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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 10-Q

(MARK ONE)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1994

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to ________

Commission File Number 33-13646

WESTCORP

(Exact name of registrant as specified in its charter)

<TABLE>
<S> <C>

California	51-0308535
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
23 Pasteur, Irvine, California	92718-3804
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (714) 727-1000

</TABLE>

NONE

Former name, former address and former fiscal year, if changed since last report

Indicate by X whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

As of April 30, 1994, the registrant had 21,937,321 outstanding shares of common stock, $1.00 par value. The shares of common stock represent the only class of common stock of the registrant.

The total number of sequentially numbered pages is 24.

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Part I FINANCIAL INFORMATION

Item I Financial Statements

WESTCORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

<TABLE>
<CAPTION>

	March 31, 1994	December 31, 1993

<S>

	(Unaudited)	(Audited)
ASSETS		
Cash, interest-bearing deposits with other financial institutions and other short-term investments	$ 127,912,806	$ 162,556,664
Investment securities available for sale (market value 1994, $114,860,315; 1993, $118,448,938)	114,860,315	118,001,821
Mortgage-backed securities available for sale (market value 1994, $92,362,732; 1993, $95,834,925)	92,362,732	94,566,598
Loans receivable net of allowance for loan losses (1994: $41,065,120; 1993: $39,676,719)	1,128,289,279	1,220,249,876
Loans available for sale	317,897,071	300,731,278
Premises and equipment	68,831,764	67,516,294
Real estate owned, net	36,496,482	43,970,459
Accrued interest receivable	10,354,772	11,603,937
Excess of purchase cost over net assets acquired	1,162,744	1,183,885
Federal Home Loan Bank stock	17,727,086	17,566,386
Other assets	139,480,695	134,312,140
	$2,055,375,746	$2,172,259,338
LIABILITIES		
Savings deposits	$1,361,100,819	$1,357,058,337
Short-term borrowings		124,511,000
Federal Home Loan Bank advances	121,000,000	126,000,000
Other borrowings	16,767,332	26,384,518
Amounts held on behalf of trustee	203,067,816	182,905,242
Unearned insurance premiums and insurance reserves	5,553,152	5,973,210
Other liabilities	21,623,294	23,889,709
	1,729,112,413	1,846,722,016
SUBORDINATED DEBENTURES	120,553,416	120,422,201
SHAREHOLDERS' EQUITY		
Common stock, par value $1.00 per share; authorized 45,000,000 shares; issued and outstanding 21,908,793 shares in 1994 and 21,894,805 shares in 1993	21,908,793	21,894,805
Paid-in capital	92,487,676	92,392,771
Retained earnings	93,112,165	90,827,545
Net unrealized loss on securities available for sale	(1,798,717)	
	205,709,917	205,115,121
	$2,055,375,746	$2,172,259,338

</TABLE>

See notes to unaudited financial statements.

WESTCORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
Interest income:		
Loans, including fees	$30,480,637	$40,147,794
Investment securities	1,479,119	1,684,348
Mortgage-backed securities	1,262,600	1,565,092

Other	867,423	369,695
TOTAL INTEREST INCOME	34,089,779	43,766,929
Interest expense:		
Savings deposits	14,607,974	21,089,946
Federal Home Loan Bank advances and other borrowings	6,070,497	6,509,892
TOTAL INTEREST EXPENSE	20,678,471	27,599,838
NET INTEREST INCOME	13,411,308	16,167,091
Provision for loan losses	4,241,385	6,679,619
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	9,169,923	9,487,472
Other income:		
Loan servicing fees	14,172,477	7,187,417
Late charges and other fees	3,038,313	2,728,339
Gain on sale of loans	2,346,577	4,376,303
Insurance income	2,118,067	1,725,005
Real estate operations	(1,967,081)	(1,166,925)
Miscellaneous	1,723,199	427,809
TOTAL OTHER INCOME	21,431,552	15,277,948
Other expenses:		
Salaries and employee benefits	13,239,356	10,465,327
Occupancy	1,957,305	1,785,935
Insurance	1,430,920	1,796,874
Miscellaneous	6,798,215	5,767,703
TOTAL OTHER EXPENSES	23,425,796	19,815,839
INCOME BEFORE INCOME TAXES	7,175,679	4,949,581
Income taxes	3,247,946	1,904,109
NET INCOME	$ 3,927,733	$ 3,045,472
NET INCOME PER COMMON SHARE AND COMMON SHARE EQUIVALENT	$ 0.17	$ 0.16
DIVIDENDS DECLARED PER SHARE OF COMMON STOCK	$ 0.075	$ 0.05

</TABLE>

See notes to unaudited financial statements.

