



TRICO BANCSHARES
2004 ANNUAL REPORT



FAMILY PORTRAITS
Celebrating the Family Business



TRI COUNTIES BANK

Your life improvement bank.™

BRANCH LOCATIONS

- Crescent City
- Yreka
- Weed
- Mt. Shasta
- Fall River Mills
- Burney
- Redding (4)
- Palo Cedro
- Cottonwood
- Red Bluff
- Susanville
- Covelo
- Orland
- Willows
- Chico (6)
- Paradise
- Durham
- Oroville
- Grass Valley
- Yuba City (2)
- Marysville
- Middletown
- Woodland
- Lincoln
- Roseville
- Folsom (2)
- Sacramento (2)
- Brentwood
- Modesto
- San Francisco
- Patterson
- Turlock
- San Jose
- Gustine
- Chowchilla
- Fresno
- Visalia
- Bakersfield
- Los Angeles

TRICo BANCSHARES



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. 30 years later, Tri Counties Bank has 47 bank branches—32 traditional and 15 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 2004, the Company had capital exceeding \$138 million.

The Bank's expansion plan capitalizes on the growth of California's Central Valley. In 2004, the Bank added two new in-store branches in the cities of Turlock and Woodland. 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.

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. With a deep-rooted commitment to each customer's financial success, Tri Counties Bank is "Your Life Improvement Bank."

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 seven days a week from customer service representatives in the Bank's Telephone Banking Center.

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, sharing the "Life Improvement" commitment to completely and equally serve every type of customer. A wide variety of business banking products, financing and services are available, as well as investment and retirement products and services through Raymond James Financial Services, Inc.

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.

NASDAQ SYMBOL: TCBK

www.tcbk.com



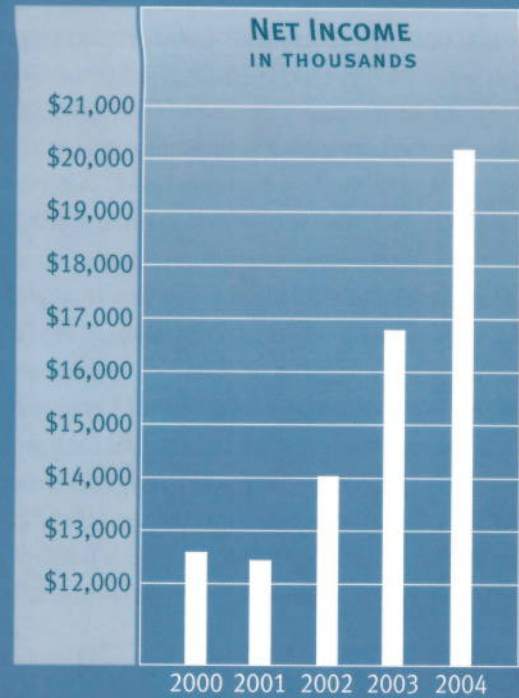
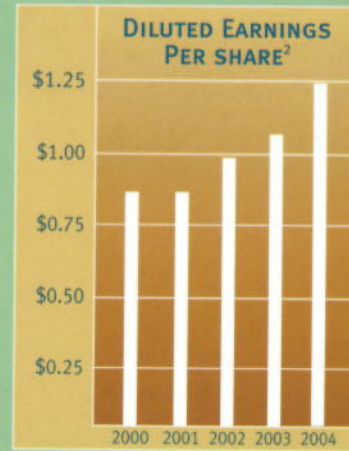
FIVE YEAR SELECTED FINANCIAL DATA (IN THOUSANDS, EXCEPT SHARE DATA)

	2004	2003	2002	2001	2000
STATEMENT OF OPERATIONS DATA:					
Interest income	\$84,932	\$73,969	\$64,696	\$71,998	\$76,327
Interest expense	13,363	13,089	12,914	23,486	28,543
Net interest income	71,569	60,880	51,782	48,512	47,784
Provision for loan losses	3,550	1,250	2,800	4,400	5,000
Noninterest income	24,794	22,909	19,180	16,238	14,922
Noninterest expense	60,179	55,527	45,971	40,607	37,846
Income before income taxes	32,634	27,012	22,191	19,743	19,860
Provision for income taxes	12,452	10,124	8,122	7,324	7,237
Net income	\$20,182	\$16,888	\$14,069	\$12,419	\$12,623
SHARE DATA²:					
Earnings per share:					
Basic	\$1.29	\$1.11	\$1.00	\$0.88	\$0.88
Diluted	1.24	1.07	0.98	0.86	0.86
Per share:					
Dividends paid	\$0.43	\$0.40	\$0.40	\$0.40	\$0.39
Book value at December 31	8.79	8.16	7.01	6.21	5.93
Tangible book value at December 31	7.45	6.79	6.72	5.84	5.55
Average common shares outstanding	15,660	15,282	14,038	14,146	14,384
Average diluted common shares outstanding	16,270	15,758	14,386	14,438	14,682
Shares outstanding at December 31	15,723	15,668	14,122	14,002	14,362
BALANCE SHEET DATA AT DECEMBER 31:					
Loans, net	\$1,156,910	\$968,687	\$673,145	\$645,674	\$628,721
Total assets	1,625,974	1,468,755	1,144,574	1,005,447	972,071
Total deposits	1,348,833	1,236,823	1,005,237	880,393	837,832
Debt financing and notes payable	28,152	22,887	22,924	22,956	33,983
Junior subordinated debt	41,238	20,619	-	-	-
Shareholders' equity	138,132	127,960	99,014	86,933	85,233
FINANCIAL RATIOS:					
For the year:					
Return on assets	1.33%	1.27%	1.35%	1.27%	1.35%
Return on equity	15.20%	14.24%	15.03%	14.19%	16.03%
Net interest margin ¹	5.32%	5.23%	5.61%	5.58%	5.70%
Net loan losses to average loans	0.12%	0.34%	0.22%	0.47%	0.70%
Efficiency ratio ¹	61.80%	65.39%	63.66%	61.62%	59.25%
Average equity to average assets	8.72%	8.91%	9.00%	8.94%	8.40%
At December 31:					
Equity to assets	8.50%	8.71%	8.65%	8.65%	8.77%
Total capital to risk-adjusted assets	11.86%	11.56%	11.97%	11.68%	12.20%

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

Richard P. Smith
PRESIDENT & CHIEF EXECUTIVE OFFICER



TriCo Bancshares enjoyed a year of record growth during 2004. Earnings reached \$20,182,000, a 19.5% increase from earnings of \$16,888,000 at year-end 2003. Total assets grew 10.7% to \$1.626 billion. Diluted earnings per share increased 15.9% to \$1.24 from \$1.07 in 2003, adjusted for the two-for-one stock split paid April 30, 2004.

Our strategy to offer choice, convenience and superior service has been a tremendous success. This year we increased our focus on small entrepreneurial businesses, which are at the heart of our banking business. Team members achieved substantial loan growth for the Company, a 19.6% increase over 2003 to ending loans of \$1.173 billion, while maintaining strong credit quality. Total deposits increased 9.1% to \$1.349 billion at year-end. Our net interest margin remained well

above our peers, and our operating efficiency continues to improve.

