NARA BANCORP INC
Form S-4
April 14, 2011
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As filed with the Securities and Exchange Commission on April 14, 2011

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

NARA BANCORP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**6021**	**95-4170121**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(IRS Employer Identification Number)**

3731 Wilshire Boulevard, Suite 1000

Los Angeles, California 90010

(213) 639-1700

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Alvin D. Kang

President and Chief Executive Officer

Nara Bancorp, Inc.

3731 Wilshire Boulevard, Suite 1000

Los Angeles, California 90010

(213) 639-1700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

James R. Walther	**Lisa K. Pai**	**Hillel T. Cohn**
Mayer Brown LLP	**Executive Vice President and**	**Morrison & Foerster LLP**
350 South Grand Avenue, 25th Floor	**General Counsel**	**555 West Fifth Street, Suite 3500**
Los Angeles, California 90071	**Center Financial Corporation**	**Los Angeles, California 90013**
(213) 229-9500	**3435 Wilshire Blvd, Suite 700**	**(213) 892-5200**
	Los Angeles, California 90010	
	(213) 251-2222	

Approximate Date of Commencement of Proposed Sale to the Public: As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the Exchange Act). (Check one):

Large accelerated filer ¨	Accelerated filer x	Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross Border Third-Party Tender Offer) ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price per Share**	**Proposed Maximum Aggregate Offering Price**	**Amount of Registration Fee**
Common Stock, par value $0.001 per share	31,994,769 shares	N/A	$234,841,604(2)	$27,265(2)
Fixed Rate Cumulative Perpetual Preferred Stock, Series B, par value $0.001 per share	55,000 shares	N/A	$55,000,000(3)	$6,386(3)

(1) The maximum number of shares of Nara Bancorp, Inc. common stock estimated to be issuable upon the completion of the merger of Nara and Center Financial Corporation described herein, which number is calculated by multiplying (a) the number of shares of Center common stock outstanding and reserved for issuance as of March 31, 2011 by (b) the exchange ratio of 0.7804 of a share of Nara common stock to be issued in the merger for each share of Center common stock.

(2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act and computed pursuant to Rules 457(f)(1) and 457(c) of the Securities Act, based on a rate of $116.10 per $1,000,000 of the proposed maximum aggregate offering price. The proposed maximum aggregate offering price of the registrant s common stock was calculated based upon the market value of shares of Center common stock in accordance with Rule 457(c) under the Securities Act as follows: the product of (A) the average of the high and low prices per share of the common stock of Center as reported on the Nasdaq Global Select Market on April 11, 2011, and (B) the estimated maximum number of shares of Center common stock outstanding and reserved for issuance as of that date.

(3) Based on the book value of the shares of Center preferred stock for which the Nara Series B Preferred Stock will be exchanged, pursuant to Rule 457(f)(2).

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Information in this document is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY, SUBJECT TO COMPLETION, DATED APRIL 14, 2011

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

To Our Stockholders:

We are pleased to report that the boards of directors of Nara Bancorp, Inc. and Center Financial Corporation have approved an agreement to merge our two companies. Before we can complete the merger, we must obtain the approval of stockholders of Nara Bancorp and of Center Financial Corporation. We are sending you this document to ask for your vote to adopt and approve the merger agreement, including approval of the terms of the merger, at the respective annual stockholder meetings of Nara Bancorp and Center Financial Corporation, which will be held on [ ] [ ], 2011.

The proposed merger will create the largest and, we believe, strongest Korean-American bank in the United States. The combined company will have approximately $5.3 billion in assets, branches in major Korean-American communities across the United States, and a strong capital base to support further growth. We believe that the stockholders of both Nara Bancorp and of Center Financial Corporation will benefit from the increased earnings power of the combined company and our improved ability to generate profitable growth and higher returns going forward.

In the proposed merger, Center Financial Corporation will merge into Nara Bancorp, and Center Financial Corporation stockholders will receive 0.7804 of a share of Nara Bancorp common stock, subject to adjustment, for each share of Center Financial Corporation common stock they own. To reflect the combination of our two companies, we will adopt a name selected by the directors of both companies for our operations after the merger.

The exchange ratio in the merger will not be adjusted to reflect stock price changes between now and the closing. Based on the closing price of Nara Bancorp s common stock on December 8, 2010, the day prior to the public announcement of the merger, the exchange ratio represented a value of $7.16 per share of Center Financial Corporation common stock. The closing price of Center Financial Corporation s common stock on that date was $6.65. Using the closing price of Nara Bancorp s common stock on [ ] [ ], 2011 the exchange ratio represented a value of $[ ] per share.

You should obtain current market quotations for both Nara Bancorp and Center Financial Corporation common stock. Nara Bancorp common stock is listed on the Nasdaq Global Select Market under the symbol NARA. Center Financial Corporation common stock is listed on the Nasdaq Global Select Market under the symbol CLFC.

The merger is intended to be tax-free to Center Financial Corporation stockholders, other than with respect to any cash paid in lieu of issuing fractional shares of Nara Bancorp common stock to them.

At our respective annual meetings, in addition to the merger, we will ask our stockholders to elect directors and vote on the other proposals described in the respective annual meeting notices that follow this letter. The accompanying disclosure document describes the annual meetings, the merger and the related merger agreements, and includes other important information about the proposals that will be presented for action at the annual meetings. **Please read the entire document carefully.**

Your vote is very important. Whether or not you plan to attend your meeting, please take the time to submit your proxy in accordance with the voting instructions contained in this document. If you do not vote, it will have the same effect as voting against the merger.

Each of our boards of directors unanimously recommends that the stockholders of Nara Bancorp and Center Financial Corporation vote FOR the merger. We strongly support this combination and believe it to be in the best interests of the stockholders of both companies.

Ki Suh Park	**Jin Chul Jhung**
Chairman of the Board	**Chairman of the Board**
Nara Bancorp, Inc.	**Center Financial Corporation**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger, the issuance of the Nara Bancorp common stock in connection with the merger or the other transactions described in this joint proxy statement/ prospectus, or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

The securities to be issued in connection with the merger are not savings accounts, deposits or other obligations of any bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This joint proxy statement/prospectus is dated [ ] [ ], 2011 and is first being mailed to stockholders of Nara Bancorp and of Center Financial Corporation on or about [ ] [ ], 2011.

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NARA BANCORP, INC.

Notice of Annual Meeting of Stockholders

To Be Held [ ] [ ], 2011

To the Stockholders of Nara Bancorp, Inc.:

The annual meeting of stockholders of Nara Bancorp, Inc. will be held at [place], [address], Los Angeles, California on [day], [ ] [ ], 2011 at [time] Los Angeles time. At the annual meeting, you will be asked to consider and vote on the following matters:

1. Adoption and approval of the Agreement and Plan of Merger, dated December 9, 2010, providing for the merger of Center Financial Corporation with and into Nara Bancorp, Inc. as described in this document.

2. Election of directors of Nara Bancorp, Inc.

3. Ratification of the selection of Crowe Horwath LLP as our independent registered public accounting firm for the year ending December 31, 2011.

4. Approval, on an advisory and nonbinding basis, of the compensation paid to our named executive officers as described in this document.

5. Adjournment of the meeting if necessary or appropriate in the judgment of our board of directors to solicit additional proxies or votes in favor of the above proposals that are to be presented at the meeting.

6. Such other matters, if any, as may be properly presented for consideration and action at the annual meeting.

The Board of Directors recommends that you vote in favor of the merger, the nominees and the other proposals described in this document.

Only stockholders of record at the close of business on [ ] [ ], 2011 are entitled to notice of and to vote at the annual meeting.

Whether or not you plan to attend the annual meeting, please sign, date and return the enclosed proxy card in the postage paid envelope provided, or cast your vote by telephone or Internet by following the instructions on your proxy card, as soon as you can. The vote of every stockholder is important and we appreciate your cooperation in returning your executed proxy promptly.

Your proxy, or your telephone or Internet vote, is revocable and will not affect your right to vote in person if you attend the annual meeting. If your shares are registered in your name and you attend the meeting, you may simply revoke your previously submitted proxy and vote your shares at that time. If your shares are held by a broker or other nominee holder, and are not registered in your name, you will need additional documentation from your broker or other record holder to vote your shares personally at the meeting. Please indicate on the proxy card whether or not you expect to attend.

We appreciate your continuing support and look forward to seeing you at the annual meeting.

By Order of the Board of Directors

Juliet Stone

Secretary

DATED: [ ] [ ], 2011

Important Notice Regarding the Availability of Proxy Materials for the

2011 Annual Meeting of Stockholders

This document and Nara Bancorp s 2010 Annual Report to Stockholders are available electronically at

http://www.RRDEZProxy.com/2011/NaraBankEZProxy.

CENTER FINANCIAL CORPORATION

Notice of Annual Meeting of Stockholders

To Be Held [ ] [ ], 2011

To the Stockholders of Center Financial Corporation:

The annual meeting of stockholders of Center Financial Corporation will be held at [place], [address], Los Angeles, California on [day], [ ] [ ], 2011 at [time] Los Angeles time. At the annual meeting, you will be asked to consider and vote on the following matters:

1. Adoption and approval of the Agreement and Plan of Merger, dated December 9, 2010, providing for the merger of Center Financial Corporation with and into Nara Bancorp, Inc. as described in this document.

2. Election of directors of Center Financial Corporation.

3. Ratification of the selection of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2011.

4. Approval, on an advisory and nonbinding basis, of the compensation paid to our named executive officers as described in this document.

5. Adjournment of the meeting if necessary or appropriate in the judgment of our board of directors to solicit additional proxies or votes in favor of the above proposals that are to be presented at the meeting.

6. Such other matters, if any, as may be properly presented for consideration and action at the annual meeting.

The Board of Directors recommends that you vote in favor of the merger, the director nominees and each of the other proposals described in this document.

Only stockholders of record at the close of business on [ ] [ ], 2011 are entitled to notice of and to vote at the annual meeting.

Whether or not you plan to attend the annual meeting, please sign, date and return the enclosed proxy card in the postage paid envelope provided, or cast your vote by telephone or Internet by following the instructions on your proxy card, as soon as you can. The vote of every stockholder is important and we appreciate your cooperation in returning your executed proxy promptly.

Your proxy, or your telephone or Internet vote, is revocable and will not affect your right to vote in person if you attend the annual meeting. If your shares are registered in your name and you attend the meeting, you may simply revoke your previously submitted proxy and vote your shares at that time. If your shares are held by a broker or other nominee holder, and not registered in your name, you will need additional documentation from your broker or other record holder to vote your shares personally at the meeting. Please indicate on the proxy card whether or not you expect to attend.

We appreciate your continuing support and look forward to seeing you at the annual meeting.

By Order of the Board of Directors

Lisa Kim Pai

Secretary

DATED: [ ] [ ], 2011

Important Notice Regarding the Availability of Proxy Materials for the

2011 Annual Meeting of Stockholders

This document and Center Financial Corporation s 2010 Annual Report to Stockholders are available electronically at http://investor.centerbank.com.

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WHERE YOU CAN FIND MORE INFORMATION

This document incorporates important business and financial information about Nara and Center by reference to other documents that are not included in or delivered with this document. See Documents Incorporated by Reference on page [ ] for a description of these documents. You can obtain copies of the documents incorporated herein by reference through the Securities and Exchange Commission website at *http://www.sec.gov*. You can also obtain copies of these documents, without charge, by requesting them in writing, by e-mail or by telephone at the appropriate address below:

Nara Bancorp, Inc.	**Center Financial Corporation**
3731 Wilshire Boulevard, Suite 1000	3435 Wilshire Boulevard, Suite 700
Los Angeles, California 90010	Los Angeles, California 90010
Attention: Legal Department	Attention: Investor Relations Department
Telephone: (213) 639-1700	Telephone: (213) 251-2222
Email: cc-90-Legal@narabank.com	Email: angiey@centerbank.com

If you would like to request any documents, you should make your request by [ ] [ ], 2011 in order to receive them before the annual meetings.

We have not authorized anyone to give any information or make any representation about the merger or our companies that is different from, or in addition to, that contained in this document or in any of the materials that Nara or Center have incorporated into this document by reference. Neither the delivery of this document to stockholders nor any distribution of Nara stock in the merger or otherwise pursuant to this document shall, under any circumstances, create any implication that there has been no change in the information set forth or incorporated into this document by reference or in our affairs since the date of this document.

The information contained in this document with respect to Nara was provided solely by Nara and the information contained in this document with respect to Center was provided solely by Center.

This document does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this document, or the solicitation of a proxy, in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction.

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SUMMARY

This summary highlights selected information contained in this document. It may not contain all of the information that is important to you in deciding how to vote on the merger or the other matters that will be voted on at the Nara or Center annual meeting. You should carefully read this entire document and the other documents referred to in this document for a more complete understanding of the merger described herein and the other matters that will be considered and voted on at the annual meetings. In addition, we incorporate important business and financial information about Nara and Center by reference into this document. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page [ ] of this document.

Unless otherwise indicated in this document or the context otherwise requires: references to Nara are to Nara Bancorp, Inc., including its subsidiary, Nara Bank; references to Center are to Center Financial Corporation, including its subsidiary, Center Bank; and we, our or us refer t both Nara and Center.

THE MERGER

Center Will Merge With and Into Nara (see page [ ])

Subject to the terms and conditions of the merger agreement described in this document, and in accordance with Delaware and California law, Center will merge with and into Nara. Nara therefore will be the surviving corporation for legal purposes and its certificate of incorporation will be the certificate of incorporation of the combined company. The name of the combined company will be jointly selected by Nara and Center to reflect the combination of the businesses, boards of directors and management of the two companies. We refer in this document to Nara in its capacity as the legal surviving corporation as the combined company. Nara s bylaws, which will be amended to provide for agreed-upon corporate governance matters described under The Merger Amendments to Bylaws beginning on page [ ], will be the bylaws of the combined company.

Concurrently with the merger of Nara and Center, Nara s banking subsidiary, Nara Bank, will merge with and into Center s bank subsidiary, Center Bank. Center Bank therefore will be the surviving bank for legal purposes, but its name will be changed to reflect the combined company s name and the nationwide combination of the Nara and Center banking businesses.

In this document we sometimes refer to the merger of our bank subsidiaries as the bank merger and we refer to the merger of Nara and Center as the merger or the holding company merger.

Center Common Stockholders Will Receive 0.7804 of a Share of Nara Common Stock, Subject to Adjustment, for Each Share of Center Common Stock; Nara Stockholders Will Retain Their Shares (see page [ ])

The merger agreement provides that Center common stockholders will receive 0.7804 of a share of Nara common stock for each share of Center common stock they own, subject to adjustment only in certain limited circumstances. It is a condition to completion of the merger that the shares of Nara common stock issued in the merger shall be listed for trading on the Nasdaq Global Select Market, which is the stock exchange on which both Nara s common stock and Center s common stock are currently listed for trading.

Upon completion of the merger, current Nara stockholders and current Center stockholders will own 55% and 45%, respectively, of the combined company, not including the shares of Nara common stock issued in a common stock offering Nara expects to make prior to the merger for the benefit of the combined company. Shares issued in the anticipated offering will reduce the percentage ownership interests of the respective stockholders proportionately.

Assuming the number of shares of Center common stock outstanding at the time of the merger equaled the number of shares outstanding on December 8, 2010 and that the value of Nara common stock at the time of the merger equaled $9.17 per share, the closing price as of December 8, 2010, the aggregate purchase price for those Center shares would be $285.7 million. As noted below, however, the total value of the Nara common stock issued to Center stockholders upon completion of the merger will fluctuate based on the share price of the Nara common stock and the number of shares of Center common stock and options outstanding on the date of the merger.

Merger Exchange Ratio Will Not Be Adjusted in Response to Changes in Our Stock Prices (see page [ ])

The exchange ratio in the merger agreement will not change to reflect changes in the market prices of Nara or Center common stock, although the exchange ratio may change to reflect certain changes in the respective numbers of shares of Nara or Center stock outstanding or subject to outstanding options, warrants or other purchase rights issued after the date of the merger agreement. In addition, neither Nara nor Center has the right to terminate the merger agreement in response to changes in either company s stock price. **Accordingly, the market value of the Nara common stock that Center stockholders receive in the merger may vary significantly from its current value.**

The table below shows the closing prices of Nara and Center common stock, which trade on the Nasdaq Global Select Market under the symbols NARA and CLFC, respectively, and the pro forma equivalent per share value of Center common stock at the close of the regular trading session on December 8, 2010, the last trading day before our public announcement of the merger, and [ ] [ ], 2011, the most recent trading day for which that information was available prior to the mailing of this document.

Closing Prices Per Share of Nara and Center Common Stock

Date	Nara Closing Price	Center Closing Price	Center Pro Forma Equivalent Value Per Share(1)
December 8, 2010	$ 9.17	$ 6.65	$ 7.16
[ ] [ ], 2011			

(1) The pro forma equivalent value per share of Center common stock is calculated by multiplying the Nara closing price by the exchange ratio of 0.7804.

During the period between December 8, 2010 and [ ] [ ], 2011, the Center pro forma equivalent value per share has ranged from a low of $[ ] to a high of $[ ] per share.

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The following table sets forth, for the periods indicated, the high and low sale prices per share of Nara common stock and Center common stock as reported by the Nasdaq Global Select Market. You may obtain current market quotations for the shares of both companies from a newspaper, the Internet or your stock broker.

High and Low Closing Prices Per Share of Nara and Center Common Stock

	Nara Common Stock		Center Common Stock	
Calendar Quarter	**High**	**Low**	**High**	**Low**
2009				
First Quarter	$ 9.95	$ 2.05	$ 6.71	$ 2.22
Second Quarter	5.50	2.80	3.75	2.51
Third Quarter	9.16	4.49	4.98	2.15
Fourth Quarter	12.23	6.21	5.55	3.71
2010				
First Quarter	11.78	8.33	5.47	4.55
Second Quarter	10.24	7.34	7.20	4.81
Third Quarter	8.43	5.96	5.59	4.45
Fourth Quarter	9.86	6.98	7.88	4.71
2011				
First Quarter	10.48	9.18	7.99	7.10
Second Quarter (through [ ] [ ], 2011)				

Merger Generally Tax-Free to Stockholders (see page [ ])

The merger has been structured to qualify as a reorganization for federal income tax purposes, and it is a condition to our respective obligations to complete the merger that Nara and Center each receive a legal opinion from its legal counsel to the effect that the merger will so qualify. If the merger qualifies as a reorganization for federal income tax purposes, holders of Center common stock generally will not recognize any gain or loss for federal income tax purposes on the exchange of their Center common stock for Nara common stock in the merger, except for any gain or loss that may result from their receipt of cash in lieu of fractional shares of Nara common stock otherwise issuable to them. Holders of Nara stock, who will retain their Nara stock without change, will also not recognize any gain or loss for federal income tax purposes.

The discussion of federal income tax effects of the merger included in this document is only a general summary. The federal income tax consequences of the merger to you will depend upon your own situation. In addition, you may be subject to state, local or foreign tax laws, none of which is discussed in this document. You should therefore consult with your own tax advisor for a complete understanding of the tax consequences of the merger to you.

Our Boards of Directors Recommend that Nara Stockholders and Center Stockholders Approve the Merger (see pages [ ] and [ ])

Nara Stockholders. The Nara board of directors has determined that the merger agreement is advisable and in the best interests of Nara and its stockholders and unanimously recommends that Nara stockholders vote FOR adoption and approval of the merger agreement.

Center Stockholders. The Center board of directors has determined that the merger agreement is advisable and in the best interests of Center and its stockholders and unanimously recommends that Center stockholders vote FOR adoption and approval of the merger agreement.

Factors Considered by Our Boards of Directors. In determining whether to approve the merger, our boards of directors each consulted with our respective senior managements and legal and financial advisors and considered the respective strategic, financial and other considerations referred to under The Merger Nara s Reasons for the Merger; Recommendation of the Merger by the Nara Board of Directors beginning on page [ ] and The Merger Center s Reasons for the Merger; Recommendation of the Merger by the Center Board of Directors beginning on page [ ].

We Have Received Opinions From Our Financial Advisors that the Merger Exchange Ratio is Fair (see page [ ])

Opinion of Nara s Financial Advisor. In connection with the Nara board of directors consideration of the merger agreement, Nara s financial advisor, Keefe, Bruyette & Woods, Inc., or KBW, provided its opinion to the Nara board dated as of December 9, 2010 that, as of that date, and subject to and based on the qualifications and assumptions set forth in its opinion, the exchange ratio stated in the merger agreement was fair to Nara from a financial point of view. The full text of KBW s opinion is attached as Annex B to this document. Nara stockholders should read that opinion and the description of KBW s opinion contained in this document in their entirety. The opinion of KBW does not reflect any developments that may have occurred or may occur after the date of its opinion and prior to the completion of the merger. Nara does not expect that it will request an updated opinion from KBW.

Nara has agreed to pay a total fee of $1.5 million to KBW in consideration of its services as financial advisor. Nara paid $250,000 to KBW upon signing of the merger agreement in December 2010 and will pay $1,250,000 to KBW upon completion of the merger.

Opinion of Center s Financial Advisor. In connection with the Center board of directors consideration of the merger agreement, Center s financial advisor, D.A. Davidson & Co., or DADCo, provided its opinion to the Center board of directors dated as of December 8, 2010 that, based upon, and subject to the considerations set forth in the opinion based upon such other matters as DADCo considered relevant, the exchange ratio was fair, from a financial point of view to the stockholders of Center as of the date of the opinion. The full text of DADCo s opinion is attached as Annex C to this document. Center stockholders should read that opinion and the description of DADCo s opinion contained in this document in their entirety. The opinion of DADCo will not reflect any developments that may have occurred or may occur after the date of its opinion and prior to the completion of the merger. Center does not expect that it will request an updated opinion from DADCo.

Center has agreed to pay a total fee of $1.5 million to DADCo in consideration of its services as financial advisor. Center paid $250,000 to DADCo upon signing of the merger agreement in December 2010 and will pay $1,250,000 to DADCo upon completion of the merger.

Center Stockholders Will Have Dissenters Appraisal Rights Only Under Certain Circumstances (see page [ ])

Under California law, which is the law under which Center is incorporated, the common stockholders of Center will not be entitled to dissenters appraisal rights in connection with the merger unless Center stockholders who submit a written demand for appraisal of their shares hold, in the aggregate, shares constituting 5% or more of the outstanding shares of Center common stock. Notwithstanding the foregoing, the holders of any Center shares that are subject to a restriction on transfer imposed by Center or by any law or regulation and the holder of Center s Series A Preferred Stock will have dissenters rights of appraisal, irrespective of the percentage of holders that dissent from the merger. Stockholders who exercise their dissenters appraisal rights by complying with the applicable statutory procedures required by California law will be entitled to receive payment in cash for the fair value of their shares as determined in a judicial proceeding. A condition to Nara s obligation to complete the merger is that the holders of less than 6% of Center s outstanding common stock give notice of the exercise of dissenters rights.

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Nara stockholders will not be entitled to exercise dissenters appraisal rights under Delaware law, which is the law under which Nara is incorporated.

Interests of Our Directors and Executive Officers in the Merger (see page [ ])

Directors and executive officers of Nara and Center have interests in the merger that are different from, or are in addition to, the interests of the stockholders of Nara and Center. These interests include:

- the agreed-upon appointments of directors and members of senior management of Nara and Center to board positions and senior management positions at the combined company after the merger that are described in this document; and

- rights of Center executive officers and directors to continued indemnification and liability insurance coverage by Nara after the merger for acts or omissions occurring prior to the merger.

Certain of the directors of Nara and Center will receive compensation in the form of cash payments or grants of shares of restricted stock as compensation for their work in negotiating the terms of the merger and in preparations for and implementation of the integration of Nara and Center upon completion of the merger. These compensation arrangements were first proposed after the merger agreement had been entered into and were not contemplated or discussed in the negotiation of the merger agreement.

