIVE

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## CONTROLLING OUR EXPENSES, MANAGING OUR RISK

*A vigilant focus on controlling costs and managing risk has become an integral part of our thought process. We do not view these efforts as one-time events, but instead, as ongoing processes measured by intensified tracking of our efficiency ratio, realistic budgets, best-practices programs and a clear understanding that missing targets has consequences. We view constant awareness and control of costs and risk as key investments in our future, and they are now built into everything we do.*



STRATEGIC INITIATIVE

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BUILDING ENDURING  
RELATIONSHIPS

*We can help our customers in many different ways, most of all by understanding and providing what they truly need as they move through their lives. Relationship banking and cross-selling are givens with us, and our customer-centric focus will drive organic growth as we open new branches, continue to expand into adjacent markets, identify mutually beneficial partnerships and develop new lines of business to serve our customers.*



*The natural overlaps between our Private Wealth  
Management and Commercial Banking businesses  
will continue to drive service to our clients.*

As part of our overall strategy to increase the value of our franchise, we are focused on the following priorities in 2008:

**IMPROVED CORE DEPOSIT GATHERING** — Over the last several years, the Company has been more successful in making quality loans than in developing new deposit relationships. As a result, we have had to use higher cost sources of funding to support our strong loan growth, which reduces the profitability of our lending businesses. In 2007, we revised that strategy, and our culture today places equal emphasis on bringing in both depository and lending relationships. While we recognize that deposit gathering will be difficult in the current environment, we believe that the changes we are making will help improve our deposit mix over the long term.

**VIGILANT CREDIT MONITORING** — We began to see a slight slippage in credit quality late in 2007, which is to be expected, given weakening economic conditions, particularly in the home building industry. While we are comfortable that overall credit quality will remain generally healthy, our credit administration area has well-established and mature processes to deal with problem loans. We have the ability to identify potential problem credits early and work with borrowers to achieve satisfactory resolutions. By remaining disciplined in our underwriting and vigilant in our credit monitoring, we believe we can keep losses to a manageable level.

**FURTHER EXPANSION IN PRIVATE WEALTH MANAGEMENT** — We will continue building our Private Wealth Management business by increasing our presence in key markets within our footprint. In January 2008, we acquired R.E. Wacker Associates, Inc., a Registered Investment Advisor based in San Luis Obispo. R.E. Wacker will serve as the foundation for further penetrating the San Luis Obispo market and will also expand our ability to offer attractive alternative asset investment opportunities to our Private Wealth Management clients.

**LEVERAGING OUR COMMERCIAL BANKING / PRIVATE WEALTH MANAGEMENT HUBS** — The natural connections between our Commercial Banking (CBG) and Private Wealth Management (PWM) businesses will help us to develop deeper relationships with our key clients as we continue to leverage the resources available at our combined CBG/PWM hubs in seven key markets. We will be seeking every opportunity to drive fee income to our bottom line by offering these top-tier clients a competitive choice of financing solutions, advisory and treasury services on the CBG side, coupled with global wealth management capabilities on the PWM side.



**MAINTAINING DISCIPLINED EXPENSE CONTROL** — We have made good progress in streamlining the Company and creating a more profitable cost structure. We will remain highly focused on keeping expense growth below revenue growth so that we can consistently achieve operating leverage.

**STABILIZE THE RAL AND RT PROGRAMS** — We feel very comfortable that the issues that led to our RAL program loss rate in 2007 will not occur again. We believe that increasing the stability of this earnings stream will be a significant catalyst for creating shareholder value in the future. As we have indicated in our quarterly conference calls, we plan to strategically invest income generated by our RAL and RT programs back into the growth of our core bank while taking full advantage of the unique position we hold in this product line.

**FOCUSED ON THE FUTURE**

Since 1960, our family of community banks has worked hard to continually earn their reputations as leaders in their local markets, positions which help drive significant value for our shareholders. The ability to change and to adapt is key to maintaining these leadership positions, particularly in such challenging economic times. You have our assurance we are ready to do both, as we pursue the strategies that will grow our market share.