In 2004, we opened two new in-store branches, one in Turlock at Raley's, increasing our presence in the San Joaquin Valley, and one in Woodland at Bel Air Stores, the start of our current Sacramento-area expansion. This plan continues through 2005; we opened our Lincoln at Raley's in-store branch in February, and there are definitive plans for four more branches around Sacramento. We've contracted with Wal-Mart for four in-store branches in their Supercenters: two in Bakersfield, one in Fresno and one in Yuba City. We have become experts at designing, launching and running in-store branches, just one of our many convenient delivery channels for banking services.

As we open branches in the newly developed

MANAGEMENT TEAM

Richard O'Sullivan
Executive Vice President
Wholesale Banking

Thomas Reddish
Executive Vice President
Chief Financial Officer

Andrew Mastorakis
Executive Vice President
Retail Banking

Richard P. Smith
President and CEO





Wendell J. Lundberg, Charter Board Member and Secretary of the Board



Ted Neale
Neale Advertising Associates

areas of the Central Valley, we find that they reach profitability ahead of our expectations. We will continue to capitalize on the opportunity provided by the growing and changing economy of the Central Valley of California.

In March 2005, we celebrate 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 a company growing stronger year after year, just as we and so many of our customers have. We keep coming back to the basic, simple, but most precious values of loyalty, trust and integrity.

This year it is fitting that our annual report pays tribute to the family business, as two key contributors who have helped build our Bank and define its character retire from its service: Wendell J. Lundberg, a founding board member of TriCo Bancshares and Tri Counties Bank, and Ted Neale, our advertising agent since 1976. Wendell has played an important role in the develop-

ment of our company since its inception. His duties included roles as Chairman of the Board and Corporate Secretary for many years. Ted has contributed by consistently delivering our brand proposition to the marketplace. Both men are part of multi-generational family businesses and have brought their values and character to every effort they have made for the Bank over the years. They remain part of our Tri Counties Bank family and we are grateful for their service.

Thank you for your continued support.

Sincerely,

Richard P. Smith
President and Chief Executive Officer

Rick Hagstrom
Executive Vice President
Risk Management

Craig Carney
Senior Vice President
Chief Credit Officer

Ray Rios
Vice President
Manager
Information Systems

Rick Miller
Senior Vice President
Director of Human
Resources



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



WENDELL J. LUNDBERG*
Secretary of the Board
Board Member Since 1975
Owner, Wehah Farms
Rice and Grain Operations,
Richvale



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



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



STEVE G. NETTLETON
Board Member Since 2003
Former President,
Chico Heat Baseball Club, LLC
Board Member and Secretary for Enloe
Health Systems and Board Member for
CSU, Chico Advisory Board
Chico



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



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



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



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



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

* Charter Board Member



CHAIRMAN'S MESSAGE



William J. Casey
CHAIRMAN OF THE BOARD

At the end of 2004, Tri Counties Bank and TriCo Bancshares reached another milestone. Wendell J. Lundberg, a founding member of the Board is retiring. Wendell has been an active member of the Board for thirty years serving on every committee and holding nearly every position within the Board organization. He is currently serving as Secretary of the Board, a position he has held for a number of years. Along with the Board, I personally would like to thank Wendell for his years of service, his thoughtful advice and his strong support for our bank and our corporation. Thank you, Wendell.

We are fortunate to have two remaining founding members on our Board, Donald E. Murphy and Alex A. Vereschagin, Jr. We will continue to look to them for sage advice and support.

During the calendar year 2004, the bank grew significantly with increased share price reflected in that growth. As stated in our charter, the Board's goal is to enhance shareholder value. In that spirit, the Board instituted a two-for-one stock split effective April 30, 2004. By splitting the stock, the Board felt that an increase in the float would allow the stock to trade more freely. The dividend was increased the following quarter by 10%. Increasing the dividend was in keeping with our philosophy of returning an appropriate rate of return to the shareholders. This increase in profitability was made possible by the outstanding efforts of management and employees.

With the implementation of the Sarbanes-Oxley legislation in 2002, public companies have entered a new era. Being a bank already requires operating in a

highly controlled and regulated environment. As such, Tri Counties Bank is closely aligned with the regulations set forth by Sarbanes-Oxley and the new Securities and Exchange Commission regulations, and was well-equipped to handle the challenges and changes associated with this legislation.

2004 was the first year that public companies were required to comply with regulation 404 of the Sarbanes-Oxley legislation (SOX 404). This regulation requires an in-depth analysis of the risks associated with the operations of the entire company. With typical Team TriCo enthusiasm, management and employees have worked through the detailed process with the internal and external auditors. Their work has been reviewed by the Audit Committee and the Bank has received an unqualified opinion. On behalf of the Board and myself, I would like to thank everyone involved in this endeavor, along with the Audit Committee, for their extra commitment to oversee this new and ever-changing regulatory requirement.

With TriCo Bancshares on a sound financial footing, your board and management look forward to continued growth in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Casey". The signature is fluid and cursive.

William J. Casey
Chairman of the Board



COMMITTED TO OUR COMMUNITIES

Tri Counties Bank donates to many local causes, and our employees and directors work beside our neighbors making our communities stronger.

GUSTINE HIGH SCHOOL RENAISSANCE • SHASTA DAM AREA LITTLE LEAGUE • ROTARY CLUB OF OROVILLE
VALLEY RIDERS INC • DEPARTMENT OF CHILD & FAMILY SERVICES • AMERICAN CANCER SOCIETY • ECONOMIC
DEPT • LEUKEMIA & LYMPHOMA SOCIETY • CSU CHICO • SHASTA FAMILY YMCA • INTERMOUNTAIN JUNIOR
ASSISTANCE LEAGUE • CHICO COUNTRY DAY SCHOOL • ST THOMAS SCHOOL • ORLAND ROTARY • FALL RIVER
BOOSTERS CLUB • OMEGA NU • MARSH JUNIOR HIGH • ROUND VALLEY HIGH SCHOOL • ROUND VALLEY
• CHICO STATE UNIVERSITY FOUNDATION • WEST VALLEY JUNIOR HIGH SCHOOL BOOSTERS • HIGHLAND JUNIORS
TAINERS • HABITAT FOR HUMANITY OF BUTTE COUNTY • TULARE VOLUNTEER FIRE DEPARTMENT • CHICO
BREAST CENTER FUND • HAMILTON HIGH SCHOOL • PEELER MIDDLE SCHOOL • MUSCULAR DYSTROPHY
HIGH SCHOOL • SAFE AND SOBER GRAD NIGHT ORLAND • PLYMOUTH STATE • CHEERLEADING SOCIETY
JUNIOR MOVEMENT • BETHEL CHRISTIAN SCHOOL • CHICO STATE UNIVERSITY • INTERMOUNTAIN CLUB



