

## FIRST MOUNTAIN BANCORP ANNOUNCES THIRD QUARTER AND NINE MONTH 2009 RESULTS

BIG BEAR LAKE, Calif.—October 27, 2009

First Mountain Bancorp (OTCBB:FMBP), and its wholly-owned subsidiary, First Mountain Bank (collectively the Bank), today reported a quarterly consolidated net loss of \$1,322,396, or loss per basic share of \$0.85 for the quarter ended September 30, 2009, compared to a net loss of \$200,587, or loss per basic share of \$ 0.13 for the third quarter of 2008. The Company also reported a net loss of \$1,390,087, or \$0.89 loss per basic share, for the nine months ended September 30, 2009, compared to net income of \$78,005, or \$0.05 earnings per basic share for the first nine months of 2008. The decline in earnings between the quarters and the respective nine month periods resulted from increases in the provision for loan losses. The Company added \$2.44 million to its allowance for loan losses during the quarter, bringing the total additions to the reserve for losses to \$3.41 million through September 30, 2009, compared to additions to the reserves of \$1.24 million during the same period in 2008. These additions increase the Company's total allowance for loan losses to nearly \$3.2 million, or 2.9% of total loans at September 30, 2009. At December 31, 2008, the allowance for loan losses totaled \$1.7 million and represented 1.50% of outstanding loans.

The Company's core earnings from operations (net earnings before taxes, provisions for potential loan losses, and the special FDIC assessment) were \$998,000 for the nine months ended September 30, 2009, compared to \$1.2 million in core earnings for the comparable period in 2008.

"Like most banks, we continue to see clients impacted by the tough economy. As 2009 has progressed, it has become clear that the Bank needed to continue to increase its reserves to cover possible loan losses," stated Jack Briner, Chief Executive Officer. "In this uncertain economic climate, taking a conservative approach and increasing reserves for potential loan losses is the right thing to do. While a careful review of our current loan portfolio gives us confidence that the majority of the loans that require additional provisions are well collateralized, have seemingly short term issues, and are resolvable, it remains prudent that we take these measures to protect the Bank," continued Mr. Briner.

The Bank remains well capitalized under regulatory guidelines at September 30, 2009, with total consolidated equity capital of \$15,493,180, which represents 10.1% Tier 1 leverage capital and over 12.7% total risk-based capital. Capital levels remain well in excess of the requirements of the Bank's regulatory agencies.

The Company reported total consolidated assets of \$137,331,230 at September 30, 2009, compared to \$144,073,931 at December 31, 2008; total outstanding loans of \$110,178,631 at quarter end, compared to the year-end 2008 balance of \$113,609,304; and total deposits of \$121,024,885 and \$126,439,886 at September 30, 2009, and December 31, 2008, respectively.

The Bank's non-performing loans stood at \$5,898,000 and represented 5.35% of outstanding loans at September 30, 2009, compared to \$2,561,000 of non-performing loans, or 2.44% of outstanding loans at December 31, 2008. Non-performing assets, which includes foreclosed properties and non-performing loans, totaled \$6,484,000 at September 30, 2009, and represented 34.7% of equity capital and loan loss reserves.

At September 30, 2009, the Bank reported a book value per share of \$9.93, on 1,560,262 shares outstanding.

First Mountain Bancorp is the parent holding company of First Mountain Bank, which is headquartered in Big Bear Lake and has four offices serving the Big Bear and high desert areas of Southern California. For further information contact Jack Briner, CEO, or Dennis Saunders, President/CFO, at (909) 866-5861.