Treatment of Center TARP Preferred Stock and Warrant in the Merger (see page [ ])

The merger agreement provides that Center s Fixed Rate Cumulative Perpetual Preferred Stock, Series A, which Center issued to the United States Treasury Department pursuant to the Troubled Asset Relief Program, or TARP, will be converted into Nara Fixed Rate Cumulative Perpetual Preferred Stock, Series B, which will be a new series of preferred stock that will be designated by Nara prior to the completion of the merger and will have substantially the same rights, preferences, privileges and voting powers as Center s Series A Preferred Stock. The warrant to purchase Center common stock which Center issued to the Treasury Department in connection with Center s sale of its Series A Preferred Stock to the Treasury Department, and which currently covers 432,390 shares of Center common stock, will automatically convert in accordance with its terms upon completion of the merger into a warrant to purchase Nara common stock on the same terms, subject to appropriate adjustments to reflect the exchange ratio. As a result of such adjustment and assuming an exchange ratio of 0.7804, the warrant will, upon completion of the merger, entitle the holder of the warrant to purchase 337,437 shares of Nara common stock at a price of $12.22 per share.

Treatment of Stock Options and Other Equity-Based Awards (see page [ ])

Nara will assume all employee stock options and other equity-based awards under Center s equity-based compensation plans, in accordance with their terms, upon completion of the merger. As of April 1, 2011, stock options for the purchase of a total of 583,344 shares of Center common stock and 73,662 shares of Center common stock subject to certain restrictions on transfer and possible forfeiture for specified vesting periods were outstanding under Center s equity-based compensation plans. The merger will not affect the terms of any stock options or performance units of Nara issued under Nara s equity-based compensation plans.

Directors and Management Following the Merger; Bylaw Amendment (see page [ ])

Following the merger, the board of directors of the combined company will have 14 members, seven of whom will be designated by Nara from its board of directors prior to the completion of the merger and seven of whom will be designated by Center from its board of directors prior to the completion of the merger. Ki Suh Park, the current Chairman of the Board of Nara, will become Chairman of the Board of the combined company. Chang Hwi Kim, a current director of Center, will become Vice Chairman of the Board of the combined company. Kevin S. Kim, a current director of Center, will become Chairman of the Board of the combined company s bank subsidiary resulting from the bank merger and Scott Whang, a current director of Nara, will become Vice Chairman of the Board of the combined bank.

Following the merger, Alvin Kang, the current Chief Executive Officer of Nara, will be the Chief Executive Officer of the combined company. In addition, the parties have agreed that various members of senior management from each company will serve in senior management positions of the combined company following the merger, as further described in The Merger Board of Directors and Management After the Merger beginning on page [ ].

Nara and Center have also agreed to follow certain corporate governance procedures during an integration period of one to two years (as determined by the board of directors of the combined company) after the merger, including the establishment of a consolidation committee of the combined company s board of directors, special board voting requirements for certain decisions, the composition of committees of the board of directors of the combined company and procedures for filling director vacancies. These procedures will be set forth in an amendment to Nara s bylaws that will become effective as of the completion of the merger. The adoption of the bylaw amendment by Nara is a condition to Nara s and Center s respective obligations to complete the merger. The form of the bylaw amendments is set forth in an exhibit to the merger agreement and is attached as Annex E to this document.

Regulatory Approvals We Must Obtain for the Merger (see page [ ])

To complete the merger and the bank merger, we must obtain the approval of the California Department of Financial Institutions, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System. We have had initial discussions with each of these regulatory authorities and expect to file applications with each of them in the near future.

Expected Timing of the Merger

We expect to complete the merger by mid- to late 2011 after we have received stockholder and regulatory approvals for the merger. The merger agreement provides that it may be terminated by either Nara or Center if the merger has not been consummated by July 31, 2011, but that this date may be extended by either company to not later than November 30, 2011 if the only condition to the completion of the merger that has not been satisfied as of July 31, 2011 is receipt of any required regulatory approval and the satisfaction of that condition remains reasonably possible. The merger agreement may also be extended by the mutual agreement of Nara and Center.

Conditions to Completion of the Merger (see page [ ])

We may not complete the merger unless the following conditions are satisfied or, where legally permitted, waived:

- the merger agreement must be adopted and approved by the common stockholders of Nara and by the outstanding shares of each class of stock of Center;

- the Nara common stock to be issued in connection with the merger must be approved for listing on the Nasdaq Global Select Market;

- we must obtain all necessary regulatory approvals of the merger and the bank merger from governmental authorities, and none of the approvals may contain a condition or restriction that would have a material adverse effect on the combined company after the merger;

- the Federal Deposit Insurance Corporation must have consented to the transfer, as a result of the merger, of loss-sharing agreements it entered into in connection with Center s purchase and assumption of assets and liabilities of Innovative Bank, a California state chartered bank placed in receivership in April 2010;

- the registration statement of which this document is a part must have been declared effective by the Securities and Exchange Commission and not be subject to a stop order or proceedings seeking a stop order;

- no restraining order, injunction or other legal restraint or prohibition to completion of the merger may be in effect and no action by a government entity with respect to such an injunction may be pending;

- our respective representations and warranties in the merger agreement must be true and correct, subject to exceptions that would not have a material adverse effect on Nara or Center, as the case may be, or on the combined company following the completion of the merger;

- we must each be in compliance in all material respects with our respective covenants in the merger agreement;

- we must each receive an opinion of our respective tax counsel that the merger will be treated as a tax-free reorganization;

- Nara s bylaws must have been amended to provide for the agreed-upon structure of the board of directors and other corporate governance arrangements after the merger, as specified in the merger agreement;

- a material adverse effect (as defined in the merger agreement) shall not have been suffered by Nara or Center; and

- the holders of less than 6% of the outstanding shares of Center common stock shall have exercised, or continue to have the right to exercise, dissenters appraisal rights.

Termination of the Merger Agreement; Fees Payable (see page [ ])

We may jointly agree to terminate the merger agreement at any time, whether before or after stockholder adoption and approval of the merger agreement. Either of us may also terminate the merger agreement, whether before or after adoption and approval of the merger agreement, if:

- a governmental authority that must grant a material regulatory approval of the merger denies such approval or a governmental authority permanently restrains or prohibits the merger, and in either case that denial or action is final and nonappealable, except that this termination right is not available to a party whose failure to comply with the merger agreement resulted in those actions by a governmental authority;

- the merger is not completed on or before July 31, 2011, which date may be extended by either Nara or Center to November 30, 2011 (which date may be further extended by the mutual agreement of both parties) if the only condition to the completion of the merger that has not been satisfied as of July 31, 2011 is receipt of any required regulatory approval and the satisfaction of that condition remains reasonably possible, except that this termination right is not available to a party whose failure to comply with the merger agreement resulted in the failure to complete the merger by that date;

- the other party s board of directors fails to recommend, or adversely changes its recommendation to vote in favor of the merger or takes any other action inconsistent with such recommendation, or the other party breaches its obligation to hold its stockholders meeting to vote on adoption and approval of the merger agreement or fails to comply with its agreement not to solicit other acquisition proposals;

the other party is in breach of its representations, warranties, covenants or agreements set forth in the merger agreement and the breach would excuse the terminating party s obligation to complete the merger if the breach continued to exist on the closing date and the breach is either not curable or is not cured within 60 days after notice of the breach is delivered by the other party;

the stockholders of either party do not approve the merger at their respective meetings; or

the other party has suffered a material adverse effect since the date of the merger agreement.

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In addition, Nara may terminate the merger agreement if the holders of 6% or more of Center s outstanding common stock shall have exercised appraisal, dissenters or similar rights.

The merger agreement provides that in circumstances described more fully beginning on page [ ] involving a change in recommendation in favor of the merger agreement or failure to hold a stockholders meeting to vote on the merger or a third party acquisition proposal, either of us may be required to pay a termination fee to the other of up to $10 million. The termination fees could discourage other companies from seeking to acquire or merge with either Nara or Center prior to completion of the merger.

THE ANNUAL MEETINGS

Nara Annual Meeting (see page [ ])

The Nara annual meeting will be held at [place], [address], Los Angeles, on [ ] [ ], 2011, starting at [time] Los Angeles time. At the Nara annual meeting, Nara s common stockholders will be asked to vote on the following matters:

- adoption and approval of the merger agreement;
- election of directors;
- ratification of the appointment of Crowe Horwath LLP as Nara s independent registered public accounting firm for 2011;
- approval, on an advisory and nonbinding basis, of specified executive compensation;
- adjournment of the meeting, if necessary or appropriate to solicit additional proxies or votes in favor of the matters to be presented at the annual meeting; and
- any other matters that may be properly presented at the meeting.

You may vote at the Nara annual meeting if you owned shares of Nara common stock at the close of business on [ ] [ ], 2011. On that date [ ] shares of Nara common stock were outstanding, [ ]% of which were owned and entitled to be voted by Nara directors and executive officers and their affiliates. We currently expect that Nara s directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreement obligating them to do so.

The affirmative vote of a majority of the shares of Nara common stock outstanding on the record date will be required to adopt and approve the merger agreement. See Nara Annual Meeting beginning on page [ ] for information regarding voting at the Nara annual meeting and the percentages of votes that will be required for approval of the other proposals that will be presented at the meeting.

Center Annual Meeting (see page [ ])

The Center annual meeting will be held at the [place], [address], Los Angeles, on [ ] [ ], 2011, starting at [time] Los Angeles time. At the Center annual meeting, Center s stockholders will be asked to vote on the following matters:

- adoption and approval of the merger agreement;

election of directors;

ratification of the appointment of KPMG LLP as Center s independent registered public accounting firm for 2011;

approval, on an advisory and nonbinding basis, of specified executive compensation;

adjournment of the meeting, if necessary or appropriate to solicit additional proxies or votes in favor of the matters to be presented at the annual meeting; and

any other matters that may be properly presented at the meeting.

You may vote at the Center annual meeting if you owned shares of Center common stock or Center preferred stock at the close of business on [ ] [ ], 2011. On that date [ ] shares of Center common stock were outstanding, [ ]% of which were owned and entitled to be voted by Center directors and executive officers and their affiliates. We currently expect that Center s directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreement obligating them to do so. On [ ] [ ], 2011, 55,000 shares of Center preferred stock were outstanding, all of which were issued to the United States Treasury Department in December 2008 as part of Center s participation in the Treasury Department s Capital Purchase Program under the TARP.

The affirmative vote of a majority of the shares of Center common stock outstanding on the record date and the affirmative vote of a majority of the shares of Center preferred stock outstanding on the record date will be required to adopt and approve the merger agreement. See Center Annual Meeting beginning on page [ ] for information regarding voting at the Center annual meeting and the percentages of votes that will be required to approve the proposals that will be presented at the meeting.

INFORMATION ABOUT NARA AND CENTER

Nara Bancorp, Inc.

3731 Wilshire Boulevard,

Suite 1000

Los Angeles, California 90010

(213) 639-1700

Nara is a bank holding company headquartered in Los Angeles, California. Its principal subsidiary, Nara Bank, is a California state chartered and FDIC-insured bank that offers commercial banking loan and deposit products, focusing primarily on small and medium sized businesses and on individuals in Korean-American markets in California, the New York City metropolitan area and New Jersey. Nara Bank is a member bank of the Federal Reserve System having a network of 23 branch offices, of which 16 are located in the Los Angeles, Orange County, Oakland and Silicon Valley (Santa Clara County) areas of California and 7 are located in the New York metropolitan area and New Jersey, together with one loan production office located in Dallas, Texas. At December 31, 2010, Nara had consolidated assets of $2.96 billion, total loans of $2.15 billion, total deposits of $2.18 billion and total stockholders equity of $358.6 million. Nara s principal executive offices are located 3731 Wilshire Boulevard, Suite 1000, Los Angeles, 90010, and its telephone number is (213) 639-1700.

Center Financial Corporation

3435 Wilshire Boulevard,

Suite 700

Los Angeles, California 90010

(213) 251-2222

Center is a bank holding company headquartered in Los Angeles, California. Its principal subsidiary, Center Bank, is a California state chartered and FDIC-insured financial institution that offers commercial banking loan and deposit products, focusing primarily on small to medium sized businesses and individuals located in the Korean-American markets in California and in Chicago, Illinois and Seattle, Washington. Center Bank currently

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operates a network of 22 branch offices, 16 of which are located in Southern California. Center Bank also operates three branch offices in Northern California, which it acquired through an FDIC-assisted acquisition in April 2010, and two branch offices and a loan production office in Seattle, Washington, a branch office in Chicago, Illinois and a loan production office in Denver, Colorado. At December 31, 2010, Center had consolidated assets of $2.27 billion, total loans of $1.59 billion, total deposits of $1.77 billion and total stockholders equity of $274.0 million. Center s principal executive offices are located at 3435 Wilshire Boulevard, Suite 700, Los Angeles, California 90010 and its telephone number is (213) 251-2222.

SELECTED HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The following financial information is intended to aid you in understanding the financial aspects of the merger. The following tables present selected historical financial information of Nara, selected historical financial information of Center and selected unaudited pro forma combined condensed consolidated financial information reflecting the merger. The historical financial information shows the actual financial condition and results of operations of Nara and Center for the years indicated. As more completely described below, the pro forma unaudited combined condensed consolidated financial information is intended to illustrate certain financial effects of the proposed merger and does not indicate or reflect the actual financial condition or results of operations of Nara, Center or the combined company as of any date or for any period.

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Selected Historical Financial Information of Nara

The selected historical financial information of Nara has been derived from and should be read in conjunction with the historical consolidated financial statements and related notes of Nara filed by it with the Securities and Exchange Commission. See Documents Incorporated by Reference beginning on page [ ].

Selected Historical Financial Information of Nara

	Year Ended December 31,				
	2010	2009	2008	2007	2006
	(in thousands, except per share and ratio data)				
Income Statement Information					
Net interest income	$ 108,384	$ 92,346	$ 96,221	$ 97,205	$ 94,615
Provision for loan losses	84,630	61,023	48,825	7,530	3,754
Income (loss) before income tax expense (benefit)	(15,139)	(11,922)	4,380	55,798	56,203
Net income (loss)	(7,239)	(5,723)	2,755	33,199	33,806
Net income (loss) available to common stockholders	(11,530)	(9,999)	2,281	33,199	33,806
Performance Ratios					
Return on average assets	(0.24)%	(0.19)%	0.11%	1.50%	1.75%
Return on average equity	(1.99)%	(1.88)%	1.15%	16.21%	20.34%
Average stockholders equity to average assets	12.11%	10.03%	9.38%	9.24%	8.59%
Efficiency ratio	47.70%	55.69%	51.73%	47.13%	47.35%
Per Common Share Information					
Earnings (loss) Basic	$ (0.30)	$ (0.35)	$ 0.09	$ 1.27	$ 1.31
Earnings (loss) Diluted	(0.30)	(0.35)	0.09	1.25	1.28
Net interest spread	3.34%	2.64%	3.22%	3.41%	3.96%
Net interest margin	3.75%	3.15%	3.96%	4.60%	5.14%
Book value (period end, excluding preferred stock and warrants)	$ 7.69	$ 7.99	$ 8.49	$ 8.48	$ 7.15
Tangible book value (period end) (1)	7.61	7.90	8.33	8.31	6.95
Cash dividends per common share	0	0	0.11	0.11	0.11
Number of common shares outstanding (period end)(2)	37,983,027	37,824,007	26,246,560	26,193,560	26,107,560
Balance Sheet Information (period end)					
Gross loans, net of deferred loan fees(3)	$ 2,134,061	$ 2,208,943	$ 2,098,443	$ 2,008,729	$ 1,714,865
Total assets	2,963,296	3,227,957	2,672,054	2,423,410	2,046,985
Deposits	2,176,114	2,434,190	1,938,603	1,833,346	1,712,235
Long-term debt(4)	39,268	39,268	39,268	39,268	39,268
Common stockholders equity	291,977	302,329	222,851	222,180	186,627
Capital Ratios(5)					
Tier 1 risk-based	16.42%	16.73%	14.32%	11.84%	12.17%
Total risk-based	17.69%	17.99%	15.58%	12.78%	13.22%
Leverage	12.61%	12.36%	12.61%	10.77%	11.19%
Market Capitalization	$ 374,512,646	$ 428,924,239	$ 258,003,685	$ 305,680,152	$ 546,172,498
Market Price Per Share of Common Stock(6)					
High	$ 11.78	$ 12.23	$ 14.92	$ 21.19	$ 21.40
Low	5.96	2.05	7.38	10.86	15.55

(1) Tangible book value is a non-GAAP financial measure that represents common equity less goodwill and other intangible assets, net, divided by the total number of common shares outstanding.

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(2) The increase in the number of common shares outstanding at the end of 2009 compared to the prior year is attributable to a public offering of shares of common stock that took place in 2009.
(3) Excludes loans held for sale.
(4) Includes junior subordinated deferrable interest debentures held by trusts that issued guaranteed preferred beneficial interests.
(5) For Nara on a consolidated basis.
(6) Closing prices. Nara s common stock is listed and traded on the Nasdaq Global Select Market.

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Selected Historical Financial Information of Center

The selected historical financial information of Center has been derived from and should be read in conjunction with the historical consolidated financial statements and related notes of Center filed by it with the Securities and Exchange Commission. See Documents Incorporated by Reference beginning on page [ ].

Selected Historical Financial Information of Center

	Year Ended December 31,				
	2010	2009	2008	2007	2006
	(in thousands, except per share and ratio data)				
Income Statement Information					
Net interest income	$ 67,938	$ 61,227	$ 74,600	$ 76,255	$ 71,410
Provision for loan losses	22,010	77,472	26,178	6,494	5,666
Income (loss) before income tax expense (benefit)	23,999	(48,336)	(1,427)	35,589	42,643
Net income (loss)	22,683(1)	(42,502)	220	21,943	26,158
Net income (loss) available to common stockholders	(9,313)(2)	(45,456)	65	21,943	26,158
Performance Ratios					
Return on average assets	1.01%	(1.96)%	0.01%	1.14%	1.53%
Return on average equity	8.57%	(20.29)%	0.13%	14.33%	20.66%
Average stockholders equity to average assets	11.76%	9.66%	8.05%	7.93%	7.40%
Efficiency ratio	51.07%	61.26%	69.09%	53.13%	48.41%
Per Common Share Information					
Earnings (loss) Basic	$ (0.26)(2)	$ (2.66)	$ 0.00	$ 1.32	$ 1.58
Earnings (loss) Diluted	(0.26)	(2.66)	0.00	1.31	1.57
Net interest spread	2.92%	2.51%	3.01%	3.06%	3.36%
Net interest margin	3.33%	3.03%	3.80%	4.23%	4.53%
Book value (period end, excluding preferred stock and warrants)	$ 5.50	$ 6.54	$ 9.50	$ 9.62	$ 8.46
Tangible book value (period end)(3)	5.49	6.54	9.42	9.53	8.37
Cash dividends per common share	0	0	0.20	0.19	0.16
Number of common shares outstanding (period end)(4)	39,914,686	20,160,726	16,789,080	16,366,791	16,632,601
Balance Sheet Information (period end)					
Gross loans, net of deferred loan fees(5)	$ 1,583,976	$ 1,514,367	$ 1,707,648	$ 1,768,620	$ 1,536,078
Total assets	2,270,279	2,192,800	2,056,609	2,080,663	1,843,312
Deposits	1,770,994	1,747,671	1,603,519	1,577,674	1,429,399
Long-term debt(6)	18,557	18,557	18,557	18,557	18,557
Common stockholders equity	219,579	131,862	159,557	157,453	140,734
Capital Ratios(7)					
Tier 1 risk-based	17.60%	16.50%	12.58%	9.31%	9.45%
Total risk-based	18.87%	17.77%	13.84%	10.42%	10.54%
Leverage	12.74%	12.40%	11.28%	8.49%	8.62%
Market Capitalization	$ 302,553,320	$ 92,739,340	$ 103,588,624	$ 201,638,865	$ 398,683,446
Market Price Per Share of Common Stock(8)					
High	$ 7.88	$ 6.71	$ 14.84	$ 24.15	$ 24.47
Low	4.45	2.15	5.42	11.29	23.45

(1) Based on its consideration of a number of factors, Center reduced the reserve against its deferred tax assets by $6.0 million, resulting in an income tax provision for the year of $1,316.

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(2) Net income (loss) available to common stockholders was reduced by preferred stock dividends and accretion of preferred stock discount, which included the effect of the beneficial conversion feature of Center s Series B Preferred Stock. On the effective date of the conversion of the Series B Preferred Stock, the unamortized discount due to the beneficial conversion feature, in the amount of $29.0 million, was immediately recognized as a dividend.

(3) Tangible book value is a non-GAAP financial measure that represents common equity less goodwill and other intangible assets, net, divided by the total number of common shares outstanding.

(4) The increase in the number of common shares outstanding at the end of 2010 compared to the prior year is attributable to the conversion of Center s Series B Preferred Stock issued in 2009 into shares of common stock in 2010.

(5) Excludes loans held for sale.

(6) Includes junior subordinated deferrable interest debentures held by consolidated trusts that issued guaranteed preferred beneficial interests.

(7) For Center on a consolidated basis.

(8) Closing prices. Center s common stock is listed and traded on the Nasdaq Global Select Market.

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Selected Unaudited Pro Forma Combined Condensed Consolidated Financial Information of Nara and Center

The following table provides pro forma information about our financial condition and results of operations, including per share data, after giving effect to the merger. The information under Pro Forma Combined Balance Sheet Information at Period End in the table below assumes the merger was completed on December 31, 2010. The information under Pro Forma Combined Income Statement Information in the table below gives effect to the merger as if the merger had been completed on January 1, 2010. This pro forma financial information further assumes that the merger is accounted for using the acquisition method of accounting, with Nara being considered the acquirer, and reflects a current estimate of the financial information based on available financial information of Nara and Center. See The Merger Accounting Treatment on page [ ].

The pro forma financial information includes adjustments to record the assets and liabilities of Center at their estimated fair values and is subject to further adjustment as of the date the merger is completed and as additional information becomes available and additional analyses are performed. The pro forma financial information is presented for illustrative purposes only and does not indicate the financial results the combined company would have realized had the impact of possible revenue enhancements, expense efficiencies, transaction related expenses and asset dispositions, among other factors, been considered.

The information presented below should be read together with the historical consolidated financial statements of Nara and Center, including the related notes, filed by each of them with the Securities and Exchange Commission and together with the consolidated historical financial information for Nara and Center and the other pro forma financial information, including the related notes, appearing elsewhere in this document. See Documents Incorporated by Reference beginning on page [ ] and Unaudited Pro Forma Combined Condensed Consolidated Financial Statements beginning on page [ ]. The pro forma financial information is not necessarily indicative of results that actually would have occurred had the merger been completed on the dates indicated or that may be obtained in the future.

Selected Unaudited Pro Forma Combined Condensed Consolidated

Financial Information of Nara and Center

	As of or for the Year Ended December 31, 2010 (in thousands)
Pro Forma Combined Income Statement Information:	
Net interest income	$ 196,968
Provision for loan losses	106,640
Income before income tax expense	30,653
Net income	$ 28,051
Pro Forma Combined Balance Sheet Information at Period End:	
Loans, net	$ 3,558,621
Total assets	5,309,739
Deposits	3,952,428
Long-term debt(1)	53,720
Common stockholders equity	$ 578,485(2)

(1) Includes junior subordinated deferrable interest debentures held by consolidated trusts that issued guaranteed preferred beneficial interests.
(2) Nara and Center s preferred stock and common stock warrants have been excluded.

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COMPARATIVE UNAUDITED PER SHARE DATA

We present below for Nara and Center historical, unaudited pro forma combined condensed consolidated and pro forma equivalent per share financial information as of and for the year ended December 31, 2010. You should read the information below together with the financial statements and related notes of Nara and Center that are incorporated by reference into this document and with the pro forma financial information included under Unaudited Pro Forma Combined Condensed Consolidated Financial Statements beginning on page [ ].

Comparative Unaudited Per Share Information

	As of or for the Year Ended December 31, 2010
NARA COMMON STOCK	
Income per common share:	
Basic:	
Historical	$ (0.30)
Pro Forma Combined	$ (0.12)
Diluted:	
Historical	$ (0.30)
Pro Forma Combined	$ (0.12)
Cash Dividends Per Common Share	
Historical	$ 0.00
Pro Forma Combined(1)	$ 0.00
Book Value Per Share	
Historical	$ 7.69
Pro Forma Combined(1)	$ 8.37
CENTER COMMON STOCK	
Income per common share	
Basic	
Historical	$ (0.26)
Pro Forma Equivalent(2)	$ (0.09)
Diluted:	
Historical	$ (0.26)
Pro Forma Equivalent(2)	$ (0.09)
Cash Dividends Per Common Share	
Historical	$ 0.00
Pro Forma Equivalent(2)	$ 0.00
Book Value Per Share	
Historical	$ 5.50
Pro Forma Equivalent(2)	$ 6.53

(1) The Nara pro forma combined book value was calculated by dividing total combined pro forma equity, excluding Nara and Center preferred stock, by pro forma equivalent shares outstanding as of December 31, 2010.