WESTCORP AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

<TABLE>
<CAPTION>

	Shares	Common Stock	Paid-in Capital	Retained Earnings	Net Unrealized Loss on Securities Available for Sale	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE December 31, 1993	21,894,805	$21,894,805	$92,392,771	$90,827,545		$205,115,121
Stock Options Issued	13,988	13,988	94,905			108,893
Cash Dividends				(1,643,113)		(1,643,113)
Net Income				3,927,733		3,927,733
Net Unrealized Loss						

on Securities Available for Sale					$(1,798,717)	(1,798,717)
BALANCE March 31, 1994	21,908,793	$21,908,793	$92,487,676	$93,112,165	$(1,798,717)	$205,709,917

</TABLE>

WESTCORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	$ 3,927,733	$ 3,045,472
Adjustments to reconcile net income to net cash used in operating activities:		
Provision for losses	4,241,385	7,279,619
Depreciation and amortization	1,656,030	1,811,399
Amortization of deferred fees	(427,449)	(615,431)
Amortization of issuance costs	143,030	49,541
Decrease in interest receivable	1,249,165	351,413
(Gains) losses on nonoperating activities	(831,875)	1,064,277
(Decrease) increase in interest payable	(3,080,846)	272,086
Decrease in unearned insurance	(420,058)	(383,092)
Other, net	8,400,361	(14,669,062)
Net change in loans available for sale	(14,819,216)	(241,417,908)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	38,260	(243,211,686)
INVESTING ACTIVITIES		
Proceeds from maturities of investment securities available for sale		3,524,879
Payments received on mortgage-backed securities available for sale	2,244,064	3,224,688
Net change in loans	80,145,972	396,039,280
Additions to premises and equipment	(2,950,359)	(1,028,585)
Disposition of real estate owned	13,905,627	25,997,097
Purchase of FHLB stock	(160,700)	
Proceeds from sales of FHLB stock		1,925,000
Net increase in trust receivable	(11,397,557)	(551,572)
Net increase in trustee accounts	20,162,574	773,882
NET CASH PROVIDED BY INVESTING ACTIVITIES	101,949,621	429,904,669

</TABLE>

WESTCORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>

FINANCING ACTIVITIES		
Net increase in deposits	$ 4,042,482	$ 42,151,496
Decrease in FHLB advances, net	(5,000,000)	(31,500,000)
Decrease in short-term borrowings, net	(124,511,000)	(199,041,409)
Repayment of other borrowings	(9,629,001)	(12,401,458)
Proceeds from sale of common stock	108,893	55,358
Cash dividends	(1,643,113)	(879,341)
NET CASH USED IN FINANCING ACTIVITIES	(136,631,739)	(201,615,354)
DECREASE IN CASH AND EQUIVALENTS	(34,643,858)	(14,922,371)
Cash and equivalents at beginning of period	162,556,664	114,003,417
CASH AND EQUIVALENTS AT END OF PERIOD	$ 127,912,806	$ 99,081,046
Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	$ 23,759,317	$ 27,327,752
Income taxes	2,950	9,000
Supplemental disclosures of noncash transactions:		
Acquisition of real estate acquired through foreclosure	$ 7,945,140	$ 23,309,344

</TABLE>

See notes to unaudited financial statements.

WESTCORP AND SUBSIDIARIES

NOTES TO UNAUDITED FINANCIAL STATEMENTS

March 31, 1994

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month period ended March 31, 1994 are not necessarily indicative of the results that may be expected for the year ending December 31, 1994. For further information, refer to the consolidated financial statements and footnotes thereto included in Westcorp's annual report on Form 10-K for the year ended December 31, 1993.

NOTE B - NET LOANS RECEIVABLE

Net loans receivable consisted of the following:
<TABLE>
<CAPTION>

<S>	March 31, 1994 <C>	December 31, 1993 <C>
Real Estate:		
Mortgage	$1,195,367,264	$1,310,002,524
Construction	31,731,909	31,684,392
	1,227,099,173	1,341,686,916
Less undisbursed loan proceeds	15,135,134	14,889,648
	1,211,964,039	1,326,797,268
Consumer:		
Sales and leasing contracts	319,958,910	258,323,072
Less unearned discounts	45,650,238	27,972,283
	274,308,672	230,350,789
	1,486,272,711	1,557,148,057

Allowance for loan losses	(41,065,120)	(39,676,719)
Deferred loan fees	(6,648,290)	(5,849,187)
Other	7,627,049	9,359,003
	1,446,186,350	1,520,981,154
Less loans available for sale:		
Consumer	221,188,689	101,724,718
Mortgage	96,708,382	199,006,560
	317,897,071	300,731,278
Total	$1,128,289,279	$1,220,249,876

</TABLE>

NOTE B - NET LOANS RECEIVABLE -- CONTINUED

The allowance for loan losses by loan category were as follows:

<TABLE>
<CAPTION>

	March 31, 1994		December 31, 1993	
	Allowance	% of Loans in Each Category to Total Loans	Allowance	% of Loans in Each Category to Total Loans
<S>	<C>	<C>	<C>	<C>
Consumer	$ 6,868,374	18.4%	$ 5,571,333	14.8%
Single family residential	4,411,225	47.9%	5,054,419	53.0%
Multifamily residential	29,785,521	33.7%	29,050,967	32.2%
	$41,065,120	100.0%	$39,676,719	100.0%

</TABLE>

Loans serviced by Westcorp for the benefit of others totaled approximately $2,428,697,000 and $2,170,426,000 at March 31, 1994 and December 31, 1993, respectively. These amounts are not reflected in the accompanying consolidated financial statements.