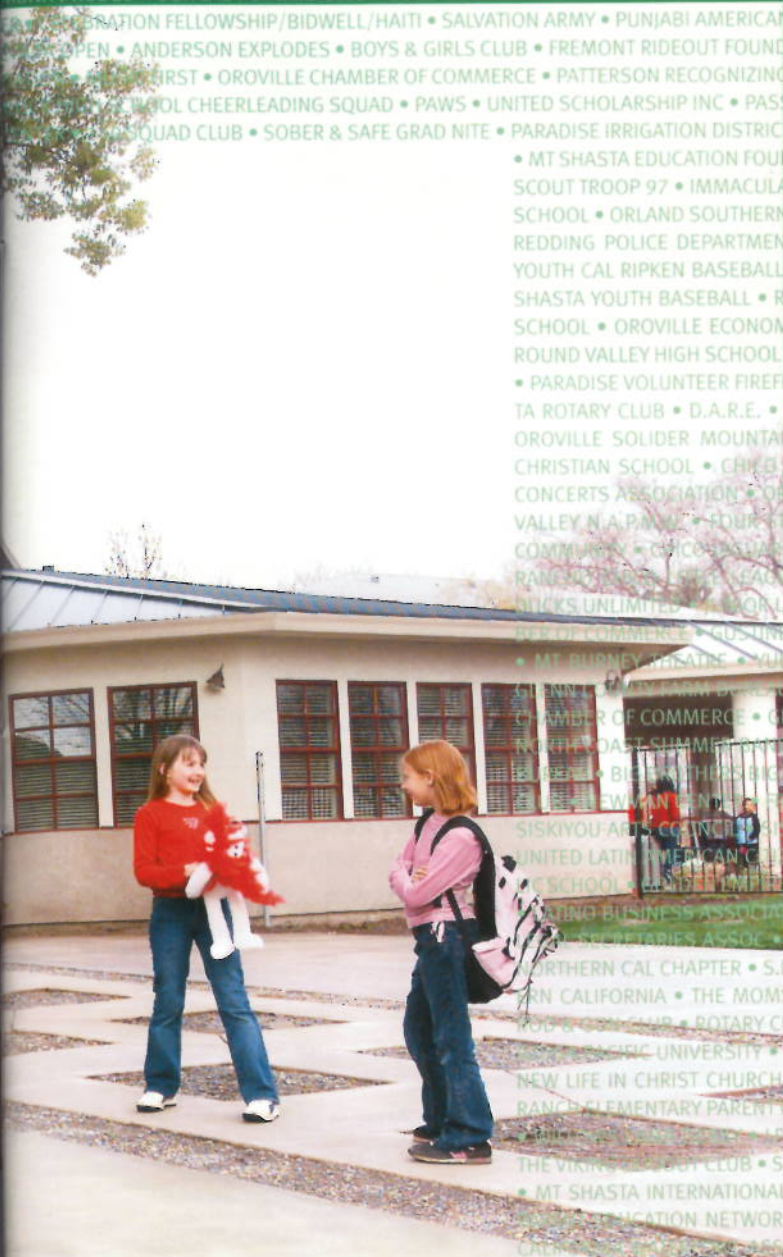
TRICOUNTIESBANK.COM

The Boys & Girls Club of Chico enjoys a new clubhouse thanks to generous members of the community, including Tri Counties Bank. Richard O'Sullivan, Executive Vice President, Wholesale Banking, serves on the board of directors.

EARLY RISERS KIWANIS CLUB OF YUBA CITY • Tehama DISTRICT JR LIVESTOCK • WEST VALLEY HIGH SCHOOL
• YREKA HOST LIONS CLUB • AMERICAN HEART ASSOCIATION • ROSEVILLE CHAMBER OF COMMERCE
• BUREAU CRATS BALLS • SIERRA CASCADE GIRL SCOUT COUNCIL • DUNSMUIR ELEMENTARY • BIHS BO
CHILDREN'S CHOIR OF CHICO • BURNEY ELEMENTARY SCHOOLS PTA • SILVER DOLLAR FAIR • BUTCHER'S
GOOD GUYS YOUTH SPORTS • YREKA ROTARY CLUB • CALIFORNIA WOMEN FOR AGRICULTURE • CALIFOR
CIATION • CHICO AMERICAN LEGION BASEBALL • KIWANIS DIVISION 18 • CHICO AZTECS • KIDS UNLIMITED
RIDGE CHAMBER OF COMMERCE • FALL RIVER JOINT UNIFIED SCHOOL DISTRICT • FARMERS RICE COOP
KERN COUNTY FAIR • LIVE OAK PEACH FESTIVAL • CHICO KINGS • CHICO ROOKS • BURHAM LITTLE LEAG
SCHOOL • CHOWCHILLA-MADERA FAIR • CHS GIRLS VOLLEYBALL • CK PRICE MIDDLE SCHOOL WRESTLE
CITY JAYCEES • CRESCENT SHRINES CLUB • GOOD GUYS PHEASANT HUNT • CRUZ'N CLASSIC CAR SHOW
PALO CEDRO YOUTH SOCCER-NORTHPOINT • INDIAN CULTURAL SOCIETY OF CENTRAL VALLEY • PATE



