

THE MECHANICS BANK OPENS FIRST CONCORD BRANCH OFFICE
East Bay Community Bank Continues Eastward Expansion in Contra Costa County

Richmond, CA, September 12, 2005—The Mechanics Bank is continuing its eastward expansion in Contra Costa County with the September 19 opening of its first Concord office, located at 1170 Concord Ave.

This will be the family-owned community bank's 35th office, 18 of which are in Contra Costa County. A Pittsburg office is scheduled to open early in 2006.

“We have long been dominant in west Contra Costa County,” said Steve Buster, president and CEO of The Mechanics Bank. “Now, as the economic center of gravity for the county shifts eastward, we are continuing to position ourselves to be a market leader here. Expansion within the county and neighboring areas is a top priority.”

The Mechanics Bank Concord Office will be managed by longtime Benicia resident Linda Morris, a well-known East Bay banker who recently headed the Walnut Creek office of Union Bank.

“Concord isn't new to the bank—we're just finally putting a physical presence there,” said Ms. Morris. “The Mechanics Bank has been an East Bay fixture for nearly 100 years, and has participated in the area's dynamic growth—including here in Concord, where the bank already has many customers. We are all looking forward to forging even closer ties to this community.”

To highlight its strong emphasis on supporting local communities, The Mechanics Bank is making a \$25 donation for each new checking account opened through March 31, 2006. Customers can choose from a list of three local nonprofits, including The Wellness Community

(<http://www.twc-bayarea.org/>), a program to help people affected by cancer enhance their health and well-being, the Bay Area Crisis Nursery

(<http://www.bacn.jkmas.com/start.html>), a program to prevent child abuse and neglect, and STAND Against Domestic Violence

(<http://www.standagainstdv.org/about.php>), a shelter for women and children trapped in the vicious cycle of domestic violence.

The Mechanics Bank's expansion into Concord likely will gear up competition for commercial and small business loans in the area. In recent years, the bank has turned up the heat on its business loan capabilities and services. In 2004, it began accepting loan applications to The Mechanics Bank Community Development Corporation, a wholly-owned subsidiary of the bank that has allocated \$26 million in funds designated for providing loans and financial counseling to qualifying businesses in low and moderate income areas in Contra Costa, Alameda and San Francisco counties. Additionally, the bank offers a unique package of highly personalized escrow services for small businesses—a service offered by very few banks in the region—helping oversee the ownership transfer of hundreds of small businesses annually. In August of this year, the bank received certification as an SBA Preferred Lender, allowing the bank to approve and fund SBA loans much more quickly.

Headquartered in Richmond, California, The Mechanics Bank celebrates a century of innovative community banking this year. With more than \$2.5 billion in assets, it has become one of the largest banks headquartered in the San Francisco Bay Area.

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