NOTE C - DIVIDENDS

On March 18, 1994, Westcorp paid cash dividends of $0.075 per share. On March 25, 1994, Westcorp also announced a 5% stock dividend for shareholders of record as of April 5, 1994, payable May 13, 1994. The per share amounts for all periods presented have been restated to reflect the increased shares outstanding.

NOTE D - INVESTMENTS AVAILABLE FOR SALE

Effective January 1, 1994 Westcorp adopted SFAS 115, "Accounting for Certain Investments in Debt and Equity Securities". Accordingly, securities available for sale are adjusted to fair market value. The net unrealized gains or losses on securities available for sale (net of applicable taxes) are included as a separate component of shareholders' equity.

The aggregate carrying amounts and approximate market values of investment securities available for sale were as follows:

<TABLE>
<CAPTION>

	March 31, 1994		December 31, 1993	
	Carrying Amounts	Market Value	Carrying Amounts	Market Value
<S>	<C>	<C>	<C>	<C>
U.S. Treasury securities and obligations of other U.S. Government agencies and corporations	$114,110,754	$111,186,378	$114,049,969	$114,522,852

Corporate bonds	400,000	400,000	400,000	400,000
Obligations of states and political subdivisions	3,526,152	3,248,937	3,526,852	3,501,086
Other	25,000	25,000	25,000	25,000
Net unrealized loss on investment securities available for sale	(3,201,591)			
	$114,860,315	$114,860,315	$118,001,821	$118,448,938

</TABLE>

NOTE E - MORTGAGE BACKED SECURITIES AVAILABLE FOR SALE

Effective January 1, 1994 Westcorp adopted SFAS 115, "Accounting for Certain Investments in Debt and Equity Securities". Accordingly, securities available for sale are adjusted to fair market value. The net unrealized gains or losses on securities available for sale (net of applicable taxes) are included as a separate component of shareholders' equity.

The aggregate carrying amounts and approximate market values of the mortgage backed securities available for sale were as follows:

<TABLE>
<CAPTION>

	March 31, 1994		December 31, 1993	
	Carrying Amounts	Market Value	Carrying Amounts	Market Value
<S>	<C>	<C>	<C>	<C>
GNMA certificates	$ 1,913,212	$ 2,020,475	$ 2,019,992	$ 2,135,226
FNMA certificates	3,570,453	3,548,138	88,782,456	89,851,873
FHLMC participations certificates	86,661,017	86,622,016	3,591,647	3,675,323
Other participations certificates	172,103	172,103	172,503	172,503
Net unrealized gain on mortgaged-backed securities available for sale	45,947			
	$92,362,732	$92,362,732	$94,566,598	$95,834,925

</TABLE>

NOTE F - REAL ESTATE OWNED

Real estate owned consisted of the following:

<TABLE>
<CAPTION>

	March 31, 1994	December 31, 1993
<S>	<C>	<C>
Real Estate acquired for investment or development	$ 5,093,708	$9,248,085
Real Estate acquired through foreclosure	24,835,232	17,404,964
Insubstance foreclosures	10,037,387	20,825,533
	39,966,327	47,478,582
Less: allowance for losses	3,469,845	3,508,123
	$36,496,482	$ 43,970,459

</TABLE>

Westcorp has entered into various partnership agreements to acquire and develop real property. Westcorp's interest in each project is greater than 50% and, in some cases, includes a participating share of the profits realized upon sale.

Condensed financial information for these partnerships follow:

	March 31, 1994	December 31, 1993
Statements of Financial Condition		
Total Assets	$ 5,093,708	$ 9,248,085
Loans from Westcorp	$ 4,576,983	$ 6,371,328
Loans from outside sources		2,400,661
Total Liabilities	4,576,983	8,771,989
Equity	516,725	476,096
Total Liabilities and Equity	$ 5,093,708	$ 9,248,085

	Three Months Ended March 31	
	1994	1993
Statements of Operations		
Rental income		$1,056,531
Sales of real estate, net	$ 256,973	(89,544)
Other income	53,968	76,000
	310,941	1,042,987
Interest expense (1)		743,943
General and administrative expense		643,059
		1,387,002
Net Income (Loss)	$ 310,941	$ (344,015)

Includes $743,943 for the three months ended March 31, 1993 eliminated or reclassified upon consolidation.

NOTE G - CURRENT ACCOUNTING PRONOUNCEMENTS

In May 1993, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 114, "Accounting by Creditors for Impairment of a Loan" ("SFAS 114") which is effective on or before fiscal years beginning after December 15, 1994. Westcorp has not adopted SFAS 114 and it is not expected to have a material impact on Westcorp's financial statements.