We close on a note of sincere thanks to our shareholders—long-time and new—for your continued confidence in our abilities, particularly during such a challenging year. Providing you with value on your investment remains our ultimate goal. This will only be achieved through providing our customers with the best that banking has to offer. Customer satisfaction is at the heart of our mission, and we remain focused on nurturing the deep relationships that remain the foundation of our success. We also gratefully acknowledge the continued dedication and performance of our employees. Together, with our unwavering commitment to high performance and superior service, we are confident that we can make 2008 a rewarding year for our shareholders, our customers and the communities who count on us.

EDWARD E. BIRCH  
*Chairman of the Board*

GEORGE S. LEIS  
*President and CEO*





STRATEGIC INITIATIVE

6

RETURNING VALUE  
TO OUR KEY  
CONSTITUENCIES

*Our overriding objective is, and always has been, to provide superior value to our key constituencies. For our shareholders, that means returning to our historic levels of profitability and achieving strong growth in revenue, earnings and stock price. For our customers, that means fulfilling our role as the leaders in local banking. For our employees, that means ensuring that our company is a great place to work and grow. For our communities, that means a visible and ongoing commitment to volunteerism, charitable work and being an outstanding corporate citizen. These goals complement and reinforce each other in all that we do every day.*



## OUR CORE CAPABILITIES

PACIFIC CAPITAL BANCORP offers individual and corporate customers exceptionally attractive value propositions in its three core business lines — COMMUNITY BANKING, PRIVATE WEALTH MANAGEMENT and COMMERCIAL BANKING. The Company's financial strength and broad array of sophisticated products and services provide proven solutions for the needs of growing companies and high net worth individuals, while its long history and network of well-established and highly respected community bank brands make it the natural choice of retail consumers.





SANTA BARBARA  
BANK & TRUST  
SINCE 1960

  
FIRST NATIONAL BANK  
OF CENTRAL CALIFORNIA  
SINCE 1984

  
SOUTH VALLEY NATIONAL BANK  
SINCE 1983

  
San Benito Bank  
SINCE 1984

  
FIRST BANK  
OF SAN LUIS OBISPO  
SINCE 1980

## COMMUNITY BANKING

PCB's local bank brands have deep roots in the regions they serve and have long been recognized as the leading financial institutions in their communities. Our branches, operating in eight California counties, are staffed with experienced bankers who have the expertise and authority to make decisions that provide quick solutions to the needs of their customers, many of whom have been clients for decades. Our local branch bankers are highly respected as trusted partners by their customers, and the banks themselves are widely acknowledged as consistent sources of financial contributions and willing volunteers for programs and organizations that contribute to the prosperity and overall well-being of their communities. In an age when transaction-based banking has become the norm, our customers are still greeted by their first names.

The enormously valuable asset represented by our local bank brands is not built on loyalty alone. Our community banks offer an extensive and highly competitive line of personal financial products and services that include customized checking and savings accounts, money market accounts, certificates of deposit, credit cards, personal loans and lines of credit, residential mortgages and home equity lines, auto and boat financing, as well as consumer-oriented investment products that include mutual funds, IRAs and annuities.

While PCB regards its community banking products and services as second to none, our greatest resource is without question the people who work in our local branches and live side by side with the friends and neighbors they serve every day. These relationships, which span many years and changing circumstances, are an enduring asset that continues to be the cornerstone of our community banks.

*In an age when transaction-based banking has become the norm, our customers are still greeted by their first names.*

## OUR CORE CAPABILITIES



### **SANTA BARBARA BANK & TRUST** Private Wealth Management

*Global Solutions.  
Delivered Locally.*

#### **PRIVATE WEALTH MANAGEMENT**

Operating with the name recognition and credibility of Santa Barbara Bank & Trust Private Wealth Management, this business line provides Private Banking, Investment Management and Trust Administration services to high net worth individuals and families, as well as to institutional clients such as endowments and foundations. These discerning customers benefit from an extensive suite of wealth management services that include traditional and alternative investment management, including hedge funds, private equity and structured notes. Advice is a primary service delivered through our Wealth Planning Group. We also provide professional fiduciary administration, real estate investment management, 401(k) and IRA rollovers, wealth transfer services, private mortgage banking, customized loans and lines of credit, and personalized cash management.