(2) The Center pro forma equivalent per share amounts are calculated by multiplying the Nara pro forma combined per common share amounts by the merger exchange ratio of 0.7804.

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RISK FACTORS

In addition to the other information contained in or incorporated by reference into this document, you should carefully consider the following risks relating to the merger in deciding whether to vote for adoption and approval of the merger agreement. You should also consider the risks relating to the respective businesses of Nara and Center contained in the Annual Reports on Form 10-K for the year ended December 31, 2010 which each has filed with the Securities and Exchange Commission, as well as any subsequent documents filed by either of them with the Securities and Exchange Commission, that are incorporated into this document by reference. See Where You Can Find More Information on page [ ].

Because the market price of Nara and Center common stock will fluctuate and the exchange ratio will not adjust for such changes, you cannot be sure of the market value of the Nara common stock that Center stockholders will receive in the merger.

Upon completion of the merger, each outstanding share of Center common stock will be converted into 0.7804 of a share of Nara common stock, with cash being paid in lieu of the issuance of fractional shares. This exchange ratio will not be adjusted for changes in the market price of either Nara common stock or Center common stock, whether such changes in market price result from an improvement or decline in the financial condition or operating results of either company, general market and economic conditions, regulatory considerations, the timing of the merger or other factors. Changes in the price of Nara common stock prior to the merger will therefore affect the value that Nara will pay, through issuance of Nara common stock, and that Center common stockholders will receive in the merger. For example, based on the range of closing prices of Nara common stock during the period from December 8, 2010, the last trading day before public announcement of the merger, through [ ] [ ], 2011, a recent trading day shortly preceding the distribution of this document, the exchange ratio represented a value ranging from a high of $[ ] to a low of $[ ] for each share of Center common stock. Neither of us is permitted to terminate the merger agreement or resolicit the vote of our respective stockholders solely because of changes in the market price of the common stock of Nara or Center, although we may each have a right to terminate the merger agreement as a result of the occurrence of events that may also result in a decline in the price of the stock of the other.

Nara and Center have not obtained updated fairness opinions from their financial advisors reflecting changes in circumstances that may have occurred since the signing of the merger agreement.

Nara and Center have not obtained updated opinions as of the date of this document from their respective financial advisors, Keefe, Bruyette & Woods, Inc. or D.A. Davidson & Co. Changes in the operations and prospects of Nara or Center, general market and economic conditions and other factors which may be beyond the control of Nara and Center, and on which the fairness opinions were based, may have altered the value of Nara or Center or the prices of shares of Nara common stock and Center common stock as of the date of this document, or may alter such values and prices by the time the merger is completed. The opinions obtained do not speak as of any date other than the dates of those opinions. For a description of the opinions that Nara and Center received from their respective financial advisors, see The Merger Opinions of Financial Advisors beginning on page [ ]. For a description of the other factors considered by Nara s board of directors in determining to approve the merger, see The Merger Nara s Reasons for the Merger; Recommendation of the Merger by the Nara Board of Directors beginning on page [ ]. For a description of the other factors considered by Center s board of directors in determining to approve the merger, see The Merger Center s Reasons for the Merger; Recommendation of the Merger by the Center Board of Directors beginning on page [ ].

Required regulatory approvals may not be received, may take longer to receive than expected or may impose conditions that are not anticipated or cannot be met.

Before the transactions contemplated in the merger agreement, including both the holding company merger and the bank merger may be completed, approvals must be obtained from bank regulatory authorities, including the Federal Reserve Board, the Federal Deposit Insurance Corporation and the California Department of Financial Institutions. Although Nara and Center have each reported profits in recent quarters, both companies have had significant quarterly losses within the past two years and have been subjects of informal regulatory action, consisting of memoranda of understanding with bank regulatory authorities in the case of Center and the adoption of board of directors resolutions at the request of bank regulatory authorities in the case of Nara. These informal regulatory actions are directed toward reducing nonperforming assets, resolving perceived weaknesses in lending and specified other banking operations and, in Center s case, increasing capital. To obtain regulatory approval of the merger, we must provide adequate information to the regulatory authorities that demonstrates, among other considerations, that we have satisfactorily addressed these regulatory issues. We anticipate that this will result in a longer than normal regulatory approval process and therefore do not expect to be able to complete the merger before mid- to late 2011.

In addition, for the above or other reasons, the relevant bank regulatory authorities may impose conditions on the completion of the merger transactions (which conditions may include the raising of more capital than Nara and Center anticipate) or require changes to the terms of the merger agreement. Such conditions or changes could have the effect of delaying completion of the transactions contemplated in the merger agreement or imposing additional costs on or limiting the growth, revenues or other aspects of the business of the combined company following the merger, any of which might have a material adverse effect on the combined company following the merger.

We will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on both Nara and Center. These uncertainties may impair our ability to attract or motivate key personnel until the merger is completed, and could cause customers and others that deal with us to seek to change existing business relationships with either of us. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the business, the combined company s business following the merger could be negatively affected. In addition, the merger agreement restricts each of us from making acquisitions and taking other specified actions until the merger occurs, without the consent of the other. These restrictions may prevent each company from pursuing attractive business opportunities that may arise prior to the completion of the merger.

The unaudited pro forma combined condensed consolidated financial information included in this document is preliminary and the actual financial condition or results of operations of the combined company after the merger may differ materially.

The unaudited pro forma combined condensed consolidated financial information in this document is presented for illustrative purposes only and is not necessarily indicative of what the combined company s actual financial condition or results of operations would have been had the merger been completed on the dates indicated. The pro forma combined condensed consolidated financial information reflects adjustments, which are based upon preliminary estimates, to record the identifiable Center assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation reflected in this document is preliminary. The final determination of the amount and allocation of the purchase price will be based upon the value of the Nara common stock issuable in the merger, and the fair value of the assets and liabilities of Center, as of the date of the completion of the merger. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document.

We may fail to realize the cost savings we have estimated for the merger or integrate the business operations and managements of our two companies in an efficient manner.

The success of the merger will depend, in part, on our ability to realize cost savings from combining the businesses of Nara and Center while at the same time integrating the business operations and managements of our two companies in an efficient manner that promotes further growth and does not unduly divert management s attention, result in losses of key employees or disrupt existing customer relationships. If we are not able to achieve these objectives as planned, the anticipated benefits of the merger may not be realized fully or may take longer to realize than expected. Such a failure could result in dilution to earnings per share.

Goodwill resulting from the merger may adversely affect our results of operations.

Goodwill and other intangible assets are expected to increase substantially as a result of the merger. Potential impairment of goodwill and amortization of other intangible assets could adversely affect our financial condition and results of operations. We assess our goodwill and other intangible assets and long-lived assets for impairment annually and more frequently when required by generally accepted accounting principles. We are required to record an impairment charge if circumstances indicate that the asset carrying values exceed their fair values. Our assessment of goodwill, other intangible assets, or long-lived assets could indicate that an impairment of the carrying value of such assets may have occurred that could result in a material, non-cash write-down of such assets, which could have a material adverse effect on our results of operations and future earnings.

Nara anticipates raising additional capital through a common stock offering in connection with the merger. The issuance of additional common stock may adversely affect the market price of Nara s common stock.

Nara s ability to raise additional capital will depend on conditions in the capital markets, which are outside its control, and on Nara s and Center s financial performance. Additional capital raised through the anticipated common stock offering may dilute the interests of existing stockholders and may cause the market price of Nara s common stock to decline.

If the merger is not completed, Nara and Center will have incurred substantial expenses without realizing the expected benefits of the merger.

Each of Nara and Center has incurred substantial expenses in connection with the negotiation and preparations for completion of the transactions contemplated by the merger agreement, as well as the costs and expenses of filing, printing and mailing this document in connection with the merger. If the merger is not completed, Nara and Center will have incurred these expenses without realizing the expected benefits of the merger.

The merger is subject to certain closing conditions that, if not satisfied or waived, will result in the merger not being completed, which may cause the market price of Nara common stock or Center common stock to decline. In addition, Nara or Center may be required to pay a termination fee of up to $10 million.

The merger is subject to a number of conditions to closing, including the receipt of required regulatory approvals and approvals of the Nara and Center stockholders. If any condition to the merger is not satisfied or waived, to the extent permitted by law, the merger will not be completed. In addition, Nara and Center may terminate the merger agreement under certain circumstances even if the merger is approved by stockholders. If the merger is not completed, the market price of Nara common stock or Center common stock may decline because the current market prices of those shares may reflect a market assumption that the merger will be completed. In addition, if the merger agreement is terminated under certain circumstances relating to a change in the recommendation of the board of directors of Nara or Center to its stockholders to vote in favor of the merger or in certain other circumstances involving either a breach of certain provisions of the merger agreement or failure of stockholders to adopt and approve the merger agreement after public announcement of a proposal for the acquisition, dissolution or liquidation of a party, Nara or Center may be required to pay a termination fee to the other, depending upon the circumstances, of $2.5 million or $10 million. For further information on the closing conditions and the termination provisions of the merger agreement, see The Merger Merger Agreement Termination on page [ ] and The Merger Merger Agreement Conditions to Completion of the Merger on page [ ].

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be made directly in this document or they may be made a part of this document by appearing in other documents filed with the Securities and Exchange Commission by Nara and Center and incorporated by reference. These statements include statements regarding the period following completion of the merger.

Words such as anticipate, estimate, expect, project, intend, plan, believe, target, objective, goal and words and terms of simila connection with any discussion of future operating or financial performance of Nara, Center, the combined company or the merger identify forward-looking statements. All of these forward-looking statements are management s present expectations or forecasts of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In addition to the factors relating to the merger discussed under the caption Risk Factors beginning on page [ ], the following risks related to the businesses of Nara and Center, among others, could cause our actual results or those of the combined company to differ materially from those described in the forward-looking statements:

- we may not successfully manage the credit, liquidity, operational and business risks associated with each of our businesses, including, among others, risks of changes in market interest rates affecting the yields on our loans and other interest earning assets, the rates we pay on our deposits and other liabilities and resulting effects on our net interest income, and declines in commercial real estate values in the markets served by us;
- management s assumptions and estimates used in applying the company s critical accounting policies, including among others determining appropriate amounts of provisions for loan losses, may prove unreliable and or not predictive of actual results;
- increased competition from other banks and financial services companies, many of which have greater resources than Nara and Center combined and which include large banks based in Korea with banking operations in the United States;
- unfavorable political and international relations developments;
- adverse changes in governmental or regulatory policies, including adverse interpretations of regulatory guidelines;
- material litigation or investigations;
- the design of the company s disclosure controls and procedures or internal controls may prove inadequate, or be circumvented, thereby causing losses or errors in information or a delay in the detection of fraud; and
- adverse evaluations by bank regulatory authorities of the quality of our loans or other assets, management, systems of internal control or business risk identification, assessments and management, and restrictions on our growth or other aspects of our business that such regulatory authorities may impose as a result of such adverse evaluations.

We caution you not to place undue reliance on the forward-looking statements, which speak only as of the date of this document in the case of forward-looking statements contained in this document, or the dates of the documents incorporated by reference into this document in the case of forward-looking statements made in those incorporated documents. Neither Nara nor Center undertakes any obligation to update these forward-looking statements.

For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please see the reports that Nara and Center have filed with the Securities and Exchange Commission as described under Documents

Incorporated by Reference beginning on page [ ].

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NARA ANNUAL MEETING

Date, Time and Place of the Annual Meeting

This document is being furnished to you in connection with the solicitation of proxies by Nara in connection with its 2011 annual meeting of stockholders. The Nara annual meeting is scheduled to be held as follows:

[ ] [ ], 2011

[time], Los Angeles time

[location]

Los Angeles, California

Purpose of the Nara Annual Meeting

Nara stockholders will be asked to consider and vote upon the following proposals at the annual meeting, including any postponement or adjournment thereof:

- adoption and approval of the merger agreement (Nara Proposal 1);
- election of directors (Nara Proposal 2);
- ratification of the appointment of Crowe Horwath LLP as Nara s independent registered public accounting firm for 2011 (Nara Proposal 3);
- approval, on an advisory and nonbinding basis, of the compensation paid to Nara s named executive officers as described in this document (Nara Proposal 4);
- adjournment of the meeting, if necessary or appropriate in the judgment of the Nara board of directors, to solicit additional proxies or votes in favor of the above proposals (Nara Proposal 5); and
- such other matters, if any, as may be properly be presented for consideration and action at the annual meeting.

Record Date for the Annual Meeting

The board of directors of Nara has fixed the close of business on [ ] [ ], 2011 as the record date for determination of stockholders entitled to notice of and to vote at the annual meeting of stockholders. On the record date, [ ] shares of Nara common stock were outstanding.

Quorum; Votes Required

A majority of the shares of Nara common stock outstanding on the record date must be present, either in person or by proxy, to constitute a quorum at the Nara annual meeting. The proposals require the following percentages of votes in order to approve them:

The affirmative vote of a majority of the shares of Nara common stock outstanding on the record date will be required to adopt and approve the merger agreement.

The affirmative vote of a plurality of the votes cast at the annual meeting will be required to elect the director nominees.

The affirmative vote of a majority of the shares of Nara common stock represented at the annual meeting and entitled to vote will be required to ratify the appointment of Crowe Horwath LLP as Nara s independent registered public accounting firm for 2011.

The affirmative vote of a majority of the shares of Nara common stock represented at the annual meeting and entitled to vote will be required for the nonbinding advisory approval of executive compensation.

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The affirmative vote of a majority of the shares of Nara common stock represented at the annual meeting and entitled to vote will be required to adjourn the meeting.

At the Nara annual meeting, each share of Nara common stock will be entitled to one vote on all matters properly submitted to the Nara stockholders.

As of the record date, Nara directors and executive officers and their affiliates owned and were entitled to vote approximately [ ] shares of Nara common stock, representing less than [ ]% of the outstanding shares of Nara common stock. We currently expect that Nara s directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreements obligating them to do so.

Attending the Annual Meeting

If you are a holder of record of Nara common stock and plan to attend the Nara annual meeting, please indicate this when you vote. A photo identification will not be required for admission to the annual meeting but will be required if you want to vote your Nara common stock in person. If you want to vote your Nara common stock held through a bank, broker or other nominee in person, you must obtain a written proxy in your name from the bank, broker, or other nominee that holds your shares.

Proxies

All shares of Nara common stock represented by properly executed proxy cards or voting instruction cards (including those given through voting by telephone or Internet) received before or at the annual meeting will, unless revoked, be voted in accordance with the instructions indicated on those proxy cards or voting instruction cards. If no instructions are indicated on a properly executed proxy card, the shares represented thereby will be voted:

FOR adoption and approval of the merger agreement,

FOR election of all nominees for directors presented in Nara Proposal 2, and

FOR each of the other Nara proposals described above under Purpose of the Nara Annual Meeting.

If you return a properly executed proxy card or voting instruction card and have indicated that you have abstained from voting, your Nara common stock represented by the proxy will be considered present at the annual meeting or any adjournment thereof for purposes of determining a quorum.

If your shares are held in an account at a broker or bank, you must instruct the broker or bank on how to vote your shares. If you do not provide voting instructions to your broker or bank, your shares will not be voted on any proposal on which your broker or bank does not have discretionary authority to vote. Under applicable rules, your broker or bank does not have discretionary authority to vote on the merger proposal, the election of directors or the nonbinding advisory vote on executive compensation at the annual meeting. If an executed proxy card returned by a broker or bank holding shares indicates that the broker or bank does not have discretionary authority to vote on a particular matter, the shares will be considered present at the meeting for purposes of determining the presence of a quorum, but will not be voted with respect to that matter. This is called a broker non-vote. Your broker or bank will vote your shares on these proposals only if you provide instructions on how to vote by following the instructions provided to you by your broker or bank.

Because approval of the merger requires the affirmative vote of a majority of the outstanding shares of Nara common stock, abstentions, failures to vote and broker non-votes will have the same effect as votes against the merger. Accordingly, we urge you to mark each applicable box on the proxy card or voting instruction card to indicate how to vote your shares.

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Nara does not expect that any matter or proposal other than the proposals described in this document will be brought before its annual meeting or any postponement or adjournment thereof. If, however, other matters are properly presented, the persons named as proxies will vote in accordance with their judgment with respect to those matters.

If you are a Nara stockholder of record, you may revoke your proxy at any time before it is voted by:

- filing a written notice of revocation with the Secretary of Nara, which notice should be send to Nara Bank, 3731 Wilshire Blvd., Suite 1000, Los Angeles, California 90010, Attention: Legal Department;
- granting a subsequently dated proxy; or
- if you are a holder of record, appearing in person and voting at the Nara annual meeting.

If you hold your shares of Nara common stock through an account at a broker or bank, you should contact your broker or bank to change your vote.

Attendance at the annual meeting will not in and of itself constitute revocation of a proxy. If the annual meeting is postponed or adjourned, it will not affect the ability of stockholders of record as of the record date to exercise their voting rights or to revoke any previously granted proxy using the methods described above, except in certain circumstances that are not currently anticipated, Nara would notify stockholders by public announcement or other means if such circumstances were to occur.

Voting by Telephone or Internet

Nara stockholders of record and many stockholders who hold their shares through a broker or bank will have the option to submit their proxy cards or voting instruction cards by telephone or Internet. Please note that there are separate arrangements for using the Internet and telephone depending on whether your shares are registered in Nara s stock records in your name or in the name of a broker, bank or other holder of record. If you hold your shares through a broker, bank or other holder of record, you should check your proxy card or voting instruction card forwarded by your broker, bank or other holder of record to see which options are available.

Nara stockholders of record may submit their proxies:

- through the Internet by visiting a website established for that purpose at http://www.RRDEZProxy.com/2011/NaraBankEZProxy and following the instructions provided on that website, or
- by telephone by calling the toll-free number 1-866-540-5760 in the United States, Puerto Rico or Canada on a touch-tone phone and following the recorded instructions.

Solicitation of Proxies

Nara and Center will share equally the expenses incurred in connection with the printing and mailing of this document. To assist in the solicitation of proxies, Nara has retained Mellon Investment Services LLC for a fee of $[ ] plus expenses for their services. Nara and its proxy solicitor will also request banks, brokers and other intermediaries holding shares of Nara common stock beneficially owned by others to send this document to, and obtain proxies from, the beneficial owners and will, if requested, reimburse the record holders for their reasonable out-of-pocket expenses in so doing. Solicitation of proxies by mail may be supplemented by telephone and other electronic means and personal solicitation by the directors, officers or employees of Nara. No additional compensation will be paid to our directors, officers or employees for solicitation.

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CENTER ANNUAL MEETING

Date, Time and Place of the Annual Meeting

This document is being furnished to you in connection with the solicitation of proxies by Center in connection with its 2011 annual meeting of stockholders. The Center annual meeting is scheduled to be held as follows:

[ ] [ ], 2011

[time] Los Angeles time

[location]

Los Angeles, California

Purpose of the Center Annual Meeting

The matters to be considered and voted upon at the Center annual meeting will be:

1. Approval of the Agreement and Plan of Merger, dated December 9, 2010, providing for the merger of Center with and into Nara as described in this document. (Center Proposal 1)

2. Election of directors of Center Financial Corporation. (Center Proposal 2)

3. Ratification of the selection of KPMG LLP as Center s independent registered public accounting firm for the year ending December 31, 2011. (Center Proposal 3)

4. Approval, on an advisory and nonbinding basis, of the compensation paid to Center s named executive officers as described in this document. (Center Proposal 4)

5. Adjournment of the annual meeting if necessary or appropriate in the judgment of the Center board of directors to solicit additional proxies or votes in favor of the above proposals that are to be presented at the meeting. (Center Proposal 5)

6. Such other matters, if any, as may be properly presented for consideration and action at the annual meeting.

Record Date for the Annual Meeting

The Center board has fixed the close of business on [ ] [ ], 2011, as the record date for the purpose of determining the stockholders entitled to notice of and to vote at the annual meeting. On the record date, [ ] shares of Center common stock were outstanding. On the record date, 55,000 shares of Center preferred stock were outstanding, all of which were issued to the United States Treasury Department in December 2008 as part of Center s participation in the Treasury Department s Capital Purchase Program under the TARP.

Quorum; Votes Required

The presence, in person or by proxy, of at least a majority of the total number of outstanding shares of the Center common stock is necessary to constitute a quorum at the annual meeting. Abstentions and broker non-votes are each included in the determination of the number of shares present for determining a quorum but are not counted on any matters brought before the annual meeting.

Each stockholder is entitled to one vote on each proposal per share of common stock held as of the record date. The United States Treasury Department, as the holder of all of the outstanding shares of Center s preferred stock, is entitled to one vote on the merger proposal per share of preferred stock held as of the record date, but is not entitled to vote on any of the other proposals at the Center annual stockholders meeting. The affirmative vote of a majority of the shares of Center common stock outstanding on the record date and the affirmative vote of a majority of the shares of Center preferred stock outstanding on the record date will be required to adopt and

approve the merger agreement. The affirmative vote of a plurality of the votes cast at the annual meeting will be required to elect the director nominees. Shares represented by proxies that are marked with instructions to withhold authority for the election of one or more director nominees or that are not voted (whether by abstention or otherwise) will not be counted in determining the number of votes cast for those persons. For all other matters, including the ratification of the appointment of Center s accountants and the non-binding advisory vote on executive compensation, a majority of votes cast shall decide the outcome of each matter submitted to the stockholders at the annual meeting. Abstentions will be included in the vote totals and, as such, will have the same effect on proposals as a negative vote. Broker non-votes (i.e., the submission of a proxy by a broker or nominee specifically indicating the lack of discretionary authority to vote on the matter), if any, will not be included in the vote totals and, as such, will have no effect on any proposal other than the vote to approve the merger.

Revocability of Proxies

A proxy for use at the Center annual meeting is enclosed. Any stockholder who executes and delivers such proxy has the right to revoke it at any time before it is exercised by filing with the Secretary of Center an instrument revoking it or a duly executed proxy bearing a later date, or by attending the annual meeting and voting in person. (Any stockholder who holds shares in certificate form and attends the annual meeting may simply revoke his or her previously submitted proxy and vote their shares at that time. Stockholders whose shares are held by a broker or are otherwise not registered in their own names will need additional documentation from their record holder to vote any shares personally at the annual meeting.)

Subject to such revocation, all shares represented by a properly executed proxy received in time for the annual meeting will be voted by the proxy holders whose names are set forth in the accompanying proxy in accordance with the instructions on the proxy. If no instruction is specified with respect to a matter to be acted upon, the shares represented by the proxy will be voted FOR adoption and approval of the merger agreement, FOR the election of all nominees for directors set forth herein, FOR each of the other Center proposals described above under Purpose of the Center Annual Meeting and, if any other business is properly presented at the annual meeting, in accordance with the recommendations of the Center board.

Because approval of the merger requires the affirmative vote of a majority of the outstanding shares of Center common stock, abstentions, failures to vote and broker non-votes will have the same effect as votes against the merger. Accordingly, we urge you to mark each applicable box on the proxy card or voting instruction card to indicate how to vote your shares.

Voting by Telephone or Internet

Center stockholders of record and many stockholders who hold their shares through a broker or bank will have the option to submit their proxy cards or voting instruction cards by telephone or Internet. Please note that there are separate arrangements for using the Internet and telephone depending on whether your shares are registered in Center s stock records in your name or in the name of a broker, bank or other holder of record. If you hold your shares through a broker, bank or other holder of record, you should check your proxy card or voting instruction card forwarded by your broker, bank or other holder of record to see which options are available.

Center stockholders of record may submit their proxies:

through the Internet by visiting a website established for that purpose at http://www.investorvote.com/CLFC and following the instructions provided on that website, or

by telephone by calling the toll-free number 1-800-652-8683 in the United States, United States territories or Canada on a touch-tone phone and following the recorded instructions.