OROVILLE PARENT/TEACHER CLUB • WEED HIGH SCHOOL • DURHAM ROTARY CLUB • DURHAM DUCKS UNLIMITED • VFW POST #7635 • CLUB SCOUT PACK 302 • HONEY LAKE
 DEVELOPMENT CORP • SUSANVILLE AREA BICYCLE ASSOC • MT SHASTA HIGH SCHOOL • KIDS UNLIMITED • THE ORESTIMBA SCHOLARSHIP • MCARTHUR VOLUNTEER FIRE
 DEPT • VIDEO ASSOC • AMERICAN CANCER SOCIETY • STANFORD SETTLEMENT • STOCKDALE HIGH SCHOOL • DUCKS UNLIMITED GUSTINE • SENIOR SUENOS 2004 • COMMUNITY
 ACTION • BIG VALLEY CATTLEMEN'S ASSOC • KIWANIS CLUB OF BAKERSFIELD • INTERMOUNTAIN HOSPICE • CHICO COMMUNITY SCHOLARSHIP ASSOC • FALL RIVER HIGH SCHOOL
 COMMUNITY RODEO • OUR LADY OF MIRACLES • GOLD NUGGET MUSEUM • OAK CHAN ELEMENTARY • COTTONWOOD COMMUNITY LIBRARY • PALO CEDRO HONEY BEE FESTIVAL
 • PARADISE IRRIGATION FELLOWSHIP/BIDWELL/HAITI • SALVATION ARMY • PUNJABI AMERICAN HERITAGE SOCIETY • BURNEY LIONS CLUB • LASSEN COUNTY FAIR • INTERMOUN-
 TAIN RODEO • ANDERSON EXPLODES • BOYS & GIRLS CLUB • FREMONT RIDEOUT FOUNDATION • ROCKY MOUNTAIN ELKS FOUNDATION • CHICO VALLEY SCORCHERS • THE
 FIRST • OROVILLE CHAMBER OF COMMERCE • PATTERSON RECOGNIZING INDIVIDUALS • SUSANVILLE SYMPHONY SOCIETY • HAMILTON HIGH SOBER GRAD
 NITE • FOOTBALL CHEERLEADING SQUAD • PAWS • UNITED SCHOLARSHIP INC • PASSAGES ADULT RESOURCE CENTER • MONDAY CLUB • OROVILLE SUNRISE ROTARY •
 SQUAD CLUB • SOBER & SAFE GRAD NITE • PARADISE IRRIGATION DISTRICT • CALIFORNIA PAL • PALERMO HEALTHY START CENTER • WILLOWS HIGH SCHOOL
 • MT SHASTA EDUCATION FOUNDATION • BOY SCOUTS OF AMERICA • BIGGS HIGH SCHOOL BOOSTER CLUB • BOY
 SCOUT TROOP 97 • IMMACULATE HEART OF MARY • AMERICAN LEGION PIT RIVER CHANNEL CATS • LIBERTY HIGH
 SCHOOL • ORLAND SOUTHERN BAPTIST CHURCH • ROTARY CLUB OF BURNEY • CHICO EASTSIDE LITTLE LEAGUE •
 REDDING POLICE DEPARTMENT • GUSTINE ROTARY • CHICO AREA RECREATION & PARK DISTRICT • CENTRAL
 YOUTH CAL RIPKEN BASEBALL LEAGUE • PALO CEDRO COMMUNITY PARK • SHASTA ELEMENTARY SCHOOL • MT
 SHASTA YOUTH BASEBALL • RED BLUFF PARK & RECREATION • BAKERSFIELD GUNNERS U-14 • FOOT HILL HIGH
 SCHOOL • OROVILLE ECONOMIC DEVELOPMENT CORP • CITY OF REDDING • THE WELL MINISTRY OF RESCUE •
 ROUND VALLEY HIGH SCHOOL • GUSTINE HIGH SCHOOL SOBER GRAD NITE • MODOC COUNTY JUNIOR LIVESTOCK
 • PARADISE VOLUNTEER FIREFIGHTERS FOUNDATION • BUTTE COLLEGE • KING'S CHRISTIAN SCHOOL • MT SHAS-
 TA ROTARY CLUB • D.A.R.E. • MT VIEW HIGH SCHOOL • MT SHASTA YOUTH SOCCER • NOTRE DAME SCHOOL •
 OROVILLE SOLIDER MOUNTAIN HIGH FOUNDATION • DEL NORTE SCHOLARSHIP FOUNDATION • CHAMPION
 CHRISTIAN SCHOOL • CHICO CHRISTIAN SCHOOL • GUSTINE VOLUNTEER FIRE DEPT • OROVILLE COMMUNITY
 CONCERTS ASSOCIATION • OROVILLE HIGH SCHOOL • PALO CEDRO COMMUNITY ACTION TEAM • SAN JOAQUIN
 VALLEY N.A.P.A. • FOUR STAR RODEO CO • BIG VALLEY DAYS ASSOCIATION • MSGC BOOSTERS • ORLAND
 COMMUNITY • CHICO • GLENN MEDICAL CENTER FOUNDATION • OPTIMAL HOSPICE FOUNDATION • EL
 RANCHO POLICE DEPT • LITTLE LEAGUE • SCOTT VALLEY SCHOLARSHIPS • SHASTA FAMILY YMCA • INTERMOUNTAIN
 DUCKS UNLIMITED • JUNIOR LIVESTOCK AUCTION • SOROPTIMIST INTERNATIONAL OF REDDING • YREKA CHAM-
 BER OF COMMERCE • GUSTINE • PENTECOSTAL SOCIETY • ROTARY CLUB OF WILLOWS • BUTTE CREEK FOUNDATION
 • MT BURNEY YERBANE • YUBA SUTTER CHAMBER OF COMMERCE • 10TH DISTRICT AGRICULTURAL ASSOC •
 CHICO • OUR LADY FARM BUREAU • GOLD NUGGET MUSEUM • NATIONAL CHILD SAFETY COUNCIL • ROUND VALLEY
 CHAMBER OF COMMERCE • GUSTINE YOUTH BASEBALL & SOFTBALL • OUR LADY OF MIRACLES PARENTS CLUB •
 NORTH EAST SUMMER CAMP • GUSTINE HIGH SCHOOL YEARBOOK • I.A.A.P. • SISKIYOU COUNTY FARM
 BUREAU • BIG BROTHERS BIG SISTERS OF BUTTE COUNTY • MT SHASTA ROTARY CLUB • NAIFA • SHAFER ROTARY
 CLUB • FOLDSOM • FRIENDS OF ROUND VALLEY PUBLIC LIBRARY • MT SHASTA CONCERT ASSOCIATION •
 SISKIYOU ARTS COUNCIL • FOLSOM MUSEUM • YOUTHFEST 2004 • EAST REDDING LITTLE LEAGUE • LEAGUE OF
 UNITED LATIN AMERICAN CITIZENS • MT SHASTA LIONESSE • CHICO POLICE DEPARTMENT • ST ISIDORE'S CATHO-
 LIC SCHOOL • HUNTER HILL • COUNCIL BOY SCOUTS • SHASTA COUNTY CATTLE WOMEN • SHASTA HIGH SCHOOL
 • ROUND VALLEY BUSINESS ASSOCIATION • TRI COUNTY CONCERT ASSOCIATION • GOLF FORE KIDS • SISKIYOU COUNTY
 SECRETARIES ASSOC • MARCH OF DIMES • CHICO HIGH FOUNDATION • TUESDAY NIGHT LADIES • EDPA
 • NORTHERN CAL CHAPTER • S.S. SWING FOR CHILDREN • OUR LADY OF MIRACLES • UNITED BIKERS OF NORTH-
 ERN CALIFORNIA • THE MOMS CLUB OF SACRAMENTO-NATOMAS PARK • WILLOWS YOUTH FOOTBALL • CHICO
 BOB & GENE CLUB • ROTARY CLUB OF OROVILLE • UC REGENTS • BURNEY-FALL RIVER EDUCATION FOUNDATION •
 CALIFORNIA STATE UNIVERSITY • THREE RIVERS CHAPTER • PEOPLE OF PROGRESS • FAIRCHILD MEDICAL CENTER •
 NEW LIFE IN CHRIST CHURCH • THE NOON EXCHANGE CLUB OF CHICO • WESTWOOD HIGH SCHOOL • WITTER
 RANCHO ELEMENTARY PARENT CLUB • LASSEN RODEO TEAM • YOUNG LIFE • PB&P LIONS CLUB COMMUNITY FUND
 • BURNEY • BURNEY BAND BOOSTERS • MEMORIAL FUND FOR AL SIMMONS • GUSTINE SENIORS •
 THE VIKING FOOTBALL CLUB • SIMPSON COLLEGE • ST FRANCIS CHURCH • THE AMERICAN DIABETES ASSOCIATION
 • MT SHASTA INTERNATIONAL FILM FESTIVAL • CHICO CHRISTIAN SCHOOL • REDDING RODEO ASSOCIATION •
 • EDUCATION NETWORK • YREKA HIGH SCHOOL • FOLSOM MUSIC BOOSTERS • DHS BOOSTER CLUB •
 CALIFORNIA • ASSOCIATION • SIERRA CASCADE GIRL SCOUT COUNCIL • SHASTA COUNTY FARM BU-
 REAU • ALZHEIMER ASSOCIATION • SKYWAY HOUSE • COTTONWOOD COMMUNITY LIBRARY • DEL NORTE
 COUNTY FAIRGROUNDS • SHASTA ELEMENTARY SCHOOL • COTTONWOOD CITIZENS PATROL • PV GRAD NIGHT •
 WEED-LAKE SHASTINA KIWANIS CLUB • CHICO HIGH SCHOOL • SISKIYOU GOLDEN FAIR • PEDIATRIC BRAIN TU-
 MOR FOUNDATION • CUBCO • PATTERSON RECOGNIZING INDIVIDUALS • DURHAM ROTARY CLUB • DOWNTOWN
 CHICO BUSINESS ASSOCIATION • SALVATION ARMY • LASSEN HIGH SCHOOL • MAGALIA COMMUNITY CHURCH •
 • HUNDUS VALLEY CHAMBER OF COMMERCE • WEED COMMUNITY CENTER • SISKIYOU MOTORCYCLE ASSOCIATION • FIVECO GLEANERS FOOD BANK • BOY SCOUT TROOP 315
 • STA IR LIVESTOCK AUCTION • 10TH DISTRICT JUNIOR LIVESTOCK AUCTION • BAKERSFIELD BOBBY SOX • SQUAW VALLEY RIDING CLUB • BIG VALLEY LITTLE LEAGUE ASSOC
 • FOOTBALL CLUB • BULLDOG SPORTS FOUNDATION • WILLOWS HIGH SCHOOL BOOSTERS • BURNEY BASIN DAYS • BURNEY CHAMBER OF COMMERCE • SECRET WITNESS •
 • BUTTE UNITED SOCCER • BUTTONWILLOW CHAMBER OF COMMERCE • CA STATE HORSEMAN'S ASSOCIATION • CALIFORNIA CHAOS • CALIFORNIA DEER ASSOCIATION •
 HIGH SCHOOL RODEO ASSOC • YUBA SUTTER GOLD SOX • CERTIFIED DEVELOPMENT CORP • KERN COUNTY JUNIOR LIVESTOCK COMMITTEE • PENINSULA GUJARATI ASSO-
 CHICO CENTRAL LITTLE LEAGUE • GLENN COUNTY FALL FESTIVAL • CHICO CHAMBER OF COMMERCE • FIRE ON THE FAIRWAY • FOLSOM CHAMBER OF COMMERCE • PARADISE
 • CHICO FAMILY FUN DAY • KNIGHTS OF COLUMBUS • BUTTE COUNTY FARM BUREAU • CHICO FFA FIELD DAY • LASSEN COUNTY FAIR • CHICO HIGH SCHOOL-SKY TEAM •
 CHICO ROTARY CLUB • PARADISE COMMUNITY • CHICO STATE ATHLETICS • KIWANIS CLUB OF OROVILLE • CHICO WESTSIDE LITTLE LEAGUE • BIDWELL JUNIOR HIGH
 CHSRA DISTRICT 1 • COMMUNITY ASSISTANCE LEAGUE • COTTONWOOD CHAMBER OF COMMERCE • GLENN COUNTY FAIR • COVELO COLTS YOUTH FOOTBALL • CRESCENT
 MADISON BEAR GARDEN CHARITY • MAYERS INTERMOUNTAIN HEALTH FOUNDATION • MERCY HIGH SCHOOL • MID STATE DEVELOPMENT CORP • ORLAND LITTLE LEAGUE •
 PARKS & RECREATION DEPT • SHASTA DISTRICT FAIR • SUSANVILLE LITTLE LEAGUE • TEEN CHALLENGE • YUBA COLLEGE ATHLETICS • UNITED WAY OF NORTHERN CA



