



**COASTAL**  
FINANCIAL CORPORATION

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## **Coastal Financial Corp. Announces First Quarter 2014 Earnings**

*Coastal Community Bank Reports 2014 Q1 Net Income Of \$522,000, Driven By Year-Over-Year Growth Of \$60 Million In Loans And \$56 Million In Deposits.*

EVERETT, Wash. – Coastal Financial Corp. (Coastal), the holding company for Coastal Community Bank (Bank), today announced earnings for the first quarter that ended March 31, 2014. For the quarter, Coastal reported a net income of \$522,000 -- an 18 percent increase over the same period in 2013.

- Net income totaled \$522,000 in the first quarter of 2014 compared to \$441,000 over the same period in 2013 or an 18.4% increase.
- Total assets grew \$67 million from a year ago or a 17.2% increase.
- Net loans grew \$60 million from a year ago or 19.5% to a record \$367 million, up from \$307 million in same period during 2013.
- Total deposits grew \$56 million from a year ago or a 16.7% increase.
- Non-interest bearing deposits increased to \$116 million compared to \$86 million during same period a year ago, a 34.8 increase.
- Return on average equity increased to 5.44% from 5.25% a year ago.
- Return on average assets increased to 0.49% from 0.48% a year ago.
- Capital ratios for Coastal continued to substantially exceed regulatory requirements for a well-capitalized financial institution, with total risk based capital at 12.48%, well above the 10% well-capitalized regulatory requirement

CEO Eric Sprink said, "This past quarter has not only strengthened our foundation as a business but, more importantly, enabled us to help members of our community at a time when they need it most. In the aftermath of the tragedy in Oso, our employees and shareholders have

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demonstrated a meaningful commitment to the community in a number of tangible ways. Twenty years from now, it's hard to imagine that anyone will recall our quarterly earnings. It's far more likely that they'll remember our help of others during a very difficult time."

### **About Coastal Financial Corp.**

Coastal Financial Corp. operates as a bank holding company. The company was founded in 2003 and is based in Everett, Wash.

### **About Coastal Community Bank**

Coastal Community Bank was founded in Everett, Wash. in 1997 and today operates ten branches that serve customers throughout North Puget Sound. The bank is led by President and CEO Eric Sprink, currently employs more than 120 people and has assets of \$454 million.

More information on the bank and its products and services can be viewed online at [www.coastalbank.com](http://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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