



Molina Healthcare, Inc. Files For Initial Public Offering

December 30, 2002

Molina Healthcare, Inc. today announced the filing of a registration statement with the Securities and Exchange Commission for a proposed initial public offering of its common stock. Banc of America Securities LLC and CIBC World Markets Corp. are acting as joint book-running managers and SG Cowen Securities Corporation is acting as co-manager. Molina Healthcare, Inc. is offering all of the shares covered by the registration statement.

Molina Healthcare, Inc. is a rapidly growing, multi-state managed care organization that arranges for the delivery of health care services to persons eligible for Medicaid and other programs for low-income families and individuals. It currently operates health plans in California, Washington, Michigan and Utah. As of September 30, 2002, Molina Healthcare, Inc. had approximately 478,000 members.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

When available, copies of the preliminary prospectus relating to the offering may be obtained from Banc of America Securities LLC, 600 Montgomery Street, San Francisco, California 94111, (415) 627-2000, Attention: Prospectus Department; CIBC World Markets Corp., 417 5th Avenue, New York, New York 10016, (212) 667-6136, e-mail: useprospectus@us.cibc.com; or SG Cowen Securities Corporation through ADP, 1155 Long Island Avenue, Edgewood, New York 11717, (631) 254-7106.

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