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NEWS RELEASE

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FRONTIER FINANCIAL CORPORATION ANNOUNCES PARTICIPATION IN EXTENDED TRANSACTION ACCOUNT GUARANTEE PROGRAM

EVERETT, WA – September 24, 2009 – Frontier Financial Corporation (Nasdaq: FTBK), the parent company of Frontier Bank, announced today its continued participation in the Federal Deposit Insurance Corporation’s (“FDIC”) voluntary Transaction Account Guarantee (“TAG”) portion of the Temporary Liquidity Guarantee Program through June 30, 2010. Under this program, noninterest bearing transaction accounts and qualified NOW checking accounts are fully guaranteed by the FDIC for an unlimited amount of coverage. The coverage under the TAG program is in addition to, and separate from, the coverage available under the FDIC’s general deposit insurance protection.

On August 26, 2009, the FDIC extended the expiration of the voluntary TAG program by six months to June 30, 2010. The annual assessment rate that will apply to participating institutions during the extension period will be either 15 basis points, 20 basis points or 25 basis points, depending on the Risk Category assigned to the institution under the FDIC’s risk-based premium system.

About Frontier

Frontier Financial Corporation is a Washington-based financial holding company, providing financial services through its commercial bank subsidiary, Frontier Bank, since 1978. Frontier Bank offers a wide range of banking and financial services to businesses and individuals in its market area, including trust, cash management, and investment and insurance products. Frontier operates 48 offices in Clallam, Jefferson, King, Kitsap, Pierce, Skagit, Snohomish, Thurston, Whatcom counties in Washington and 3 offices in Oregon. Additional information regarding Frontier Bank and its services can be found at the bank’s website: www.frontierbank.com.

This press release includes forward-looking statements and Frontier Financial Corporation intends for such statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements describe Frontier Financial Corporation’s expectations regarding future events, including the Company’s ability to attain compliance with certain NASDAQ rules. Future events are difficult to predict and are subject to risk and uncertainty which could cause actual results to differ materially and adversely. Additional information regarding risks and uncertainties are included in Frontier Financial Corporation’s periodic filings on Forms 10-K and 10-Q with the Securities and Exchange Commission. Frontier Financial Corporation undertakes no obligation to revise or amend any forward-looking statements to reflect subsequent events or circumstances.