EVERY DAY IS FOR SHARING



RETAIL BANKING

Andrew Mastorakis
EXECUTIVE VICE PRESIDENT, RETAIL BANKING



Tri Counties Bank is committed to being the “Life Improvement Bank” for the customers in the communities we serve in Central and Northern California. Our “Life Improvement Bankers” take this responsibility very seriously, providing our unique blend of service, guidance, convenience, and access. It is our goal to earn and maintain the role of trusted advisor to every customer we serve, and to be their single source for integrated banking solutions. 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 services to ensure their business success. Tri Counties serves our many communities through 47 full-service branch locations throughout Northern and Central California. These full-service branches include community branches, branches located inside leading grocery stores, and metropolitan financial service center hubs.

Our “Life Improvement Bankers” have delivered on this promise, as demonstrated by strong internal

growth throughout 2004. We continued to increase our customer base; our rates of deposit; and consumer and business loan balances, resulting in an impressive 47% growth of business loans outstanding, 28% growth of consumer loans outstanding, 13% growth in branch deposits, and 7.5% growth of consumer and business households. Additionally, our online and bill payment services grew at a record pace, exceeding 60% 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 two new branches in 2004: the first inside Raley’s in the city of Turlock, and a second inside Bel Air in the city of Woodland. Both branches have shown early success as measured by acquired customer households, deposit balances, and loan application volume. Tri Counties Bank has already opened additional locations early in 2005, including our first Lincoln branch and a second Folsom location, and will be opening the Arden Fair Financial Service Hub. Several additional locations are pro-

Rex E. Barney, Business Banking Manager, leads this division of diverse specialists committed to the success of business customers. The Business Banking division of Retail Banking works closely with the local branches, providing personalized service and an ever-growing list of product options. Service enhancements made in 2004 include streamlined loan and appraisal processes, in addition to enhanced merchant and cash management services.





RETAIL BANKING TEAM

Andrew Mastorakis, Executive Vice President, Retail Banking; **Cindy Bennington-Foor**, Vice President, Southern Regional Manager; **Cher Matthews**, Vice President, Northern In-Store Regional Manager; **Monica Canchola**, Vice President, Regional Operations Manager; **AJ Elias**, Vice President, Southern In-Store Regional Manager; **Kay Armstrong**, Vice President, Direct Banking Manager; **Guy Watson**, Vice President, Northern Regional Manager

BRANCH EXPANSION TEAM

Nicole Johansson, Marketing Manager
Chimene Sonsteng, Expansion Plan Manager



ected for the coming months, including traditional and supermarket branches, and our first entry into Wal-Mart Supercenters.

Supermarket branches continue to be our preferred early entry into new markets, allowing our bankers to introduce the heavy volume of shoppers visiting the partner store to our unique value proposition: combining service and seven-day access to their bank and banker. The success of these new branches is assured through “grand, retailer-like” grand openings, complete with live

music, local high school cheerleaders, 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 the organization.

Tri Counties Bank is committed to providing residents of this region with our “Life Improvement Bank” brand of services, and earning their trust as the “Number One Local Choice” for customized financial solutions.



Appointed Real Estate Department Manager in 2004, Rick Gonsalves is responsible for meeting the residential mortgage needs of our current clients and expanding the sales team to effectively serve the growing requirements of our communities. Revenue from the real estate department has been an important component of the Bank’s success in the past. By capitalizing on the expanded potential customer base in the growing population of the Central Valley, this revenue is expected to grow significantly in the foreseeable future.



WHOLESALE BANKING

Richard O'Sullivan
EXECUTIVE VICE PRESIDENT, WHOLESALE BANKING



Living up to our promise as the “Life Improvement Bank,” Tri Counties Bank is as strongly committed to the success of our wholesale banking customers as we are to our retail clientele. Experienced and committed Relationship Managers, Corporate Client Officers, Financial Advisors, Auto Dealer Representatives, and the entire support team, 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 cultivating this relationship when we are the first financial service provider that our customers think of each time they have a need.

In 2004, our Relationship Managers continued the loan growth trend, delivering over 19% growth in commercial loans and commercial real estate loans. The commercial lenders group is structured into market area regions in order to provide local expertise and



RAYMOND JAMES FINANCIAL SERVICE

Financial Advisors, from left:
Eddie Crame; Ron Bee, Senior Vice
President, Tri Counties Bank;
Laura Hawkins; Leonard Murry;
Dan Bay, Vice President, Branch
Manager Raymond James Financial;
John Grimmett; Jerry Sax;
Jeff Micheli, CFM, CRPC;
Miste Boyer





COMMERCIAL LENDING REGIONAL SUPERVISORS

- Greg Gill**, Regional Vice President,
Southern San Joaquin Valley Region
- Manny Morgado**, Regional Vice President,
Sacramento Region
- Nolan Hawkins**, Regional Vice President,
Redding Region
- Ray Block**, Regional Vice President,
Chico Region
- David Allumbaugh**, Regional Vice President,
Northern San Joaquin Region
- Bob Elmore**, Regional Vice President,
Yuba City Region

knowledge of changes in agricultural, industrial, and economic issues.