Tables follow

# FIRST MOUNTAIN BANCORP

## STATEMENT OF CONDITION - *(Consolidated) (Unaudited)*

	September 30, 2009	December 31, 2008
<b>Assets</b>		
Cash and due from banks	\$ 5,035,054	\$ 5,118,558
Fed funds	5,924,154	6,918,536
Investment securities	8,811,804	10,977,870
Gross loans	110,178,631	113,609,304
Less: Allowance for loan losses	<u>(3,194,755)</u>	<u>(1,705,120)</u>
Net loans	106,983,876	111,904,184
Bank premises and equipment	2,288,186	2,331,732
Other assets	<u>8,288,156</u>	<u>6,823,051</u>
<b>Total Assets</b>	<u><u>\$ 137,331,230</u></u>	<u><u>\$ 144,073,931</u></u>
<b>Liabilities</b>		
Noninterest-bearing deposits	\$ 35,911,248	\$ 39,367,602
Interest-bearing deposits	<u>85,113,637</u>	<u>87,072,284</u>
Total deposits	121,024,885	126,439,886
Other liabilities	<u>813,165</u>	<u>816,217</u>
<b>Total Liabilities</b>	<u>121,838,050</u>	<u>127,256,103</u>
<b>Stockholders' Equity</b>		
Common stock	11,918,964	11,877,069
Retained earnings	3,496,245	4,886,332
Accumulated other comprehensive income	<u>77,971</u>	<u>54,427</u>
<b>Total Stockholders' Equity</b>	<u>15,493,180</u>	<u>16,817,828</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u><u>\$ 137,331,230</u></u>	<u><u>\$ 144,073,931</u></u>

## STATEMENT OF INCOME - *(Consolidated) (Unaudited)*

	For the three months ended		For the nine months ended	
	09/30/09	09/30/08	09/30/09	09/30/08
Interest income	\$ 1,914,525	\$ 2,188,989	\$ 6,039,063	\$ 6,804,634
Interest expense	<u>280,183</u>	<u>495,433</u>	<u>1,011,850</u>	<u>1,745,729</u>
Net interest income before provision for loan losses	1,634,342	1,693,556	5,027,213	5,058,905
Provision for loan losses	<u>2,440,000</u>	<u>825,000</u>	<u>3,410,000</u>	<u>1,238,000</u>
Net interest income	(805,658)	868,556	1,617,213	3,820,905
Other operating income	278,437	279,591	825,349	794,463
Operating expenses	<u>1,752,175</u>	<u>1,539,034</u>	<u>4,915,649</u>	<u>4,640,963</u>
Loss before income taxes	(2,279,396)	(390,887)	(2,473,087)	(25,595)
Benefit for income taxes	<u>(957,000)</u>	<u>(190,300)</u>	<u>(1,083,000)</u>	<u>(103,600)</u>
<b>Net (Loss) Income</b>	<u><u>\$ (1,322,396)</u></u>	<u><u>\$ (200,587)</u></u>	<u><u>\$ (1,390,087)</u></u>	<u><u>\$ 78,005</u></u>
(Loss) Earnings per share - basic	\$ (0.85)	\$ (0.13)	\$ (0.89)	\$ 0.05
(Loss) Earnings per share - dilutive	\$ (0.85)	\$ (0.13)	\$ (0.89)	\$ 0.05

## FIRST MOUNTAIN BANCORP

	For the three months ended		For the year-to-date ended	
	9/30/2009	9/30/2008	9/30/2009	9/30/2008
<b>Performance Ratios:</b>				
Return on Average Assets	-3.84%	-0.54%	-1.31%	0.07%
Return on Average Equity	-32.77%	-4.80%	-11.23%	0.62%
Average yield on interest-earning assets	5.888%	6.566%	6.174%	6.710%
Average cost of interest-bearing liabilities	0.912%	1.581%	1.100%	1.823%
Net interest spread	4.977%	4.985%	5.075%	4.887%
Net interest margin	5.027%	5.080%	5.140%	4.988%
<b>Capital Ratios (Bank):</b>				
Total Risk-Based Capital Ratio			12.7%	14.5%
Tier 1 Risk-Based Capital Ratio			11.5%	13.2%
Tier 1 Leverage Ratio			10.1%	11.9%
<b>Asset Quality:</b>				
Number of non-performing loans			18	7
Total number of foreclosed properties			2	2
Total non-performing loans			\$ 5,898,414	\$ 2,561,296
Total foreclosed properties (OREO)			\$ 585,636	\$ 216,000
Total non-performing assets			\$ 6,484,050	\$ 2,777,296
Ratio of non-performing loans to total loans			5.35%	2.44%
Total non-performing assets to total assets			4.72%	1.93%
Total non-performing assets to equity and loan loss reserves (commonly referred to as Texas Ratio)			34.70%	14.99%
Allowance for Loan Losses:				
Total Balance			\$ 3,194,755	\$ 1,705,120
As a percent of non-performing assets			49.27%	61.39%
As a percent of total loans outstanding			2.90%	1.50%
<b>Stock Information:</b>				
Shares outstanding			1,560,262	1,560,262
Book value per share			\$ 9.93	\$ 10.78