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Solicitation of Proxies

The solicitation of the proxy accompanying this document is made by the Center board. Nara and Center will share equally the expenses incurred in connection with the printing and mailing of this document. The proxies will be solicited principally through the mails, but directors, officers and employees of Center may solicit proxies personally or by telephone. Arrangements will be made with brokerage firms and other custodians, nominees and fiduciaries to forward these proxy solicitation materials to stockholders whose stock in Center is held of record by such entities, and Center will reimburse such brokerage firms, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith. In addition, Center may pay for and utilize the services of individuals or companies it does not regularly employ in connection with this solicitation of proxies, if management determines it advisable.

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NARA AND CENTER PROPOSAL 1: THE MERGER

This section of this document describes material aspects of the proposed merger, including the merger agreement. This summary may not contain all of the information that is important to you. You should carefully read this entire document and the other documents we refer you to for a more complete understanding of the merger. In addition, we incorporate important business and financial information about each of us into this document by reference. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page [ ].

Explanatory Note Regarding the Merger Agreement

The merger agreement is described in this document, and a copy of it is included as Annex A to this document, to provide you with important information regarding the proposed merger and bank merger. Factual disclosures about Nara and Center contained in this document or in the public reports filed by Nara and Center with the Securities and Exchange Commission may supplement, update or modify the factual disclosures and representations about Nara and Center contained in the merger agreement. The representations, warranties and covenants made in the merger agreement by Nara and Center are qualified and subject to important limitations agreed to by the parties in connection with negotiating the terms of the merger agreement. In particular, in your review of the representations and warranties contained in the merger agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of establishing the circumstances in which a party to the merger agreement may have the right not to complete the merger if the representations and warranties of the other party prove to be untrue, whether due to a change in circumstances or otherwise, and allocating risk between the parties to the merger agreement, rather than establishing matters as facts. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to stockholders or reports and documents filed with the Securities and Exchange Commission and in some cases are qualified by disclosures that were made by each party to the other, which disclosures were reflected in schedules to the merger agreement that have not been described or included in this document, including Annex A. Further, information concerning the subject matter of the representations and warranties in the merger agreement, which do not purport to be accurate as of the date of this document may have changed since the date of the merger agreement and subsequent developments or new information qualifying a representation or warranty may have been included in this document.

General

Nara and Center entered into the merger agreement on December 9, 2010. The merger agreement provides both for the merger of Center with and into Nara and for the concurrent merger of their respective banking subsidiaries, which we refer to herein as the bank merger, pursuant to a bank merger agreement substantially in the form attached as an exhibit to the merger agreement. The parties entered into an amendment to the merger agreement on April 13, 2011 for the purpose, among others, of reflecting their agreement that Nara Bank would merge with and into Center Bank in the bank merger. This amendment to the merger agreement is included as part of Annex A of this document. The parties executed and delivered the definitive form of the bank merger agreement on April 13, 2011.

The Parties

Nara

Nara is a bank holding company headquartered in Los Angeles, California. Its principal subsidiary, Nara Bank, is a California state chartered and FDIC-insured financial institution that offers commercial banking loan and deposit products, focusing primarily on small- to medium-sized businesses and individuals in Korean-American markets in California, the New York City metropolitan area and New Jersey. Nara Bank is a member bank of the Federal Reserve System having a network of 23 branch offices, of which 16 are located in the Los Angeles, Orange County, Oakland and Silicon Valley (Santa Clara County) areas of California and 7 are located in the New York metropolitan area and New Jersey, together with one loan production office located in Dallas, Texas. At December 31, 2010, Nara had consolidated assets of $2.96 billion, total loans of $2.15 billion, total deposits of $2.18 billion and total stockholders equity of $358.6 million. Nara s principal executive offices are located 3731 Wilshire Boulevard, Suite 1000, Los Angeles, 90010, and its telephone number is (213) 639-1700.

Nara is registered as a bank holding company under the Bank Holding Company Act of 1956, as amended and is subject to regulation as a bank holding company by the Board of Governors of the Federal Reserve System, which we refer to herein as the Federal Reserve Board. Nara Bank is a California state charted commercial bank that is a member bank of the Federal Reserve System. It is subject to regulation and examination by the California Department of Financial Institutions, or DFI, and its deposits are insured by the Federal Deposit Insurance Corporation, or FDIC, and is therefore also subject to the regulations of the FDIC.

In December 2009, the boards of directors of Nara and Nara Bank each adopted resolutions at the request of the DFI and the Federal Reserve Board providing that they would submit written plans to the DFI and the Federal Reserve Board for the reduction of Nara Bank s credit risk profile and improvement of its credit administration, a capital plan and a three year strategic plan. The resolutions further provided that neither Nara Bank nor Nara would declare dividends or change senior executives or directors without the prior notice to and non-objection by the DFI and Federal Reserve Board. The 2009 board resolutions were rescinded and were replaced with modified board resolutions adopted on December 8, 2010 requiring submission of a board governance and oversight plan, a liquidity and funds management plan relating to identification and monitoring of volatile liabilities, and updated capital and strategic plan with budget, ongoing asset quality improvement reporting and the requirement of prior approval for the payment of dividends or interest payments on trust preferred securities.

Additional information about Nara and Nara Bank is included in the documents incorporated by reference into this document. See Where You Can Find More Information on page [ ] and Documents Incorporated by Reference on page [ ].

Center

Center is a bank holding company headquartered in Los Angeles, California. Its principal subsidiary, Center Bank, is a California state chartered and FDIC-insured financial institution that offers commercial banking loan and deposit products, focusing primarily on small- to medium-sized businesses and individuals in Korean-American markets in California and in Chicago, Illinois and Seattle, Washington. Center Bank currently operates a network of 22 branch offices, 16 of which are located in Southern California. Center Bank also operates three branch offices in Northern California, which it acquired through an FDIC-assisted acquisition in April 2010, and two branch offices and a loan production office in Seattle, Washington, a branch office in Chicago, Illinois and a loan production office in Denver, Colorado. At December 31, 2010, Center had consolidated assets of $2.27 billion, total loans of $1.59 billion, total deposits of $1.77 billion and total stockholders equity of $274.0 million. Center s principal executive offices are located at 3435 Wilshire Boulevard, Suite 700, Los Angeles, California 90010 and its telephone number is (213) 251-2222.

Center is registered as a bank holding company under the Bank Holding Company Act of 1956, as amended, and is subject to regulation as a bank holding company by the Federal Reserve Board. Center Bank is a California state chartered commercial bank whose deposits are insured by the FDIC up the maximum limits thereof. Center Bank is subject to regulation, supervision and regular examination by the DFI and the FDIC.

Effective December 18, 2009, Center Bank entered into a memorandum of understanding, or MOU, with the FDIC and the DFI. The MOU is an informal administrative agreement pursuant to which Center Bank agreed to take various actions and comply with certain requirements to facilitate improvement in its financial condition. On December 28, 2010, Center Bank entered into a new MOU, which supersedes the prior one. The new MOU carried forward some but not all of the provisions of the prior MOU. In accordance with the 2010 MOU, Center

Bank agreed among other things to (a) develop and implement strategic plans to restore profitability; (b) maintain a leverage capital ratio of not less than 9% and a total risk-based capital ratio of not less than 13%; (c) refrain from paying dividends without prior written regulatory approval; (d) eliminate all assets classified as Loss and half its assets classified as Doubtful ; (e) reduce the combined total of assets classified Substandard or Doubtful to not more than 40% of tier 1 capital plus the allowance for loan and lease losses; (f) develop and implement certain specified policies and procedures relating to the asset disposition plan for certain classified assets, loan impairment and note sale transactions; (g) notify the FDIC and the DFI prior to appointing any new director or senior executive officer; (h) implement a program to monitor compliance of the MOU and review and record its review of compliance; (i) refrain from establishing any new offices without prior regulatory approval; and (j) submit written quarterly progress reports to the FDIC and the DFI detailing the form and manner of any actions taken to secure compliance with the MOU and the results thereof.

On December 9, 2009, Center entered into an MOU with the Federal Reserve Bank of San Francisco, or the FRB, pursuant to which Center agreed, among other things, to (i) take steps to ensure that Center Bank complies with Center Bank s MOU; (ii) implement a capital plan addressing specified items and submit the plan to the FRB for approval; (iii) submit annual cash flow projections to the FRB; (iv) refrain from paying cash dividends, receiving cash dividends from Center Bank, increasing or guaranteeing debt, redeeming or repurchasing its stock, or issuing any additional trust preferred securities, without prior FRB approval; and (v) submit written quarterly progress reports to the FRB detailing compliance with the MOU.

The MOUs will remain in effect until modified or terminated by the FRB, the FDIC and the DFI. Center does not expect the actions called for by the MOUs to change its business strategy in any material respect, although it may have the effect of limiting or delaying Center Bank s or Center s ability or plans to expand. The board of directors and management of Center Bank and Center have taken various actions to comply with the MOUs, and will diligently endeavor to take all actions necessary for compliance. Management believes that Center Bank and Center are currently in substantial compliance with the terms of the MOUs, although formal determinations of compliance with the MOUs can only be made by the regulatory authorities. In this regard, Center Bank s leverage capital ratio and total risk-based capital ratios as of December 31, 2010 were 12.50% and 18.53%, considerably in excess of the required ratios for Center Bank. In addition, as of December 31, 2010, the combined total of assets classified as Substandard or Doubtful was 38.7% of tier 1 capital plus the allowance for loan and lease losses.

Additional information about Center and Center Bank is included in the documents incorporated by reference into this document. See Where You Can Find More Information on page [ ] and Documents Incorporated by Reference on page [ ].

Effect of the Merger; What Center Stockholders Will Receive in the Merger

Upon completion of the merger, Center will merge with and into Nara, with Nara being the surviving corporation in the merger.

In the merger, each outstanding share of Center common stock will be converted into 0.7804 of a share of common stock of Nara. No fractional shares will be issued, and cash will be paid instead of such issuance. The exchange ratio will not be adjusted to reflect stock price changes prior to the completion date of the merger. However, the merger agreement provides that if the number of shares of common stock of either Center or Nara or the number of Center restricted stock awards or Nara performance units that were issued and outstanding as of the date of the merger agreement shall have increased or decreased as of the closing of the merger, a corresponding adjustment shall be made to the exchange ratio such that current holders of Center common stock and current holders of Nara common stock will receive 45% and 55%, respectively, of the outstanding shares of common stock of the combined company immediately after the merger is consummated, not including the shares of Nara common stock issued in a common stock offering Nara expects to make prior to the merger for the benefit of the combined company. Shares issued in the anticipated offering will reduce the percentage ownership

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interests of the respective stockholders proportionately. No adjustment, however, will be made to the exchange ratio for any increases or decreases in the number of outstanding shares resulting from the exercise of Center stock options or Nara stock options issued and outstanding as of the date of the merger agreement.

Also in the merger, each outstanding share of Center s Fixed Rate Cumulative Perpetual Preferred Stock, Series A, will be converted into the right to receive one share of a new series of Nara preferred stock, to be designated, prior to the completion of the merger, as Nara s Fixed Rate Cumulative Perpetual Preferred Stock, Series B. The Nara Series B Preferred Stock will have rights, preferences, privileges and voting powers substantially the same as those of the Center Series A Preferred Stock for which it is exchanged in the merger. The Center Series A Preferred Stock was issued to, and is currently owned by, the United States Treasury Department under its Troubled Asset Relief Program.

The ten-year common stock purchase warrant issued by Center on December 12, 2008 to the Treasury Department in connection with the issuance of Center s Series A Preferred Stock to the Treasury Department will, in accordance with its terms and by virtue of the merger, be converted automatically into a warrant to purchase Nara common stock and Nara will assume the warrant subject to its terms. The number of shares covered by the warrant and the per share exercise price thereof will be adjusted by application of the merger exchange ratio to the original terms of the warrant. As a result of such adjustment, the warrant will entitle the holder thereof to purchase, in one or more exercises of the warrant, up to 337,437 shares of Nara common stock at a price of $12.22 per share, assuming that the exchange ratio remains fixed at 0.7804.

Background of the Merger

Each of Center s and Nara s boards of directors has from time to time engaged with senior management in considering various strategic alternatives as part of its continuing efforts to enhance its company s performance and prospects and maximize stockholder value in light of competitive, economic, regulatory and other relevant developments. Each company has considered strategic alternatives, including: continuing as an independent institution; acquiring branch offices or other smaller community banks; and entering into a strategic merger with similarly-sized or larger institutions. In this regard, from time to time during the last several years, representatives from Center and Nara have had informal discussions about the possibility of a merger between Center and Nara. These past discussions, however, never advanced to the due diligence phase for various reasons, including the inability of Center and Nara to reach preliminary agreement on a framework to address key merger issues pertaining to deal structure, pricing and the board composition, key management positions and the name of the combined company.

On September 11, 2010, the Center board held a special off-site board retreat to consider various growth strategies to enhance stockholder value, including organic growth through expansion of current and new products and services, as well as strategic growth through an acquisition of a smaller peer bank, a merger of equals or a strategic alliance with a Korea-based bank. DADCo attended the board retreat and provided the Center board with an overview presentation on the Korean-American banking landscape, the equity markets and the mergers and acquisition environment, and on the general risks and merits of the various strategic growth strategies. After consulting with DADCo on various growth strategies, and in light of the Center board s belief that the Korean-American banking sector is currently oversaturated and in need of consolidation, the Center board decided that growth through a potential merger with another Korean-American bank headquartered in Southern California likely represented the best currently available strategic growth option for Center. After considering the business, operations, financial condition, asset quality, earnings, board and management composition, prospects, branch locations and geographical overlap, culture and other attributes of the limited number of viable candidates for a potential merger, the Center board determined that a potential merger of equals with Nara, which would create the nation s largest Korean-American bank, would be an attractive strategic transaction for Center to pursue.

Following the board retreat, Jin Chul Jhung, the Chairman of the Center board, called Chong-Moon Lee, the former Chairman of the Nara board, to arrange a lunch meeting to discuss the possibility of a merger between

Center and Nara. The lunch meeting was held on or about September 14, 2010 and was attended by Center directors Jin Chul Jhung, Kevin Kim and Chang Hwi Kim and Nara Chief Executive Officer Alvin Kang, Nara director Scott Whang and Nara Chairman Ki Suh Park. A second lunch meeting was held on September 23, 2010 and was attended by Kevin Kim, Jin Chul Jhung and Chang Hwi Kim of Center and Scott Whang and Ki Suh Park of Nara. The participants at the lunch meetings on September 14 and September 23 discussed each company s goals, strategies, their potential synergies and their respective interests in a potential business combination. These discussions focused on broad general concepts and did not include any details of a potential merger.

On September 15, 2010, Alvin Kang had an initial discussion regarding the proposed transaction with KBW. This discussion was followed by a more extensive discussion on September 21, 2010 between Alvin Kang and Scott Whang on behalf of the Nara board of directors and representatives of KBW regarding the potential transaction with Center. At the executive session meeting of the Nara board held on September 22, 2010, the Nara board authorized KBW to contact DADCo. The Nara board also designated Chairman Ki Suh Park and Scott Whang as a special committee of the board to negotiate the terms of a possible transaction.

Following the lunch meeting on September 23, 2010, each of Center s and Nara s board of directors authorized its management to engage outside financial and legal advisors and proceed with more formal merger discussions. Nara retained KBW as its outside financial advisor and Mayer Brown LLP as its outside legal advisor, and Center retained DADCo as its outside financial advisor and Morrison & Foerster LLP as its outside legal advisor. Both boards believed that the timing was right for the parties to proceed with more formal merger discussions in light of, among other things:

- a perceived need for leadership in the Korean-American banking sector and the potential to create the nation s largest Korean-American bank following the merger that could fill such need;

- the improving financial condition and operating results of both companies, and the prospects for further improvement, reflecting the gradual recovery of the United States and California economies from the severe recession that negatively impacted both institutions, resulting in significant quarterly losses within the past two years;

- the relative market capitalization contribution levels and convergence of stock prices of both companies to a similar multiple of book value; and

- each board s belief that the capital markets would be receptive to the potential merger.

The Center board designated Kevin Kim, an independent director of Center, as its lead negotiator and the Nara board designated Scott Whang, an independent director of Nara, as its lead negotiator. From mid-September through the date of the signing of the merger agreement, Kevin Kim and Scott Whang met frequently, typically at least once a week, by telephone or in person to discuss issues relating to the potential merger, including the exchange ratio, corporate governance issues such as board composition and key management positions of the combined company and the combined bank, and integration and consolidation issues for the combined company and the combined bank. Kevin Kim and Scott Whang kept the other members of the boards of Center and Nara, respectively, informed of the status of their discussions through regular reports at board meetings and other informal director meetings.

On September 27, 2010, DADCo and KBW discussed pricing methodology, the due diligence process that Center and Nara would use, transaction timing, corporate governance and branding for the combined company. These discussions focused on an all-stock merger, with fairly apportioned board and management participation in the combined company and approaches for selecting the most qualified persons for key management positions by the combined company.

On October 5, 2010, the Nara board s merger committee, consisting of Ki Suh Park and Scott Whang, together with Nara s Chief Executive Officer, Alvin Kang, met with representatives of KBW and Mayer Brown

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by conference call to discuss merger related topics including the exchange ratio and other transaction terms. On the next day, the Nara board of directors met in executive session with representatives of KBW and Mayer Brown participating to discuss the proposed transaction in depth, including the subjects of determining the appropriate exchange ratio, and the composition of the board of directors and management of the combined company following the merger.

On October 6, 2010, DADCo and KBW participated in separate board meetings held by Center and Nara, respectively, to update the boards on the status of the preliminary merger discussion. Each board authorized the parties to proceed with further merger discussions generally along the lines that had been outlined by DADCo and KBW.

On October 8, 2010, Center, Center Bank, Nara and Nara Bank entered into a confidentiality agreement governing information to be shared by the parties in connection with the potential merger.

On October 12, 2010, an informal meeting of Nara directors was held to discuss the status of the potential merger. The meeting was also attended by KBW and Mayer Brown.

In light of the requirement to obtain regulatory approvals, each of Center and Nara also met with its bank regulators during the month of October 2010 to inform them of the merger discussions.

On October 25, 2010, each of Center and Nara provided initial access to the other party and its advisors to an on-line, password protected data room containing diligence documents and information for the potential merger. Business, legal and other due diligence began in earnest following the opening of the data rooms, with an all-hands diligence session held at the offices of Morrison & Foerster on November 1, 2010 and a series of additional supplemental diligence requests and production provided by Center and Nara following the initial opening of the data room. As part of the due diligence efforts, Center and Nara also jointly engaged an independent firm on November 12, 2010 to conduct a selected review of the loan and credit files for Center Bank and Nara Bank and opine on the loan loss reserve accounting methodologies of both banks. Business, legal and other due diligence continued throughout the merger discussion process up until the signing of the definitive merger agreement on December 9, 2010.

On October 27, 2010, a special board meeting of Center Bank was held to discuss, among other things, the outcome of the meeting with the DFI and the FDIC informing them of the potential merger.

On October 29, 2010, Nara board s merger committee met by conference call with representatives of KBW and Mayer Brown to continue their discussion of the proposed terms of the transaction.

On November 7, 2010, Kevin Kim and Scott Whang met with DADCo, KBW, Morrison & Foerster and Mayer Brown at Mayer Brown s office to discuss due diligence, merger structure and timing issues.

On November 10, 2010, a regular board meeting of Center Bank was held at which management provided a summary report on the November 1 due diligence meeting. DADCo participated in this meeting and discussed progress on exchange ratio negotiations, initial diligence findings and other merger terms.

On November 12, 2010, Kevin Kim and Scott Whang met in Irvine, California to discuss exchange ratio and board composition issues.

On November 13, 2010, the Nara board held a special meeting to discuss the potential merger.

On November 15, 2010, Mayer Brown distributed an initial draft of the merger agreement.

On or about November 18, 2010, Center received a call from an investment banker acting on behalf of another publicly traded community bank headquartered in California, and expressing an interest in initiating

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dialogue about a potential business combination. The Center board responded that Center was not interested at that time in initiating potential combination discussions with this community bank. Other than the merger discussions between Center and Nara, neither Center nor Nara initiated any dialogue with any other financial institution about a potential business combination during the merger discussions. Both the Center and Nara boards concluded that, among the limited merger candidates for expansion within the Korean-American banking community, a combination of Center and Nara offered significant synergies and benefits that exceeded those reasonably attainable through an alternative combination.

On November 23, 2010, the Center board held a special meeting to discuss the progress of the merger discussions and other merger related issues.

On November 26, 2010, Kevin Kim and Scott Whang met in Torrance, California to discuss the exchange ratio and other merger related issues.

On December 1, 2010, Kevin Kim met with the Center directors to discuss remaining merger issues. On the same day, Scott Whang and Kevin Kim conducted interviews of Jae Whan Yoo, who was Center s then-current Chief Executive Officer, and Alvin Kang as part of the process of determining who would be designated Chief Executive Officer of the combined company.

On December 2, 2010, the Center board and the Nara board held separate special meetings to discuss the merger agreement, corporate governance issues, the exchange ratio and other proposed terms of the merger. The Center board also interviewed Alvin Kang at this meeting. Concurrently, Jae Whan Yoo was interviewed by the Nara board. A portion of the Center board meeting was also attended by DADCo and Morrison & Foerster. DADCo provided the board with an update on diligence findings and the exchange ratio discussions. Morrison & Foerster distributed the revised draft of the merger agreement, together with a written summary of its material terms, to the Center board members and discussed with the Center board the proposed terms and conditions of the merger. KBW and Mayer Brown also attended the Nara special board meeting.

On December 6 and 7, 2010, the Center board and Center Bank board held special joint board meetings to discuss the potential merger and corporate governance issues relating thereto. Center director Kevin Kim and Nara director Scott Hwang continued to communicate regularly regarding open issues between the parties.

Also on December 6, 2010, Alvin Kang and directors Scott Whang and Steven Broidy and Mayer Brown met with representatives of the DFI and the Federal Reserve Board to inform them of the status of the discussions and that Nara anticipated entering into the merger agreement with Center in the next few days.

By the morning of December 8, 2010, the parties had agreed on the formula for calculating the exchange ratio. Under the formula, current Nara stockholders would own 55% of the combined company and current Center stockholders would own 45% upon the completion of the merger, not including shares that would be issued in an offering to raise capital for the combined company that the Nara and Center boards of directors contemplated would be made either before or after completion of the merger. The merger agreement provided for an exchange ratio of 0.7804 share of Nara common stock in exchange for each share of Center common stock upon completion of the merger based on the outstanding share counts agreed to by the parties as of the evening of December 8, 2010. The parties agreed that the exchange ratio would be subject to adjustment prior to the closing to reflect certain changes in the number of outstanding shares of Center or Nara common stock, Center restricted stock awards or Nara performance units that were issued and outstanding as of the date of the merger agreement.

During the afternoon and evening of December 8, 2010, the Nara board held a special meeting to discuss the proposed merger, which meeting was reconvened by conference call the following morning to complete the board s discussion. KBW and Mayer Brown also attended the meeting. The Nara board discussed the final terms of the merger agreement, including the exchange ratio and board composition. Alvin Kang reviewed for the board the background of discussions with Center and the progress of negotiations and reported on Nara s due diligence investigation of Center. KBW reviewed the financial aspects of the proposed merger and Mayer Brown discussed with the board the final legal terms of the merger agreement and the legal standards applicable to the board s decisions and actions with respect to its consideration of the proposed merger.

On December 8, 2010, the Center board met with its senior management and its outside legal and financial advisors to conduct final evaluations and deliberations on whether to approve the merger agreement and the transactions contemplated by the merger agreement, including the holding company merger and bank merger. Management reviewed for the board the background of discussions with Nara and the progress of negotiations and reported on Center s due diligence investigation of Nara. DADCo reviewed with the board the structure and other terms of the proposed merger, and financial information regarding Center, Nara and the proposed merger, as well as information regarding peer companies and comparable transactions. In connection with the deliberation by the board, DADCo rendered to the Center board its oral opinion, subsequently confirmed in writing, as described under Opinions of Nara and Center Financial Advisors Opinion of Center s Financial Advisor, that, based upon and subject to the considerations set forth in the opinion and based upon such other matters as DADCo considered relevant, the exchange ratio was fair, from a financial point of view, to the stockholders of Center as of the date of the opinion. Morrison & Foerster also attended the meeting and distributed a revised draft of the merger agreement in substantially final form, together with an updated summary thereof. Morrison & Foerster discussed with the board the final legal terms of the merger agreement and the legal standards applicable to the board s decisions and actions with respect to its consideration of the proposed merger.

