

For Immediate Release

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CBC National Bank Achieves Overall Satisfactory CRA Rating, Outstanding Rating for Community Development

BEAUFORT, S.C., Sept. 1, 2015 – Coastal Banking Company Inc. (OTCQX:CBCO), the holding company of CBC National Bank, which operates branches in Beaufort and Port Royal, S.C., and Fernandina Beach, Fla., today announced that CBC National Bank achieved an overall rating of Satisfactory in its latest Community Reinvestment Act (CRA) examination. In the two component tests, the Bank received a Satisfactory rating in the Lending Test and an Outstanding rating in the Community Development Test.

The Office of the Comptroller of the Currency (OCC) conducts a regular Community Reinvestment Act Performance Evaluation to determine an “institution’s record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution.” The recent evaluation was conducted between 2012 (the date of the preceding evaluation) and 2015.

The Bank’s overall CRA rating is a blend of the ratings of its operations in both South Carolina and Florida. Both of CBC National Bank’s state ratings mirrored its overall ratings: Each achieved a Satisfactory overall rating, Satisfactory Lending Test rating and Outstanding Community Development Test rating. The Lending Test evaluated residential mortgage and small business lending, while the Community Development Test conclusions are “based upon investments, services, and loans conducted in CBC’s combined assessment areas, which meet the definition of community development.”

For the overall Bank, the report states: “CBC’s community development (CD) performance demonstrates an excellent responsiveness to the needs of its assessment areas through CD loans, qualified investments and CD services.”

“We are gratified that CBC National Bank achieved an overall CRA rating of Satisfactory and proud that our Bank achieved an Outstanding rating for our Community Development activities and initiatives,” said Charles Wagner, president of CBC National Bank. “Being active, productive members of the communities we serve, and where we live, is of great importance to our company, and our rating is a testament to the quality of our engaged, willing and helpful employees across the organization.”

Report Highlights on Community Development for Florida:

“Bank personnel engage in community development services that are responsive to community needs. During the evaluation period, bank officers and employees provided 480 CD service hours to eight different organizations in its assessment area. Specifically, bank personnel used their financial expertise by serving as Board directors and members on budget and finance committees and assisting with fundraising. Bank personnel also provided financial literacy and education training to homeless women and Habitat for Humanity clients. In addition, bank employees provided 102 community service hours to three organizations in Jacksonville, Fla.

Report Highlights on Community Development for South Carolina:

“The extent to which the bank provides banking services and community development services is excellent given available opportunities, the bank’s size, and capacity to provide such services....During the evaluation period, bank officers and employees engaged in community development services that are responsive to community needs. Bank personnel provided 537 community development service hours to 10 different assessment area organizations. Specifically, bank personnel used their financial expertise by serving as Board directors and members on executive and finance committees. Bank personnel also provided financial literacy and education training to local Habitat for Humanity clients.”

About Coastal Banking Company Inc.

Coastal Banking Company Inc., headquartered in Beaufort, S.C., is the \$549.1 million-asset bank holding company of CBC National Bank, headquartered in Fernandina Beach, Fla., which provides a full range of consumer and business banking services through full-service banking offices in Beaufort, Fernandina Beach, and Port Royal, S.C. The company’s residential mortgage banking division, headquartered in Atlanta, includes traditional retail and wholesale lending, as well as a

National Retail Group that has lending offices in Arizona, Florida, Georgia, Maryland, Michigan, Indiana, Illinois and Ohio. The company's Small Business Administration lending division originates SBA loans primarily in Jacksonville, Ft. Myers, Tampa and Vero Beach, Fla., Greensboro, N.C., and Beaufort. The company's common stock is publicly traded on the OTCQX Markets under the symbol CBCO. For more information, please visit the company's website, www.coastalbanking.com.

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