



TRICO BANCSHARES
2005
ANNUAL REPORT

SERVING OUR COMMUNITIES FOR OVER

30 YEARS
1975-2005





TRICO BANCSHARES
2005
ANNUAL REPORT

SERVING OUR COMMUNITIES FOR OVER

30 YEARS
1975-2005



TRICO
COUNTIES
BANK





BRANCH LOCATIONS

Opened in 2005

Sterling Point (inside Raley's), Lincoln
 East Bidwell (inside Raley's), Folsom
 Pleasant Grove (inside Wal-Mart Supercenter), Roseville
 Arden Fair Financial Center, Sacramento

Opening in 2006

Market Place (inside Wal-Mart Supercenter), Yuba City – January
 Empire Ranch (inside Raley's), Folsom – March
 Arena Blvd (inside Bel Air), Natomas – April
 Anderson (inside Wal-Mart Supercenter)
 Elk Grove (inside Raley's)



TRICo BANCSHARES



"In March 2005, we celebrated the 30th Anniversary of Tri Counties Bank, giving us an opportunity to reflect on the passage of time and to define the essential factors that keep our company growing stronger year after year. We keep coming back to the basic, simple, but most precious values: loyalty, trust and integrity." -Rick Smith, President & CEO

In 1975, a group of business people, farmers and professionals recognized the need for an independent community bank in Chico, California. The focus was to be on small entrepreneurial and agricultural businesses, using retail banking as a source of stable core deposits. Tri Counties Bank was then founded with \$1 million in capital and a modest vision of a three-branch bank. Thirty years later, as of December 31, 2005, Tri Counties Bank has 49 branches—32 traditional and 17 in-store branches—in 22 California counties from the San Joaquin Valley to the Oregon border, and is the market leader in Chico. The Bank's focus has held steady on small business and agriculture, but retail banking has proved to be not only a key source of core deposits but also a significant factor in the Bank's loan portfolio.

In 1981, TriCo Bancshares, a holding company, was formed with the Bank as its subsidiary. The Company then formed two subsidiary business trusts to issue trust preferred securities: TriCo Capital Trust I in July 2003 and TriCo Capital Trust II in June 2004. Tri Counties Bank, TriCo Capital Trust I, and TriCo Capital Trust II are currently the only subsidiaries of TriCo Bancshares. At year end 2005, the Company had capital exceeding \$149 million.

The Bank's expansion plan capitalizes on the growth of California's Central Valley. In 2005, the Bank added three new in-store branches in the cities of Lincoln, Folsom and Roseville. Although management prefers de novo expansion with modern banking facilities, beneficial mergers and acquisitions are considered to expand in-market and to eliminate competition; the Bank has performed six acquisitions over its 30-year history, adding 19 branches to our network.

Tri Counties Bank integrates each new branch into its customer-oriented retail and wholesale banking model. Retail bankers are known as financial service representatives. Wholesale bankers are known as relationship managers. Both excel at ascertaining and meeting each of our customers' needs fully with the appropriate banking products and services.

Tri Counties Bank's team of "Life Improvement Bankers" strives to get to know each customer fully so that we can better serve their financial needs.

The Bank provides customer convenience through traditional and in-store branches with extended hours. Also, customers can perform most common banking functions anytime through online banking or the toll-free 24-hour automated telephone banking system. Personalized service is available 7 days a week from bankers in the telephone banking center and by visiting an in-store branch. Retail banking products and services include a variety of options in each category: checking; savings; debit card; credit card; overdraft privilege; home equity lines of credit and loans; home loans for purchase, refinance or construction; Bill Pay services; and financial services and a broad selection of investment products through Raymond James Financial Services, Inc.

A business customer may be serviced through Commercial Banking or through a separate division, Business Banking, depending on the complexity and structure of the customer's business and the nature of their relationship with the Bank. The Business Banking division typically focuses on smaller business customers; however, all divisions work together with open communication, so that we may deliver our "Life Improvement" brand of service to completely and equally serve every type of customer. A wide variety of business banking products, financing and services is available, as well as investment and retirement products and services through Tri Counties Bank Investment Services.

Tri Counties Bank relies substantially on local promotional activity, personal contacts by its officers, directors and employees, extended hours, convenient locations, personalized service and its reputation in the communities it serves, to compete with other financial institutions. Tri Counties Bank's purpose is to improve the financial success and well-being of our shareholders, customers, communities and employees.

TRICo BANCSHARES 2005 ANNUAL REPORT

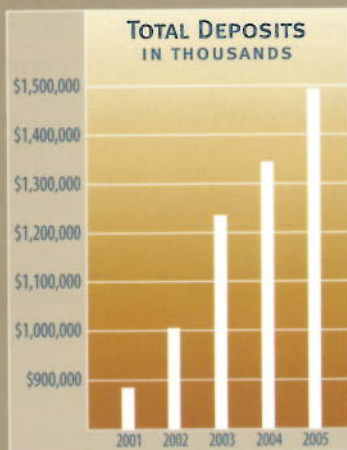
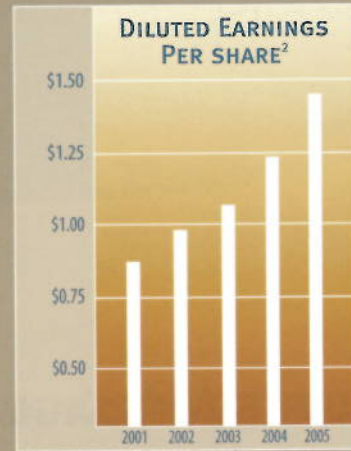
FIVE YEAR SELECTED FINANCIAL DATA

(IN THOUSANDS, EXCEPT SHARE DATA)

	2005	2004	2003	2002	2001
STATEMENT OF OPERATIONS DATA:					
Interest income	\$98,756	\$84,932	\$73,969	\$64,696	\$71,998
Interest expense	20,529	13,363	13,089	12,914	23,486
Net interest income	78,227	71,569	60,880	51,782	48,512
Provision for loan losses	2,169	2,901	1,058	2,755	3,754
Noninterest income	24,890	24,794	22,909	19,180	16,238
Noninterest expense	62,110	60,828	55,719	46,016	41,253
Income before income taxes	38,838	32,634	27,012	22,191	19,743
Provision for income taxes	15,167	12,452	10,124	8,122	7,324
Net income	\$23,671	\$20,182	\$16,888	\$14,069	\$12,419
SHARE DATA:					
Earnings per share ² :					
Basic	\$1.51	\$1.29	\$1.11	\$1.00	\$0.88
Diluted	1.45	1.24	1.07	0.98	0.86
Per share ² :					
Dividends paid	\$0.45	\$0.43	\$0.40	\$0.40	\$0.40
Book value at December 31	9.52	8.79	8.16	7.01	6.21
Tangible book value at December 31	8.25	7.45	6.79	6.72	5.84
Average common shares outstanding ²	15,708	15,660	15,282	14,038	14,146
Average diluted common shares outstanding ²	16,331	16,270	15,757	14,386	14,438
Shares outstanding at December 31	15,708	15,723	15,668	14,122	14,002
BALANCE SHEET DATA AT DECEMBER 31:					
Loans, net	\$1,368,809	\$1,158,442	\$969,570	\$673,836	\$646,320
Total assets	1,841,275	1,627,506	1,469,638	1,145,265	1,006,093
Total deposits	1,496,797	1,348,833	1,236,823	1,005,237	880,393
Debt financing and notes payable	31,390	28,152	22,887	22,924	22,956
Junior subordinated debt	41,238	41,238	20,619	-	-
Shareholders' equity	149,493	138,132	127,960	99,014	86,933
FINANCIAL RATIOS:					
For the year:					
Return on assets	1.38%	1.33%	1.27%	1.35%	1.27%
Return on equity	16.30%	15.20%	14.24%	15.03%	14.19%
Net interest margin ¹	5.14%	5.32%	5.23%	5.61%	5.58%
Net loan losses to average loans	0.04%	0.12%	0.34%	0.22%	0.47%
Efficiency ratio ¹	59.64%	62.46%	65.62%	63.73%	62.60%
Average equity to average assets	8.49%	8.72%	8.91%	9.00%	8.94%
At December 31:					
Equity to assets	8.12%	8.50%	8.71%	8.65%	8.65%
Total capital to risk-adjusted assets	10.79%	11.86%	11.56%	11.97%	11.68%
Allowance for loan losses to loans	1.17%	1.24%	1.31%	1.99%	1.88%

¹ Fully taxable equivalent

² Per-share figures retroactively adjusted to reflect 2-for-1 stock split in the form of a stock dividend effective April 30, 2004



PRESIDENT'S MESSAGE



TriCo Bancshares celebrated its 30th anniversary in 2005 by achieving record financial performance as measured by total assets, deposits and loans. Earnings for the company reached \$23,671,000. This represents a 17.3% increase from earnings of \$20,182,000 at year-end 2004. Total assets of the Company grew 13.1% to \$1.841 billion. Total deposits increased \$148 million to reach \$1.497 billion at year end and total loans grew 18.1% to reach \$1.385 billion at December 31, 2005.