Following these discussions, and review and discussion among the members of the Center board, including consideration of the factors described under Center s Reasons for the Merger; Recommendation of the Merger by the Center Board of Directors, the Center board unanimously determined that the transactions contemplated by the merger agreement and related transactions and agreements, including the holding company merger and bank merger, were advisable and in the best interests of Center and its stockholders, and the directors voted unanimously to approve the merger agreement and the transactions contemplated under the merger agreement, and resolved to recommend that Center stockholders approve the merger agreement and directed that this matter be submitted for consideration of Center stockholders at a stockholders meeting.

At its reconvened meeting on the morning of December 9, 2010, the Nara board continued its consideration of the proposed transaction with its outside legal and financial advisors, including the holding company merger and bank merger. KBW rendered its oral opinion, subsequently confirmed in writing, as described under Opinions of Nara and Center Financial Advisors Opinion of Nara s Financial Advisor, that, as of the date of the written opinion, and based upon and subject to factors and assumptions set forth therein, the exchange ratio in the merger was fair, from a financial point of view to Nara.

Following these discussions, and review and discussion among the members of the Nara board, including consideration of the factors described under Nara s Reasons for the Merger; Recommendation of the Merger by the Nara Board of Directors, the Nara board unanimously determined that the transactions contemplated by the merger agreement and related transactions and agreements, including the holding company merger and bank merger, were advisable and in the best interests of Nara and its stockholders, and the directors voted unanimously to adopt and approve the merger agreement and the transactions contemplated under the merger agreement, and resolved to recommend that Nara stockholders adopt and approve the merger agreement and directed that this matter be submitted for consideration of Nara s stockholders at a stockholders meeting.

The merger agreement was executed on December 9, 2010 and the proposed merger was announced that afternoon at 1:30 p.m. Pacific time in a news release jointly issued by Center and Nara. On the same day, following the news release, management and board members of Center and Nara held a joint press conference with the media and a joint investor conference call to discuss and answer questions related to the proposed merger.

Nara s Reasons for the Merger; Recommendation of the Merger by the Nara Board of Directors

After careful consideration, the Nara board of directors determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Nara and its stockholders. Accordingly, Nara s board approved the merger agreement and the transactions contemplated by the merger agreement and recommends that Nara stockholders vote FOR adoption and approval of the merger agreement.

In reaching its decision, the Nara board of directors consulted with Nara s senior management team, as well as Nara s outside financial advisors and legal counsel, and considered a number of factors, including the following material factors, which are not listed in any relative order of importance:

- the board of directors belief that the merger is an important strategic transaction offering substantial near term and long range benefits and opportunities for Nara, its stockholders and the communities it serves. In this connection, the board considered the following:
  - the merger will create the largest Korean-American commercial bank in the United States as measured by total assets, deposits and capital;
  - the merger will both substantially strengthen Nara s presence in its primary existing markets in Southern California and expand its national presence through the addition of Center s offices in Chicago and Seattle, as well as Center s offices in Northern California locations not currently served by Nara;
  - the increased size of the resulting company will enhance its image in the marketplace and will better position the combined company to acquire other companies as appropriate opportunities arise;
  - management s expectations regarding cost synergies and earnings accretion, including the expectations that the combined company will realize cost savings of approximately $11 million or more on a pre-tax basis in 2012 and that the transaction will be accretive to earnings, as compared to reported stock analysts earnings estimates for both companies on a stand alone basis, in 2012 and following years;
  - while management s forecasted synergies from the merger did not include projected effects of any revenue enhancements, management believes the merger will create opportunities for incremental revenues from, among other things, cross-marketing of banking products and services;
  - the combined company will be able to invest more resources in risk management infrastructure;
- the board of directors belief that the merger of equals nature of the transaction, as well as the familiarity of the board of directors and management of Nara with the board of directors and management of Center, and the generally similar nature of their respective businesses and customer bases in the Korean-American community, should facilitate integration of the two companies;
- historical information concerning Nara s and Center s respective businesses, financial performance and financial condition, as well as their respective operations, management, competitive position and stock performance, which comparisons generally informed the board s consideration of the relative values of Nara and Center in connection with the board s determination of an appropriate exchange ratio;

the alternatives reasonably available to Nara if it did not pursue the merger with Center, including the possibilities of pursuing an acquisition of or merger with another financial institution and the board s conclusion that a merger with Center offered the best available strategic fit and opportunity and that other alternatives should therefore not be pursued at the current time, as well as the board s perception that there would be a substantial risk of loss of the opportunity to merge with Center if negotiation of the transaction were deferred to a later time;

the provisions of the merger agreement that are designed to restrict the ability of both Center and Nara to seek or entertain third party acquisition proposals, subject to certain exceptions that would apply if necessary to enable directors to comply with their fiduciary duties, and the provisions of the merger agreement providing for the payment of termination fees of $2.5 million or $10 million, depending on the circumstances, both of which the board of directors concluded, based in part on the advice of Nara s financial advisor and legal counsel, were appropriate and reasonable means to increase the likelihood that the transaction will be completed while preserving the ability of both boards of directors to act in the best interests of their stockholders;

the board of directors view of Center s business, operations, financial condition, asset quality, earnings and prospects, based in part on its review and discussions with Nara s management about Nara s due diligence examination of Center, as well as management s experience with Center as a strong competitor in the Southern California markets in which both companies compete, and its view that the merger would result in a combined company with an attractive deposit franchise;

the financial analyses presented by KBW, Nara s financial advisor, and the oral opinion of KBW delivered on December 9, 2010, subsequently confirmed by a written opinion of KBW dated the same date, to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations, qualifications and conditions described in KBW s opinion, the exchange ratio provided for in the merger agreement for determining the amount of Nara common stock to be issued to the holders of Center common stock, in exchange for their shares was fair, from a financial point of view, to Nara s stockholders, as more fully described below under the caption Opinions of Nara and Center Financial Advisors Opinion of Nara s Financial Advisor beginning on page [ ];

the terms of the merger agreement taken as a whole, including the fixed exchange ratio and mutual transaction protection and termination fee provisions, which it reviewed with its outside financial and legal advisors, including:

the board s determination that an exchange ratio that is fixed, meaning that it is not subject to adjustment to reflect changes in stock market prices of the two companies, is appropriate to reflect the strategic purpose of the merger and consistent with market practice for mergers of this type;

that a fixed exchange ratio fairly allocates the respective ownership interests of Nara and Center stockholders based on the fundamental valuation assessments made by the respective boards of directors and their negotiations of the exchange ratio and avoids fluctuations in a key element of the transaction being caused by temporary market fluctuations;

the Nara board of directors ability, and the Center board of directors corresponding ability, under certain circumstances, to withhold, withdraw, qualify or modify its recommendation to stockholders to vote in favor of the merger, subject to an obligation to pay the other party a termination fee of $2.5 million or $10 million, depending on the circumstances, as described under The Merger Agreement Termination Fees, which the board of directors concluded was reasonable in the context of termination fees in comparable transactions and in light of the overall terms of the merger agreement, including the value of the merger consideration;

the board of director s understanding of the current and prospective environment in which Nara and Center operate and will operate, including national and local economic conditions, the competitive environment for financial institutions generally, the continuing trends of industry consolidation and increasing costs resulting in part from regulatory and legislative mandates, which the board and management believe favor efficiencies from a greater scale of operations, and the likely effect of these factors on Nara both with and without the proposed transaction; and

management s expectation that the combined company will have a strong capital position upon completion of the transaction, bolstered by an anticipated common equity offering, and that it would continue to have a strong capital position after repurchase of the TARP preferred stock and common stock purchase warrants that Nara and Center have issued to the Treasury Department.

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The Nara board of directors also considered a variety of potentially negative factors in its deliberations concerning the merger agreement and the merger, including the following, which are not listed in any relative order of importance:

- there can be no assurance that all of the conditions to the parties obligations to complete the merger will be satisfied, including the condition of obtaining the required bank regulatory approvals, which is a condition to the consummation of the merger that cannot be waived, and, as a result, the merger may not be consummated;

- the board of directors understanding, based upon the areas of regulatory concern that had resulted in Center entering into memoranda of understanding at both the holding company and bank levels with its banking regulators and in Nara being requested to adopt resolutions of its board of directors at both the holding company and bank levels, together with informal communications with those regulators regarding the proposed merger, that the bank regulatory approval process for the transaction would take substantially longer than normal, that both companies would be required to demonstrate that they had satisfactorily dealt with the regulatory issues raised and that, depending in part on their success in doing so, the merger transaction might not be approved;

- the risk that potential benefits and synergies sought from the merger may not be realized, or may not be realized within the time period expected, and the risks associated with the integration of the two companies;

- the risk that if the process of integrating the businesses of Nara and Center does not proceed as planned, it may have an adverse effect on Nara s relationships with its customers and ultimately impact Nara s profitability;

- the restrictions contained in the merger agreement on the conduct of Nara s business prior to the completion of the merger, which are customary for public company merger agreements involving financial institutions and which mirror those placed on Center under the merger agreement, but which, subject to specific exceptions, could delay or prevent Nara from undertaking business opportunities that may arise or any other action it would otherwise take with respect to the operations of Nara absent the pending completion of the merger;

- the significant risks and costs involved in connection with entering into and completing the merger, or failing to complete the merger in a timely manner, or at all, including as a result of any failure to obtain required regulatory approvals, such as the risks and costs relating to diversion of management and employee attention, potential employee attrition, and the potential effect on business and customer relationships;

- the fact that, because the merger consideration will be determined on the basis of a fixed exchange ratio of shares of Nara common stock for Center common stock, Nara stockholders could be adversely affected by an increase in the trading price of Nara common stock, or a decrease in the value of Center, during the pendency of the merger; and

- The fact that, using various balance sheet and income comparisons, individually or on a multiple, weighted basis, reasonable arguments could be made on a contribution analysis basis that would support an exchange ratio that would result in Center stockholders receiving a smaller percentage of the pro forma shares of common stock outstanding after the merger than the percentage provided in the merger agreement, the board also considered the contrary arguments based on other financial comparison measures and weightings thereof presented by Center and its financial advisor, as well as the perceived strategic benefits of the merger, and concluded that the exchange ratio agreed upon is reasonable under the circumstances.

The foregoing discussion of the information and factors considered by the Nara board of directors is not exhaustive, but is intended to include the material factors considered by the Nara board of directors. In view of the variety of factors considered in connection with its evaluation of the merger, the Nara board of directors did

not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Nara board of directors also did not undertake to make any specific determination as to whether any factor was decisive in reaching its ultimate determination. The Nara board of directors instead based its recommendation on the totality of the information presented.

THE NARA BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE PROPOSAL TO ADOPT AND APPROVE THE MERGER AGREEMENT AND FOR THE PROPOSAL TO ADJOURN THE ANNUAL MEETING, IF NECESSARY OR APPROPRIATE, TO SOLICIT ADDITIONAL PROXIES AND VOTES.

In considering the recommendation of the Nara board of directors with respect to the proposal to adopt and approve the merger agreement, Nara stockholders should be aware that Nara s directors and executive officers have interests in the merger that are different from, or in addition to, those of other Nara stockholders. The board of directors was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending that the merger agreement be adopted and approved by Nara s stockholders. See Interests of Directors and Executive Officers in the Merger Interests of Nara Directors and Executive Officers beginning on page [ ].

In addition, please note that this explanation of the reasoning of Nara s board of directors and other information presented in this section includes statements that are forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading Caution Regarding Forward-Looking Statements on page [ ].

Center s Reasons for the Merger; Recommendation of the Merger by the Center Board of Directors

At a meeting held on December 8, 2010, after a careful review of the facts and circumstances relating to the merger, by unanimous vote, the Center board (i) approved and declared advisable the merger agreement and the transactions contemplated thereby, (ii) determined that the terms of the merger agreement and the merger and the other transactions contemplated thereby were fair to, and in the best interests of, Center and its stockholders and (iii) resolved to recommend that Center stockholders adopt and approve the merger agreement and directed that this matter be submitted for consideration of Center stockholders at a stockholders meeting.

In reaching its decision, the Center board considered the condition of the Korean-American banking sector and concluded that consolidation was likely to occur among the community banks serving the Korean-American community. The Center board determined that it would be important for Center to grow in order to maintain and enhance its competitive position. The Center board evaluated a number of growth alternatives, including organic growth and the possibility of growing through acquisitions or establishing a strategic relationship with a major Korean bank, and decided that a combination with another bank serving the Korean-American community offered the best prospects for sustainable growth. In consultation with its financial and legal advisors, the Center board evaluated the other banks serving the Korean-American community, including their business base, operating results, financial condition, asset quality, management, branch locations and institutional culture, and concluded that among the Korean-American banks, a combination with Nara likely offered the best prospects.

The merger would create the nation s largest Korean-American bank, with approximately $5.3 billion in assets, $3.8 billion in gross loans, and $3.9 billion in deposits and $632.6 million in total equity as of December 31, 2010, and a national presence with branches located in California, New York, New Jersey, Chicago and Seattle. The Center board believed that the proposed merger with Nara would position the combined company to compete more effectively against its competitors in the changing economic and regulatory environment by, among other things:

- strengthening the combined company s presence in its core California markets while expanding its footprint into the New York and New Jersey markets where Center currently does not have a presence;

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- creating opportunities to leverage complementary business lines across a larger customer base, while improving customer service as a result of an expanded branch and distribution network and expanded and improved product offerings;

- enabling more efficient operations through increased scale and synergies of the combined company;

- enhancing the combined company s ability to grow organically or through acquisitions;

- enhancing the ability of the combined company to access the capital markets, particularly in light of evolving regulatory requirements calling for increased capital; and

- improving the combined company s ability to compete with large Korean national banks and other competitors in trade finance relationships and to seek new lending opportunities from large, multinational Korean companies in light of the combined company s increased lending limit.

In reaching its decision and making its recommendation, the Center board also considered the following additional material factors:

- The structure of the transaction as a merger of equals in which, among other things, Center s board and management would have substantial participation in the combined company. In particular, Center s board considered the following:

  - the board of directors of the combined company would consist of seven Center-designated directors and seven Nara-designated directors;

  - the participation of Center s officers in senior management positions in the combined company as described under Board of Directors and Management After the Merger beginning on page [ ];

  - the quality and experience of Nara s board and management; and

  - the combined company and the combined bank will operate under a name to be selected by the directors of both companies.

- The current environment in the financial services industry, including national and regional economic conditions, continued consolidation in the financial services industry (including the perceived need for consolidation in the Korean-American banking sector), regulatory compliance requirements, nationwide and local competition (including competition in the Korean-American banking sector), and the likely effect of these factors on Center on both a stand-alone basis and in the context of the proposed merger.

- The merger is consistent with Center s business strategies, including achieving strong earnings growth, improving customer attraction and retention and focusing on expense control. The Center board concluded after its analysis that Center and Nara are a complementary fit because of the nature of the markets served and products offered by Center and Nara and the expectation that the merger would provide economies of scale, expanded product offerings, expanded opportunities for cross-selling, cost savings opportunities, and enhanced opportunities for growth.

The fairness of the exchange ratio in view of the fact that the implied value of the merger consideration as of December 8, 2010, the day prior to the public announcement of the merger, is $7.16 for each share of Center common stock, representing a 7.67% premium over the closing price of Center common stock of $6.65 on December 8, 2010, and a premium of 31.14% and 34.90% over Center s average closing price during the 60 days and 52 weeks, respectively, preceding announcement of the proposed merger.

The expectation that the merger would be accretive to earnings in light of the potential cost savings and revenue enhancements.

The opportunities for additional cost savings through potential consolidation of certain branch offices of the combined company in California that are closely located to each other.

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The increase in overall assets to approximately $5.3 billion and the increased market capitalization are anticipated to increase the combined company s access to equity and debt markets.

The merger represents an attractive opportunity for the combined company to broaden its market without geographic overlap outside the State of California, with Center gaining a presence in New York and New Jersey and Nara gaining a presence in Seattle and Chicago.

The benefits of the proposed merger as compared with maintaining Center as a stand-alone entity. In reaching this conclusion, the Center board noted that the institution resulting from a combination of Center and Nara should be able to compete more effectively in the current market as a result of its broader base of branches, economies of scale and higher lending limits. The Center board also considered that it was likely that there would be further consolidation in the Korean-American banking sector, making it more difficult for smaller institutions to compete. The Center board also considered Center s historical revenues and revenue expectations over the near and long term, its prospects for achieving continued revenue and earnings growth on an independent basis and as part of the combined company, the execution risks involved in implementing Center s growth strategies on a stand-alone basis, the increasingly competitive environment for small community banks, the increased regulatory burden expected to arise from the implementation of the Dodd-Frank Act and the earnings and growth challenges of doing business in the company s market area, and concluded that the combined company would likely have superior future earnings and prospects compared to Center s earnings and prospects on an independent basis.

The Center board considered whether parties other than Nara would be interested in and capable of entering into a transaction with Center that would provide value to Center s stockholders that was superior to the proposed merger with Nara. As part of its analysis, the Center board considered the views of its management, DADCo and its other advisors. After considering the business, operations, financial condition, asset quality, earnings, management composition, prospects, branch locations and geographical overlap of operations, culture and other attributes of the limited number of viable candidates for a potential merger, the Center board determined that the proposed merger with Nara offered the best strategic fit and opportunity among the available strategic growth options at the time. The Center board also believed that there would be a substantial risk of loss of the opportunity to merge with Nara if negotiations of the transaction were deferred to a later time.

The financial analyses presented by DADCo at the December 8, 2010 meeting of the Center board and the opinion of DADCo, delivered orally at the December 8, 2010 meeting and subsequently confirmed in writing to the effect that, as of that date and based upon and subject to the limitations, qualifications, factors and assumptions set forth in the written opinion, the exchange ratio to be received by Center stockholders pursuant to the merger agreement was fair, from a financial point of view, to such holders. The full text of the written opinion of DADCo, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C hereto and is incorporated herein by reference. For a further discussion of DADCo s opinion, see Opinions of Nara and Center Financial Advisors Opinion of Center s Financial Advisor below.

The Center board s belief that the merger would create a deep bench of board and management talent, with a strong mix of leaders in the Korean-American community and professional expertise at the board level.

The Center board s belief that the terms of the merger agreement were fair and reasonable to Center and its stockholders, including, among other terms, the adequacy of the exchange ratio as further discussed above, the covenants of Center and Nara under the merger agreement, including covenants relating to efforts to obtain regulatory approvals, the limited ability of either party to terminate the merger agreement, the limited conditions to closing, and the limitations and exceptions included in the definition of material adverse effect, which term is used, among other purposes, to reduce the scope of certain representations, warranties and covenants and related merger agreement closing conditions, and the absence of which is a separate closing condition.

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The fact that Nara s common stock was trading on the low end of its historical trading range at the time the Center board approved the proposed merger, which could provide Center s stockholders with potential upside in the stock consideration they would receive if the merger is consummated.

The Center board s belief that the merger will better position the combined company to repay its TARP obligations and resume payment of dividends to its stockholders than if Center remained a separate entity.

The results of the due diligence investigation of Nara conducted by Center s management and financial, legal and other advisors.

The merger would be a tax free reorganization for U.S. federal income tax purposes and Center stockholders receiving stock consideration would not recognize gain or loss on the exchange of Center stock for stock of the combined company.

As a result of the merger, the combined company would have significantly more shares outstanding than Center on a stand-along basis, which may increase the visibility of and liquidity in the combined company s common stock.

Although Center is prohibited under the merger agreement from soliciting a transaction proposal from any other party, the Center board is permitted to consider an alternative acquisition proposal and provide information to and enter into discussions and negotiations with the person making that proposal, if it determines in good faith, after consultation with its financial and outside legal advisors, that such competing proposal is or is reasonably likely to lead to a superior proposal and that a failure to take such action would be inconsistent with its fiduciary duties under applicable law and the Center board otherwise complies with the other restrictions and conditions set forth under the merger agreement before furnishing any information to, or engaging in discussions with, such person making the proposal.

Subject to the payment of a termination fee of up to $10 million and compliance with certain other requirements included in the merger agreement, the Center board is permitted to change its recommendation regarding the merger and pursue an alternative transaction with another party if the directors have determined that the proposal made by that party constitutes a superior proposal.

The Center board also considered the potential risks outlined below but concluded that the anticipated benefits of the merger were likely to outweigh these risks. The risks included:

The possibility that the merger and the related integration process could result in the loss of key employees, in the disruption of Center s on-going business and in the loss of customers.

The possibility of encountering difficulties in achieving cost savings and revenue synergies in the amounts estimated or in the time frame contemplated.

The fact that the exchange ratio will not change with increases or decreases in the market price of either company s stock before the closing of the merger. Although such an exchange ratio is customary in transactions of this nature, the Center stockholders could be adversely affected if there is a decrease in the trading price of Nara common stock during the pendency of the merger or if Center s stock outperforms Nara s stock between December 9, 2010 and the closing of the merger.

The fact that completion of the merger is subject to regulatory approvals from multiple bank regulatory agencies and there can be no assurance that these approvals will be received prior to the termination date in the merger agreement, after which time either Nara or Center can terminate the merger agreement.

One or more of the bank regulatory authorities could condition their approval of the merger on the companies compliance with burdensome requirements, which could have the effect of delaying completion of the transactions contemplated in the merger agreement or imposing additional costs on or limiting the revenues of the combined company, any of which might have a material adverse effect on the combined company following the merger. In this regard, the Center board noted the restrictions and challenges relating to the ongoing informal regulatory actions against Center and Nara and the potential difficulties in obtaining regulatory approvals as a result thereof. These regulatory actions consist of memoranda of understanding with bank regulatory authorities in the case of Center and the adoption of board of directors resolutions at the request of bank regulatory authorities in the case of Nara, directed toward reducing nonperforming assets, resolving perceived weaknesses in lending and specified other banking operations and, in Center s case, increasing capital. To obtain regulatory approval of the merger, each of Center and Nara believes that it must demonstrate to the regulatory authorities that each has satisfactorily addressed these regulatory issues.

The restrictions on the conduct of Center s business prior to the completion of the merger under the merger agreement, which require, among other things, that Center conduct its business only in the ordinary course and take certain actions or refrain from taking certain actions, subject to specific exceptions, which may delay or prevent Center from pursuing business opportunities that may arise that it would otherwise pursue.

The existence of a termination fee of up to $10 million payable in certain circumstances by Center to Nara that would make it more costly for another potential purchaser to acquire Center and, therefore, might have the effect of discouraging other potential purchasers from making a competing proposal to acquire Center.

The requirement that Center submit the merger agreement to its stockholders for a vote even if its board withdraws its recommendation that Center stockholders approve the merger.

The fact that Center s executive officers and directors may have interests in the proposed merger that are different from, or in addition to, those of Center s other stockholders. See Interests of Directors and Executive Officers in the Merger beginning on page [ ].

The possibility that the merger might not be completed and the effect of the resulting public announcement of termination of the merger agreement on, among other things, the market price of Center s common stock and Center s operating results, particularly in light of the costs incurred in connection with the proposed merger.

The possibility that Nara could terminate the merger agreement and elect not to proceed with the merger if holders of 6% or more of Center s common stock exercise dissenters rights in accordance under California law.

The other risks described in the section entitled Risk Factors beginning on page [ ].

Although the Center board considered these and other factors, the Center board did not collectively assign any specific or relative weights to the factors considered and did not make any determination with respect to any individual factor. The Center board collectively made its determination based on the conclusion reached by its members, in light of the factors that each of them considered appropriate, that the merger is in the best interests of Center and its stockholders.

The Center board noted that there can be no assurance about future results, including results expected or considered in the factors listed above, such as assumptions regarding anticipated cost savings and earnings accretion/dilution. However, the Center board concluded that the potential positive factors outweighed the potential risks of completing the merger.