Corporate Client Services provides high-touch business customers with convenient, comprehensive, yet user-friendly online banking tools, allowing them a high degree of control over their accounts. Among the latest service options made available this year, a new sweep product provides yet another way for business customers to optimize use of their cash flow. This department exceeded its goal in 2004 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.

Revenue from the sale of non-deposit investment products increased 28% in 2004. These products—retirement and financial planning as well as insurance—are primarily sold through our affiliation with Raymond James Financial Services, Inc. Tri Counties

Bank was recognized for the Superior Performance of our investment services program in 2004 by Raymond James Financial.

The Bank's Auto Indirect Finance division continued to expand dealer relationships in 2004. Loans in this category rose 29%. 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 2005 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**, Senior Corporate Client Officer
- Lisa Bee**, Corporate Client Officer
- Sarah Weaver**, Corporate Client Services Assistant



CELEBRATING THE FAMILY BUSINESS

Tri Counties Bank helps customers along their path to financial success at every stage of their lives: starting and sustaining businesses, buying homes, financing life's big events, and investing for a secure future.

Meet some of our favorite local families, customers who trust Tri Counties Bank as their "Life Improvement Bank" and who have achieved impressive success through each generation.

Turri Ranch

Established in 1974, this 7,000 acre cattle ranch near Paskenta, in the foothills west of Corning, is now run by four generations. Cattlewomen like Mary, Gina, and Marianne often have other careers and rich community service lives in addition to their family business duties.

From left: Craig Taylor, Katherine Taylor, Marianne Turri, Flora Turri, Andrew Turri, Tony Turri, Bill Turri, Gina Taylor, Lauren Taylor, Mary Turri (mother), and Mary Turri (daughter).

- Business Checking
- Business Savings
- eCash Online Banking
- Personal Checking
- Personal Savings
- Home Loan
- Home Equity Line of Credit





TRI CO. BANCSHARES 2004 ANNUAL REPORT

North Valley Building Systems, Inc.

Bud Wood, one of Tri Counties Bank's first customers, started this Chico family business as North Valley Redi-Mix in 1974. His son Andy soon joined him, expanding the company into commercial building. Bret spent many childhood hours on job sites with his dad and grandpa, and became a full-time member of the company in 2000.

From left: Bret, Bud, and Andy Wood

- Personal Checking and Savings
- Business Checking
- Equipment Loans
- Certificates of Deposit
- Home Equity Loans
- Raymond James Financial Services
- Business and Personal Money Market



CELEBRATING THE FAMILY BUSINESS

SECO Manufacturing Company, Inc.

Mark Ogden, shown here with Tri Counties Banker Dale Orchard, is president of SECO, which manufactures and distributes surveying and global positioning equipment accessories. This Redding family business was established in 1977 by Mark's father Paul, who is still active in the company.

- Equipment Loans
- eCash Online Banking
- Raymond James Financial Services
- Business Checking
- Personal Checking



TRICO BANKSHARES 2004 ANNUAL REPORT

- Business Checking
- Business Savings
- eCash Online Banking
- Home Equity Line
- Personal Checking
- Personal Savings

ADH Corporation

This father-and-sons developing/contracting business is creating whole neighborhoods in Bakersfield oriented to young families with small children. Every few blocks is a grassy park with a bright playground. From left: Brian, Tom, and David Hardt





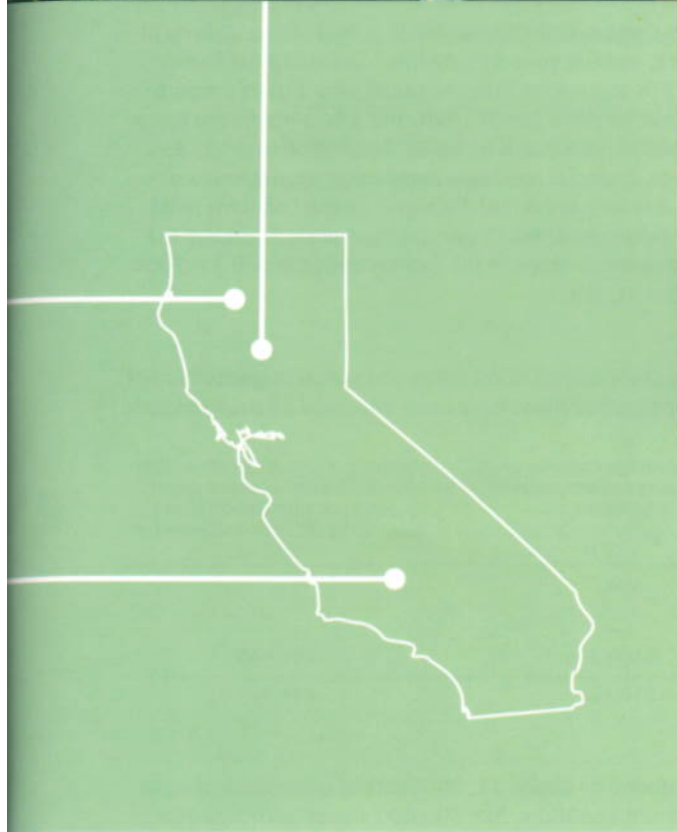
River Valley Enterprises, Inc.

Lynn started the family business in 1977, building a chain of Burger King restaurants. Her son Byron has now diversified the company into commercial development.

From left: Byron Crossen, Cassandra Crossen, Lynn McNeeley, Kyle Sisneroz

- Personal Checking
- Business Checking
- eCash Online Banking
- Commercial Construction Loans

TRICO BANCSHARES 2004 ANNUAL REPORT



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:

	High	Low
2004:		
First quarter	\$18.69	\$15.78
Second quarter	\$19.19	\$16.76
Third quarter	\$20.99	\$16.94
Fourth quarter	\$24.25	\$20.43
2003:		
First quarter	\$13.38	\$12.15
Second quarter	\$13.00	\$12.05
Third quarter	\$14.93	\$12.60
Fourth quarter	\$17.09	\$14.90

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

As of March 9, 2005 there were approximately 1,793 shareholders of record of the Company's common stock.

Effective April 4, 2003, the Company (i) issued 1,447,024 shares of its common stock pursuant to a registration statement on Form S-4, (ii) issued options to purchase 159,174 shares of its common stock, and (iii) paid \$13,090,057 in cash to the former shareholders of North State National Bank. Additional information concerning this acquisition is found under Item 1 of this report.

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, 2004, \$41,363,000 was available for payment of dividends by the Company to its shareholders, under applicable laws and regulations. The Company paid cash dividends of \$0.11 per common share in each of the quarters ended June 30, September 30, and December 31, 2004 and \$0.10 per common share in the quarter ended March 31, 2004 and each of the quarters ended March 31, June 30, September 30, and December 31, 2003.