NOTE H - OTHER

On March 11, 1994, Westcorp sold $200,000,000 of automobile contracts to a grantor trust. On April 26, 1994 has filed a registration statement with the SEC relating to the proposed sale of additional loans to a grantors trust.

NOTE I - RECLASSIFICATIONS

Certain amounts for 1993 have been reclassified to conform with the 1994 presentation.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION

Assets decreased $116.9 million or 5.4% to $2.1 billion at March 31, 1994, from $2.2 billion at December 31, 1993. During the three month period ended March 31, 1994, Westcorp originated $285.7 million of consumer loans and $199.1 million of real estate loans. Offsetting this, Westcorp sold $200.0 million of consumer loans, and $257.2 million of real estate loans in the three month period ended March 31, 1994. These sales are an ongoing part of Westcorp's strategy of managing interest rate risk. The remaining reductions are a result of prepayments, principal pay downs, and charge-offs.

LOANS

Loans, net of unearned discounts and undisbursed loan proceeds, decreased $70.9 million or 4.6% since December 31, 1993. The decrease is the result of ongoing loan sales. Westcorp continued to sell loans consistent with loan origination levels in the three month period ended March 31, 1994. Westcorp has retained the servicing on almost all loans sold and receives a servicing fee therefrom. Included in the portfolio are loans available for sale of which $96.7 million are mortgage loans secured primarily by single-family residences and $221.2 million are retail installment sales contracts secured by motor vehicles.

The real estate loan portfolio (including those classified as available for sale) consisted of the following:

<TABLE>
<CAPTION>

<S>	March 31, 1994 Amount <C>	% <C>	December 31, 1993 Amount <C>	% <C>
	(Dollars in thousands)			
Single family residential loans:				
First trust deeds	$ 573,142	47.3%	$ 673,322	50.7%
Second trust deeds	139,888	11.5	152,160	11.5
	713,030	58.8	825,482	62.2
Multi family residential loans	478,522	39.5	480,692	36.2
Construction loans	31,732	2.6	31,684	2.4
Other	3,815	0.3	3,828	0.3
	1,227,099		1,341,686	
Less undisbursed loan proceeds	15,135	1.2	14,889	1.1
	$1,211,964	100.0	$1,326,797	100.0%

</TABLE>

Westcorp's portfolio includes both fixed and adjustable rate mortgage loans as shown below:

<TABLE>
<CAPTION>

<S>	March 31, 1994 Amount <C>	% <C>	December 31, 1993 Amount <C>	% <C>
	(Dollars in thousands)			
Fixed rate loans:				
Single family loans	$ 132,844	11.0%	$184,075	13.9%
Multifamily loans	2,016	0.2	2,181	0.2
Adjustable rate loans:				
Negative amortizing loans	713,595	58.8	730,840	55.1
No negative amortizing loans	363,509	30.0	409,701	30.8

Total portfolio	$1,211,964	100.0%	$1,326,797	100.0%

</TABLE>

The composition of the consumer loan portfolio was as follows:

<TABLE>
<CAPTION>

	March 31, 1994		December 31, 1993	
	Amount	%	Amount	%
	(Dollars in thousands)			
<S>	<C>	<C>	<C>	<C>
Motor vehicle contracts	$313,931		$251,751	
Less unearned discounts	45,650		27,972	
Net motor vehicle contracts	268,281	97.8%	223,779	97.2%
Deposit account loans	2,386	0.9	2,787	1.2
Other	3,642	1.3	3,785	1.6
Total Portfolio	$274,309	100.0%	$230,351	100.0%

</TABLE>

The 19.1% increase in the consumer loan portfolio was the result of record originations during the three months ended March 31, 1994.

Consumer loan originations were 32% higher for the period ended March 31, 1994 compared to the period ended March 31, 1993. This increase was primarily the result of Westcorp's continued expansion throughout 1993 and into 1994 of its dealer center network and favorable market conditions for automobile sales in California, Oregon, Nevada and Arizona. Real estate originations were higher during the first quarter of 1994 compared to the comparable quarter a year ago. The 45.8% increase in real estate originations is the result of Westcorp's expansion of its mortgage banking operations during 1994. Westcorp continues to expand its dealer center network and mortgage banking offices and is currently opening offices in Texas.

<TABLE>
<CAPTION>

	March 31, 1994		March 31, 1993	
	Amount	%	Amount	%
	(Dollars in thousands)			
<S>	<C>	<C>	<C>	<C>
Consumer loan originations	$285,684	58.9%	$216,367	61.3%
Real estate loan originations	199,149	41.1	136,628	38.7
	$484,833	100.0%	$352,995	100.0%

</TABLE>

ASSET QUALITY

Delinquency

Real estate delinquencies are shown in the table below:

<TABLE>
<CAPTION>

	March 31, 1994		December 31, 1993	
	Amount Past Due Over 60 Days	% of Category	Amount Past Due Over 60 Days	% of Category
	(Dollars in Thousands)			
<S>	<C>	<C>	<C>	<C>
Single family	$19,931	2.80%	$19,646	2.39%
Multifamily	1,896	.40	3,384	.70
Total delinquent loans	$21,827	1.80%	$23,030	1.73%

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</TABLE>

Total real estate delinquencies over 60 days for March 31, 1994 have increased .07% compared to December 31, 1993. This increase is attributable to increased loan sales accompanied by prepayments which reduced the total portfolio and continued weakness in the California economy.