Staffed with wealth management professionals who have extensive experience and a deep familiarity with the issues specific to their markets, this division includes Registered Investment Advisors Morton Capital Management and R.E. Wacker Associates, Inc., as well as access to other respected investment managers through our open architecture platform. Team members are accustomed to working closely with other professional client advisors in order to deliver collaborative and flexible solutions that evolve with the lives of their customers.

PCB's service area, which encompasses some of California's most affluent regions, is ideally suited to the sophisticated and highly personalized services offered by Santa Barbara Bank & Trust Private Wealth Management. Already well established, this division is poised for impressive growth in the future.





## COMMERCIAL BANKING

The Commercial Banking Group's customers include some of the most dynamic and well-known companies in California. The CBG provides a wide range of customized financial products and services through local decision-makers, a strategy that has proven to be highly successful. In 2007, the CBG continued to establish and build relationships through a promising adjacent markets strategy that is providing a deeper reach into California's middle market companies.

The CBG's depth of financial resources and spectrum of value-added solutions mean that companies can remain customers through all phases of their growth and maturity. Serving companies with annual sales of up to approximately \$1 billion, the CBG's product line includes working capital lines of credit and senior term loans, asset-based financing, construction and permanent commercial real estate loans, SBA loans, agricultural loans, interest rate

risk management, export/import financing, structured finance for acquisitions and recapitalizations, and a full range of sophisticated cash management services. Business owners can also receive advice and assistance with business valuations, ESOPs, succession planning and financing the sale of their businesses. These services often connect customers naturally with the estate planning, trust and investment management services available through our Private Wealth Management division.

The CBG is staffed with highly experienced, knowledgeable and empowered local bankers who have established strong relationships with their clients over many years and who can draw on internal teams with specific expertise to ensure that every customer receives comprehensive, customized and timely solutions.

*The CBG's depth of financial resources and spectrum of value-added solutions mean that companies can remain customers through all phases of their growth and maturity.*



## BOARD OF DIRECTORS

### PACIFIC CAPITAL BANCORP, PACIFIC CAPITAL BANK, N.A.

**EDWARD E. BIRCH, PH.D.**  
 President & Chief Executive Officer  
 Mosher Foundation  
*Chairman of the Board*  
*Chair, Executive Committee*

**RICHARD S. HAMBLETON, JR.**  
 Partner  
 Hoffman, Vance & Worthington  
 Property Management Co.  
*Member, Trust Oversight Committee*  
*Member, Compensation Committee*

**D. VERNON HORTON**  
*Vice Chairman of the Board*

**ROGER C. KNOPF**  
 President  
 Knopf Construction Inc.  
*Chair, Governance & Nominating Committee*  
*Member, Audit Committee*  
*Member, Executive Committee*

**ROBERT W. KUMMER, JR.**  
 Founder & Retired Chairman  
 & Chief Executive Officer  
 Mellon 1st Business Bank  
*Chair, RAL/RT Committee*  
*Member, Compensation Committee*  
*Member, Governance & Nominating Committee*

**CLAYTON C. LARSON**  
*Vice Chairman of the Board*  
*Member, RAL/RT Committee*

**GEORGE S. LEIS**  
*President & Chief Executive Officer*  
*Member, RAL/RT Committee*  
*Member, Executive Committee*

**JOHN R. MACKALL, ESQ.**  
 Founding Partner  
 Seed Mackall LLP  
*Chair, Trust Oversight Committee*  
*Member, RAL/RT Committee*  
*Member, Executive Committee*

**GERALD T. MCCULLOUGH\***  
 General Contractor & Developer  
*Member, Trust Oversight Committee*

**LEE MIKLES**  
 Co-Founder, President &  
 Chief Executive Officer  
 FutureFuel Corporation  
*Member, Audit Committee*  
*Member, RAL/RT Committee*

**RICHARD A. NIGHTINGALE, CPA**  
 Damitz, Brooks, Nightingale,  
 Turner & Morrisset  
*Chair, Audit Committee*  
*Member, Governance & Nominating Committee*  
*Member, Executive Committee*

