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Coastal Financial Corporation Reports First Quarter 2015 Earnings

*Coastal Community Bank Reports 44% increase
in net income for first quarter 2015*

EVERETT, Wash. – Coastal Financial Corp. (Coastal), the holding company for Coastal Community Bank (Bank), today reported another quarter of solid results for Coastal Community Bank. The combination of a growing presence in their regional market, increase in assets and strong deposits resulted in a 44% increase in net income for the first quarter compared to the same period in 2014.

“Our talented and highly motivated team is the key to our success. Our dedication to delivering best-fit financial solutions, business insights, and expertise attracts new customers to Coastal,” said CEO and President Eric Sprink.

First Quarter Highlights:

- **1st Quarter net income** increased 44% to \$751,000 compared to \$522,000 for the same period in 2014.
- **Total assets** grew at an annualized 25% to \$581.3 million compared to \$546.5 million at December 31, 2014.
- **Total deposits** grew at an annualized 28% to \$505.7 million compared to \$472.2 million at December 31, 2014.
- **Non-interest bearing deposits** grew at an annualized 37% to \$151.9 million compared to \$138.9 million at December 31, 2014.
- **Net loans** are up 16% year over year.
- **Capital ratios** continued to substantially exceed regulatory requirements for a well-capitalized financial institution, with total risk based capital at 13.34%, well above the 10% well-capitalized regulatory requirement.

Added Sprink, “Our first quarter operating results were solid with continued income growth, core deposit growth, and excellent credit quality results. We recently announced Coastal entered into an agreement to acquire a local bank within our service area. The opening of our branch in Marysville this summer supports our disciplined strategy to continue balanced growth. Acquisition announcements start a process that can take several months and no acquisition is considered final until consummation occurs.”

Coastal Community Bank's staff, management, and Board of Directors remain committed to building a strong community bank and providing unparalleled service to our clients, and delivering long term value to our shareholders.

Coastal Community Bank was founded in Everett in 1997 and has 11 offices in Snohomish and Island County. Coastal is a true community bank offering a wide variety of deposit and credit products to meet the needs of businesses and consumers in the greater Puget Sound area. For more information, access our website at www.coastalbank.com.

Coastal Financial Corporation notes that some statements in this letter look forward in time, and involve risks and uncertainties that may affect the company's actual results of operations. Certain statements in this letter including statements regarding the anticipated development and expansion of the bank's business, and the intent, belief, and current expectations of the bank, its directors, or its officers, are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Such forward-looking statements are subject to risks and uncertainties and therefore the bank's actual results may differ materially from those expressed or implied by such forward-looking statements.

The risks and uncertainties that the bank is subject to include, but are not limited to, risks related to the local and national economy, including fluctuations in interest rates and costs and changes in economic policy; the ability of the bank to perform in accordance with its plans; competition that may cause us to lose projects or result in decreased revenues; inability to hire qualified personnel; regulatory matters; and other risks detailed in its filings with the State of Washington Department of Financial Institutions and the Federal Reserve Bank. The bank cautions readers not to place undue reliance on any forward-looking statements. The bank does not undertake, and specifically disclaims any obligation, to revise any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

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