It should be noted that this explanation of the Center board s reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading Cautionary Statement Regarding Forward-Looking Statements.

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For the reasons set forth above, the Center board determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interest of Center and its stockholders, and unanimously approved the merger agreement.

THE CENTER BOARD UNANIMOUSLY RECOMMENDS THAT THE CENTER STOCKHOLDERS VOTE FOR ADOPTION AND APPROVAL OF THE MERGER AGREEMENT.

Opinions of Nara and Center Financial Advisors

Opinion of Nara s Financial Advisor

Nara executed an engagement agreement with KBW on November 30, 2010. KBW s engagement encompassed assisting Nara in analyzing, structuring, negotiating and effecting a transaction with Center. Nara selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with Nara and its business. As part of its investment banking business, KBW is continually engaged in the valuation of financial businesses and their securities in connection with mergers and acquisitions.

On December 8, 2010, the Nara board of directors held a meeting to evaluate the proposed merger of Center with and into Nara, which meeting was reconvened by conference call the following morning to complete the board s discussion. At the meeting on December 8, 2010, KBW reviewed the financial aspects of the proposed merger and at the reconvened meeting on December 9, 2010, rendered an oral opinion (subsequently confirmed in writing) to Nara that, as of such date, and based upon and subject to factors and assumptions set forth therein, the exchange ratio in the merger is fair, from a financial point of view to Nara. The Nara board of directors approved the merger agreement at the reconvened meeting on December 9, 2010.

The full text of KBW s written opinion, dated December 9, 2010, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B to this document and is incorporated herein by reference. The description of the opinion set forth herein is qualified in its entirety by reference to the full text of the opinion. Nara s stockholders are urged to read the opinion in its entirety.

KBW s opinion speaks only as of the date of the opinion. The opinion is directed to the Nara board of directors and addresses only the fairness, from a financial point of view to Nara, of the exchange ratio in the merger. It does not address the underlying business decision to proceed with the merger and does not constitute a recommendation to any Nara stockholder as to how the stockholder should vote on the merger or any related matter.

In connection with its opinion, KBW reviewed, analyzed and relied upon material bearing upon the merger and the financial and operating condition of Nara and Center, including among other things, the following:

- the merger agreement,
- the annual reports to stockholders and Annual Report on Form 10-K for each of the three years ended December 31, 2009 of Nara and Center,
- quarterly earnings releases and Quarterly Reports on Form 10-Q of Nara and Center and certain other communications from Nara and Center to their respective stockholders, and
- other financial information concerning the businesses and operations of Nara and Center furnished to KBW by Nara and Center, respectively, for purposes of KBW s analysis.

KBW also held discussions with members of senior management of Nara and Center regarding the past and current business operations, regulatory relations, financial condition and future prospects of the respective

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companies and such other matters that KBW deemed relevant to its inquiry. In addition, KBW compared certain financial and stock market information for Nara and Center with similar information for certain other companies the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the banking industry, the potential pro forma impact of the merger, and performed such other studies and analyses as KBW considered appropriate.

In conducting its review and arriving at its opinion, KBW relied upon and assumed the accuracy and completeness of all of the financial and other information provided to it or publicly available, and did not independently verify the accuracy or completeness of any such information or assume any responsibility for such verification or accuracy. KBW relied upon the managements of Nara and Center as to the reasonableness and achievability of the financial and operating forecasts and projections (and the assumptions and bases therefor) provided to KBW and KBW assumed that such forecasts and projections reflect the best currently available estimates and judgments of such managements and that such forecasts and projections will be realized in the amounts and in the time periods currently estimated by such managements. KBW is not an expert in the independent valuation of the adequacy of allowances for loan losses, and, without independent verification, assumed that the aggregate allowances for loan and lease losses for Nara and Center are adequate to cover those losses. KBW did not make or obtain any evaluations or appraisals of any assets or liabilities of Nara or Center, nor did it examine or review any individual credit files.

The projections furnished to KBW and used by it in certain of its analyses were prepared by Nara s and Center s senior management teams. Nara and Center do not publicly disclose internal management projections of the type provided to KBW in connection with its review of the merger. As a result, such projections were not prepared with a view towards public disclosure. The projections were based on numerous variables and assumptions, which are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the projections. The estimates or projections contained in the analyses performed by KBW are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates or projections of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty.

KBW was not asked to, and it did not, offer any opinion as to the terms of the merger agreement or the form of the merger, other than the exchange ratio to the extent expressly specified in KBW s opinion. Additionally, KBW s opinion did not address the relative merits of the merger as compared to any alternative business strategies that might exist for Nara, nor does it address the effect of any other business combination in which Nara might engage.

For purposes of rendering its opinion, KBW assumed that, in all respects material to its analyses:

- the merger will be completed substantially in accordance with the terms set forth in the merger agreement;

- the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement are true and correct;

- each party to the merger agreement and all related documents will perform all of the covenants and agreements required to be performed by such party under such documents;

- all conditions to the completion of the merger will be satisfied without any waivers; and

- in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the merger, no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, will be imposed that will have a material adverse effect on the future results of operations or financial condition of the combined entity or the contemplated benefits of the merger, including the cost savings, revenue enhancements and related expenses expected to result from the merger.

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KBW further assumed that the merger will be accounted for as a purchase transaction under generally accepted accounting principles, and that the merger will qualify as a tax-free reorganization for United States federal income tax purposes. KBW s opinion is not an expression of an opinion as to the prices at which shares of Nara common stock would trade after the announcement of the proposed merger or the actual value of the shares of Nara common stock when issued pursuant to the merger, or the prices at which the shares of Nara common stock will trade following the completion of the merger.

In performing its analyses, KBW considered such financial and other factors it deemed appropriate, including, among other things, the historical and current financial position and results of operations of Nara and Center, the assets and liabilities of Nara and Center, and the nature and terms of certain other merger transactions involving banks and bank holding companies. KBW also took into account KBW s assessment of general economic, market and financial conditions and other matters, which are beyond the control of KBW, Nara and Center and none of Nara, Center, KBW or any other person assumes responsibility if future results are materially different from those projected.

The exchange ratio was determined through negotiation between Nara and Center and the decision to enter into the merger was solely that of Nara s board of directors. In addition, the KBW opinion was among several factors taken into consideration by the Nara board in making its determination to adopt and approve the merger agreement and approve the merger. Consequently, the analyses described below should not be viewed as determinative of the decision of the Nara board with respect to the fairness of the exchange ratio in the merger.

Summary of Analysis by KBW

The following is a summary of the material financial analyses presented by KBW to the Nara board in connection with rendering the fairness opinion described above. The following summary is not a complete description of the financial analyses performed by KBW in rendering its opinion or the presentation made by KBW to the Nara board, nor does the order of analysis described represent relative importance or weight given to any particular analysis by KBW, and the summary is qualified in its entirety by reference to the written opinion of KBW attached as Annex B. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible of partial analysis or summary description. Selecting portions of the analysis or of the summary set forth herein, without considering the analysis as a whole, could create an incomplete view of the processes underlying KBW s opinion. In arriving at its opinion, KBW considered the results of its entire analysis and KBW did not attribute any particular weight to any analysis or factor that it considered. Rather, KBW made its determination as to fairness on the basis of its experience and professional judgment after considering the results of its entire analysis. The financial analyses summarized below include information presented in tabular format. KBW believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion. The tables alone do not constitute a complete description of the financial analyses.

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Selected Peer Group Analysis. Using publicly available information, KBW compared the financial performance and financial condition of Center to the following depository institutions that KBW considered comparable to Center. Companies included in this peer group of comparable companies, all of which are headquartered in the Western United States, were:

Chinese-American Public Banks:	**Korean-American Public Banks:**	**Smaller Korean-American Public Banks:**
East West Bancorp, Inc.	Wilshire Bancorp, Inc.	Saehan Bancorp
Cathay General Bancorp	Nara Bancorp, Inc.	Pacific City Financial Corporation
MetroCorp Bancshares, Inc.	Hanmi Financial Corporation	Commonwealth Business Bank
Preferred Bank		Pacific International Bancorp, Inc.
		Uniti Financial Corporation
		Open Bank
		US Metro Bank
		Ohana Pacific Bank

To perform this analysis, KBW used financial information for the three-month period ended September 30, 2010. Certain financial information prepared by KBW, and referenced in the tables presented below, may not correspond to the data presented in Center s historical financial statements, or to the data prepared by DADCo, presented under the section Opinion of Center s Financial Advisor, as a result of the different periods, assumptions and methods used by KBW to compute the financial information presented.

KBW s analysis showed the following concerning Center s financial performance:

Center s Financial Performance

	Center	**Asian American Peer Group Minimum**	**Asian American Peer Group Maximum**
Return on Average Assets	1.04%	(7.30%)	0.93%
Return on Average Equity	8.8%	(85.1%)	8.0%
Return on Average Tangible Equity(1)	8.9%	(85.1%)	10.1%
Net Interest Margin	3.31%	2.74%	4.28%
Noninterest Income / Average Assets	0.77%	0.12%	1.73%
Noninterest Expense / Average Assets	2.17%	1.23%	5.56%
Efficiency Ratio	57.6%	37.2%	113.9%
Pre Tax Pre Provision Income / Average Assets(1)	1.60%	(0.71%)	2.68%

(1) Net of Amortization of Intangible Assets. Pre Tax Pre Provision Income does not exclude gains or losses on sale of loans, or foreclosure and repo expense. All metrics are annualized with the exception of the efficiency ratio.

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KBW s analysis showed the following concerning Center s financial condition:

Center s Financial Condition

	Center	Asian American Peer Group Minimum	Asian American Peer Group Maximum
Gross Loans Held for Investment / Total Deposits	85.3%	71.5%	107.0%
Total Equity / Total Assets	11.94%	5.82%	14.86%
Tangible Equity / Tangible Assets	11.92%	5.74%	14.86%
Tangible Common Equity / Tangible Assets	9.57%	4.73%	12.11%
Leverage Ratio	12.55%	7.55%	14.78%
Tier 1 Ratio	18.04%	9.24%	18.04%
Total Risk-Based Capital Ratio	19.32%	10.91%	19.70%
Nonperforming Assets / Loans + OREO	4.66%	1.97%	16.91%
Loan Loss Reserve / Loans	3.45%	1.80%	8.60%
Loan Loss Reserve / Nonperforming Loans	85.0%	23.3%	97.4%
Texas Ratio(1)	25.3%	14.6%	88.0%
Net Charge-Offs / Adjusted Average Loans(2)	2.18%	0.17%	8.08%
Loan Loss Provision / NCOs	50.2%	50.2%	238.4%

(1) (NPAs & 90+ days delinquent loans) / (Tangible Common Equity).

(2) Annualized; excludes covered loans per FDIC-assisted acquisitions if applicable.

KBW s analysis showed the following concerning Center s market performance:

Center s Market Performance

	Center	Asian American Peer Group Minimum	Asian American Peer Group Maximum
Stock Price / Book Value per Share	1.22x	0.16x	1.37x
Stock Price / Tangible Book Value per Share	1.22x	0.16x	1.70x
Stock Price / 2011 EPS Consensus Estimates(1)	14.5x	11.2x	27.8x
Stock Price / 2012 EPS Consensus Estimates(1)	10.6x	5.4x	19.0x
Premium / Core Deposits	3.9%	-17.7%	10.5%
Dividend Yield	0.00%	0.00%	0.27%

(1) Per Thompson Financial.

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Comparable Transaction Analysis. KBW reviewed publicly available information related to select comparably sized acquisitions of banks nationwide announced since December 31, 2007 with aggregate transaction values between $50 million and $750 million, excluding transactions in which the seller had ratios of NPAs to Loans & OREO greater than 4.5%. The 21 transactions included in the group were:

Acquiror:	**Acquired Company:**
Community Bank System, Inc.	Wilber Corporation
Old National Bancorp	Monroe Bancorp
F.N.B. Corporation	Comm Bancorp, Inc.
Eastern Bank Corporation	Wainwright Bank & Trust Company
National Australia Bank, Limited	F&M Bank-Iowa Central
Chemical Financial Corporation	O.A.K. Financial Corporation
Tower Bancorp, Inc.	First Chester County Corporation
M&T Bank Corporation	Provident Bankshares Corporation
Penseco Financial Services Corporation	Old Forge Bank
Hampton Roads Bankshares, Inc.	Gateway Financial Holdings, Inc.
Hillister Enterprises II, Inc.	Crosby Bancshares, Inc.
Yadkin Valley Financial Corporation	American Community Bancshares, Inc.
First Merchants Corporation	Lincoln Bancorp
Wells Fargo & Company	Century Bancshares, Inc.
First Citizens Bancorporation, Inc.	Community Bankshares, Inc.
Whitney Holding Corporation	Parish National Corporation
CapitalSource Inc.	Retail deposits and assets
Valley National Bancorp	Greater Community Bancorp
F.N.B. Corporation	Iron & Glass Bancorp, Inc.
Prosperity Bancshares, Inc.	1st Choice Bancorp, Inc.
Hampton Roads Bankshares, Inc.	Shore Financial Corporation

Transaction multiples for the merger were derived from an implied aggregate offer price of $285.7 million (based on stock prices as of December 8, 2010) for Center. For each precedent transaction, KBW derived and compared, among other things, the implied ratio of price per common share paid for the acquired company to:

- last twelve months earnings per share based on the latest publicly available financial statements of the acquired company prior to the announcement of the acquisition,

- book value per share of the acquired company based on the latest publicly available financial statements of the company prior to the announcement of the acquisition,

- tangible book value per share of the acquired company based on the latest publicly available financial statements of the company prior to the announcement of the acquisition,

- total deposits based on the latest publicly available financial statements of the acquired company prior to the announcement of the acquisition,

- tangible common equity premium to core deposits (total deposits less time deposits greater than $100,000 each) based on the latest publicly available financial statements of the company prior to the announcement of the acquisition, and

- market premiums based on the latest closing price 1-day and 1-month prior to the public announcement of the acquisition.

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The results of the analysis are set forth in the following table:

Comparable Transaction Analysis

Transaction Price to:	Nara / Center Merger	Comparable Transactions Minimum	Comparable Transactions Maximum
LTM EPS	NM(1)	8.5x	35.6x
Book Value	1.31x	0.61x	3.37x
Tangible Book Value	1.32x	0.90x	3.37x
Deposits	15.9%	3.0%	35.9%
Core Deposit Premium	5.4%	1.3%	28.6%
Market Premium: 1-Day	7.6%	19.3%	169.5%
Market Premium: 1-Month	22.1%	(15.2%)	189.9%

(1) Not meaningful.

No company or transaction used as a comparison in the above analysis is identical to Nara, Center or the proposed merger. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning similarities and differences in financial and operating characteristics of the companies involved.

Discounted Cash Flow Analysis. KBW performed a discounted cash flow analysis to estimate a range for the implied equity value of Center. In this analysis, KBW assumed discount rates ranging from 11.0% to 15.0% to derive (i) the present value of the estimated free cash flows that Center could generate over a five-year period, including certain cost savings forecasted as a result of the merger, and (ii) the present value of Center s terminal value at the end of year five. Terminal values for Center were calculated based on a range of 8.0x to 16.0x estimated year six earnings. In performing this analysis, KBW used Center s and Nara s management s estimates. Certain data were adjusted to account for restructuring charges anticipated by management to result from the merger. KBW assumed that Center would maintain a tangible common equity / tangible asset ratio of 8.00% and would retain sufficient earnings to maintain that level. Any earnings in excess of what would need to be retained represented dividendable cash flows for Center.

Based on these assumptions, KBW derived a range of implied value of Center of $6.27 per share to $12.61 per share.

The discounted cash flow analysis is a widely used valuation methodology, but the results of this methodology are highly dependent on the assumptions that must be made, including asset and earnings growth rates, terminal values, dividend payout rates, and discount rates. The analysis did not purport to be indicative of the actual values or expected values of Center.

Forecasted Pro Forma Financial Analysis. KBW analyzed the estimated financial impact of the merger on Nara s 2011 estimated earnings per share. For both Nara and Center, KBW ran two scenarios, one using management estimates of earnings per share for 2011, and the other using consensus analyst estimates of earnings per share for 2011. In addition, KBW assumed that the merger will result in cost savings equal to Nara s management s estimates. Based on its analysis, KBW determined, in both scenarios, that the merger would be accretive to Nara s estimated GAAP earnings per share in 2011.

Furthermore, the analysis indicated that Nara s leverage ratio, tier 1 risk-based capital ratio and total risk-based capital ratio would all remain at or above the levels specified in the bank regulatory definition of well capitalized. This analysis was based on internal projections provided by Nara s and Center s senior management teams. For all of the above analyses, the actual results achieved by Nara following the merger may vary from the projected results, and the variations may be material.

The Nara board retained KBW as an independent contractor to act as financial advisor to Nara regarding the merger. As part of its investment banking business, KBW is continually engaged in the valuation of banking businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. As specialists in the securities of banking companies, KBW has experience in, and knowledge of, the valuation of banking enterprises. In the ordinary course of its business as a broker-dealer, KBW may, from time to time, purchase securities from, and sell securities to, Nara and Center. As a market maker in securities, KBW may from time to time have a long or short position in, and buy or sell, debt or equity securities of Nara for KBW s own account and for the accounts of its customers.

Under the engagement agreement entered into by Nara and KBW, Nara agreed to pay KBW a cash fee of $250,000 concurrently with the rendering of its opinion, the amount of which fee, to the extent paid, shall be credited against the amount of any contingent fee that becomes payable. Nara will pay to KBW at the time of closing of the merger a contingent cash fee equal to $1,500,000. Pursuant to the KBW engagement agreement, Nara also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements, including fees and reasonable expenses of counsel, up to $25,000, incurred in connection with the engagement and to indemnify KBW and related parties against certain liabilities, including liabilities under federal securities laws, relating to, or arising out of, its engagement.

Opinion of Center s Financial Advisor

DADCo was retained to act as financial advisor to Center in connection with the merger and to render an opinion as to whether the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the stockholders of Center. At a meeting of Center s board of directors held on December 8, 2010, DADCo rendered its opinion to the effect that, based upon and subject to the considerations set forth in the opinion and based upon such other matters as DADCo considered relevant, the exchange ratio was fair, from a financial point of view, to the stockholders of Center as of the date of the opinion.

The full text of the written opinion of DADCo, dated December 8, 2010, which sets forth the procedures followed, assumptions made, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C to this document and is incorporated herein by reference. Center s stockholders should read the opinion in its entirety. DADCo provided its opinion for the information and assistance of Center s board of directors in connection with its consideration of the merger. The DADCo opinion is not a recommendation as to how any holder of Center s common stock should vote with respect to the merger.

In connection with rendering its opinion and performing its related financial analyses, DADCo reviewed, among other things:

- a draft of the merger agreement dated December 8, 2010;
- certain financial statements and other historical financial and business information about Center and Nara made available to DADCo from published sources and/or from the internal records of Center and Nara that DADCO deemed relevant;
- consensus earnings estimates by quarter for the year 2010 and by quarter and annually for the years 2011 and 2012 published by Thompson Financial as of December 7, 2010 and the views of senior management of Center and Nara as well as limited discussions with senior management regarding past and present business, financial condition, results of operations and future prospects for Center and Nara;
- the current market environment generally and the banking environment in particular;
- the publicly reported historical price and trading activity for Center and Nara common stock;
- the relative contributions of Center and Nara to the combined company;

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- a comparison of certain financial and stock market information for Center with similar publicly available information for certain other companies of which the securities are publicly traded;

- the financial terms of certain other mergers of equals in the financial institutions industry, to the extent publicly available;

- the pro forma financial impact of the merger, taking into consideration the amounts and timing of the transaction costs and cost savings which the managements of Center and Nara estimate will result from the merger; and

- such other information, financial studies, analyses and investigations and financial, economic and market criteria as DADCo considered relevant.

DADCo also has reviewed the final executed merger agreement, and believes that none of the changes from the draft merger agreement on December 8, 2010 to the final executed merger agreement affected its fairness opinion or fairness opinion analysis in any material respects.

In rendering its opinion, DADCo assumed and relied upon the accuracy and completeness of all information supplied or otherwise made available to DADCo, discussed with or reviewed by or for DADCo, or publicly available, and DADCo has not assumed responsibility for independently verifying such information or undertaken an independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of Center or Nara, nor has DADCo been furnished with any such evaluation or appraisal. In addition, DADCo has not assumed any obligation to conduct, nor has it conducted, any physical inspection of the properties or facilities of Center or Nara. DADCo has further relied on statements from the management of Center and Nara that they are not aware of any facts or circumstances that would make any of such information inaccurate or misleading. DADCo did not make an independent evaluation of the adequacy of the allowance for loan losses of Center or Nara nor has DADCo reviewed any individual credit files relating to Center or Nara. DADCo has assumed that the respective allowances for loan losses for both Center and Nara are adequate to cover such losses and will be adequate on a pro forma basis for the combined entity. DADCo has assumed that there has been no material change in Center s or Nara s assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements provided.

DADCo has assumed in all respects material to the analysis that Center and Nara will remain as going concerns for all periods relevant to the analysis. It has also assumed in all respects material to the analysis that all of the representations and warranties contained in the merger agreement and all related agreements are true and correct, that each party to such agreements will perform all of the covenants required to be performed by such party under such agreements and that the conditions precedent in the merger agreement will not be waived.

DADCo has assumed that in the course of obtaining necessary regulatory or other consents or approvals (contractual or otherwise) for the transaction, no restrictions, including any divestiture requirements or amendment or modifications, will be imposed that will have a material adverse effect on the contemplated benefits of the transaction.

In addition, DADCo has also assumed that the transaction will qualify as a tax-free reorganization. DADCo does not express any view as to, and its opinion does not address, the relative merits of the transaction as compared to any alternative business strategies that might exist for Center or the effect of any other transaction in which Center might engage. Additionally, DADCo is not expressing any opinion herein as to the prices at which the shares of Center or Nara currently trade or may trade in the future. The opinion of DADCo is necessarily based upon information available to DADCo and economic, market, financial and other conditions as they exist and can be evaluated on the date of the opinion.

Set forth below is a summary of the material financial analyses performed by DADCo in connection with rendering its opinion. The summary of the analyses of DADCo set forth below is not a complete description of the analyses underlying its opinion, and the order in which these analyses are described below is not indicative of any relative weight or importance given to those analyses by DADCo. The following summaries of financial analyses include information presented in tabular format. You should read these tables together with the full text of the summary financial analyses, as the tables alone are not a complete description of the analyses.

Unless otherwise indicated, the following quantitative information, to the extent it is based on market data, is based on market data as of December 7, 2010, the last trading day prior to the date on which DADCo made its presentation to Center s board of directors, and is not necessarily indicative of market conditions after such date.

Contribution Analysis. DADCo computed the relative contributions of Center and Nara to (1) the total assets, gross loans, loan loss reserves, investment securities, total deposits, core deposits, total equity, tangible equity, tangible common equity, tier 1 capital and risk-based capital as of September 30, 2010, (2) interest income, interest expense, net interest income, non-interest income, non-interest expense, net income and pre-tax pre-provision income for the last twelve months ended September 30, 2010, (3) projected net income for years 2011 and 2012 based on consensus earnings estimates published by Thompson Financial as of December 7, 2010, and (4) market capitalization and total number of branch locations as of December 7, 2010

The results of this analysis are set forth in the following table ($ in thousands):

			Contribution %	
Contribution	**Nara**	**Center**	**Nara**	**Center**
Balance Sheet				
Total Assets	$ 2,984,976	$ 2,267,439	56.8%	43.2%
Gross Loans	2,174,757	1,578,908	57.9%	42.1%
Loan Loss Reserves	63,692	54,460	53.9%	46.1%
Investment Securities	504,596	306,445	62.2%	37.8%
Total Deposits	2,202,656	1,792,281	55.1%	44.9%
Core Deposits*	1,872,801	1,247,037	60.0%	40.0%
Total Equity	356,102	270,690	56.8%	43.2%
Tangible Equity	352,932	270,216	56.6%	43.4%
Tangible Common Equity	288,965	216,869	57.1%	42.9%
Tier 1 Capital	377,991	284,662	57.0%	43.0%
Risk-Based Capital	407,066	304,816	57.2%	42.8%
Income Statement Last Twelve Months				
Interest Income	$ 154,254	$ 96,379	61.5%	38.5%
Interest Expense	48,179	30,167	61.5%	38.5%
Net Interest Income	106,075	66,212	61.6%	38.4%
Non-Interest Income	25,607	16,416	60.9%	39.1%
Non-Interest Expense	60,819	47,874	56.0%	44.0%
Net Income	(13,785)	(8,233)	NM	NM
Pre-Tax Pre-Provision Income	70,863	42,790	62.4%	37.6%
Income Statement Projected				
Net Income 2011E	$ 12,542	$ 18,360	40.6%	59.4%
Net Income 2012E	27,743	25,145	52.5%	47.5%
Other Considerations				
Market Capitalization	$ 338,282	$ 262,924	56.3%	43.7%
Branches	23	22	51.1%	48.9%

* Core deposits include all non-jumbo CDs.

