



For Immediate Release

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First Sound Bank Continues to Impress with Strong Financial Performance

SEATTLE, July 23, 2007 – First Sound Bank (OTCBB: FSWA) continued to impress with steady, progressive earnings in the second quarter, ending June 30, 2007. Net income for the bank rose to \$382 thousand (up 31 percent from \$291 thousand in first quarter), while earnings for the first six months of 2007 were \$672 thousand, compared to \$295 thousand for the same period in 2006 (an increase of 128 percent).

Total assets for the quarter grew to \$160.8 million – up 11 percent from \$144.9 million on March 31, 2007, and up 21 percent from December 31, 2006. Loans increased by 10 percent, from \$114.8 million to \$126.6 million, and deposits rose 13 percent, from \$114.8 million to \$130.2 million.

“It is thanks to our successful business model, and the confidence of our shareholders, directors and clients, that we continue to experience solid growth in all areas,” said Chairman and CEO Don Hirtzel. “Second quarter 2007 once again confirmed our outstanding financial performance, with total assets over \$160 million as we celebrated our third anniversary on July 19,” he added.

During the second quarter, the bank’s net interest margin – calculated on average earning assets – was 4.95 percent; net interest income rose nine percent, from \$1.6

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million in the first quarter to \$1.8 million in the second; and June was the first single month in which gross income exceeded \$1 million.

Other factors of note in the second quarter were the 11 percent increase in non-interest bearing deposits – from \$18.7 million to \$20.7 million – and the improved efficiency ratio of 65 percent versus 71 percent in December 2006. In addition, First Sound Bank’s credit quality remained high during the quarter, with no delinquent or non-performing loans.

“As we begin our fourth year of operations, our business model continues to prove its effectiveness – backed by our ability to offer the latest in new banking technology, competitive pricing and customized banking solutions to our target market,” said President and COO Steve Shaughnessy. “The single-most important component of our success, however, is the people within our organization. That’s why, as we work to build on our success, we’ll continue to focus on investing in and developing the best team of bankers in the market,” he added.

First Sound Bank was founded in July 2004 with initial oversubscribed investor capital of \$20 million – at the time, the most equity ever raised by a *de novo* bank in the Northwest. Then, in the fall of 2006, the bank raised another oversubscribed \$11 million in capital to fund future expansion in the region. With over \$160 million in assets, the bank serves clients with a dedicated 31-person staff located in its downtown Seattle office, and through a statewide network of 463 correspondent bank affiliates.

Certain statements in this press release, including statements regarding the anticipated development and expansion of First Sound Bank’s business, and the intent, belief or current expectations of the company, its directors or its officers, are “forward-looking” statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements.

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About First Sound Bank

First Sound Bank is a Seattle-based bank offering customized banking for small- to medium-sized businesses, organizations, not-for-profits and professionals in the Puget Sound region. Founded by a team of veteran local banking executives, First Sound Bank is committed to delivering personalized service, convenient access and competitive rates to support the needs of the business community. First Sound Bank offers online banking at www.firstsoundbank.com plus an expansive banking network in the western U.S., as well as ATM banking throughout the country and abroad.

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