**KATHY J. ODELL**  
*Chair, Compensation Committee*  
*Member, Governance & Nominating Committee*  
*Member, Executive Committee*

**DONALD M. ANDERSON**  
*Chairman Emeritus*

**DAVID W. SPAINHOUR**  
*Chairman Emeritus*

**ANTHONY GUNTERMANN**  
*Founding Director Emeritus*

*\*Retiring April 29, 2008*

**SANTA BARBARA BANK & TRUST**

**FRANK H. BARRANCO, M.D.**

*Terrill F. Cox, Esq.*

**JUDITH L. KUIPERS, PH.D.**

*President*

*Fielding Graduate University*

**DIANA JESSUP LEE, ESQ.**

*Partner*

*Reicker, Pfau, Pyle & McRoy LLP*

**PETER R. MACDOUGALL, ED.D.**

*President Emeritus*

*Santa Barbara City College*

**JOANNE S. RAPP**

*Community Volunteer*

**MARSHALL A. ROSE**

*Managing Partner*

*Hollister Brewing Company*

**JAY D. SMITH**

*Retired Corporate Secretary &*

*General Counsel*

*Pacific Capital Bancorp*

**RICHARD B. WELCH**

*Retired Senior Vice President*

*& Manager*

*Santa Barbara Bank & Trust*

**STEPHEN YATES**

*Founder, President &*

*Chief Executive Officer*

*The Conceptual Motion Company, Inc.*

**FIRST NATIONAL BANK**

**SOUTH VALLEY NATIONAL BANK**

**SAN BENITO BANK**

**GENE DICICCO**

*Retired Founder & Principal*

*Watsonville Nurseries, Sun Valley*

*Floral Shippers & DiCicco Center*

**WILLIAM G. DOOLITTLE**

*Partner*

*Doolittle & Ganos*

*Investment Counsel*

**JAMES L. GATTIS**

*Real Estate Developer*

**EUGENE R. GUGLIELMO**

*Director & Executive Officer*

*Emilio Guglielmo Winery*

**WILLIAM J. KELLER, M.D.**

*Retired*

**ROGER C. KNOPF**

*President*

*Knopf Construction, Inc.*

**WILLIAM S. MCAFEE, M.D.**

*Medical Director*

*RotaCare Free Clinic, Seaside*

**JUDY NIELSEN**

*City Council Member*

*City of Watsonville*

**EDWARD T. STEPHENSON**

*Retired President &*

*Chief Executive Officer*

*San Benito Bank*

**WILLIAM H. POPE**

*Director Emeritus*

**FIRST BANK OF SAN LUIS OBISPO**

**MIKE HANCHETT**

*Owner*

*Cavalier Inn*

**TOM LEBENS**

*Partner*

*Sinsheimer, Juhnke,*

*Lebens & McIvor, LLC*

**STEVEN A. PETTERSON**

*Developer / Business Owner*

**MARCO L. RIZZO**

*Owner / Partner*

*Café Roma*

**JAMES E. SMITH, ESQ.**

*Retired*

**MARY LOU SPLITTORF**

*Certified Financial Planner*

**BRENDAN V. McADAMS, M.D.**

*Physician*

**MICHAEL ROWLEY**

*Owner*

*Straight Down Clothing Company*

**VENTURA COUNTY**

**HUGH CASSAR**

*Chairman of the Board &*

*Chief Executive Officer*

*Kretek International, Inc.*

**SCOTT DEARDORFF**

*Secretary / Treasurer*

*Deardorff Family Farms*

**PATRICIA DUGGAN**

**JERRY MILLER**

*President Emeritus*

*California Lutheran University*

**FRANCES K. PRINCE, ESQ.**

*Executive Director*

*Rebuilding Together Ventura County*

**RICK PRINCIPE**

*Chief Executive Officer*

*Westcord*

**RICHARD RUSH**

*President*

*California State University*

*Channel Islands*

**TONY TREMBLEY**

*Managing Partner*

*Nordman, Cormany,*

*Hair & Compton LLC*

**GEORGE ULMER**

*Chairman of the Board &*

*Chief Executive Officer*

*NetworkOmni Lingual*

**TIM WOLFE**

*Chief Financial Officer*

*M.F. Daily Corporation*

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**SENIOR MANAGEMENT**

**GEORGE S. LEIS**

*President & Chief Executive Officer*

**SUNANDA BHARGAVA**

*Chief Information Officer*

**PAUL P. BIANCHI**

*Private Wealth Management*

**NOMA J. BRUTON**

*Chief People Officer*

**FREDERICK W. CLOUGH**

*General Counsel*