Nonperforming Assets

Nonperforming assets ("NPA") consist of nonperforming loans ("NPL"), insubstance foreclosures, ("ISF") and real estate acquired through foreclosure ("REO"). REO's and ISF's are accounted for at fair value. A loan is classified as an ISF when the risk of loss has substantively passed from the borrower to the lender. Westcorp's ISF's are primarily composed of multifamily properties. Also included in the NPA's is $3.6 million of real estate acquired for investment ("REI") that due to its deteriorating collateral value and inability to repay its debt is considered non-performing. NPL's are defined as all loans on nonaccrual and includes mortgage loans 90 days or more past due and performing loans where full collection of principal and interest is not certain. Interest income on NPL is not accrued or recognized. At March 31, 1994 interest on nonaccrual loans excluded from interest income was $6.4 million. At March 31, 1993 such amount was $7.3 million.

Nonperforming loans consisted of the following:

<TABLE>
<CAPTION>

<S>	March 31, 1994 <C>	December 31, 1993 <C>
Loans 90 days or more past due	$17,780,558	$17,651,418
Performing, nonaccrual loans	23,676,378	14,314,820
Total nonperforming loans	$41,456,936	$31,966,238

</TABLE>

Nonperforming loans by loan type consisted of the following:

<TABLE>
<CAPTION>

<S>	March 31, 1994 <C>	December 31, 1993 <C>
Single family residential	$17,089,290	$15,721,812
Multifamily 5-36 units	1,733,973	2,985,106
Multifamily over 36 units	20,301,619	10,134,523
Other	2,332,054	3,124,797
Total nonperforming loans	$41,456,936	$31,966,238

</TABLE>

Total NPA's increased to $79.9 million at March 31, 1994 compared to $74.9 million at December 31, 1993. The overall increase in non-performing assets was due primarily to the continued weakness of the economic and real estate markets in California where Westcorp has its concentration of non-performing assets, particularly multifamily residential dwellings. These loans and assets have been more severely affected by the prevailing economic conditions and consequently have been the major source of increase in non-performing assets.

The migration of nonperforming loans, insubstance foreclosures and real estate owned from December 31, 1993 to March 31, 1994 is shown below.

NONPERFORMING LOANS

<TABLE>
<CAPTION>

<S>	TOTAL <C>	SFR <C>	5-36 <C>	37+ <C>	Other <C>

Balance, 12/31/93	$31,966,238	$15,721,812	$2,985,106	$10,134,523	$3,124,797
New nonperforming loans	19,924,514	7,007,374	563,861	12,353,279	
REO/ISF	(5,282,465)	(3,820,052)	(1,462,413)		
Cures and payoffs	(4,771,791)	(1,440,284)	(352,581)	(2,186,183)	(792,743)
Chargeoffs	(379,560)	(379,560)			
Balance, 3/31/94	$41,456,936	$17,089,290	$1,733,973	$20,301,619	$2,332,054

</TABLE>

IN-SUBSTANCE FORECLOSURES

<TABLE>
<CAPTION>

	Total	SFR	5-36	37+	Other
<S>	<C>	<C>	<C>	<C>	<C>
Balance, 12/31/93	$20,825,533		$1,242,000	$14,858,533	$4,725,000
Transfer to REO	(5,352,671)			(5,352,671)	
Cures	(4,725,000)				(4,725,000)
Writedowns	(710,474)			(710,474)	
Balance, 3/31/94	$10,037,388	$	$1,242,000	$ 8,795,388	$

</TABLE>

REAL ESTATE ACQUIRED THROUGH FORECLOSURE

<TABLE>
<CAPTION>

	Total	SFR	5-36	37+	Land/Other
<S>	<C>	<C>	<C>	<C>	<C>
Balance, 12/31/93	$ 17,404,964	$ 7,468,384	$ 725,097		$ 9,211,483
New REO	13,297,811	5,118,216	1,950,924	$ 6,228,671	
Sales	(4,860,285)	(4,143,969)	(716,316)		
Writedowns	(1,007,258)	(3,237)	(395,232)	(1,009,116)	400,327
Balance, 3/31/94	$ 24,835,232	$ 8,439,394	$1,564,473	$ 5,219,555	$ 9,611,810

</TABLE>

For nonperforming assets other than nonperforming loans, assets secured by multifamily residential properties continued to be the dominant asset type consisting of $16.8 million or 48.2% of these assets. Of the multifamily residential properties, $2.8 million are properties of 5-36 units and $14 million are properties of 37 units or greater.