STOCK BASED COMPENSATION PLANS

The following table shows shares reserved for issuance for outstanding options, stock appreciation rights and warrants granted under our equity compensation plans as of December 31, 2004. 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, warrants and rights	(b) Weighted average exercise price of outstanding options, warrants and rights	(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	1,661,547	\$10.52	613,940
Total	1,661,547	\$10.52	613,940

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, 2004, the Company had purchased 222,600 shares under this plan as adjusted for the 2-for-1 stock split. 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 2004:

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, 2004	-	-	-	277,400
Nov. 1-30, 2004	-	-	-	277,400
Dec. 1-31, 2004	-	-	-	277,400
Total	-	-	-	277,400



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
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, 2004 and 2003, 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, 2004; and in our report dated March 9, 2005, 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 9, 2005



CONSOLIDATED BALANCE SHEETS

(in thousands, except share amounts)

At December 31,

	2004	2003
ASSETS		
Cash and due from banks	\$ 70,037	\$ 80,603
Federal funds sold	-	326
	70,037	80,929
Cash and cash equivalents		
Securities available for sale	286,013	311,472
Federal Home Loan Bank stock, at cost	6,781	4,784
Loans, net of allowance for loan losses of \$16,057 and \$13,773	1,156,910	968,687
Foreclosed assets, net of allowance for losses of \$180 and \$180	-	932
Premises and equipment, net	19,853	19,521
Cash value of life insurance	40,479	38,980
Accrued interest receivable	6,473	6,027
Goodwill	15,519	15,519
Intangible assets	5,408	6,085
Other assets	18,501	15,819
	\$1,625,974	\$1,468,755
Total assets		
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest-bearing	\$ 311,275	\$ 298,462
Interest-bearing	1,037,558	938,361
	1,348,833	1,236,823
Total deposits		
Fed funds purchased	46,400	39,500
Accrued interest payable	3,281	2,638
Other liabilities	19,938	18,328
Other borrowings	28,152	22,887
Junior subordinated debt	41,238	20,619
	1,487,842	1,340,795
Total liabilities		
Shareholders' equity:		
Common stock, no par value: 50,000,000 shares authorized;		
issued and outstanding:		
15,723,317 at December 31, 2004	70,699	-
15,668,248 at December 31, 2003	-	69,767
Retained earnings	67,785	56,379
Accumulated other comprehensive (loss) income	(352)	1,814
	138,132	127,960
Total shareholders' equity		
Total liabilities and shareholders' equity	\$1,625,974	\$1,468,755

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 earnings per share)

	Years ended December 31,		
	2004	2003	2002
Interest and dividend income:			
Loans, including fees	\$72,637	\$60,997	\$52,472
Debt securities:			
Taxable	10,312	10,692	9,222
Tax exempt	1,728	1,940	2,188
Dividends	237	211	208
Federal funds sold	18	129	606
Total interest and dividend income	84,932	73,969	64,696
Interest expense:			
Deposits	10,171	11,257	11,620
Federal funds purchased	510	189	2
Other borrowings	1,301	1,288	1,292
Junior subordinated debt	1,381	355	-
Total interest expense	13,363	13,089	12,914
Net interest income	71,569	60,880	51,782
Provision for loan losses	3,550	1,250	2,800
Net interest income, after provision for loan losses	68,019	59,630	48,982
Noninterest income:			
Service charges and fees	17,691	14,541	11,286
Gain on sale of investments	-	197	-
Gain on sale of loans	1,659	4,168	3,641
Commissions on sale of non-deposit investment products	2,327	1,766	2,467
Increase in cash value of life insurance	1,499	1,296	606
Other	1,618	941	1,180
Total noninterest income	24,794	22,909	19,180
Noninterest expense:			
Salaries and related benefits	33,191	29,714	24,290
Other	26,988	25,813	21,681
Total noninterest expense	60,179	55,527	45,971
Income before income taxes	32,634	27,012	22,191
Provision for income taxes	12,452	10,124	8,122
Net income	\$20,182	\$16,888	\$14,069
Earnings per share:			
Basic	\$1.29	\$1.11	\$1.00
Diluted	\$1.24	\$1.07	\$0.98

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, 2004, 2003, 2002 (in thousands, except share amounts)

	Shares of Common Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
	14,001,958	\$49,679	\$37,909	(\$655)	\$86,933
Comprehensive income:					
Net income			14,069		14,069
Change in net unrealized gain on Securities available for sale, net				2,931	2,931
Change in minimum pension liability, net				27	27
Total comprehensive income					17,027
Stock options exercised	139,972	427			427
Tax benefit of stock options exercised		436			436
Repurchase of common stock	(20,000)	(70)	(119)		(189)
Dividends paid (\$0.40 per share)			(5,620)		(5,620)
Balance, 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, 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

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,

	2004	2003	2002
Operating activities:			
Net income	\$20,182	\$16,888	\$14,069
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation of property and equipment, and amortization	3,402	3,059	2,608
Amortization of intangible assets	1,358	1,207	911
Provision for loan losses	3,550	1,250	2,800
Amortization of investment securities premium, net	1,845	3,514	1,841
Gain on sale of investments	-	(197)	-
Originations of loans for resale	(88,158)	(175,640)	(177,796)
Proceeds from sale of loans originated for resale	89,015	177,860	179,415
Gain on sale of loans	(1,659)	(4,168)	(3,641)
Amortization of mortgage servicing rights (Recovery of) provision for mortgage servicing rights valuation allowance	739	1,356	713
(Gain) loss on sale of fixed assets	(600)	600	-
Gain on sale of foreclosed assets	(23)	2	8
Increase in cash value of life insurance	(566)	(113)	(8)
Deferred income tax benefit	(1,499)	(1,296)	(606)
Change in:	(1,130)	(282)	(1,247)
Interest receivable	(446)	159	(122)
Interest payable	643	(289)	(561)
Other assets and liabilities, net	2,810	3,107	3,922
Net cash provided by operating activities	29,463	27,017	22,306
Investing activities:			
Net cash obtained in mergers and acquisitions	-	7,450	-
Proceeds from maturities of securities available-for-sale	79,442	205,021	131,592
Proceeds from sale of securities available-for-sale	-	22,320	-
Purchases of securities available-for-sale	(59,091)	(168,953)	(241,566)
Purchase of Federal Home Loan Bank stock	(1,997)	(210)	(228)
Loan originations and principal collections, net	(192,992)	(221,235)	(31,203)
Proceeds from sale of premises and equipment	545	20	17
Purchases of property and equipment	(3,753)	(2,746)	(3,121)
Proceeds from sale of foreclosed assets	1,490	726	79
Investment in subsidiary	(619)	(619)	-
Purchase of life insurance	-	(22,475)	-
Net cash used by investing activities	(176,975)	(180,701)	(144,430)
Financing activities:			
Net increase in deposits	112,010	105,537	124,844
Net change in federal funds purchased	6,900	39,500	-
Payments of principal on long-term other borrowings	(43)	(37)	(32)
Net change in short-term other borrowings	5,308	-	-
Issuance of junior subordinated debt	20,619	20,619	-
Repurchase of Common Stock	(2,793)	(853)	(189)
Dividends paid	(6,729)	(6,140)	(5,620)
Exercise of stock options	1,348	717	427
Net cash provided by financing activities	136,620	159,343	119,430
Net change in cash and cash equivalents	(10,892)	5,659	(2,694)
Cash and cash equivalents and beginning of period	80,929	75,270	77,964
Cash and cash equivalents at end of period	\$70,037	\$80,929	\$75,270
Supplemental disclosure of noncash activities:			
Unrealized (loss) gain on securities available for sale	(\$3,263)	(\$990)	\$5,073
Loans transferred to foreclosed assets	-	613	932
Supplemental disclosure of cash flow activity:			
Cash paid for interest expense	12,720	13,378	13,475
Cash paid for income taxes	14,630	8,160	7,900
Income tax benefit from stock option exercises	330	440	436
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
- Wendell J. Lundberg 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 Vice President Manager Information Systems