Our strong financial performance corresponds to our strategic efforts to expand and grow our banking business in the Central Valley of California. We continue to provide desirable banking services and products that support businesses and individuals who make this one of California's fastest growing regions. Beyond desirable products is our strong commitment to customer service, measured by the manner in which we treat our customers, fulfill their requests and provide multiple branch locations with extended hours. We continue to seek strategic locations that will continue our efforts to enhance and grow our banking franchise.

In 2005, we opened three in-store banking branches in the Sacramento Metropolitan Area. Additionally, we strengthened our branch network in Sacramento with the opening of our Arden Fair Financial Center. This branch will act as a hub for both retail and commercial customers. Our first branch inside a Wal-Mart Supercenter opened in Roseville and has performed beyond our expectations. We look forward to new branches in both Raley's and Wal-Mart during 2006. We continue to develop and improve our ability to design, launch and run in-store bank branches, as these branches remain an important and convenient channel for our banking customers.

Our commitment to customer service is best demonstrated by the investment we make in the development and retention

of our highly qualified work force. In 2005, our employees attended 65,216 hours of training. Many of these hours focus upon our products, our delivery of services, and improving our ability to better communicate with our customers. We continue to measure our performance based upon the response, actions and satisfaction of our customers. We will continue in 2006 to make significant investments into our highly trained and capable work force. We are very fortunate to have such committed and talented performers on our banking team.

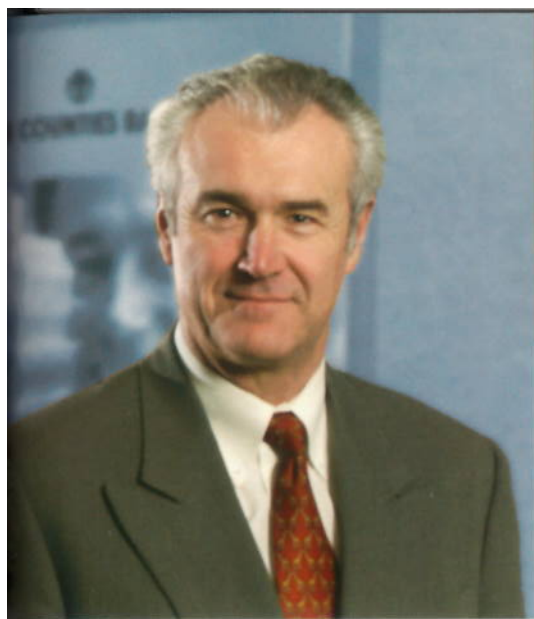
In 2005, we enjoyed our best year of growth in our commercial banking portfolio. Our growing and vibrant market area continues to provide the bank with strong lending opportunities. The bank's loan quality also achieved record performance in terms of credit quality. At year end 2005, our reserves for losses exceeded nonperforming loans by 609%. Credit Quality will remain a high priority at our institution as we continue to capitalize on the growing economy of the Central Valley of California.

2005 marked the 30th anniversary of Tri Counties Bank. We are very grateful to all of our employees and loyal customers who continue to support and encourage us. We remain focused upon the continual improvements necessary to deliver excellent results for our shareholders, our customers, our communities and our employees.

Thank you for your continued confidence and support.

Sincerely,

Richard P. Smith
President and Chief Executive Officer



CHAIRMAN'S MESSAGE

Tri Counties Bank has been improving the life of its communities since its inception. In 1975, the founders of Tri Counties Bank committed themselves to creating a new independent bank. These founders were active members of the Chico community who knew that many local businesspeople were under-served by the existing banks at that time. Between them, they raised one million dollars in capital to start Tri Counties Bank in a small trailer on the site of the Pillsbury branch. They accomplished what they set out to do, creating a strong, fiscally conservative bank to serve the particular needs of the local community. They also created a culture of community service at Tri Counties Bank. 30 years of steady adherence to the TriCo principles of trust, integrity and loyalty have created a company that employs 661 people, serves both small business and large corporations, offers contemporary personal banking products, and continues to support its communities in myriad ways.

We often look to our employees and where they spend their time volunteering in the community to determine where our service and donations are most needed. In 2005, Tri Counties Bank made a significant contribution to the Enloe Century Project for the proposed expansion of the Enloe Medical Center, an essential provider of medical care to people throughout the area. Steve Nettleton, a TriCo Bancshares board member, also serves on the Enloe Health Systems board of directors.

Tri Counties Bank entered a four-year sponsorship of the Boys & Girls Club of the North Valley with a donation that benefits more than 30 programs and activities for youth,

and helped build the "Clubhouse," a 10,000 square-foot facility that serves 250 children every day. Richard O'Sullivan, executive vice president of Tri Counties Bank, is a member of the board of directors for the Boys and Girls Club and donates his time to the organization's finance committee.

Many other non-profit and educational organizations throughout our market area are supported by the Bank and its employees, such as service clubs, business development groups, schools, scout troops and more.

We're glad we have the strength to help our community in a crisis like the Manton fires, and we're grateful for worthy organizations like the Red Cross that give us a way to make our dollars do the most good.

Community service is a duty and pleasure for all of us at Tri Counties Bank. As the Bank grows, our ability to give also grows, not only in monetary donations of \$390,000 in 2005, but in the time and expertise that our many employees devote to local causes. Over the past 30 years, our success has allowed us to improve many lives in all of our communities, and the best is yet to come.

Sincerely,

William J. Casey
Chairman of the Board

BOARD OF DIRECTORS



WILLIAM J. CASEY
Chairman of the Board
Board Member Since 1989
Health Care Consultant,
Chico



DONALD E. MURPHY*
Vice Chairman of the Board
Board Member Since 1975
Vice President and General Manager
J.H. McKnight Ranch,
Nelson



ALEX A. VERESCHAGIN, JR.*
Secretary of the Board
Board Member Since 1975
Secretary-Treasurer, Plaza Farms, and
General Partner, Vereschagin Co.,
Orland



STEVE G. NETTLETON
Board Member Since 2003
Former President,
Chico Heat Baseball Club, LLC
Member of Trustees of Enloe Medical
Center and Board Member for CSU,
Chico Advisory Board,
Chico



CRAIG S. COMPTON
Board Member Since 1989
President, AVAG, Inc.
Aerial Application Business,
Richvale



DONALD J. AMARAL
Board Member Since 2003
Retired Healthcare Industry CEO
Whittel High School Baseball Coach
Glenbrook, Nevada



RICHARD P. SMITH
Board Member Since 1999
President & CEO
TriCo Bancshares and
Tri Counties Bank,
Chico



MICHAEL W. KOEHNEN
Board Member Since 2002
Owner, CF Koehnen & Sons
Orchard & Apiary Operations,
Ordbend



CARROLL R. TARESH
Board Member Since 1998
Executive Officer
Tri Counties Bank,
Chico
Retired 1996



JOHN S.A. HASBROOK
Board Member Since 2002
President
Hasbrook Fetter Farms, Inc.,
SunWest Wild Rice Co., Inc.,
Winters

* Charter Board Member

MANAGEMENT TEAM



TRICO BANCSHARES 2005 ANNUAL REPORT

Rick Miller
Senior Vice President
Director of Human Resources

Andrew Mastorakis
Executive Vice President
Retail Banking

Craig Carney
Senior Vice President
Chief Credit Officer
Wholesale Banking

Richard O'Sullivan
Executive Vice President
Wholesale Banking

Rick Hagstrom
Executive Vice President
Risk Management

Richard P. Smith
President and CEO

Thomas Reddish
Executive Vice President
Chief Financial Officer

Ray Rios
Senior Vice President
Manager
Information Systems



In 2005, we were proud to be the first corporate sponsor to make a significant contribution to the Enloe Century Project. The Enloe Medical Center has been providing health care to Chico for nearly 100 years, and their plan to modernize and expand will double the capacity of the current hospital. We also donated our Bieber site to the Mountain Valleys Health Center to serve as administrative headquarters for their six-clinic health and dental care organization. These contributions to the health of the people in our communities were a fitting celebration of Tri Counties Bank's 30 years of healthy growth.



