

FIRST COMMUNITY BANCORP /CA/  
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THE FOLLOWING IS THE TEXT OF A JOINT PRESS RELEASE ISSUED BY FIRST COMMUNITY BANCORP AND MARATHON BANCORP

## **PRESS RELEASE**

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### **FOR IMMEDIATE RELEASE**

**May 14, 2002**

### **FIRST COMMUNITY BANCORP ANNOUNCES SIGNING OF DEFINITIVE AGREEMENT TO ACQUIRE MARATHON BANCORP**

Rancho Santa Fe, California, May 14, 2002 First Community Bancorp today announced the signing of a definitive agreement and plan of merger pursuant to which Marathon Bancorp will merge with and into First Community, and Marathon Bank, a wholly-owned subsidiary of Marathon Bancorp, will merge with Pacific Western National Bank, a wholly-owned subsidiary of First Community. Marathon is a \$109 million-asset bank located on West Olympic Boulevard in Los Angeles.

Pursuant to the definitive agreement, each Marathon Bancorp shareholder shall have the right to elect to receive for each share of Marathon common stock either cash or common stock of First Community with a value that depends on the average price of First Community common stock over a fifteen-day averaging period ending on the third business day prior to the Marathon shareholders' meeting. If the price of First Community common stock is between \$19.50 and \$23.30 over the fifteen-day averaging period, Marathon shareholders will have the right to elect to receive, for each share of Marathon common stock they hold, either cash or common stock of First Community with a value of \$4.80 (valued at the average price over the fifteen-day averaging period). If the price of First Community common stock over the fifteen-day averaging period is greater than or equal to \$23.30 or less than or equal to \$19.50, Marathon shareholders will have the right to elect to receive an amount in cash or common stock that will be greater than or less than \$4.80 per share, respectively.

The definitive agreement provides that at least 50% of the consideration shall be in the form of First Community common stock. Based upon the closing price on May 13, 2002 of \$25.10 per share for First Community's common stock, the total purchase price would be approximately \$20.2 million. The transaction represents 1.69 times Marathon's book value at March 31, 2002, and 12.7 times Marathon's annualized first quarter earnings for 2002. The merger is subject to standard conditions, including the approval of Marathon's shareholders and bank regulatory agencies. The transaction is expected to close in the third quarter of 2002, at which time Marathon Bank will be merged into Pacific Western, with Pacific Western remaining as the surviving bank.

First Community Chairman of the Board John Eggemeyer commented, "We are excited about the opportunity to expand First Community's presence in West Los Angeles. The acquisition of Marathon

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Bancorp strengthens our presence in this market by adding one very large branch that lies directly between First Community's branches in Santa Monica and Beverly Hills."

First Community President and Chief Executive Officer Matt Wagner added, "We are very pleased to announce this union between First Community and Marathon Bancorp. Marathon has an excellent mix of both deposits and loans, and its location is a perfect fit with First

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Community's existing Los Angeles franchise. Furthermore, we expect this transaction to be accretive to earnings in 2003."

Marathon President and Chief Executive Officer Craig Collette added, "Combining with First Community will enable us to offer Marathon's customers access to an expanded menu of banking and investment products. We look forward to working with First Community on this business combination."

First Community also has pending mergers based upon definitive agreements to acquire all of the outstanding common stock of both First National Bank of San Diego and Upland Bank. First National Bank of San Diego is a \$714 million-asset bank with seven branches in San Diego County. Pursuant to the definitive agreement, each First National shareholder shall have the right to elect to receive for each share of First National common stock or First National preferred stock either \$10.00 in cash or .5008 of a share of First Community common stock. The definitive agreement provides that at least and no more than 45% of the total consideration shall be in the form of First Community common stock. The merger is subject to standard conditions, including the approval of First National's shareholders and bank regulatory agencies. The transaction is expected to close in the third quarter of 2002, at which time First National will be merged into Rancho Santa Fe National Bank. The surviving bank will operate under the name of First National Bank.

Upland is a \$108 million-asset bank with branches in Upland and Chino. Pursuant to the definitive agreement with Upland, each Upland shareholder shall have the right to elect to receive for each share of Upland common stock either \$11.73 in cash or .5034 of a share of First Community common stock. The definitive agreement provides that at least 45% of the consideration shall be in the form of First Community common stock. The merger is subject to standard conditions, including the approval of Upland's shareholders and bank regulatory agencies. The transaction is expected to close in the third quarter of 2002, at which time Upland will be merged into Pacific Western, with Pacific Western remaining as the surviving bank.

After completing the pending acquisitions and the ensuing combination of bank charters, First Community will have two wholly-owned banking subsidiaries, First National Bank with fifteen branches in San Diego County, and Pacific Western Bank with nineteen branches in Los Angeles, Orange, Riverside and San Bernardino Counties. Total assets of the organization are estimated to be approximately \$2.2 billion on a pro forma basis.

### **Forward-Looking Statements**

This press release includes forward-looking statements that involve inherent risks and uncertainties. First Community Bancorp and Marathon Bancorp caution readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which First Community Bancorp and Marathon Bancorp operate, inflation, deflation, fluctuations in interest rates, legislation and governmental regulation and the progress of integrating the operations of First Community Bank of the Desert, First Professional Bank, N. A., First Charter Bank, N. A., Pacific Western National Bank, Capital Bank of North County, Upland Bank, First National Bank and Marathon Bancorp.

### **Registration Statement**

**Investors and security holders are urged to read the proxy statement-prospectuses regarding the business combination transactions referred to in this press release, when they become available, because they will contain important information. The proxy statement-prospectuses will be filed with the Securities and Exchange Commission by First Community Bancorp. Investors and security holders**

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may obtain free copies of the registration statements and proxy statement-prospectuses (when they are available) and other documents filed by First Community Bancorp with the Commission at the Commission's website at [www.sec.gov](http://www.sec.gov). The registration statements and proxy statement-prospectuses may also be obtained for free from First Community Bancorp by directing a request to: Pacific Western Bank, 275 N. Brea Boulevard, Brea, CA 92821. Attention: Lynn Hopkins. Telephone: 714-674-5330.

First Community Bancorp's executive officers and directors may be deemed to be participants in the solicitation of proxies from the shareholders of First Community Bancorp in connection with the First National Bank business combination. Information concerning the identity of the participants in the solicitation of proxies by First Community Bancorp's executive officers and directors and their direct or indirect interests, by security holdings or otherwise, may be obtained from the Secretary of First Community Bancorp at the address listed above. Information concerning the identity of the participants in the solicitation of proxies by Marathon Bancorp's executive officers and directors and their direct or indirect interests, by security holdings or otherwise, may be obtained from the Secretary of Marathon Bancorp at: Marathon Bancorp, 11150 West Olympic Boulevard, Los Angeles, CA 90064. Investors and security holders may obtain more detailed information regarding the direct and indirect interests of First Community Bancorp's executive officers and directors and Marathon's executive officers and directors in the business combination transaction by reading the joint proxy statement-prospectus filed with the SEC when it becomes available.

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