TRICO BANCSHARES HEADQUARTERS

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

NOTICE OF ANNUAL MEETING

Tuesday, May 24, 2005, at 6:00 P.M.
63 Constitution Drive
Chico, California 95973

SHAREHOLDER RELATIONS

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

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
400 Capitol Mall
Suite 800
Sacramento, CA 95814

TRANSFER AGENT

Mellon Investor Services
Overpeck Centre
85 Challenger Road
Ridgefield Park, NJ 07660

Internet Address: 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, 2004, 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

- | | | |
|---|---|--|
| <p>Arden Fair
1760 Challenge Way
Suite 100
Sacramento, CA 95815
(916) 648-9370</p> <p>Bakersfield
5201 California Avenue,
Suite 102
Bakersfield, CA 93309
(661) 325-9321</p> <p>Burney
37093 Main Street
Hwy 299 E.
Burney, CA 96013
(530) 335-2215</p> <p>Chico Downtown
525 Salem Street
Chico, CA 95928
(530) 893-8861</p> <p>Chico Mall
1950 E. 20th St.
Suite 725
Chico, CA 95928
(530) 898-0370</p> <p>Park Plaza
780 Mangrove Ave.
Chico, CA 95926
(530) 898-0400</p> <p>Pillsbury
2171 Pillsbury Road
Chico, CA 95926
(530) 898-0470</p> <p>Chowchilla
305 Trinity Avenue
Chowchilla, CA 93610
(559) 665-4868</p> <p>Cottonwood
3349 Main Street
Cottonwood, CA 96022
(530) 347-3751</p> <p>Covelo
76405 Covelo Road
Covelo, CA 95428
(707) 983-6135</p> <p>Crescent City
936 Third Street
Crescent City, CA 95531
(707) 464-4145</p> <p>Durham
9411 Midway
Durham, CA 95938
(530) 898-0430</p> <p>Fall River Mills
43308 State Highway 299E
Fall River Mills, CA 96028
(530) 336-6291</p> <p>Herdon Marks
7020 North Marks Ave.
Suite 101
Fresno, CA 93711
(559) 435-8089</p> <p>Gustine
319 Fifth Street
Gustine, CA 95322
(209) 854-3761</p> <p>Marysville
729 E Street
Marysville, CA 95901
(530) 749-1639</p> <p>Middletown
21097 Calistoga Street
Middletown, CA 95461
(707) 987-3196</p> | <p>Mt. Shasta
204 Chestnut Street
Mt. Shasta, CA 96067
(530) 926-2653</p> <p>Modesto
3320 Tully Road, Ste. 3
Modesto, CA 95350
(209) 548-4030</p> <p>Orland
100 East Walker Street
Orland, CA 95963
(530) 865-5524</p> <p>Oroville
1180 Oro Dam Boulevard
Oroville, CA 95965
(530) 538-0140</p> <p>Palo Cedro
9125 Deschutes Road
Palo Cedro, CA 96073
(530) 547-4494</p> <p>Paradise
6848 "Q" Skyway
Paradise, CA 95969
(530) 872-2992</p> <p>Patterson
17 Plaza Circle
Patterson, CA 95363
(209) 892-4098</p> <p>California Street
1845 California Street
Redding, CA 96001
(530) 245-5930</p> <p>Hilltop
1250 Hilltop Drive
Redding, CA 96003
(530) 223-3307</p> <p>Susanville
1605 Main Street
Susanville, CA 96130
(530) 257-4151</p> <p>Visalia
2914 W. Main Street
Visalia, CA 93291
(559) 741-2940</p> <p>Weed
303 Main Street
Weed, CA 96094
(530) 938-4401</p> <p>Willows
210 North Tehama Street
P.O. Box 1158
Willows, CA 95988
(530) 934-2191</p> <p>Yreka
165 S. Broadway
Yreka, CA 96097
(530) 842-2761</p> <p>Yuba City
1441 Colusa Avenue
Yuba City, CA 95993
(530) 671-5563</p> | <p>Esplanade In-Store
Inside Raley's
211 W. East Avenue
Chico, CA 95926
(530) 879-5830</p> <p>Blue Ravine In-Store
Inside Albertsons
1003 East Bidwell
Folsom, CA 95630
(916) 984-2270</p> <p>Grass Valley In-Store
Inside Albertsons
12054 Nevada City Hwy
Grass Valley, CA 95945
(530) 477-9740</p> <p>Red Bluff In-Store
Inside Raley's
727 South Main Street
Red Bluff, CA 96080
(530) 529-7080</p> <p>Hartnell Ave In-Store
Inside Raley's
110 Hartnell Avenue
Redding, CA 96002
(530) 224-3431</p> <p>Lake Blvd In-Store
Inside Raley's
201 Lake Boulevard
Redding, CA 96003
(530) 245-4651</p> <p>Douglas Blvd. In-Store
Inside Raley's
1915 Douglas Blvd.
Roseville, CA 95661
(916) 784-6661</p> <p>North Natomas In-Store
Inside Raley's
4650 Natomas Boulevard
Sacramento, CA 95835
(916) 419-4301</p> <p>Geer Road In-Store
Inside Raley's
2900 Geer Road
Turlock, CA 95382
(209) 668-1882</p> <p>Gibson Center In-Store
Inside Bel Air
1885 E. Gibson Rd.
Woodland, CA 95776
(530) 661-4701</p> <p>Yuba City In-Store
Inside Raley's
700 Onstott Road
Yuba City, CA 95991
(530) 751-8416</p> |
|---|---|--|

IN-STORE BRANCHES COMING IN 2005

- Brentwood In-Store
Inside Raley's
2400 Sand Creek Road
Brentwood, CA 94513
(925) 634-5500
- East Ave In-Store
Inside Albertsons
146 W. East Avenue
Chico, CA 95926
(530) 898-0380
- Sterling Point In-Store
Inside Raley's
765 South Hwy 65
Lincoln, CA 95648
(916) 408-5330
- East Bidwell In-Store
Inside Raley's
715 East Bidwell
Folsom, CA 95630
(916) 984-4244



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, 2004

Commission File Number 0-10661

TriCo Bancshares

(Exact name of Registrant as specified in its charter)

<u>California</u>	<u>94-2792841</u>
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
<u>63 Constitution Drive, Chico, California</u>	<u>95973</u>
(Address of principal executive offices)	(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 (1) has filed all reports required
of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter
period as Registrant was required to file such reports), and (2) has not been delinquent
in the filing of such reports during the preceding 90 days.

Indicate by check



TRI COUNTIES BANK

Your life improvement bank.



TRICO BANCSHARES
63 CONSTITUTION DRIVE
CHICO, CALIFORNIA 95973
(530) 898-0300
WWW.TCBK.COM