30 years of TRI COUNTIES BANK Community Building

MENTAL HEALTH ADVOCATES CONFERENCE • ALZHEIMER'S ASSOCIATION • RIPKE'S ROTARY RAVENS • AMERICAN RED CROSS • HURRICANE KATRINA RELIEF EFFORT • AMERICAN CANCER SOCIETY • DAFFODIL DAYS • AMERICAN CANCER SOCIETY • TEHACHAPI RELAY FOR LIFE • AMERICAN HEART ASSOCIATION • AMERICAN LUNG ASSOCIATION • BLOW THE WHISTLE ON ASTHMA • HERO'S BREAKFAST • NORTHERN CALIFORNIA FIRE VICTIMS RELIEF • LOCAL POLICE OFFICERS • ASSOCIATED STUDENTS • BETHEL CHURCH • BIGGS HIGH SCHOOL BOOSTER CLUB • BIG VALLEY RESOURCE CENTER • BOYS & GIRLS CLUB OF PARADISE • BOY SCOUT TROOP 81 • 2005 FLAG PROJECT • BOY SCOUTS OF AMERICA • BUTTE COLLEGE FOUNDATION • CADILLAC RANCH • CALIFORNIA EXPLORER SEARCH & RESCUE • CALIFORNIA WOMEN FOR AGRICULTURE • DOG DAYS OF FALL POKER WALK • CATALYST DOMESTIC VIOLENCE SERVICES • CENTRAL VALLEY HIGH SCHOOL • CHAMPION CHRISTIAN SCHOOL • THE CHEMICAL PEOPLE • 2005 SOBER GRAD NIGHT • CHICO COMMUNITY SCHOLARSHIP ASSOC • CHICO HIGH SCHOOL • CHICO BOWLING ASSOCIATION • CHICO CHRISTIAN SCHOOL • CHICO COUNTRY DAY SCHOOL • CHICO ECONOMIC PLANNING CORP • CHICO MUSEUM ASSOCIATION • CHICO OAKS ADVENTIST SCHOOL • CHICO POLICE DEPARTMENT • CHILDREN'S CHOIR OF CHICO • CHILDREN'S ORGAN TRANSPLANT ASSOCIATION • CITIZENS FOR THE 4TH • CLASS OF 2006 • CLUB SHASTA VOLLEY BALL TEAM • COMMUNITY ASSISTANCE LEAGUE • CONSUMER CREDIT COUNSELING SERVICE • C.O.S. FOUNDATION • COTTONWOOD FIRE DEPARTMENT • COTTONWOOD COMMUNITY PARK • COYOTE VALLEY PTO JOG-A-THON FUND RAISER • DEL NORTE CHILD CARE • DEL NORTE SCHOLARSHIP FOUNDATION • DEL NORTE HIGH SCHOOL • DREAM MAKER • DUCKS UNLIMITED • DURHAM ELEMENTARY SCHOOL • DURHAM TIGER TURNERS • DURHAM WOMEN'S EVENING CLUB • DURHAM 2005 EASTER EGG HUNT • ECONOMIC DEVELOPMENT CORP • BOY SCOUT TROOP 29 • FALL RIVER HIGH SCHOOL BOOSTERS CLUB 2005 SOBER GRADUATION • FALL RIVER LIBRARY • FOOTHILL HIGH SCHOOL SOBER GRAD • FOOTHILL FFA • FOOTHILL HIGH SCHOOL BUSINESS SCHOLARSHIP • TRI COUNTIES BANK SCHOLARSHIP • FHS SKI TEAM • FOOTHILL HIGH SCHOOL RESILIENCY SCHOLARSHIP • FORT CROOK HISTORICAL SOCIETY ROUND BARN RESTORATION • QUEST SCHOLARSHIP • FALL RIVER MILLS SOBER GRAD NIGHT • FULL FORCE HIP HOP DANCE COMPANY • WILLOWS HIGH SCHOOL PROJECT AWARDS • GLENN MEDICAL CENTER FOUNDATION • GOLD NUGGET DAYS • GOLD NUGGET MUSEUM • WEST VALLEY HIGH SCHOOL SCHOLARSHIP • GUSTINE HISTORICAL SOCIETY • GUSTINE PENTECOSTAL SOCIETY • GUSTINE UNLIMITED SCHOLARSHIP TRUST ORG • HILMAR SOBER GRAD NIGHT • SUSANVILLE ROTARY • HOPE HAVEN INTERNATIONAL • INDERKUM HIGH SCHOOL • INTERMOUNTAIN HOSPICE • INTERMOUNTAIN



Baseball is back in Chico!

Tri Counties Bank supports the new hometown team, The Outlaws. In addition, every week we recognize a local "Hometown Hero," someone who helps improve lives in our community every day.



Tri Counties Bank is a partner to business organizations throughout our market area.

Brian Endemano, Branch Manager of the Tri Counties Bank Downtown Chico Branch, supports the Downtown Chico Business Association.

FAIR SCHOLARSHIP PROGRAM • JESUS CENTER • JUNIOR ACHIEVEMENT • KERN LAW ENFORCEMENT ASSOCIATION • KING'S CHRISTIAN SCHOOL • KIWANIS CLUB OF BAKERSFIELD • SUSAN G KOMEN BREAST CANCER FOUNDATION • LADIES MAJOR SCRATCH LINDHURST HIGH SCHOOL SCHOLARSHIP • LASSEN COUNTY FAIR • LEADERSHIP REDDING • FUTURE OF REDDING • LINCOLN HIGH SCHOOL • LP-PTSA-SAFE GRAD NIGHT • MAGALIA COMMUNITY CHURCH SIXTEENTH COMMUNITY THANKSGIVING DINNER • MARCH OF DIMES • MCARTHUR VOLUNTEER FIRE DEPT • MCMANUS ELEMENTARY SCHOOL • MUSCULAR DYSTROPHY ASSOCIATION • MERCY MT SHASTA AUXILIARY • MOUNTAIN CHRISTIAN ACADEMY • MT SHASTA ELKS LODGE • MT SHASTA BOY SCOUT TROOP • MT SHASTA CONCERT ASSOCIATION • MT SHASTA EDUCATION FOUNDATION • MT SHASTA HIGH SCHOOL SKI TEAM • MT SHASTA POLICE DEPT DARE PROGRAM • MT SHASTA UNION SCHOOL • MT SHASTA REPERTORY THEATER COMPANY • MT SHASTA YOUTH SOCCER • MUSCULAR DYSTROPHY ASSOCIATION • NATIONAL YOUTH LEADERSHIP CONFERENCE • NATIONAL CHILD SAFETY COUNCIL • NATIONAL MULTIPLE SCLEROSIS SOCIETY • NEWMAN CENTER • LAS PLUMAS HIGH SCHOOL • NOTRE DAME SCHOOL SCHOLARSHIP • THE OPPORTUNITY CENTER • OPTIMAL HOSPICE FOUNDATION • ORLAND PRIDE PROJECT • OUR LADY OF MIRACLES CATHOLIC SCHOOL • PARADISE BOBCAT WRESTLING TEAM • PARADISE INTERMEDIATE SCHOOL MUSIC DEPARTMENT BRONZE SPONSORSHIP • PHOENIX VAULTING CLUB • PLAZA SCHOOL COMMUNITY SCHOOL • PATTERSON RECOGNIZING INDIVIDUALS • PROJECT GRAD 2006 • PYTHON WRESTLING • RED BLUFF HIGH SCHOOL • RICHVALE PARENTS ASSOCIATION • ROCKY MOUNTAIN ELKS FOUNDATION • ROTARY CLUB OF BURNEY • ROTARY CLUB OF OROVILLE • ROTARY CLUB OF WILLOWS • ROTARY CLUB OF YUBA CITY • ROUND VALLEY COMMUNITY MINISTRIES • ROUND VALLEY INDIAN HOUSING AUTHORITY • REDDING PEACE OFFICER'S