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Selected Companies Analysis. DADCo reviewed and compared certain financial and stock market information, ratios and multiples for Center to corresponding financial and stock market information, ratios and multiples for (1) a group of ten publicly traded regional banks in the Western U.S. of similar size and credit condition and (2) a group of thirteen publicly traded regional banks in California set forth below:

Western U.S. Companies of Similar Size and Credit Condition*

CoBiz Financial, Inc.

Columbia Banking System, Inc.

First California Financial Group, Inc.

Heritage Commerce Corp

Heritage Financial Corporation

Nara Bancorp, Inc.

Pacific Continental Corporation

TriCo Bancshares

West Coast Bancorp

Wilshire Bancorp, Inc.

* *Consists of all publicly traded banks headquartered in the Western U.S. with total assets between $1.0 billion and $5.0 billion, and with a ratio of non-performing assets to total assets between 2.00% and 5.00%. The foregoing criteria are intended to capture companies within the Western United States that were relatively comparable to Nara and Center in terms of size, credit quality and financial condition.*

California Companies**

Bank of Marin

CVB Financial Corp.

First California Financial Group, Inc.

Hanmi Financial Corporation

Heritage Commerce Corp

Nara Bancorp, Inc.

Pacific Mercantile Bancorp

PacWest Bancorp

Preferred Bank

Sierra Bancorp

TriCo Bancshares

Westamerica Bancorporation

Wilshire Bancorp, Inc.

** *Consists of all publicly traded banks headquartered in California with total assets between $1.0 billion and $10.0 billion. This list is geographically focused and is intended to capture all publicly traded banks that are relatively similar in size to Nara or Center, regardless of their financial condition or credit quality. Accordingly, DADCo did not apply the ratio of non-performing assets to total asset criteria in selecting comparable companies for this list.*

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DADCo calculated and compared selected multiples and ratios for Center and the selected companies based upon publicly available information. DADCo used balance sheet and income statement information at or for the fiscal quarter ended September 30, 2010 and market data as of December 7, 2010. For the financial statistics set forth below, DADCo relied on information published by SNL Financial LLC, a recognized data service that collects, standardizes and disseminates relevant corporate, financial, market and mergers and acquisitions data for companies in the banking industry. The selected multiples, statistics and ratios that were calculated and compared by DADCo were as follows:

Market capitalization as a multiple of stated tangible book value;

Ratio of market capitalization less tangible book value to core deposits (core deposit premium);

Ratio of tier 1 capital to average adjusted assets (leverage ratio);

Ratio of tier 1 capital to risk weighted assets (tier 1 ratio);

Ratio of total risk-based capital to risk weighted assets (risk-based capital ratio);

Ratio of tangible common equity to tangible assets;

Ratio of non-performing assets to total assets;

Ratio of loan loss reserve to non-performing assets;

Ratio of non-performing assets plus loans 90+ days past due to tangible book value plus loan loss reserve (Texas ratio);

Ratio of net charge-offs to average total loans;

Net interest margin; and

Return on average assets.

		Selected Companies (Median)	
	Center	Western US Companies	California Companies
Market capitalization as a multiple of stated tangible book value;	121.2%	114.4%	109.2%
Ratio of market capitalization less tangible book value to core deposits* (core deposit premium);	3.62%	2.30%	2.26%
Ratio of tier 1 capital to average adjusted assets (leverage ratio);	12.55%	12.47%	10.01%
Ratio of tier 1 capital to risk weighted assets (tier 1 ratio);	18.04%	16.20%	14.10%

Ratio of total risk-based capital to risk weighted assets (risk-based capital ratio);	19.32%	17.46%	15.56%
Ratio of tangible common equity to tangible assets;	9.57%	9.51%	8.34%
Ratio of non-performing assets to total assets;	3.03%	3.76%	3.78%
Ratio of loan loss reserve to non-performing assets;	79.4%	51.4%	50.0%
Ratio of non-performing assets plus loans 90+ days past due to tangible book value plus loan loss reserve (Texas ratio)	25.3%	37.3%	43.8%
Ratio of net charge-offs to average total loans	2.18%	1.69%	1.93%
Net interest margin	3.25%	4.06%	3.88%
Return on average assets	1.04%	0.44%	0.25%

* Core deposits include all non-jumbo CDs

Precedent Transactions Analysis. DADCo analyzed publicly available information for nine selected comparable merger-of-equal transactions in the commercial banking industry, consisting of:

Virginia Financial Group / FNB Corp.

Bank of New York Co. / Mellon Financial Corp.

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UnionBancorp Inc. / Centrue Financial Corporation

Regions Financial Corp. / Union Planters Corp.

UNB Corp. / BancFirst Ohio Corp.

MB Financial Inc. / MidCity Financial Corporation

New York Community Bancorp / Richmond County Financial Corp

First Place Financial Corp. / FFY Financial Corp.

National Commerce Bancorp / CCB Financial Corp.

DADCo calculated the premium to the stock price for the last trading day prior to the announcement of the transaction implied by the exchange ratio for the precedent transaction, the contribution to market value of each company in the precedent transaction, the contribution to tangible common equity of each company in the precedent transaction (before purchase accounting adjustments) and the pro forma ownership of each company in the precedent transaction, as well as certain non-financial terms of the precedent transactions, including a review of the composition of the board of directors of the combined company. The results of these analyses and reviews are summarized in the following table:

				% Contribution				Merger Results			
		Deal		Market		Tangible		Pro-Forma		Board	
	Announce	Value	1-Day	Capitalization		Common Equity		Ownership		Representation	
Issuer / Partner	**Date**	**($M)**	**Premium**	**Issuer**	**Partner**	**Issuer**	**Partner**	**Issuer**	**Partner**	**Issuer**	**Partner**
Virginia Financial Group/FNB Corp.	Jul-07	$ 240.2	2.9%	49.0%	51.0%	51.2%	48.8%	48.0%	52.0%	50.0%	50.0%
Bank of New York Co./ Mellon Financial Corp.	Dec-06	$ 16,864.4	0.0%	61.9%	38.1%	69.4%	30.6%	63.3%	36.7%	55.6%	44.4%
UnionBancorp Inc./ Centrue Financial Corporation	Jun-06	$ 54.3	5.3%	59.5%	40.5%	68.4%	31.6%	58.6%	41.4%	50.0%	50.0%
Regions Financial Corp./Union Planters Corp.	Jan-04	$ 6,000.8	0.0%	58.3%	41.7%	61.1%	38.9%	59.0%	41.0%	50.0%	50.0%
UNB Corp./BancFirst Ohio Corp.	Sep-01	$ 216.0	17.0%	52.0%	48.0%	46.4%	53.6%	47.0%	53.0%	50.0%	50.0%
MB Financial Inc./ MidCity Financial Corporation	Apr-01	$ 174.8	NA	NA	NA	31.4%	68.6%	40.0%	60.0%	47.1%	52.9%
New York Comm. Bancorp/Richmond County Fin. Corp	Mar-01	$ 779.3	4.7%	59.9%	40.1%	46.8%	53.2%	60.0%	40.0%	55.6%	44.4%
First Place Financial Corp./FFY Financial Corp.	May-00	$ 71.5	4.8%	56.4%	43.6%	69.2%	30.8%	60.0%	40.0%	50.0%	50.0%
National Commerce Bancorp./CCB Financial Corp.	Mar-00	$ 1,920.6	25.2%	59.0%	41.0%	44.3%	55.7%	53.0%	47.0%	50.0%	50.0%

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Accretion/Dilution Analysis. DADCo performed pro forma analyses of the financial impact of the merger on Center s and Nara s (1) estimated earnings per share on a GAAP basis for 2nd half of 2011 after the transaction closes and full year 2012 (2) pre-tax pre-provision earnings per share for the annualized Q3 2010 and (3) estimated closing tangible book value per share. The following assumptions were applied:

Transaction closes June 30, 2011;

Financial data as of September 30, 2010;

42% marginal corporate tax rate on transaction and earnings adjustments;

Consensus earnings estimates by equity research analysts, as published by Thompson Financial, by quarter for the year 2010 and by quarter and annually for the years 2011 and 2012

Center and Nara total asset growth of 2.7% and 5.7%, respectively until closing;

Center s options are converted into Nara s options on the basis of the exchange ratio;

Restructuring charge of $10.7 million at closing; 3.00% pre-tax opportunity cost of cash;

Assumes a total fair market value adjustment on Center s loan portfolio of 8.00% (including the estimated existing loan loss reserves at closing);

Pre-tax annual cost savings of $11.2 million: $2.8 million realized in 2011 and $11.2 million realized in 2012;

No revenue synergies included;

Assumes Center and Nara continue policy of not paying dividends; and

Assumes neither Center nor Nara repurchases the outstanding preferred stock or warrants issued to the Treasury Department under the TARP Capital Purchase Program.

	Nara	Center
Earnings per Share		
2nd Half 2011	44.0%	-6.6%
2012	23.2%	11.1%
Pre-Tax Pre-Provision EPS		
Annualized Q3 2010	-1.5%	44.6%
Tangible Book per Share		

At Close (Q2 2011)	-18.8%	-14.5%

The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, DADCo considered the results of all of the analyses and factors and did not isolate specific analyses or factors nor reach separate conclusions as to whether or not any particular analysis or factor supported its opinion; rather, DADCo made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all the underlying analyses and factors. Accordingly, DADCo believes that its analyses must be considered as a whole and that selecting portions of its analyses or certain factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the processes underlying its opinion.

In its analyses, DADCo made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and various other matters, many of which are beyond the control of the parties and their advisors. Furthermore, no company or transaction used in the analysis is identical to Center, Nara, or the proposed merger. Rather, the analyses of comparable companies and transactions involve complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the acquisition, public trading or other values of the companies or transactions being compared.

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DADCo prepared its analyses for purposes of providing its opinion to Center s board of directors as to the fairness from a financial point of view to holders of shares of Center common stock of the exchange ratio and to assist Center s board of directors in analyzing the proposed merger. The analyses do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than those suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties and their respective advisors, none of Center, Nara, DADCo or any other person assumes responsibility if future results are materially different from those forecasted.

DADCo s opinion was one of many factors considered by the Center board of directors in its evaluation of the merger and should not be viewed as determinative of the views of the board of directors of Center or management with respect to the merger or the exchange ratio.

DADCo and its affiliates, as part of their investment banking business, are continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions. DADCo acted as financial advisor to Center in connection with, and participated in certain of the negotiations leading to, the merger.

DADCo is a full service securities firm engaged, either directly or through its affiliates, in securities trading, investment management, financial planning and benefits counseling, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, DADCo and its affiliates may provide such services to Center, Nara and their respective affiliates, may actively trade the debt and equity securities (or related derivative securities) of Center and Nara for their own account and for the accounts of their customers and may at any time hold long and short positions of such securities.

Center selected DADCo as its financial advisor because it is a recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to a letter agreement dated December 3, 2010, Center engaged DADCo as its financial advisor in connection with the contemplated transaction. Pursuant to the terms of the engagement letter, Center agreed to pay DADCo a cash fee of $250,000 concurrently with the rendering of its opinion, the amount of which fee will be credited against the amount of any contingent fee that becomes payable. Center will pay to DADCo at the time of closing of the merger a contingent cash fee equal to $1,500,000. Center has also agreed to reimburse DADCo for all reasonable out-of-pocket expenses, including fees of counsel, and to indemnify DADCo and certain related persons against specified liabilities, including liabilities under the federal securities laws, relating to or arising out of its engagement. Additionally, DADCo may provide investment banking services to the combined company in the future and may receive future compensation.

Interests of Directors and Executive Officers in the Merger

In considering the recommendations of the boards of directors of Nara and Center to vote for the proposal to adopt and approve the merger agreement, stockholders of Nara and Center should be aware that members of the board of directors and executive management may be considered to have interests in the merger that may differ from those of the stockholders of Nara and Center. Except as described below, the Nara and Center boards of directors were aware of these interests during their deliberations on the merits of the merger and in making their decisions to recommend to the respective stockholders of Nara and Center that they vote to adopt and approve the merger agreement.

Interests of Nara Directors and Executive Officers

Nara Management and Board of Directors Positions

The merger agreement provides that Alvin Kang, Nara s current President and Chief Executive Officer, will remain Chief Executive Officer of the combined company for a period of at least 18 months commencing on the effective date of the merger. In addition, Ki Suh Park, the current Chairman of the Board of Nara, will become Chairman of the Board of the combined company and Scott Whang, a current director of Nara, will become Vice Chairman of the Board of the combined company s bank subsidiary at the effective time of the merger. The merger agreement provides for the Nara bylaws to be amended upon the consummation of the merger to reflect these arrangement and to provide that a 66% vote of the entire board will be required to remove Alvin Kang from the position of Chief Executive Officer without his consent during the 18-month integration period. In addition, any amendment to, or termination of, any employment agreement that Alvin Kang may have with Nara to which Alvin Kang does not consent during the 18-month period will require the affirmative vote of at least a majority of the entire board, including the vote of at least one Nara director that held such position prior to the merger, with Alvin Kang abstaining. Other members of Nara s management will serve in senior management positions at the combined company. For further information, see Board of Directors and Management After the Merger below.

Special Director Compensation

On February 24, 2011, the Nara board approved the payment of additional special director compensation to two of its board members in light of the additional duties of such members. Scott Whang, an independent director of Nara, served as lead negotiator at the request of the Nara board during the negotiations between Nara and Center leading up to the execution of the merger agreement on December 9, 2010. The Nara board approved the payment of an additional board fee of $30,000 to Scott Whang in consideration of such services. The Nara board appointed Scott Whang and Hyon Man Park (John Park), another independent director of Nara, as representatives of Nara to serve on a Consolidation Committee. The committee, which also includes two members from the Center board, has the responsibility of addressing consolidation and integration issues in connection with the consummation of the holding company merger and the bank merger, including integration of the operations, business and management of Nara and Center. The Nara board approved the payment of additional compensation of $2,000 per month to each of Scott Whang and John Park for serving on the Consolidation Committee, which payments commenced in January 2011.

Interests of Center Directors and Executive Officers

Center Management and Board of Directors Positions

Chang Hwi Kim, a current director of Center, will become Vice Chairman of the Board of the combined company and Kevin S. Kim, a current director of Center, will become Chairman of the Board of the combined company s bank subsidiary at the effective time of the merger. The merger agreement provides for the Nara bylaws to be amended upon the consummation of the merger to reflect this arrangement. Other members of Center s management will serve in senior management positions at the combined company. For further information, see Board of Directors and Management After the Merger below.

Indemnification and Insurance

The merger agreement provides that, upon completion of the merger, Nara will, to the fullest extent permitted by law, indemnify, defend and hold harmless, and provide advancement of expenses to, all past and present officers, directors and employees of Center and its subsidiaries to the same extent those persons were entitled to indemnification or advancement of expenses under Center s articles of incorporation, bylaws and indemnification agreements, if any.

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The merger agreement also provides that Nara will maintain for a period of six years after completion of the merger the current directors and officers liability insurance policies maintained by Center, or policies with a substantially comparable insurer of at least the same coverage and amounts containing terms and conditions that are no less advantageous to the insured, with respect to claims arising from facts or events that occurred on or before the completion of the merger, although Nara will not be required to make annual premium payments in excess of 250% of the premiums paid by Center as of the date of the merger agreement for directors and officers liability insurance, and instead will be required to maintain policies of insurance which, in Nara s good faith determination, provide the maximum coverage available at an annual premium equal to 250% of such premiums paid by Center. In lieu of the foregoing requirements, Center, in consultation with, but only upon the consent of Nara, may obtain on or prior to the effective date of the merger a six-year tail policy or extended discovery period under Center s existing directors and officers insurance policy providing equivalent coverage to that described above if and to the extent that the same may be obtained for an amount that does not exceed Center s current annual premium.

Special Director Compensation

Following the execution and delivery of the merger agreement, in February 2011, the Center board approved the payment of additional special director compensation to two of its board members in light of the additional duties of such members. Specifically, Kevin Kim, an independent director of Center, served as lead negotiator at the request of the Center board during the negotiations with Nara and Center leading up to the execution of the merger agreement on December 9, 2010. In consideration of Mr. Kim s services in supervising the merger negotiations, the Center board approved the payment to Mr. Kim of an additional board fee of $30,000.

In addition, following the execution of the merger agreement, the Center board appointed Kevin Kim to perform additional duties relating to the management and direction of Center and Center Bank pending the consummation of the merger. These additional director duties include overseeing and supervising management s efforts to maintain the integrity of Center Bank s business operations and current work force pending completion of the merger, facilitating an orderly transition to Richard Cupp s tenure as Interim Chief Executive Officer and President of Center and Center Bank, and addressing merger issues and otherwise preparing Center and Center Bank for consummation of the merger. Mr. Kim has performed these roles at the request of the Center board since the election of Richard Cupp as Interim Chief Executive Officer and President on January 6, 2011. In consideration of Mr. Kim s additional services as a director, the Center board authorized a grant of 15,000 restricted shares of Center common stock, which shares shall vest immediately upon grant. Center issued 10,000 restricted shares of its common stock to Mr. Kim on February 28, 2011, and issued an additional 5,000 restricted shares of its common stock on March 31, 2011. At the Center board s discretion, Mr. Kim may receive an additional 5,000 restricted shares of Center common stock if he continues to perform the additional director duties described above after March 31, 2011.

Following the execution of the merger agreement, the Center board also appointed Kevin Kim and Chang Hwi Kim, another independent director of Center, as representatives of Center to serve on a Consolidation Committee. The committee, which includes two members from the Nara board, has the responsibility of addressing consolidation and integration issues in connection with the consummation of the holding company merger and the bank merger, including integration of the operations, business and management of Nara and Center. At the February 2011 board meeting, the Center board approved the payment of additional compensation of $2,000 per month to each of the delegates of the Center board serving on the Consolidation Committee, starting from January 2011.

Employment Agreement

On January 6, 2011, Center Financial and Center Bank, entered into an at-will employment letter agreement with Richard S. Cupp in connection with his appointment as Interim Chief Executive Officer and President of Center and Center Bank. Pursuant to the letter agreement, Mr. Cupp will serve in these capacities until the earlier of December 31, 2011 or the close of the pending merger with Nara. The letter agreement provides for a base salary at an annual rate of $300,000 during the term and customary employee benefits and perquisites which Center generally makes available to its executive officers. Pursuant to the letter agreement, Mr. Cupp will also receive a cash bonus of $30,000 if he remains employed through the end of the term and his employment is not terminated by him or by reason of his death or disability. In addition, Center has granted Mr. Cupp a restricted stock award covering 3,979 shares of common stock at $7.54 per share with an aggregate award value of $30,000 effective as of January 6, 2011. Such restricted stock award shall vest if and only if Mr. Cupp remains employed with Center through the end of the term and his employment is not terminated by him or by reason of his death or disability.

Board of Directors and Management After the Merger

Board of Directors. The board of directors of the combined company after the merger will consist of 14 members. Seven of these members will be the current directors of Nara, including Ki Suh Park, whom we collectively refer to (along with their replacements, if any) as continuing Nara directors. The remaining seven members of the board of directors of the combined company after the merger will be the current directors of Center, including Chang Hwi Kim, whom we collectively refer to (along with their replacements, if any) as continuing Center directors.

During the period beginning on the effective date of the merger and ending on a date selected by the directors of the combined company not later than the second anniversary, nor earlier than the first anniversary, of such effective date (which period we refer to as the integration period), any vacancy on the board of directors of the combined company will be filled by a nominee proposed to the Nomination and Governance Committee of the board of directors. If the vacancy is created by the cessation of service of a continuing Nara director, the nominee so proposed must first have been approved by a majority of the continuing Nara directors. Similarly, if the vacancy is created by the cessation of service of a continuing Center director, the nominee so proposed must first have been approved by a majority of the continuing Center directors. Based on any such approval, the Nomination and Governance Committee will propose to the full board of directors that such nominee be appointed to the board of directors. The arrangements described above will be included in the amendments to the bylaws of Nara to become effective no later than the completion of the merger that are described under Amendments to Bylaws below.

Board Committees. During the integration period, all committees of the board of directors of the combined company will consist of equal numbers of continuing Nara directors and continuing Center directors. The Nomination and Governance Committee and the Human Resources and Compensation Committee will each be chaired by a continuing Center director. In addition, the amended bylaws of the combined company after the merger will provide for the creation of a Consolidation Committee of the board of directors, which will be chaired by a continuing Center director, initially Chang Hwi Kim. The Consolidation Committee will be responsible for developing integration policies and procedures for the combined company and overseeing management s efforts in implementing such policies and procedures.

Director Nominees. Biographical information with respect to the nominees for director of Center, who will be the Center designees to the board of directors of the combined company after the merger, is set forth under Election of Directors and Other Proposals to be Considered at the Center Annual Meeting Center Proposal 2: Election of Directors beginning on page [ ]. Biographical information with respect to the nominees for director of Nara, who will be the Nara designees to the board of directors of the combined company after the merger, is set forth under Election of Directors and Other Proposals to be Considered at the Nara Annual Meeting Nara Proposal 2: Election of Directors beginning on page [ ].

Executive Management. The persons jointly selected by the boards of directors of Nara and Center to be the senior executive officers of the combined company are shown in the following table, together with their current positions with Nara or Center. As discussed in more detail under Interests of Directors and Executive Officers in the Merger Interests of Nara Directors and Executive Officers above, Alvin Kang will serve as the Chief

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Executive Officer of the combined company during the 18-month period commencing upon the completion of the merger. Each of the other persons listed will serve in the respective positions listed at the discretion of the board of directors of the combined company.

Senior Executive Officers of the Combined Company

Name	Position with Combined Company	Current Position
Alvin D. Kang	Chief Executive Officer	President and Chief Executive Officer Nara
Bonita I. Lee	Executive Vice President and Chief Operating Officer	Executive Vice President and Chief Operating Officer Nara
Lisa Kim Pai	Executive Vice President and Chief Legal and HR Officer	Executive Vice President, General Counsel, Chief Risk Officer and Corporate Secretary Center
Philip E. Guldeman	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer Nara
Jason Kim	Executive Vice President and Chief Lending Officer	Executive Vice President and Chief Credit Officer Center
Mark Lee	Executive Vice President and Chief Credit Officer	Executive Vice President and Chief Credit Officer Nara
Sook Kyong Goo	Executive Vice President and Chief Operations Administrator	Executive Vice President and Chief Operations Officer Center
Myung-Hee Hyun	Executive Vice President and Chief Deposit Officer	Executive Vice President and Chief Operations Administrator Nara
Kyu S. Kim	Executive Vice President and Chief Retail Banking Officer (Eastern Region)	Executive Vice President and Eastern Regional Manager Nara

United States Federal Income Tax Consequences of the Merger

General. The following discussion (including the opinions set forth herein) describes the material United States federal income tax consequences of the merger to U.S. holders (as defined below) of Center common stock. This discussion does not address the tax consequences to U.S. holders of Center preferred stock. This discussion does not address the tax consequences to Nara stockholders because they are not exchanging stock in the merger. This discussion also does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction. This discussion is based upon the Internal Revenue Code of 1986, as amended (the Code), the regulations of the U.S. Treasury Department and court and administrative rulings and decisions in effect on the date of this document. These laws may change, possibly with retroactive effect, and any such change could affect the continuing validity of this discussion.

For purposes of this discussion, we use the term U.S. holder to mean:

- a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States or any of its political subdivisions;
- a trust if it (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person; or

an estate that is subject to United States federal income tax on its income regardless of its source.

