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OPUS BANK ANNOUNCES AGREEMENT TO ACQUIRE CASCADE FINANCIAL CORPORATION

IRVINE, Calif. – March 04, 2011 – Opus Bank announced today that it has entered into a definitive agreement to acquire Cascade Financial Corporation (“Cascade Financial”) (NASDAQ: “CASB”) and Cascade Bank (collectively “Cascade”). According to the terms of the agreement, Opus Bank will pay approximately \$16.25 million to retire Cascade Financial’s \$39 million in preferred stock and associated warrants issued to the United States Department of the Treasury under the Treasury’s Capital Purchase Program, and \$5.5 million in cash to the holders of Cascade Financial’s common stock, for a total transaction value of \$21.75 million. In addition, Opus Bank will assume all of Cascade Financial’s obligations with respect to trust preferred securities issued by Cascade Financial’s trust subsidiaries.

Stephen H. Gordon, founding Chairman, Chief Executive Officer and President of Opus Bank stated, “This strategic transaction is an extension of our vision to create a strong super-regional bank in the Western region. Cascade is a highly regarded community bank with a 95-year heritage, located in Washington’s Puget Sound and Seattle metropolitan region along the I-5 corridor, comprised of \$1.5 billion of total assets, \$1.1 billion of total deposits, \$1.0 billion of total loans, 22 banking offices and a highly respected team of experienced bankers. Cascade’s long heritage and relationship-based culture are similar to Opus Bank’s community focus and culture. From this strong foundation, we plan to further expand in the state of Washington, as we grow Opus Bank up and down the West Coast.” Gordon added, “This acquisition and merger stands in stark contrast to other recent transactions in the Pacific Northwest that are more accurately described as consolidations, which have highlighted and stressed cost saves rather than renewed and increased investment in the community.” Gordon concluded, “I deeply believe that strong and well-capitalized financial institutions need to step up and immediately have a positive impact on our local economies, thereby leading the economic turnaround. Opus Bank intends to do its part by infusing capital funding and liquidity back into its local economies. We intend to accomplish this by providing capital funding to small and mid-sized businesses, entrepreneurs, and real estate investors, who share our vision to build and expand. This infusion of capital will be a driving force for creating new jobs and rebuilding healthy and vibrant communities.”

Carol K. Nelson, Chief Executive Officer and President of Cascade commented, “Opus Bank’s vision of building a high-quality, relationship-based community bank is consistent with Cascade’s own vision and rich legacy. Opus Bank’s plans to create a strong super-regional bank will enable our team to serve our clients and communities with additional resources supported by a significant capital base. I am excited for all of the opportunities that this combination offers and to once again provide much needed capital financing to entrepreneurs and businesses in the Puget Sound and Seattle metropolitan regions.”

The combined company will have a deposit franchise consisting of 27 full service banking offices, with 22 offices located in the Puget Sound area of Washington and five offices located in Southern California. At December 31, 2010, Opus Bank had \$693.5 million in total assets, \$104.0 million in total loans, \$275.3 million in total deposits and \$414.2 million in total equity. At December 31, 2010, Cascade had \$1.5 billion in total assets, \$993.8 million in total loans, and \$1.1 billion in total deposits.

The merger is subject to customary closing conditions, including the approval of Cascade Financial’s shareholders and bank regulatory agencies. The transaction is expected to close in the latter part of the second quarter of 2011. Simultaneously with the completion of the acquisition of Cascade Financial, Cascade Bank will be merged with and into Opus Bank. Opus Bank was advised in this transaction by the law firm of Patton Boggs LLP.

About Opus Bank

Opus Bank is an FDIC insured California-chartered commercial bank with \$693.5 million of total assets, \$104 million of total loans, \$275.3 million in total deposits, and \$414.2 million of total equity, as of December 31, 2010. Opus Bank provides high value, relationship-based banking products and exceptional service to its clients comprised of small and mid-sized commercial businesses, entrepreneurs, real estate investors, high-net-worth individuals, professionals, and consumers. Opus Bank offers a wide range of loan products, including commercial and industrial, commercial real estate, multifamily residential, jumbo single-family residential, construction, consumer loans, and is a Small Business Administration (“SBA”) Preferred Lender. Opus Bank operates banking offices in Los Angeles County, located in the communities of Manhattan Beach, Redondo Beach, Rancho Palos Verdes/San Pedro, Rolling Hills Estates, and Torrance, and maintains an executive and administrative office in Irvine, located in Orange County, California. For additional information about Opus Bank, please visit our Web site at www.opusbank.com.

About Cascade Bank

Established in 1916, Cascade Bank, the only operating subsidiary of Cascade Financial Corporation, is a Washington-chartered commercial bank headquartered in Everett, Washington. Cascade Bank has proudly served the Puget Sound region for 95 years and operates 22 full service branches in Everett, Lynnwood, Marysville, Mukilteo, Shoreline, Smokey Point, Issaquah, Clearview, Woodinville, Lake Stevens, Bellevue, Burlington, Snohomish, North Bend and Edmonds. In October 2010, Cascade was voted Favorite Snohomish County Company (with fewer than 250 employees) for the second year in a row in NWjobs.com’s 2010 Peoples’ Picks campaign. For additional information about Cascade Bank, please visit www.cascadebank.com.

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