ASSOC • SCOTT VALLEY SCHOLARSHIPS • ETNA HIGH SCHOOL SCHOLARSHIP • SENIOR SUENOS • MARYSVILLE HIGH SCHOOL SCHOLARSHIP • SHASTA HIGH SCHOOL WRESTLING • FOOTHILL HIGH SCHOOL • SHASTA FAMILY YMCA • SIERRA FOOTHILLS ART ASSOCIATION • SISKIYOU HUMANE SOCIETY INC • SISKIYOU MOTORCYCLE ASSOCIATION ANNUAL TOY DRIVE • SPECIAL OLYMPICS • STANISLAUS COUNTY PAL • LAS PLUMAS HIGH SCHOOL SCHOLARSHIP • ST JOSEPH CHURCH • STOCKDALE HIGH SCHOOL • SUNSHINE KIDS CLUB CHRISTMAS BREAKFAST WITH SANTA • SUTTER COUNTY PARENT NETWORK • LIVE OAK HIGH SCHOOL SCHOLARSHIP • THE ORESTIMBA SCHOLARSHIP • TOWN OF PARADISE POLICE DEPARTMENT • POLICE ACTIVITIES LEAGUE • UC BERKELEY SCHOLARSHIP • UNITED SCHOLARSHIP INC • YREKA UNION HIGH SCHOOL SCHOLARSHIP • UNIVERSITY OF THE PACIFIC • VETERANS MEMORIAL FUND • VFWPOST420 • WEED POLICE ACTIVITIES • WEST VALLEY HIGH SCHOOL • WEST VALLEY HIGH SCHOOL BOOSTER CLUB • WEED-LAKE SHASTINA KIWANIS CLUB • WORK TRAINING CENTER • YUBA SUTTER FAIR • YUBA SUTTER TOY RUN



What can 30 years accomplish? Tri Counties Bank's success is due to wonderful customers with great businesses. Meet a few of our original customers whose businesses and families continue to grow and succeed along with us. Our best years are ahead!



JASPER RANCH

Jasper Ranch was established in 1875 with a land grant signed by President U.S. Grant. Back then, harvesting was done with a mule team.

Today, Jasper Ranch grows olives, prunes, corn, alfalfa and almonds using a full line of modern farming equipment. While the mules may be gone, the team spirit lives on, with Tri Counties Bank helping the Jaspers finance their operations and equipment purchases.

Jim Jones, Tri Counties Bank Commercial Lender, joins Jasper Ranch Family members Mike Halsey, Linda Halsey, Thelma Jasper, Dennis Halsey, and Don Jasper.

SQUARE DEAL MATTRESS FACTORY

The Square Deal Mattress Factory has been going strong since 1920 when it was founded in Chico by Ennis Rife, who made his first deliveries with a Model-T.

Today, customers can still get a "square deal" on a hand-sewn mattress from this small company run by three generations of family members.

from left: Hugh Mattingly, Tri Counties Bank Pillsbury Branch Manager; Lois, Jessica, Jamie, and Rich Lash.



30 years of TRI COUNTIES BANK Success



TRICO FINANCIAL SERVICES 2005 ANNUAL REPORT

HUGHES HARDWOODS & HUGHES SKI HUT

Rick and Dave's father, Dick, started Hughes Plywood in 1965. The family pastime spurred him on to start Hughes Ski Hut in 1971. Rick took over running the Ski Hut a year later. Hughes Plywood evolved into Hughes Hardwoods, with Dave at the helm since 1994.

From left: Dave and Dana Hughes; Sandi Ferguson, a 30-year Tri Counties Bank employee; Mary Helen and Rick Hughes at Pillsbury, the first branch of Tri Counties Bank.

TRADITIONAL SERVICE, NEW OPPORTUNITIES

The first branch of Tri Counties Bank opened in a trailer on Pillsbury Rd. in Chico on March 11, 1975. Bankers' hours were 10 a.m.–3 p.m. There were no personal computers, no copy machines and few fax machines. Those were the days of carbon copies and hand-typed loan documents. Customer signature cards were verified over the phone by describing the person's handwriting. Today, our branches are open 7 days a week, and in many locations, as late as 8 p.m. In 30 years, we have grown into a community bank with a customer base of nearly 75,000 households. Our 49 branches span the Central Valley from the Oregon border to Bakersfield, serving communities throughout California's growing Central Valley.



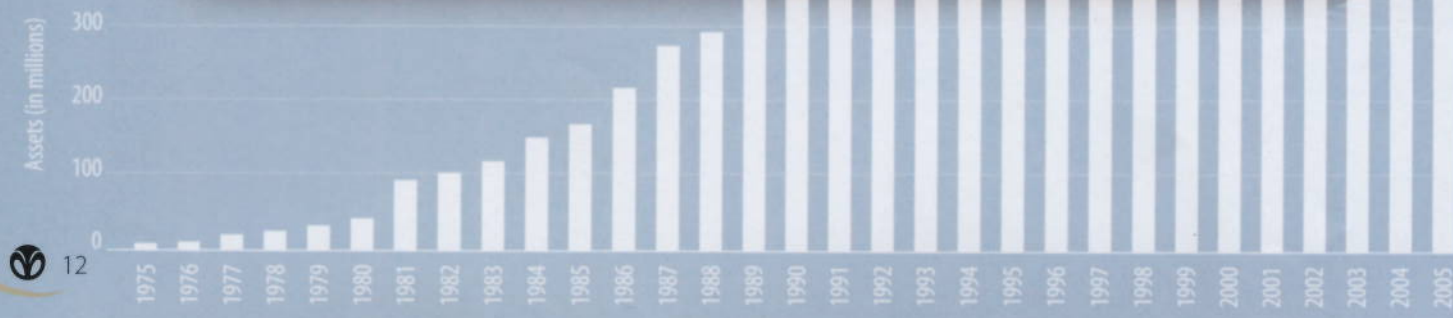
First Tri Counties Bank Branch (temporary quarters), Chico 1975

In recent years, California's rapid growth has provided Tri Counties Bank with new opportunities for expansion. In-store branches are a cost-effective way to get a fast and solid start in California's new Central Valley markets. An in-store branch can expect access to 15,000 to 80,000 potential banking customers who shop in the host supermarket, providing a base of new households and deposits in a short time. Our expansion team considers many factors when selecting new cities and partner stores for new Tri Counties Bank branches, maximizing the Bank's opportunity to acquire new customers.