Allowance for loan and real estate losses

Consistent with loan volume, loan sales, losses, nonaccrual loans and other relevant factors, Westcorp maintained its allowance for loan losses at $41.1 million at March 31, 1994 compared with $39.7 million at December 31, 1993. While Westcorp's nonperforming assets are mainly multifamily and construction loans, no single loan or series of such loans predominate. The provision and allowance for loan losses are indicative of loan volumes, loss trends and management's analysis of market conditions. These conditions include the effect of the Northridge earthquake. Westcorp is continuing to assess earthquake-related damage, including on-site inspections of individual properties. To date, Westcorp has modified 34 loans, typically by deferring payments for generally two to three months. The allowance for loan losses is maintained at a level believed adequate by management to absorb potential losses in the loan portfolio. The following table presents summarized data relative to the allowance for loan losses.

<TABLE>
<CAPTION>

	March 31, 1994	December 31, 1993
<S>	<C>	<C>
Total Loans	$1,486,272,711	$1,557,148,057
Allowance for loan losses	41,065,120	39,676,719
Allowance for real estate losses	3,469,845	3,508,123

Loans past due 60 days or more	22,754,473	23,885,549
Nonperforming loans	41,456,936	31,966,238
Nonperforming assets	79,933,752	74,972,203
Allowance for loan losses as a percent of:		
Total loans	2.76%	2.55%
Loans past due 60 days or more	180.47%	166.11%
Nonperforming loans	99.05%	124.12%
Total allowance as a percent of nonperforming assets	55.71%	57.60%
Nonperforming assets as a percent of total loans	2.79%	2.05%
Nonperforming assets as a percent of total assets	3.89%	3.45%

</TABLE>

The table below provides an historical analysis of the allowance for loan losses.

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>
Balance at beginning of period	$39,676,719	$40,655,934
Charge-offs		
Real estate - mortgage	(1,861,316)	(4,773,178)
Consumer	(2,428,243)	(3,911,668)
	(4,289,559)	(8,684,846)
Recoveries		
Real estate - mortgage	169,313	463,880
Consumer	1,267,262	1,633,499
	1,436,575	2,097,379
Net charge - offs	(2,852,984)	(6,587,467)
Provision for loan losses	4,241,385	6,679,619
	$41,065,120	$40,748,086
Ratio of net charge - offs during period to average loans out-standing during the period (annualized)	.74%	1.39%

</TABLE>

Changes in the allowance for real estate losses were as follows:

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>
Balance at beginning of period	$ 3,508,123	$20,185,024
Provision for real estate losses		600,000
Charge - offs, net	(38,278)	(13,213,155)
Balance at end of period	$ 3,469,845	$ 7,571,869

</TABLE>

RESULTS OF OPERATIONS

Westcorp's net income for the three month period ended March 31, 1994 was $3.9 million or $0.17 per share, compared to net income of $3 million or $0.16 per share for the same period of 1993. The increase in net income for the three month period ended March 31, 1994 is primarily attributable to lower loss provisions in the current quarter compared to the prior year comparable quarter. This is offset by a lower net interest margin and higher operating expenses.

NET INTEREST INCOME

Net interest income for the three months ended March 31, 1994 was $13.4 million compared to $16.2 million for the respective period of 1993. The decrease in net interest income is attributable to lower levels of interest earning assets and narrowing interest margins. Interest earning assets have declined through ongoing loan sales in both the consumer and real estate portfolios.

Net interest margins narrowed 40 basis points for the three months ended March 31, 1994 compared to the same period of 1993 due primarily to a decrease of 76 basis points in the yield on interest-earning assets, offset by a decrease of 36 basis points in the cost of funds for the same period.

Overall market conditions experienced declining interest rates throughout 1993 and early 1994. Consequently, the rates earned and paid on interest sensitive instruments have declined. Yields on loans and mortgage backed securities decreased 118 basis points for the three months ended March 31, 1994 compared to the same period of 1993 as a result of higher prepayments and the reinvestment of funds into loans and mortgage-backed securities at lower rates than the rates on those assets sold or repaid.

Similarly, the cost of savings deposits declined 55 basis points for the three months ended March 31, 1994 compared to the same period of 1993. This decrease reflects a continued replacement of higher-costing deposits with lower costing ones. Other cost of borrowings increased 15 basis points based primarily on the replacement of short term borrowings with long term subordinated debentures as part of Westcorp's policy to manage interest rate risk and increase its capital base.

The interest spread for Westcorp is summarized in the table below.

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>
Interest-earning assets:		
Loans	7.88%	8.50%
Mortgage-backed securities	5.44	6.00
Investments	4.64	5.45
All interest-earning assets	7.40	8.16
Interest-bearing liabilities:		
Deposits	4.44	4.99
FHLB advances and other borrowings	7.61	7.46
All interest-bearing liabilities	5.05	5.41
Interest Spread	2.35%	2.75%

</TABLE>

ASSET/LIABILITY MANAGEMENT

Synchronizing the repricing of an institution's liabilities and assets to minimize interest rate risk is referred to as gap management. The net interest income of the institution is also affected by changes in the economic and financial environment, the most important of which are economic growth and changes in interest rates.