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This discussion assumes that the merger will be completed in accordance with the merger agreement and as further described in this document. Further, this discussion only addresses Center stockholders that hold their shares of Center common stock as a capital asset within the meaning of section 1221 of the Code. Additionally, this discussion does not address all aspects of U.S. federal income taxation that may be relevant to a Center common stockholder in light of such holder s particular circumstances or that may be applicable if a holder is subject to special treatment under the United States federal income tax laws, including if a holder is:

- a financial institution or insurance company;
- a tax-exempt organization;
- an S corporation or other pass-through entity;
- a mutual fund;
- a dealer in securities or foreign currencies;
- a trader in securities who elects the mark-to-market method of accounting for securities;
- a Center stockholder subject to the alternative minimum tax provisions of the Code;
- a Center stockholder who received Center common stock through the exercise of employee stock options or through a tax-qualified retirement plan;
- a person that has a functional currency other than the U.S. dollar;
- a holder of options granted under any Center benefit plan; or
- a Center stockholder who holds Center common stock as part of a hedge, straddle or a constructive sale or conversion transaction.

If a partnership, or other entity or arrangement treated as a partnership for U.S. federal income tax purposes, holds Center common stock, the tax treatment of a partner in that partnership will generally depend on the status of the partners and the activities of the partnership. If you are a partner of a partnership holding Center common stock, you should consult your tax advisor.

In addition, tax consequences arising under state, local and foreign law or under U.S. federal laws other than U.S. federal income tax laws are not addressed in this document.

The Merger. Nara and Center have structured the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. As described below, it is a condition to each party s respective obligations to complete the merger that Nara and Center each receive a legal opinion that the merger will so qualify. In addition, based on representations contained in representation letters provided by Nara and Center and on customary factual assumptions, all of which must continue to be true and accurate in all material respects as of the effective time of the merger, and subject to the qualifications and limitations set forth above under General , it is the opinion of Mayer Brown LLP, counsel to Nara, and Morrison & Foerster LLP, counsel to Center, that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code and that the material United States federal income tax consequences of the merger will be as follows:

- no gain or loss will be recognized by Nara or Center as a result of the merger;

- a Center stockholder will not recognize gain or loss on the exchange of Center common stock solely for Nara common stock, except with respect to any cash received in lieu of issuance of a fractional share of Nara common stock;

- a Center stockholder s aggregate tax basis in the Nara common stock received in the merger (including any fractional share interest deemed to be received and exchanged for cash) will equal the holder s aggregate tax basis in the Center common stock surrendered; and

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- a Center stockholder s holding period for the Nara common stock received in the merger (including any fractional share interest deemed to be received and exchanged for cash) will include the holder s holding period for the shares of Center common stock surrendered.

Cash Instead of Fractional Shares. A Center stockholder will generally recognize capital gain or loss on any cash received instead of a fractional share of Nara common stock equal to the difference between the amount of cash received and the tax basis allocated to such fractional share. Any capital gain or loss will constitute long-term capital gain or loss if the Center stockholder s holding period in Center common stock surrendered in the merger is greater than one year as of the date of the merger.

Closing Condition Tax Opinions. It is a condition to the closing of the merger that Nara and Center will receive opinions from Mayer Brown and Morrison & Foerster, respectively, dated as of the effective date of the merger, to the effect that the merger will qualify as a reorganization within the meaning of section 368(a) of the Code. These opinions will be based on updated representation letters provided by Nara and Center to be delivered at the time of closing, and on customary factual assumptions. Although the merger agreement allows us to waive this condition to closing, we currently do not anticipate doing so.

Neither of these tax opinions will be binding on the Internal Revenue Service. Nara and Center have not sought and do not intend to seek any ruling from the Internal Revenue Service regarding any matters relating to the merger, and as a result, there can be no assurance that the Internal Revenue Service will not disagree with or challenge any of the conclusions described herein.

Dissenting Center Stockholders. The above discussion does not apply to Center stockholders who properly perfect dissenters rights. Any Center stockholder who dissents from the merger and receives solely cash in exchange for such Center common stock will generally recognize capital gain or loss equal to the difference between the amount of cash received by the dissenting Center stockholder and the stockholder s adjusted tax basis in the Center common stock surrendered. Such capital gain or loss will be long-term capital gain or loss if the holder held the Center common stock for more than one year.

Backup Withholding. If you are a non-corporate holder of Center common stock you may be subject to information reporting and backup withholding on any cash payments received instead of a fractional share interest in Nara common stock (or cash payments received in the case of a dissenting Center stockholder). You will not be subject to backup withholding, however, if you:

- furnish a correct taxpayer identification number and certify that you are not subject to backup withholding on the substitute Form W-9 or successor form included in the letter of transmittal to be delivered to you following the completion of the merger; or

- are otherwise exempt from backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against your United States federal income tax liability, provided you furnish the required information to the Internal Revenue Service.

This discussion does not address tax consequences that may vary with, or are contingent on, individual circumstances. Moreover, it does not address any non-income tax or any foreign, state or local tax consequences of the merger. Tax matters are very complicated, and the tax consequences of the merger to you will depend upon the facts of your particular situation. Accordingly, we strongly urge you to consult with a tax advisor to determine the particular federal, state, local or foreign income or other tax consequences to you of the merger.

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Accounting Treatment

In accordance with current accounting guidance, the merger will be accounted for using the acquisition method of accounting, with Nara being considered the acquirer based, among other factors, on the relative sizes of the two companies. Under the acquisition method of accounting, the assets and liabilities of Center as of the effective time of the merger will be recorded at their respective fair values and added to those of Nara, while the recorded assets and liabilities of Nara will be carried forward at their recorded amounts. All identifiable intangibles of Center will be recorded at fair value and included as part of the net assets acquired. To the extent that the purchase price, consisting of the fair value of the shares of Nara stock issuable in connection with the merger, exceeds the fair value of the net assets, including identifiable intangibles, of Center at the merger date, that amount will be reported as goodwill. In accordance with current accounting guidance, goodwill will not be amortized but will be evaluated for impairment annually. Identifiable intangibles will be amortized over their estimated lives. Financial statements of Nara issued after the merger will reflect these fair values and will not be restated retroactively to reflect the historical financial position or results of operations of Center. See Unaudited Pro Forma Combined Condensed Consolidated Financial Statements beginning on page [ ].

Regulatory Approvals

To complete the merger we must obtain prior approval from the California Department of Financial Institutions, or DFI, the Federal Deposit Insurance Corporation, or FDIC, and the Board of Governors of the Federal Reserve System, which we refer to as the Federal Reserve Board. We have agreed to cooperate with each other and to use all reasonable best efforts to comply promptly with applicable legal requirements to obtain required regulatory and other approvals and to complete the merger and the bank merger as soon as practicable.

There can be no assurance that the required regulatory approvals will be obtained, that such approvals will be received on a timely basis, or that such approvals will not impose conditions or requirements that, individually or in the aggregate, would or could reasonably be expected to have a material adverse effect on the financial condition, results of operations, assets or business of the combined company following completion of the merger.

Federal Reserve Board Approval. Federal Reserve Board approval of the merger must be obtained under the Bank Holding Company Act of 1956, or BHCA. In reviewing merger transactions under the BHCA, the Federal Reserve Board considers, among other factors, the competitive impact of the merger. The Federal Reserve Board also considers the financial and managerial resources of the companies and their subsidiary banks and the convenience and needs of the community to be served, as well as the companies complying with money-laundering laws. In connection with its review, the Federal Reserve Board provides an opportunity for public comment on the application for the merger, and its authorized to hold a public meeting or other proceeding if it determines that such hearing or proceeding would be appropriate.

Under the Community Reinvestment Act of 1977, or CRA, the Federal Reserve Board must take into account the record of performance of each party to a merger in meeting the credit needs of the entire communities, including low- and moderate-income neighborhoods, served by the companies and their subsidiaries. As of their last respective examinations, each of Nara Bank and Center Bank was rated satisfactory with respect to CRA compliance.

FDIC and DFI Approval. The prior approval of the FDIC under the Bank Merger Act provisions of the Federal Deposit Insurance Act and of the DFI under the California Financial Code will be required to complete the contemplated merger of Nara Bank with and into Center Bank. In reviewing the merger of the banks, the FDIC and the DFI will take competitive considerations into account, as well as capital adequacy, the quality of management and earnings prospects, in terms of both quality and quantity.

Contemplated Capital Transaction

Nara and Center anticipate that Nara will raise additional capital through an offering of common stock in connection with the pending merger. The amount of capital to be raised has not yet been decided upon.

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Exchange of Center Stock Certificates

Promptly after the merger is completed, if you are a Center stockholder, the combined company s exchange agent will mail to you a letter of transmittal form and instructions for use in surrendering your Center stock certificates in exchange for the whole shares of Nara common stock which you are entitled to receive under the merger agreement and payment in lieu of the issuance of any fractional shares of Nara common stock which you would otherwise be entitled to receive.

DO NOT SUBMIT YOUR CENTER STOCK CERTIFICATES FOR EXCHANGE UNTIL YOU RECEIVE THE TRANSMITTAL INSTRUCTIONS AND LETTER OF TRANSMITTAL FROM THE EXCHANGE AGENT.

Center stockholders will receive statements indicating book-entry ownership of Nara stock and may request stock certificates representing the number of full shares of Nara stock to which they are entitled under the merger agreement. Center stockholders also will receive a check in the amount of any cash payment that they are entitled to receive pursuant to the merger agreement in lieu of any fractional shares of Nara common stock that would have been otherwise issuable to them as a result of the merger, without interest. In accordance with the merger agreement, the amount of cash payable to a Center stockholder will be determined by multiplying the fractional number of shares that a stockholder would otherwise receive by the closing price per share of Nara common stock as reported by the Nasdaq Global Select Market on the last trading day immediately preceding the completion of the merger.

Nara will be entitled to deduct and withhold from any consideration payable to any Center stockholder such amounts as it is required to deduct and withhold under any federal, state, local or foreign tax law. If any such amounts are withheld, these amounts will be treated for all purposes of the merger as having been paid to the stockholders from whom they were withheld.

Treatment of Stock Options and Other Equity-Based Awards

As of April 1, 2011, Center had outstanding stock options issued to employees for the purchase of an aggregate of 583,344 shares of Center common stock that were issued pursuant to Center s 2006 Stock Incentive Plan and 73,662 shares of Center common stock had been issued pursuant to awards under that plan to employees that remain subject to certain restrictions on transfer and possible forfeiture for specified vesting periods, which we refer to as Center restricted shares. When the merger is completed:

- each outstanding and unexercised option to purchase Center common stock will become an option to purchase a number of shares of Nara common stock equal to the number of shares of Center common stock which could be purchased under the option multiplied by the exchange ratio and the exercise price per share of the Center option will be adjusted by dividing the per share exercise price of each option by the exchange ratio; and

- each Center restricted share award will be converted into the number of restricted shares of Nara common stock equal to the number of Center restricted shares comprising the award multiplied by the exchange ratio and, except for the foregoing adjustment, each such Nara restricted share will have the same restrictions, terms and conditions as were applicable to the Center restricted shares immediately prior to the completion of the merger.

Stock options for the purchase of a total of 533,250 shares of Nara common stock and performance units relating to 58,300 shares of Nara common stock are outstanding under the Amended Nara 2007 Equity Incentive Plan. The merger will not affect the terms of any of such stock options or performance units.

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Dissenters Rights for Center Stockholders

Any Center stockholder wishing to exercise dissenters rights is urged to consult legal counsel before attempting to exercise dissenters rights. Failure to comply strictly with all of the procedures set forth in Chapter 13 of the California General Corporation Law, or CGCL, which consists of Sections 1300-1313, may result in the loss of a stockholder s statutory dissenters rights. In such case, such stockholder will be entitled to receive shares of Nara stock as provided in the merger agreement.

The following discussion is a summary of Sections 1300 through 1313 of the CGCL, which sets forth the procedures for Center stockholders to dissent from the proposed merger and to demand statutory dissenters rights of appraisal of their shares under the CGCL. The following discussion is not a complete statement of the provisions of the CGCL relating to the rights of Center stockholders to receive payment of the fair market value of their shares and is qualified in its entirety by reference to the full text of Sections 1300 through 1313 of the CGCL, which are provided in their entirety as Annex D to this document.

All references in Sections 1300 through 1313 of the CGCL and in this summary to a stockholder are to the holder of record of the shares of Center stock as to which dissenters rights are asserted. A person having a beneficial interest in the shares of Center stock held of record in the name of another person, such as a broker or nominee, cannot enforce dissenters rights directly and must act promptly to cause the holder of record to follow the steps summarized below properly and in a timely manner to perfect such person s dissenters rights.

Chapter 13 of the CGCL provides Center stockholders who do not vote FOR adoption and approval of the merger with the right, subject to compliance with the requirements summarized below, to dissent and demand the payment of, and be paid in cash, the fair market value of the Center shares owned by such stockholders as of [ ] [ ], 2011, the record date for Center s annual stockholders meeting. In accordance with Chapter 13 of the CGCL, the fair market value of Center shares will be their fair market value determined as of December 8, 2010, the last day before the first public announcement of the terms of the merger, exclusive of any appreciation or depreciation in the value of the shares in consequence of the merger. Because Center s common stock is listed on the Nasdaq Global Select Market, Center s common stockholders will be entitled to dissent and seek payment of the fair market value of their shares only if holders of 5% or more of Center s outstanding common stock properly dissent from the merger and demand payment of fair market value. The holder of any shares of Center common stock with respect to which there exists any restriction on transfer imposed by Center or by any law or regulation and the U.S. Treasury Department, as the holder of Center s Series A Preferred Stock, will have dissenters rights of appraisal irrespective of the percentage of holders that dissent from the merger.

Even though a stockholder who wishes to exercise dissenters rights may be required to take certain actions before Center s annual stockholders meeting, if the merger agreement relating to the merger is later terminated and the merger is abandoned, no Center stockholder will have the right to any payment from Center, other than necessary expenses incurred in proceedings initiated in good faith and reasonable attorneys fees, by reason of having taken that action. The following discussion is subject to the foregoing qualifications.

Not Vote FOR the Merger. Any Center stockholder who desires to exercise dissenters rights must not have voted his, her or its shares FOR adoption and approval of the merger. If a Center stockholder returns a proxy without voting instructions or with instructions to vote FOR adoption and approval of the merger, or votes in person at the Center stockholders annual meeting FOR adoption and approval of the merger, his, her or its shares will be counted as votes in favor of the merger and such stockholder will lose any dissenters rights.

Written Demand for Payment. In addition, to preserve dissenters rights, a Center stockholder must make a written demand for the purchase of the stockholder s dissenting shares and payment to the stockholder of their fair market value. Simply failing to vote for, or voting against, the merger does not constitute a proper written demand under the CGCL. To comply with the requirements under the CGCL, the written demand must:

- be received by Center not later than the date of the Center annual meeting;

specify the stockholder s name and mailing address and the number and class of shares of Center stock held of record which the stockholder demands that Center purchase;

state that the stockholder is demanding purchase of the shares and payment of their fair market value; and

state the price which the stockholder claims to be the fair market value of the shares as of December 8, 2010. The statement of fair market value constitutes an offer by the stockholder to sell the shares to Center at that price.

Shares of Center stock held by stockholders who have perfected their dissenters rights in accordance with Chapter 13 of the CGCL and have not withdrawn their demands or otherwise lost their dissenters rights are referred to in this summary as dissenting shares.

Notice of Approval by Center. If the merger is approved by the Center stockholders, Center is required within 10 days after the approval to send to those Center stockholders who have not voted FOR adoption and approval of the merger a written notice of the Center stockholder approval, accompanied by a copy of Sections 1300, 1301, 1302, 1303, and 1304 of the CGCL, a statement of the price determined by Center to represent the fair market value of the dissenting shares as of December 8, 2010, and a brief description of the procedure to be followed if the stockholder desires to exercise dissenters right under the CGCL. The statement of price determined by Center to represent the fair market value of dissenting shares, as set forth in the notice of approval, will constitute an offer by Center to purchase the dissenting shares at the stated price if the merger closes and the dissenting shares do not otherwise lose their status as such. Within 30 days after the date of the mailing of the notice of stockholder approval, a dissenting stockholder must submit to Center or its transfer agent for endorsement as dissenting shares, the stock certificates representing the Center shares as to which such stockholder is exercising dissenter s rights. If the dissenting shares are uncertificated, then such stockholder must provide written notice of the number of shares which the stockholder demands that Center purchase within 30 days after the date of the mailing of the notice of stockholder approval.

Payment of Agreed upon Price. If Center and a dissenting stockholder agree that the shares are dissenting shares and agree on the price of the shares, the dissenting stockholder is entitled to receive the agreed price with interest at the legal rate on judgments from the date of that agreement. Payment for the dissenting shares must be made within 30 days after the later of the date of that agreement or the date on which all statutory and contractual conditions to the merger are satisfied. Payments are also conditioned on the surrender of the certificates representing the dissenting shares.

Determination of Dissenting Shares or Fair Market Value. If Center denies that shares are dissenting shares or the stockholder fails to agree with Center as to the fair market value of the shares, then, within six months after notice of approval of the merger is sent by Center to its stockholders, any stockholder demanding purchase of such shares as dissenting shares or any interested corporation may file a complaint in the superior court in the proper California county praying the court to determine whether the shares are dissenting shares or to determine the fair market value of the holder s shares, or both, or may intervene in any action pending on such complaint.

On the trial of the action, the court determines the issues. If the status of the shares as dissenting shares is in issue, the court first determines that issue. If the fair market value of the dissenting shares is in issue, the court determines, or appoints one or more impartial appraisers to determine, the fair market value of the shares.

If the court appoints an appraiser or appraisers, the appraiser or appraisers shall proceed to determine the fair market value per share. Within the time fixed by the court, the appraisers, or a majority of the appraisers, shall make and file a report in the office of the clerk of the court. Thereafter, on the motion of any party, the report shall be submitted to the court and considered on such evidence as the court considers relevant. If the court finds the report reasonable, the court may confirm it.

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If a majority of the appraisers fail to make and file a report within 10 days after the date of their appointment or within such further time as the court allows, or if the court does not confirm the report, the court determines the fair market value of the dissenting shares. Subject to Section 1306 of the CGCL, judgment is rendered against Center for payment of an amount equal to the fair market value of each dissenting share multiplied by the number of dissenting shares that any dissenting stockholder who is a party, or who has intervened, is entitled to require Center to purchase, with interest at the legal rate from the date on which the judgment is entered. Any party may appeal from the judgment.

The costs of the action, including reasonable compensation to the appraisers to be fixed by the court, is assessed or apportioned as the court considers equitable. However, if the appraisal determined by the court is more than the price offered by Center, Center pays the costs (including, in the discretion of the court, attorneys fees, fees of expert witnesses and interest at the legal rate on judgments from the date the stockholder made the demand and submitted shares for endorsement if the value awarded by the court for the shares is more than 125 percent of the price offered by Center).

Maintenance of Dissenting Share Status. Except as expressly limited by Chapter 13 of the CGCL, holders of dissenting shares continue to have all the rights and privileges incident to their shares until the fair market value of their shares is agreed upon or determined. A holder of dissenting shares may not withdraw a demand for payment unless Center consents to the withdrawal.

Dissenting shares lose their status as dissenting shares, and dissenting stockholders cease to be entitled to require Center to purchase their shares upon the happening of any of the following:

- the merger is abandoned;
- the shares are transferred before their submission to Center for the required endorsement;
- the dissenting stockholder and Center do not agree on the status of the shares as dissenting shares or do not agree on the purchase price, but neither Center nor the stockholder files a complaint or intervenes in a pending action within six months after Center mails a notice that its stockholders have approved the merger; or
- with Center s consent, the dissenting stockholder withdraws the stockholder s demand for purchase of the dissenting shares.

To the extent that the provisions of Chapter 5 of the CGCL (which places conditions on the power of a California corporation to make distributions to its stockholders) prevent the payment to any holders of dissenting shares of the fair market value of the dissenting shares, the dissenting stockholders will become creditors of Center for the amount that they otherwise would have received in the repurchase of their dissenting shares, plus interest at the legal rate on judgments until the date of payment, but subordinate to all other creditors of Center in any liquidation proceeding, with the debt to be payable when permissible under the provisions of Chapter 5 of the CGCL.

Limited Exercise of Dissenters Rights is a Condition of Closing for Nara. Under the merger agreement, Nara will not be required to complete the merger if Center stockholders holding 6% or more in the aggregate of all issued and outstanding Center common stock have exercised dissenters rights. As a result, exercise of dissenters rights by holders of 6% or more of the Center common stock could prevent the merger from going forward.

Delisting and Deregistration of Center Stock After the Merger

The Center common stock currently listed on the Nasdaq Global Select Market will be delisted from that market, and the registration of Center common stock under the Securities Exchange Act of 1934 will be terminated, promptly after the merger is completed.

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The Merger Agreement

The following section of this document describes the material terms of the merger agreement. This summary is qualified in its entirety by reference to the complete text of the merger agreement, as amended, which is incorporated by reference and attached as Annex A to this document. We urge you to read the full text of the merger agreement since it, and not the following description, constitutes the agreement of Nara and Center.

Completion of the Merger

The merger will be completed when we file a certificate of merger with the Delaware Secretary of State. We may, however, agree to a later time for completion of the merger and specify that time in the certificate of merger. The closing of the merger will take place on the third business day following the satisfaction or waiver of the closing conditions in the merger agreement, which are described below, unless we agree to another date.

The Bank Merger

The merger agreement requires Nara and Center to cause Nara Bank and Center Bank, respectively, to enter into a bank merger agreement. The bank merger agreement provides for the merger of Nara Bank with and into Center Bank, with such merger to be completed concurrently with or as soon as reasonably practicable after the merger of Nara and Center.

Possible Alternative Merger Structure

The merger agreement provides that Nara and Center may agree to change the structure of the merger and the bank merger. No such change, however, is permitted that would:

- alter the kind or amount of consideration to be issued or retained by holders of Center common stock, Center Series A Preferred Stock, Nara common stock or Nara Series A Preferred Stock;
- adversely affect the tax consequences of the merger to stockholders;
- materially delay receipt of any required regulatory approval; or
- otherwise cause any closing condition not to be capable of being fulfilled (unless waived by the party entitled to its benefits).

Conditions to Completion of the Merger

Conditions to Both Parties Obligations. We may not complete the merger unless each of the following conditions is satisfied or appropriately waived:

- the principal terms of the merger shall have been approved by the affirmative vote of the holders of a majority of the outstanding shares of each class of Center stock;
- the merger agreement shall have been adopted by the affirmative vote of the holders of a majority of the outstanding shares of Nara common stock;

the shares of Nara common stock to be issued in the merger shall have been authorized for listing on the Nasdaq Global Select Market, subject to official notice of issuance;

all regulatory consents and approvals required from the Board of Governors of the Federal Reserve System, the California Department of Financial Institutions and the Federal Deposit Insurance Corporation shall have been obtained, and no such consents and approvals have been granted subject to any condition which, and no action, statute, rule, regulation, order or decree of any governmental entity shall have been enacted or deemed applicable to the merger in connection with such consents and approvals that would, require any of the parties or the combined company to pay any amounts (other than customary filing fees) or divest any banking office, or impose any conditions that would,

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individually or in the aggregate, reasonably be expected to have a material adverse effect on the present or prospective consolidated financial condition, business or operating results of the combined company after the merger;

the Federal Deposit Insurance Corporation shall have consented to the transfer, as a result of the merger, of loss-sharing agreements it entered into in connection with Center s purchase and assumption of assets and liabilities of Innovative Bank, a California state chartered bank placed in receivership in April 2010;

all other consents and approvals necessary for the completion of the merger and the bank merger shall have been obtained, other than approvals the failure to obtain which would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on the combined company after the merger;

the registration statement of which this document is a part shall have been declared effective by the Securities and Exchange Commission and shall not be subject to any stop order or proceedings seeking a stop order;

no restraining order, injunction or other legal restraint or prohibition to the completion of the merger shall be in effect, no action brought by any governmental entity with respect to any such restraining order, injunction, legal restraint or prohibition shall be pending and the completion of the merger shall not be illegal under any applicable law or governmental order; and