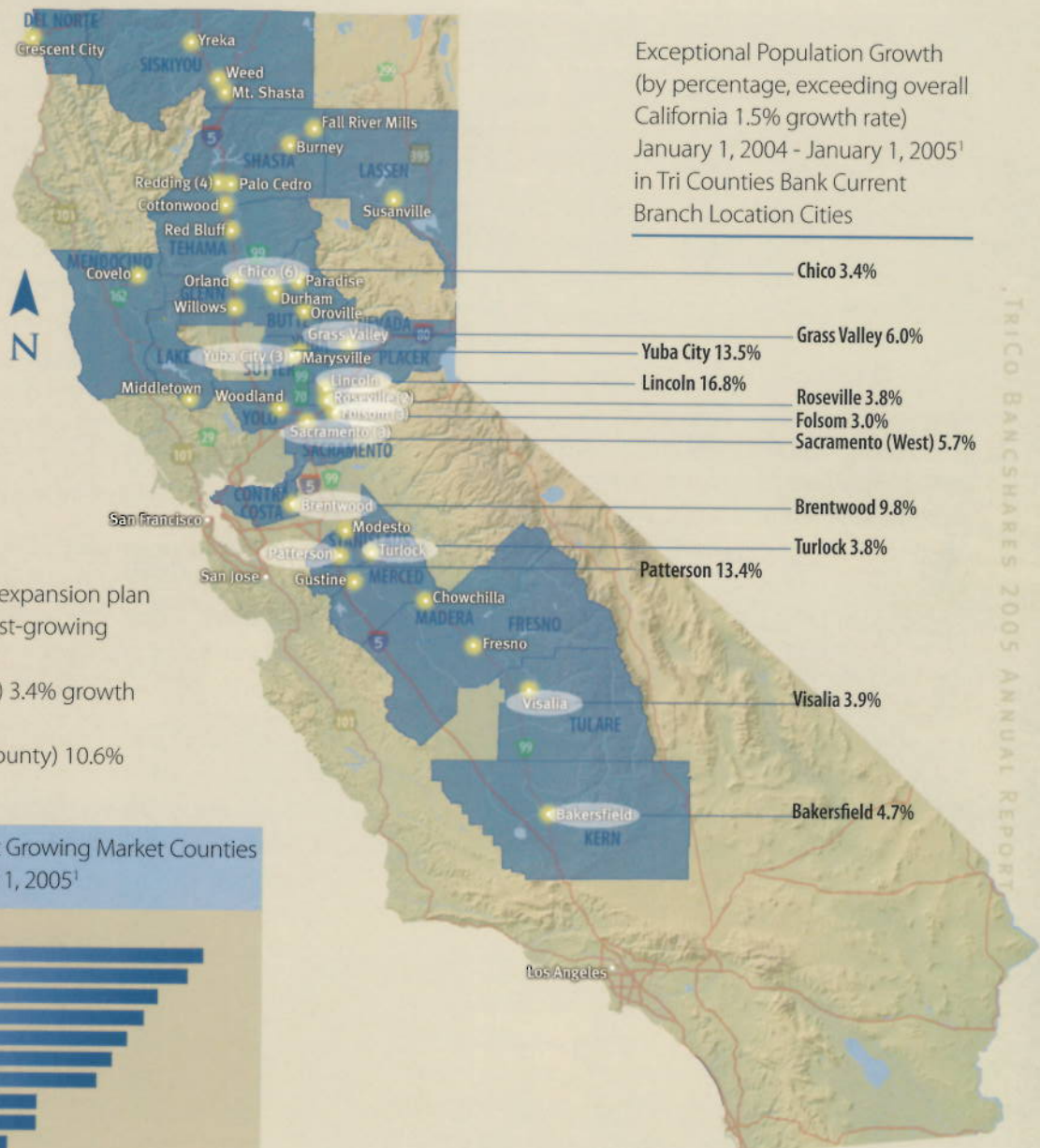


Tri Counties Bank Pleasant Grove Branch, inside Wal-Mart Supercenter, Roseville

TRICO BANKSHARES 2005 ANNUAL REPORT



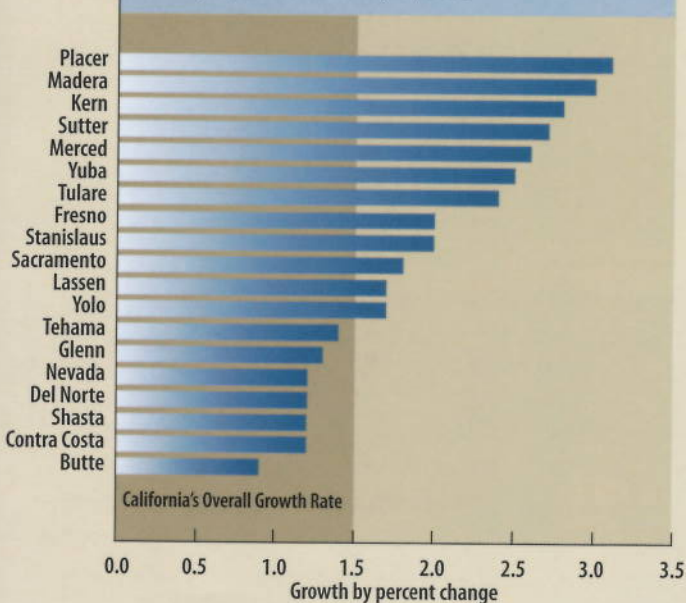
30 years of TRI COUNTIES BANK Growth



Tri Counties Bank branch expansion plan for 2006 includes these fast-growing cities¹:

- Anderson (Shasta County) 3.4% growth 2004-2005
- Elk Grove (Sacramento County) 10.6% growth 2004-2005

Tri Counties Bank's Fastest Growing Market Counties January 1, 2004 - January 1, 2005¹



¹ California Department of Finance, Demographic Research Unit, Population Estimates for California Cities, May 2, 2005



TRICO BANCSHARES 2005 ANNUAL REPORT

RETAIL BANKING

Andrew Mastorakis
Executive Vice President
Retail Banking



Tri Counties Bank is committed to earning and maintaining the role of "trusted advisor" to every customer we serve. We focus on building an entire relationship with the customer, and strive to be their single source for all their banking needs. A full line of options includes: deposit and payment services, savings and investments, residential mortgages, a complete range of consumer line and loan services, and retirement planning. Our business clients also enjoy an expansive and growing list of products to ensure their business success. This year, we introduced an innovative Business Overdraft product and enhanced our electronic business banking services by adding Small Business e-Cash to our product mix. Additionally, we completely restructured our Merchant Card Service Program, enabling us to offer better service at a better price to our business customers who accept Visa and MasterCard.

Tri Counties Bank offers a refreshing approach to banking. We combine choice—the same comprehensive mix of products found at large financial institutions—and the hometown, "know-you-by-name" service you would expect from your community bank, with convenient access 7 days a week. Our branches are located in places where customers are already doing their shopping and business: in neighborhoods, local downtowns, inside leading retail stores and in metropolitan areas where traditional branches serve as financial "hubs."

Today, banking technology—online, over the telephone, and at ATMs—allows customers to do much of their banking without seeing a banker. In-store branches compensate for this with banker access to customers who find it convenient to visit their branch inside a store they use regularly. This environment also enables our bankers to interact with the heavy volume of prospective new customers shopping in the partner store and to introduce them to our unique value proposition: combining local service, the convenience of one-stop shopping, and access to their bank and banker 7 days a week.

In 2005, we continued to increase our customer base at a rate that outpaced that of the general market. We continued double-digit growth in both deposits and loans. Additionally, our online banking enrollment increased by

76 percent and bill payment services subscribers increased by 65 percent over the prior year's enrollment.

The success of our existing branches supports our expansion into the Central Valley, with an increased focus in the greater Sacramento Metropolitan area. The Bank opened four new branches in 2005: two new branches inside Raley's markets in the Sacramento cities of Lincoln and Folsom; our Arden Fair Commercial Lending office, expanded, remodeled and re-opened into a full-service financial center and "hub" connecting in-store branches in Sacramento; and our first branch inside a Wal-Mart Supercenter in Roseville, a growing retail shopping destination for the Sacramento area.

All new branches have shown significant early success as measured by acquired customer households, deposit balances and loan application volume. The Bank opened its second Wal-Mart Supercenter branch in Yuba City in January 2006; it is our fourth branch in the growing Yuba City area.

Several additional branches are planned in 2006, including a third Folsom branch inside Raley's, a second Natomas branch inside Bel Air and our first branch in Elk Grove inside Raley's. Our third Wal-Mart Supercenter branch is slated to open in Anderson in May. We are also planning remodel and expansion projects for our branches in Bakersfield, Chico, Red Bluff, Marysville and Yuba City.

The success of these new branches is enhanced through "retailer-like" grand openings, complete with invitations to the grand opening party, food, enter-to-win contests, giveaways, and many grand opening banking specials. The early weeks of a newly launched branch are supported by a large and seasoned team of management and bankers from throughout our organization, as well as additional marketing and advertising.

Tri Counties Bank is committed to providing residents and business owners of the communities we serve with local bankers who guide and provide solutions to help customers accomplish their financial goals and earn their trust to become the "Number One Local Choice" for all their financial needs.

Retail Banking Team

Monica Canchola, Vice President,
Regional Operations Manager

Guy Watson, Vice President,
Northern Regional Manager

Andrew Mastorakis,
Executive Vice President, Retail Banking

Cindy Bennington-Foor,
Vice President,
Southern Regional Manager

Kay Armstrong, Vice President,
Direct Banking Manager

Tri Counties Bank Arden Fair Financial
Center, Sacramento



Tri Counties Bank branded vehicles can be seen driving in the communities where our customers live and work throughout the growing Central Valley.



Customers have access to their banker 7 days a week and until 8 p.m. inside most Tri Counties Bank in-store branches.



Our bankers go the extra mile to deliver on our service philosophy, to offer each customer the hometown, "know-you-by-name" service and convenience they expect from their community bank.

Expansion Team

AJ Elias, Vice President,
Southern In-Store Regional Manager

Chimene Sonsteng, Branch Expansion Manager

Andrew Mastorakis,
Executive Vice President, Retail Banking

Cher Matthews, Vice President,
Northern In-Store Regional Manager

Nicole Johansson, Marketing Manager

Tri Counties Bank Pleasant Grove Branch,
inside Wal-Mart Supercenter, Roseville



WHOLESALE BANKING

Richard O'Sullivan
Executive Vice President
Wholesale Banking



The wholesale banking team at Tri Counties Bank is dedicated to catering to the financial needs of small to mid-size companies throughout California's growing Central Valley. Our philosophy to offer the Tri Counties Bank "brand" of service and standards to every customer is what makes us one of California's leading community banks.

Each and every member of the Tri Counties Bank team is committed to earning and maintaining the role of "trusted advisor" for every customer we serve. The team is comprised of experienced relationship managers, corporate client services officers, financial advisors, auto dealer representatives and leasing officers who are focused on building deep and lasting business relationships with our growing client base. This level of dedication is key to our customers' improved financial performance and their long-term success. We are rewarded for building strong client relationships when our customers think of us each time they have a need, or an opportunity to give a referral.