Because Westcorp has a positive gap, the impact of future interest rate changes may be that Westcorp's loans and investments would adjust to interest rate changes more quickly than its deposits and borrowings.

The following table illustrates the projected interest rate maturities, based upon certain assumptions regarding the major asset and liability categories of Westcorp at March 31, 1994. The interest rate sensitivity of Westcorp's assets and liabilities illustrated in the following table could vary substantially if different assumptions were used or actual experience differs from the assumptions set forth.

Interest Rate Sensitivity Analysis
as of March 31, 1994
(In Thousands)

<TABLE>
<CAPTION>

	Within 3 Months	After 3 Months Through One Year	After One Year Through Three Years	After Three Years Through Five Years	After Five Years Through Ten Years	After Ten Years	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Investment securities available for sale	$ 5,000	$ 14,935	$ 5,233	$ 86,043	$ 1,540	$ 2,109	$ 114,860
Other investments	135,218	500					135,718
Mortgage-backed securities	86,710	3,801	593	403	685	171	92,363
Total Loans:							
Consumer loans (1)	20,955	48,911	113,982	70,566	19,784	111	274,309
Real estate loans:							
Adjustable interest rate mortgage loans (2)	911,918	127,119	11,218	4,369	5,403	480	1,060,507
Fixed rate mortgage loans (2)	7,610	21,024	46,425	25,409	33,759	632	134,859
Construction loans (2)	16,597						16,597
Total interest earning assets	1,184,008	216,290	177,451	186,790	61,171	3,503	1,829,213
Interest bearing liabilities:							
Passbook/statement accounts (3)	6,636	19,061	44,349	27,548	40,978	17,562	156,134
Money market deposit accounts (3)	210	504	215	82	50		1,061
Certificate accounts (4)	234,995	628,577	199,770	140,372	192		1,203,906
FHLB advances (4)	24,000	16,000	48,000	26,500	6,500		121,000
Other borrowings (4) (5)	16,704	13	50		120,553		137,320
Total interest bearing liabilities	282,545	664,155	292,384	194,502	168,273	17,562	1,619,421
Excess interest earning assets (liabilities)	901,463	(447,865)	(114,933)	(7,712)	(107,102)	(14,059)	209,792
Cumulative excess	$ 901,463	$ 453,598	$ 338,665	$ 330,953	$ 223,851	$ 209,792	$209,792
Cumulative differences as a percentage of total assets	43.86%	22.07%	16.48%	16.10%	10.89%	10.21%	10.21%

</TABLE>

(1) Based on contractual maturities adjusted by Westcorp's historical prepayment rate.
(2) Based on interest rate repricing adjusted for projected prepayments.
(3) Based on assumptions established by the Office of Thrift Supervision.
(4) Based on contractual maturity.
(5) The motor vehicle loan collateralized bonds are amortized based on the scheduled payments of the collateral.

OTHER INCOME

Total other income increased $6.2 million for the three months ended March 31, 1994 to $21.4 million compared to $15.3 million for the same period in 1993. The primary increase was in the area of loan servicing fees.

Loan servicing fees increased to $14.2 million for the three months ended March 31, 1994 from $7.2 million for the same period in 1993. Loans serviced for others, all of which were originated by Westcorp, totaled $2.4 billion and $1.7 billion at March 31, 1994 and 1993, respectively. Additionally, servicing income has continued to increase because of the increased servicing portfolio and larger servicing fee spreads on more recent consumer loan transactions.

Gain on sale of loans, mortgage-backed securities and investment securities decreased to $2.3 million for the three months ended March 31, 1994 compared to $4.4 million for the three months ended March 31, 1993 due to declining spreads to the market during the first quarter of 1994.

Subsequent to quarter end, general economic interest rates have continued to experience sharp increases. Increasing interest rates have had a negative impact on the pricing of loans for sale in the secondary market. To the extent interest rates continue to rise and profit margins in the secondary market narrow, gain on sale of loans as well as servicing income will be negatively impacted.

Real estate operations include the ongoing costs of operation and disposition associated with Westcorp's investments in joint ventures and REO. Real estate operations had losses for the three months ended March 31, 1994 of $2 million compared to a loss of $1.2 million for the same period in 1993. The change between quarters is due primarily to greater payments made on delinquent property taxes on non-performing assets acquired through foreclosure.

OTHER EXPENSES

Other expenses, which consist of salaries and employee benefits, occupancy, insurance and other miscellaneous expenses increased to $23.4 million for the three months ended March 31, 1994 compared to $19.8 million for the same period in 1993. The increase is primarily in the areas of salaries and benefits. Other miscellaneous expenses include marketing and professional fees. The increase in expenses is related to increased loan servicing portfolios, expansion into other states and higher levels of nonperforming assets. In addition, the premium paid to the Savings Association Insurance Fund increased as a result of an increase in premium rates. The ratio of annualized other expenses to average serviced assets was 2.18% and 2.05% for the three month period ended March 31, 1994 and 1993 respectively.