**BRADLEY S. COWIE**

*Interim Chief Financial Officer*

**CLAYTON C. LARSON**

*Community Banking, Enterprise Sales*

*Corporate Real Estate*

*Refund Anticipation Loan / Refund*

*Transfer Programs*

**STEPHEN V. MASTERSON, CPA**

*Chief Financial Officer\**

**DAVID E. PORTER**

*Chief Risk Officer*

**DONALD R. TOUSSAINT**

*Commercial Banking Group*

**DEBORAH L. WHITELEY**

*Investor Relations, Marketing*

\*Effective March 24, 2008

**PACIFIC CAPITAL BANCORP  
CORPORATE HEADQUARTERS**

1021 Anacapa Street  
Santa Barbara, California 93101

**STOCK EXCHANGE**

Pacific Capital Bancorp common stock is listed on The Nasdaq National Market System under ticker symbol PCBC. Current stock price information is available on the Company's web site.

**DIVIDEND PAYMENTS**

Dividends are declared by the Company's board of directors and historically have been paid quarterly.

**WEB SITES**

The Company's web site is located at [www.pcbancorp.com](http://www.pcbancorp.com) and includes a link to the Investor Relations site. Retail Branch information is available at the individual web sites of Santa Barbara Bank & Trust ([www.sbbt.com](http://www.sbbt.com)); First National Bank of Central California ([www.1stnational.com](http://www.1stnational.com)); South Valley National Bank ([www.svnb.com](http://www.svnb.com)); San Benito Bank ([www.sbbank.com](http://www.sbbank.com)); and First Bank of San Luis Obispo ([www.firstbankslo.com](http://www.firstbankslo.com)).

**TRANSFER AGENT AND REGISTRAR**

BNY Mellon Shareowner Services  
480 Washington Boulevard  
Jersey City, New Jersey 07310-1900  
(888) 835-2829  
(201) 680-6578 (outside the U.S.)  
[www.bnymelloninvestor/shareowner.isd](http://www.bnymelloninvestor/shareowner.isd)

**SHAREHOLDER SERVICES**

BNY Mellon Shareowner Services maintains the records for the Company's registered shareholders and can assist with a variety of shareholder related services at no charge, including: change of name or address, consolidation of accounts, duplicate mailings, dividend reinvestment enrollment, lost stock certificates, transfer of stock to another person, and additional administrative services.

**ELECTRONIC ACCESS VIA MLINK<sup>SM</sup>  
E-MAIL DELIVERY OF MATERIALS**

Electronic access to financial statements and shareholder communications is available online—24 hours a day, 7 days a week—through MLink<sup>SM</sup> which provides a secure, customized mailbox. You can review and print your Investment Plan Statements, Investor Activity Reports, 1099 tax documents, notification of ACH transmissions, transaction activities, annual meeting materials and other selected correspondence. Shareholders may also receive materials via e-mail with MLink<sup>SM</sup>. Enrollment in both features is available at the BNY Mellon web site and by phone.

**DIRECT STOCK PURCHASE PLAN**

BNY Mellon Shareowner Services administers a direct stock purchase plan for our Company, and stockholders may use dividends to purchase shares of Pacific Capital Bancorp common stock through the dividend reinvestment feature of the plan. Plan materials and enrollment are available at the BNY Mellon web site or can be requested by phone.

**DIRECT DEPOSIT OF DIVIDENDS**

For information about direct deposit of dividends to your bank account at no charge to you, visit the BNY Mellon web site or contact them by phone.

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