Tri Counties Bank is in a great position to offer the same comprehensive mix of products and services you would find at a large financial institution, combined with the

hometown, "know-you-by-name" service our customers expect from a community bank. We are nimble enough to move quickly and deliver on our promise of exceptional service to our customers. Our team is always looking for ways to really get to know customers and their businesses, so that we may help them meet their financial goals.

In 2005, we were especially focused on strengthening and deepening relationships with our commercial customers. Our relationship managers continued the loan growth trend, delivering over 16% growth in commercial, agriculture and commercial real estate loans. The commercial lenders group is structured into market area regions in order to provide local expertise and knowledge of changes in agricultural, industrial and economic issues. Our relationship managers are active in the communities they serve, they're involved in local organizations and they serve on boards for the betterment of their communities. The relationship managers are the local faces of Tri Counties Bank in their communities, and each manager is doing their part to serve the community where they live and work.



Relationship Managers

Tri Counties Bank customers Jim and Francis Snead review financing materials with Relationship Manager Casey Freeland. Owners of Superior Boat & R.V., the Sneads have recently diversified their business with a mini storage project.

In each market area, the relationship managers are supported by our corporate client services officers. This team provides an extra layer of high-touch service to our commercial customers. They offer the cash management tools business owners need to manage their finances, so that they can spend more time focusing on their businesses.

Convenient and user-friendly, our online cash management tools allow commercial customers a higher degree of control over their accounts. We are continually upgrading, researching and adding the latest services products, such as sweeps, lock box, positive pay, etc., in order to provide the most optimal combination of services for each individual corporate customer to optimize use of their cash flow. The Corporate Client Services department exceeded its goal in 2005 by expanding relationships with existing corporate deposit customers, as well as by attracting new deposit relationships. Corporate Client Services enjoys a high customer referral rate because of excellent customer training and support.

The revenue from the sale of non-deposit investment products increased 28% in 2005. These products—retirement and financial planning as well as insurance—are primarily sold through our affiliation with Raymond James Financial Services Inc. In order to further integrate our Raymond James Financial Services officers into our team, this year, we re-branded the department as Tri Counties Bank Investment Services Department. Tri Counties Bank was recognized for the superior performance of our investment services program in 2005 by Raymond James Financial.

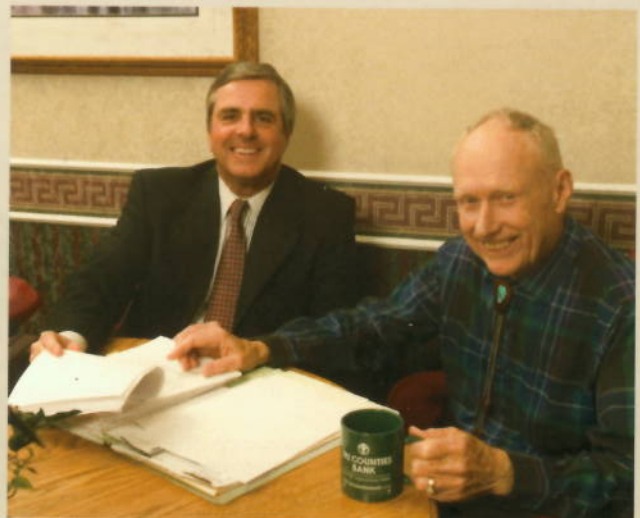
The Bank's Auto Indirect Finance division continued to expand dealer relationships in 2005. Loans in this category rose 48%. By developing products that are recognized as competitively priced and fast to fund, our team of representatives and underwriters has been successful in creating stronger relationships with over 300 auto dealers. Additionally, in order to adjust product and maintain stable underwriting, they have developed a comprehensive process for monitoring credit quality.

Committed to its ambitious goals for 2006 and beyond, Tri Counties Bank and its Wholesale Banking division will continue to strive for the peak of customized relationships that characterize the high level of success our clients enjoy, personally and professionally.



Corporate Client Services

Toni Wilson, Manager Corporate Client Services, demonstrates eCash, Tri Counties Bank's user-friendly web-based cash management software, to Gary Fowler of Modern Building, Inc., Chico.



Tri Counties Bank Investment Services

Ron Bee, Senior Vice President, Tri Counties Bank, works with customer Ken Ralston, who discovered Tri Counties Bank in his local grocery store and now uses a full line of banking and investment services. Ron Bee has been with Tri Counties Bank since 1975, and started the Bank's investment program.

COMMON STOCK INFORMATION

COMMON STOCK MARKET PRICES AND DIVIDENDS

The Company's common stock is traded on the NASDAQ National Market System ("NASDAQ") under the symbol "TCBK." The following table shows the high and the low prices for the common stock, for each quarter in the past two years, as reported by NASDAQ¹:

2005:	High	Low
Fourth quarter	\$24.49	\$21.00
Third quarter	\$25.07	\$20.84
Second quarter	\$22.34	\$19.07
First quarter	\$23.40	\$19.35
2004:		
Fourth quarter	\$24.25	\$20.43
Third quarter	\$20.99	\$16.94
Second quarter	\$19.19	\$16.76
First quarter	\$18.69	\$15.78

¹ Stock prices adjusted to reflect 2-for-1 stock split effected April 30, 2004.

As of March 7, 2006, there were approximately 1,754 shareholders of record of the Company's common stock.

The Company has paid cash dividends on its common stock in every quarter since March 1990, and it is currently the intention of the Board of Directors of the Company to continue payment of cash dividends on a quarterly basis. There is no assurance, however, that any dividends will be paid since they are dependent upon earnings, financial condition and capital requirements of the Company and the Bank. As of December 31, 2005, \$47,054,000 was available for payment of dividends by the Company to its shareholders, under applicable laws and regulations. The Company paid cash dividends of \$0.12 per common share in the quarter ended December 31, 2005, \$0.11 per common share in each of the quarters ended September 30, 2005, June 30, 2005, March 31, 2005, December 31, 2004, September 30, 2004 and June 30, 2004, and \$0.10 per common share in the quarter ended March 31, 2004.

STOCK-BASED COMPENSATION PLANS

The following table shows shares reserved for issuance for outstanding options, granted under our equity compensation plans as of December 31, 2005. All of our equity compensation plans have been approved by shareholders.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options.	(b) Weighted average exercise price of outstanding options.	(c) Number of securities remaining available for issuance under equity compensation plans [excluding securities reflected in column (a)]
Equity compensation plans not approved by shareholders	-	N/A	-
Equity compensation plans approved by shareholders	1,636,762	\$11.44	502,436
Total	1,636,762	\$11.44	502,436

STOCK REPURCHASE PLAN

The Company adopted a stock repurchase plan on July 31, 2003, which was amended on March 11, 2004, for the repurchase of up to 500,000 shares of the Company's common stock from time to time as market conditions allow. The 500,000 shares authorized for repurchase under this plan represented approximately 3.2% of the Company's approximately 15,704,000 common shares outstanding as of July 31, 2003. This plan has no stated expiration date for the repurchases. As of December 31, 2005, the Company had purchased 374,371 shares under this plan as adjusted for the 2-for-1 stock split in the form of a common stock dividend effective April 30, 2004. The following table shows the repurchases made by the Company or any affiliated purchaser (as defined in Rule 10b-18(a)(3) under the Exchange Act) during the fourth quarter of 2005:

Period	(a) Total number of shares purchased	(b) Average price paid per share	(c) Total number of shares purchased as part of publicly announced plans or programs	(d) Maximum number of shares that may yet be purchased under the plans or programs
Oct. 1-31, 2005	18,571	\$21.39	18,571	130,329
Nov. 1-30, 2005	4,700	\$21.30	4,700	125,629
Dec. 1-31, 2005	-	-	-	125,629
Total	23,271	\$21.37	23,271	125,629

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
TriCo Bancshares:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of TriCo Bancshares and subsidiaries as of December 31, 2005 and 2004, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2005 (not presented herein); and in our report dated March 7, 2006, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP

Sacramento, California
March 7, 2006

CONSOLIDATED BALANCE SHEETS

(in thousands, except share amounts)