INCOME TAXES

The effective tax rate for the three months ended March 31, 1994 and 1993 was 45.3% and 38.5%.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

As a member of the FHLB System, the Bank is required to maintain a specified ratio of cash, short-term United States government and other qualifying securities to net withdrawable accounts and borrowings payable in a year or less. The required liquidity ratio is currently 5%. The Bank has maintained liquidity in excess of the required amount in 1994.

Capital Resources

The Bank has diversified sources of funds generated through its operations. Primary sources include deposits, loan principal and interest payments received, sales of real estate loans and consumer loans, sale of mortgage backed securities ("MBS") and the maturity or sale of investment securities. Other sources include commercial paper, Federal Home Loan Bank advances, bank line of credit and reverse repurchase agreements. Prepayments on loans and mortgage backed securities and deposit inflows and outflows are affected significantly by interest rates, real estate sales activity and general economic conditions.

When conditions are favorable, structured finance capital markets are accessed regularly with respect to the Bank's motor vehicle loans. Through March 1994, $200 million was raised through one automobile loan sale transactions. These automobile loan sale transactions received the highest rating provided by Moody's Investors Service, Inc., and Standard & Poor's Corporation at the time of sale based on the structure of the transaction and credit enhancement provided by Financial Security Assurance Inc., ("FSA"). In each transaction, FSA issued a financial guaranty insurance policy pursuant to which the payment of interest and principal was guaranteed to the holders of the beneficial interests in the related grantor trust. In addition, during the three month period, the Bank sold $257.2 million of real estate loans as part of its mortgage banking activity. If the Bank does not sell such loans, it will hold them in its portfolio, relying on its other sources of funds to meet its liquidity needs.

The Bank uses these sources to meet its business needs which includes funding maturing certificates of deposits and savings withdrawals, repayment of borrowings, funding loan and investment commitments and real estate operations, meeting operating expenses, and maintaining minimum regulatory liquidity and capital levels.

On September 29, 1992 the OTS issued final rules implementing certain requirements spelled out under the Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"). The final rule separates all financial institutions into one of five capital categories: "well capitalized", "adequately capitalized", "undercapitalized", significantly undercapitalized" and "critically undercapitalized". In order to be considered "well capitalized", an institution must have a risk-based capital ratio of 10% or greater, a tier one ratio of 6% or greater and a leverage ratio of 5% or greater and a strong examination rating by the OTS. The Bank is currently considered "well capitalized".

A reconciliation of the Bank's capital under generally accepted accounting principles (GAAP) as included in its consolidated balance sheet and regulatory capital at March 31, 1994 is as follows:

<TABLE>
<CAPTION>

	Tangible Capital		Core Capital		Risk-Based Capital	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
			(Dollars in Thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Bank shareholder equity-GAAP basis	$196,415		$196,415		$196,415	
Non-permissible activities at required phase-in	(7,806)		(7,806)		(7,806)	
Supplemental capital:						
Subordinated debentures					123,947	
General loan valuation allowance					26,530	
Less: Fully capitalized assets					(24,446)	
Regulatory capital	188,609	9.14%(1)	188,609	9.14%(1)	314,640	14.91%(2)
Minimum OTS capital requirement	30,949	1.50%	61,897	3.00%	168,860	8.00%
Excess capital	$157,660		$126,712		$145,780	

</TABLE>

(1) As a percentage of total adjusted assets.
(2) As a percentage of risk-weighted assets.

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit 11 - Computation of Earnings Per Share

(b) Reports on Form 8-K

A report on Form 8-K was filed February 1, 1994 announcing that on January 25, 1994, the Bank was informed by the OTS that the OTS agreement will be lifted. (See Exhibit 10.4 Agreement by and between Western Financial Savings Bank and the Office of Thrift Supervision, dated May 14, 1992 for information relating to the aforementioned "OTS agreement").

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WESTCORP

Date May 13, 1994	/s/ Stephen W. Prough
	Stephen W. Prough President and Chief Operating Officer (Principal Executive Officer)
Date May 13,1994	/s/ Joy Schaefer Fackler
	Joy Schaefer Fackler Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

EXHIBIT 11 - COMPUTATION OF EARNINGS PER SHARE

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1994	1993
<S>	<C>	<C>
PRIMARY EARNINGS PER SHARE:		
Weighted Average and Common Equivalent Shares	23,045,852	18,492,025
Net Income	$ 3,927,733	$ 3,045,472
Primary Earnings Per Share	0.17	.16
FULLY DILUTED EARNINGS PER SHARE:		
Weighted Average and Common Equivalent Shares	23,045,852	18,516,646
Net Income	$ 3,927,733	$ 3,045,472
Fully diluted Earnings Per Share	0.17	.16

</TABLE>