	At December 31,	
	2005	2004
ASSETS		
Cash and due from banks	\$90,562	\$70,037
Federal funds sold	2,377	-
	92,939	70,037
Cash and cash equivalents		
Securities available-for-sale	260,278	286,013
Federal Home Loan Bank stock, at cost	7,602	6,781
Loans, net of allowance for loan losses of \$16,226 and \$14,525	1,368,809	1,158,442
Foreclosed assets, net of allowance for losses of \$180 and \$180	-	-
Premises and equipment, net	21,291	19,853
Cash value of life insurance	41,768	40,479
Accrued interest receivable	7,641	6,473
Goodwill	15,519	15,519
Other intangible assets, net	4,407	5,408
Other assets	21,021	18,501
	\$1,841,275	\$1,627,506
Total assets		
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Liabilities:		
Deposits:		
Noninterest-bearing demand	\$368,412	\$311,275
Interest-bearing	1,128,385	1,037,558
	1,496,797	1,348,833
Total deposits		
Federal funds purchased	96,800	46,400
Accrued interest payable	4,506	3,281
Reserve for unfunded commitments	1,813	1,532
Other liabilities	19,238	19,938
Other borrowings	31,390	28,152
Junior subordinated debt	41,238	41,238
	1,691,782	1,489,374
Total liabilities		
Shareholders' equity:		
Common stock, no par value: 50,000,000 shares authorized; issued and outstanding:		
15,707,835 at December 31, 2005	71,412	
15,723,317 at December 31, 2004		70,699
Retained earnings	81,906	67,785
Accumulated other comprehensive loss, net	(3,825)	(352)
	149,493	138,132
Total shareholders' equity		
Total liabilities and shareholders' equity	\$1,841,275	\$1,627,506

Share data for all periods have been adjusted to reflect the 2-for-1 stock split paid on April 30, 2004.

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)

	Years ended December 31,		
	2005	2004	2003
Interest and dividend income:			
Loans, including fees	\$86,379	\$72,637	\$60,997
Debt securities:			
Taxable	10,268	10,312	10,692
Tax exempt	1,778	1,728	1,940
Dividends	306	237	211
Federal funds sold	25	18	129
Total interest and dividend income	98,756	84,932	73,969
Interest expense:			
Deposits	14,902	10,171	11,257
Federal funds purchased	1,784	510	189
Other borrowings	1,361	1,301	1,288
Junior subordinated debt	2,482	1,381	355
Total interest expense	20,529	13,363	13,089
Net interest income	78,227	71,569	60,880
Provision for loan losses	2,169	2,901	1,058
Net interest income after provision for loan losses	76,058	68,668	59,822
Noninterest income:			
Service charges and fees	18,152	17,691	14,541
Gain on sale of investments	-	-	197
Gain on sale of loans	1,679	1,659	4,168
Commissions on sale of non-deposit investment products	2,242	2,327	1,766
Increase in cash value of life insurance	1,507	1,499	1,296
Other	1,310	1,618	941
Total noninterest income	24,890	24,794	22,909
Noninterest expense:			
Salaries and related benefits	33,926	33,191	29,714
Other	28,184	27,637	26,005
Total noninterest expense	62,110	60,828	55,719
Income before income taxes	38,838	32,634	27,012
Provision for income taxes	15,167	12,452	10,124
Net income	\$23,671	\$20,182	\$16,888
Earnings per share:			
Basic	\$1.51	\$1.29	\$1.11
Diluted	\$1.45	\$1.24	\$1.07

TRICO BANCSHARES 2005 ANNUAL REPORT

Per share data for all periods have been adjusted to reflect the 2-for-1 stock split paid on April 30, 2004.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Years Ended December 31, 2005, 2004, 2003 (in thousands, except share amounts)

	Shares of Common Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
Balance at December 31, 2002	14,121,930	\$50,472	\$46,239	\$2,303	\$99,014
Comprehensive income:					
Net income			16,888		16,888
Change in net unrealized gain on Securities available for sale, net				(529)	(529)
Change in minimum pension liability, net				40	40
Total comprehensive income					16,399
Stock options exercised	154,294	717			717
Tax benefit of stock options exercised		440			440
Issuance of stock and options related to merger	1,447,024	18,383			18,383
Repurchase of common stock	(55,000)	(245)	(608)		(853)
Dividends paid (\$0.40 per share)			(6,140)		(6,140)
Balance at December 31, 2003	15,668,248	\$69,767	\$56,379	\$1,814	\$127,960
Comprehensive income:					
Net income			20,182		20,182
Change in net unrealized gain on Securities available for sale, net				(1,936)	(1,936)
Change in minimum pension liability, net				(230)	(230)
Total comprehensive income					18,016
Stock options exercised	222,669	1,348			1,348
Tax benefit of stock options exercised		330			330
Repurchase of common stock	(167,600)	(746)	(2,047)		(2,793)
Dividends paid (\$0.43 per share)			(6,729)		(6,729)
Balance at December 31, 2004	15,723,317	\$70,699	\$67,785	(\$352)	\$138,132
Comprehensive income:					
Net income			23,671		23,671
Change in net unrealized loss on Securities available for sale, net				(3,336)	(3,336)
Change in minimum pension liability, net				(137)	(137)
Total comprehensive income					20,198
Stock options exercised	136,289	972			972
Tax benefit of stock options exercised		425			425
Repurchase of common stock	(151,771)	(684)	(2,477)		(3,161)
Dividends paid (\$0.45 per share)			(7,073)		(7,073)
Balance at December 31, 2005	15,707,835	\$71,412	\$81,906	(\$3,825)	\$149,493

Share and per share data for all periods have been adjusted to reflect the 2-for-1 stock split paid on April 30, 2004.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Years Ended December 31,		
	2005	2004	2003
Operating activities:			
Net income	\$23,671	\$20,182	\$16,888
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation of premises and equipment, and amortization	3,821	3,402	3,059
Amortization of intangible assets	1,381	1,358	1,207
Provision for loan losses	2,169	2,901	1,058
Amortization of investment securities premium, net	1,236	1,845	3,514
Gain on sale of investments	-	-	(197)
Originations of loans for resale	(76,542)	(88,158)	(175,640)
Proceeds from sale of loans originated for resale	77,398	89,015	177,860
Gain on sale of loans	(1,679)	(1,659)	(4,168)
Amortization of mortgage servicing rights (Recovery of) provision for mortgage servicing rights valuation allowance	661	739	1,356
Loss (gain) on sale of fixed assets	94	(23)	2
Gain on sale of foreclosed assets	-	(566)	(113)
Increase in cash value of life insurance	(1,507)	(1,499)	(1,296)
Deferred income tax benefit	(2,223)	(1,130)	(282)
Change in:			
Interest receivable	(1,168)	(446)	159
Interest payable	1,225	643	(289)
Other assets and liabilities, net	1,382	3,459	3,299
Net cash provided by operating activities	29,919	29,463	27,017
Investing activities:			
Net cash obtained in mergers and acquisitions	-	-	7,450
Proceeds from maturities of securities available-for-sale	58,755	79,442	205,021
Proceeds from sale of securities available-for-sale	-	-	22,320
Purchases of securities available-for-sale	(40,013)	(59,091)	(168,953)
Purchase of Federal Home Loan Bank stock	(821)	(1,997)	(210)
Loan originations and principal collections, net	(212,536)	(192,992)	(221,235)
Proceeds from sale of premises and equipment	24	545	20
Purchases of premises and equipment	(4,766)	(3,753)	(2,746)
Proceeds from sale of foreclosed assets	-	1,490	726
Investment in subsidiary	-	(619)	(619)
Purchase of life insurance	-	-	(22,475)
Net cash used by investing activities	(199,357)	(176,975)	(180,701)
Financing activities:			
Net increase in deposits	147,964	112,010	105,537
Net change in federal funds purchased	50,400	6,900	39,500
Payments of principal on long-term other borrowings	(51)	(43)	(37)
Net change in short-term other borrowings	3,289	5,308	-
Issuance of junior subordinated debt	-	20,619	20,619
Repurchase of common stock	(3,161)	(2,793)	(853)
Dividends paid	(7,073)	(6,729)	(6,140)
Exercise of stock options	972	1,348	717
Net cash provided by financing activities	192,340	136,620	159,343
Net change in cash and cash equivalents	22,902	(10,892)	5,659
Cash and cash equivalents and beginning of year	70,037	80,929	75,270
Cash and cash equivalents at end of year	\$92,939	\$70,037	\$80,929
Supplemental disclosure of noncash activities:			
Unrealized loss on securities available for sale	(\$5,757)	(\$3,263)	(\$990)
Loans transferred to foreclosed assets	-	-	613
Supplemental disclosure of cash flow activity:			
Cash paid for interest expense	19,304	12,720	13,378
Cash paid for income taxes	16,215	14,630	8,160
Income tax benefit from stock option exercises	425	330	440
The acquisition of North State National Bank Involved the following:			
Common stock issued			18,383
Liabilities assumed			126,648
Fair value of assets acquired, other than cash and cash equivalents			(118,697)
Core deposit intangible			(3,365)
Goodwill			(15,519)
Net cash and cash equivalents received			\$7,450

TRICO BANCSHARES—EXECUTIVE OFFICERS

Richard P. Smith.....President &
Chief Executive Officer

Thomas J. Reddish.....Executive Vice President &
Chief Financial Officer

Alex A. Vereschagin, Jr......Secretary

TRI COUNTIES BANK—EXECUTIVE OFFICERS

Richard P. Smith.....President &
Chief Executive Officer

Richard O'Sullivan.....Executive Vice President
Wholesale Banking

Andrew Mastorakis.....Executive Vice President
Retail Banking

Thomas J. Reddish.....Executive Vice President &
Chief Financial Officer

Rick Hagstrom.....Executive Vice President
Risk Management

Craig Carney.....Senior Vice President
Chief Credit Officer

Rick Miller.....Senior Vice President
Director of Human Resources

Ray Rios.....Senior Vice President
Manager Information Systems

TRICO BANCSHARES HEADQUARTERS

63 Constitution Drive
Chico, California 95973
Telephone (530) 898-0300
www.tcbk.com

NOTICE OF ANNUAL MEETING

Tuesday, May 23, 2006, at 6:00 P.M.
63 Constitution Drive
Chico, California 95973

**SHAREHOLDER RELATIONS INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

Suzanne Youngs
63 Constitution Drive
Chico, California 95973
(530) 898-0300

KPMG LLP
400 Capitol Mall
Suite 800
Sacramento, CA 95814

TRANSFER AGENT

Mellon Investor Services
Overpeck Centre
85 Challenger Road
Ridgefield Park, NJ 07660
www.mellon-investor.com

STOCK LISTING

NASDAQ Stock Exchange
Symbol: "TCBK"

The Company will provide to any interested party, without charge, a copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2005, as filed with the Securities and Exchange Commission, including the financial statements and schedules thereto.

The report may be obtained by written request to: **Corporate Secretary, TriCo Bancshares, 63 Constitution Drive, Chico, CA 95973.**

TRI COUNTIES BANK LOCATIONS**TRADITIONAL
BRANCHES****Bakersfield**

5201 California Avenue,
Suite 102
Bakersfield, CA 93309
(661) 325-9321

Burney

37093 Main Street
Hwy 299 E.
Burney, CA 96013
(530) 335-2215

Chico Downtown

525 Salem Street
Chico, CA 95928
(530) 893-8861

Chico Mall

1950 E. 20th St.
Suite 725
Chico, CA 95928
(530) 898-0370

Park Plaza

780 Mangrove Ave.
Chico, CA 95926
(530) 898-0400

Pillsbury

2171 Pillsbury Road
Chico, CA 95926
(530) 898-0470

Chowchilla

305 Trinity Avenue
Chowchilla, CA 93610
(559) 665-4868

Cottonwood

3349 Main Street
Cottonwood, CA 96022
(530) 347-3751

Covelo

76405 Covelo Road
Covelo, CA 95428
(707) 983-6135

Crescent City

936 Third Street
Crescent City, CA 95531
(707) 464-4145

Durham

9411 Midway
Durham, CA 95938
(530) 898-0430

Fall River Mills

43308 State Highway 299E
Fall River Mills, CA 96028
(530) 336-6291

Herndon-Marks

7020 North Marks Ave.
Suite 101
Fresno, CA 93711
(559) 435-8089

Gustine

319 Fifth Street
Gustine, CA 95322
(209) 854-3761

Marysville

729 E Street
Marysville, CA 95901
(530) 749-1639

Middletown

21097 Calistoga Street
Middletown, CA 95461
(707) 987-3196

Mt. Shasta

204 Chestnut Street
Mt. Shasta, CA 96067
(530) 926-2653

Modesto

3320 Tully Road, Ste. 3
Modesto, CA 95350
(209) 548-4030

Orland

100 East Walker Street
Orland, CA 95963
(530) 865-5524

Oroville

1180 Oro Dam Boulevard
Oroville, CA 95965
(530) 538-0140

Palo Cedro

9125 Deschutes Road
Palo Cedro, CA 96073
(530) 547-4494

Paradise

6848 "Q" Skyway
Paradise, CA 95969
(530) 872-2992

Patterson

17 Plaza Circle
Patterson, CA 95363
(209) 892-4098

California Street

1845 California Street
Redding, CA 96001
(530) 245-5930

Hilltop

1250 Hilltop Drive
Redding, CA 96003
(530) 223-3307

Arden Fair Financial Center

1760 Challenge Way
Sacramento, CA 95815
(916) 648-9370

Susanville

1605 Main Street
Susanville, CA 96130
(530) 257-4151

Visalia

2914 W. Main Street
Visalia, CA 93291
(559) 741-2940

Weed

303 Main Street
Weed, CA 96094
(530) 938-4401

Willows

210 North Tehama Street
P.O. Box 1158
Willows, CA 95988
(530) 934-2191

Yreka

165 S. Broadway
Yreka, CA 96097
(530) 842-2761

Yuba City

1441 Colusa Avenue
Yuba City, CA 95993
(530) 671-5563

IN-STORE BRANCHES**Brentwood**

(inside Raley's)
2400 Sand Creek Road
Brentwood, CA 94513
(925) 634-5500

East Ave.

(inside Albertsons)
146 W. East Avenue
Chico, CA 95926
(530) 898-0380

Esplanade

(inside Raley's)
211 W. East Avenue
Chico, CA 95926
(530) 879-5830

Blue Ravine

(inside Albertsons)
1003 East Bidwell
Folsom, CA 95630
(916) 984-2270

East Bidwell

(inside Raley's)
715 East Bidwell
Folsom, CA 95630
(916) 984-4244

Grass Valley

(inside Albertsons)
12054 Nevada City Hwy
Grass Valley, CA 95945
(530) 477-9740

Sterling Point

(inside Raley's)
765 South Hwy 65
Lincoln, CA 95648
(916) 408-5330

Red Bluff

(inside Raley's)
727 South Main Street
Red Bluff, CA 96080
(530) 529-7080

Hartnell Ave.

(inside Raley's)
110 Hartnell Avenue
Redding, CA 96002
(530) 224-3430

Lake Blvd.

(inside Raley's)
201 Lake Boulevard
Redding, CA 96003
(530) 245-4650

Douglas Blvd.

(inside Raley's)
1915 Douglas Blvd.
Roseville, CA 95661
(916) 784-6661

Pleasant Grove

(inside Wal-Mart)
900 Pleasant Grove Blvd.
Roseville, CA 95678
(916) 780-2266

North Natomas

(inside Raley's)
4650 Natomas Boulevard
Sacramento, CA 95835
(916) 419-4301

Geer Road

(inside Raley's)
2900 Geer Road
Turlock, CA 95382
(209) 668-1882

Gibson Center

(inside Bel Air)
1885 E. Gibson Rd.
Woodland, CA 95776
(530) 661-4701

Yuba City

(inside Raley's)
700 Onstott Road
Yuba City, CA 95991
(530) 751-8416

Market Place

(inside Wal-Mart)
1150 Harter Road
Yuba City, CA 95993
(530) 673-1746

**ADMINISTRATION
OFFICE**

63 Constitution Drive
Chico, CA 95973
(530) 898-0300
Fax: (530) 898-0310
www.TriCountiesBank.com

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-K
Annual Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2005

Commission File Number 0-10661

TriCo Bancshares
(Exact name of Registrant as specified in its charter)

California
(State or other jurisdiction of incorporation or organization)

94-2792841
(I.R.S. Employer Identification No.)

63 Constitution Drive, Chico, California
(Address of principal executive offices)

95973
(Zip Code)

Registrant's telephone number, including area code:(530) 898-0300
Securities registered pursuant to Section 12(b) of the Act: None.
Securities registered pursuant to Section 12(g) of the Act:

Common Stock, without par value
(Title of Class)

Indicate by check mark whether the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Act
YES NO

Indicate by check mark whether the Registrant is not required to file reports pursuant to Section 15(d) of the Act.
YES

Indicate by check mark whether the Registrant is a "small business" as defined in Rule 12b-2 of the Securities Exchange Act of 1934. If the Registrant was required to file reports pursuant to Section 15(d) of the Act, the Registrant was required to file reports for the last 90 days.

 **TRI COUNTIES BANK**



TRICO BANCSHARES

63 Constitution Drive
Chico, California 95973
(30) 898-0300
www.tcbk.com

