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TSX Symbol: COA

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COASTAL REPORTS RECORD RESULTS IN 2009

Sales grew 18% to \$140 Million and adjusted EBITDA increased to \$8 million

Vancouver, British Columbia – December 16, 2009 - Coastal Contacts Inc. (“Coastal” or “the Company”) (TSX: COA; Nasdaq OMX: COA) today announced its financial results for the fourth quarter and fiscal year ended October 31, 2009. Sales for the 2009 fiscal year increased 18% to a record of \$140 million compared with \$119 million in 2008. Adjusted EBITDA for fiscal 2009 increased 122% to \$8.0 million compared with \$3.6 million for fiscal 2008. Net earnings for the 2009 fiscal year increased to \$2.7 million or \$0.05 per share compared with a loss of \$0.8 million or \$0.01 per share in fiscal 2008.

Sales for the fourth quarter of 2009 increased 18% to \$37.7 million versus \$32.0 million in the fourth quarter of 2008. Adjusted EBITDA during the quarter increased to \$2.8 million compared to \$1.7 million in the fourth quarter of 2008. Net earnings for the fourth quarter of 2009 were \$0.6 million or \$0.01 per share, compared with \$0.4 million, or \$0.01 per share in the fourth quarter of 2008. The Company incurred a one-time expense of \$0.9 million or \$0.02 per share in costs associated with the listing of the Company’s stock on the Nasdaq OMX Stockholm exchange in the fourth fiscal quarter of 2009.

The Company noted the following annual financial highlights for fiscal 2009:

- Sales grew 18% or \$21 million to \$140 million.
- Total order volume of approximately 1.4 million orders.
- Gross margins improved 200 basis points to 30.6% of sales compared with 28.6% in fiscal 2008.
- Sales, General and Administrative expenses (“SG&A”) improved as a percent of sales to 12% as compared to 13% in fiscal 2008.
- Adjusted EBITDA grew 122% over the previous year to \$8.0 million.

Highlights for fourth fiscal quarter of 2009:

- Sales increased by 18% to \$37.7 million compared with \$32.0 million in Q4 2008.
- Gross margin grew to 31.2% of sales as compared to 29.6% for the same period in 2008.
- Advertising remained relatively constant at 12% of sales.
- SG&A improved to 11.4% of sales from 12.3% of sales for the same period in 2008.
- Adjusted EBITDA was \$2.8 million, an increase of 70% over the same period in 2008.

Additional highlights included:

- Cash balance of \$11.5 million and no bank debt at the end of fiscal 2009.
- Acquired and cancelled 1.4 million common shares of the Company at an average price of \$0.83 per share during 2009.
- Successfully listed Coastal common shares on Nasdaq OMX Stockholm.

Mr. Roger Hardy, Coastal's President and CEO, commented, "We believe the results achieved by Coastal in 2009 are indicative of initiatives undertaken by the Company over the past few years to provide a healthy balance between growth and return on shareholders' equity.

Our core contact lens category continues to produce a stable and predictable recurring revenue stream. We continue to invest in becoming the global market leader in the sale of eyeglasses over the Internet. The value proposition of our revolutionary eyeglasses offering continues to resonate well with consumers who are seeking alternatives to traditional channels. We are making significant investments designed to ensure we capitalize on this great opportunity."

Coastal Contacts will host a conference call to review the financial results and Company operations on Wednesday, December 16, 2009 at 9:30am PST. Participating in the call will be Roger Hardy, Chairman and CEO and Glen Kayll, CFO.

To attend the call, participants may dial:

Local/International	1-785-424-1051
North American Toll Free	1-800-862-9098
Sweden Toll Free	02-079-9847

A replay of the call will be available for 7 days. To access the replay listeners may dial:

Local/International	416-915-1035
Passcode	791708

The following selected financial information is qualified in its entirety by, and should be read in conjunction with our audited consolidated financial statements for the fiscal year ended October 31, 2009 and accompanying notes and Management's Discussion and Analysis which will be available on SEDAR at www.sedar.com.

Coastal's risks and uncertainties are discussed in detail in the Company's Annual Information Form dated January 29, 2009, and the Company's Nasdaq OMX Stockholm Listing Prospectus dated October 14, 2009 which is also available on SEDAR.

Adjusted EBITDA as referenced in this news release is a Non-GAAP financial measure defined as earnings before interest, income taxes, depreciation and amortization, share based compensation expense, foreign exchange, listing costs and restructuring charges. See "Supplemental Non-GAAP Measures" herein.

COASTAL CONTACTS INC.

October 31, 2009 and 2008

CONSOLIDATED BALANCE SHEETS

(\$000's, except share amounts)

As at October 31	2009	2008
ASSETS		
Current		
Cash and cash equivalents	\$ 11,532	\$ 15,206
Accounts receivable	7,965	7,336
Inventory	15,701	9,495
Prepaid expenses	1,532	1,693
Future income tax	109	157
Due from related parties	374	361
	37,213	34,248
Property, equipment and leasehold improvements	2,813	3,038
Intangible assets	9,517	11,061
Goodwill	7,757	7,908
	\$ 57,300	\$ 56,255
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 17,890	\$ 18,881
Income tax payable	615	-
	18,505	18,881
Long-term lease inducement	18	79
Future income tax	3,614	3,825
	22,137	22,785
SHAREHOLDERS' EQUITY		
Share capital		
Authorized:		
Unlimited common shares without par value		
Unlimited Class A preferred shares without par value		
Issued and outstanding:		
56,901,719 common shares [2008 – 58,318,643]	40,248	41,250
Contributed surplus	2,294	1,600
Accumulated other comprehensive loss	(3,482)	(2,904)
Deficit	(3,897)	(6,476)
	35,163	33,470
	\$ 57,300	\$ 56,255

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE EARNINGS

((\$000's, except share and per share amounts))

Years ended October 31	2009	2008
Sales	\$ 139,870	\$ 118,759
Cost of sales	97,009	84,785
Gross profit	42,861	33,974
Advertising	18,098	14,523
Selling, general and administration	16,758	15,854
Share-based compensation	694	627
Amortization on property, equipment and leasehold improvements	996	1,237
Amortization on intangible assets	1,589	1,343
Foreign exchange (gains) losses	(110)	102
Interest income, net	(67)	(547)
Listing costs	906	-
Restructuring charges	-	844
Earnings (loss) before income taxes	3,997	(9)
Income tax expense – current	1,286	908
Income tax expense – future	(36)	(131)
Net earnings (loss)	2,747	(786)
Basic earnings (loss) per share	\$ 0.05	\$ (0.01)
Diluted earnings (loss) per share	\$ 0.05	\$ (0.01)
Weighted average number of common shares outstanding		
Basic	57,559,629	64,559,267
Diluted	57,869,238	64,559,267

Supplemental Non-GAAP Measures

Coastal reports its results in accordance with Canadian GAAP, however in this release presents adjusted EBITDA and the number of orders shipped because the Company believes its investors use these figures to make investment decisions about the Company.

These non-GAAP measures do not have any standardized meaning prescribed by Canadian GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted EBITDA should be considered in addition to, and not as a substitute for, net earnings, cash flows and other measures of financial performance and liquidity reported in accordance with Canadian GAAP.

Adjusted EBITDA is a measure Coastal believes is useful in assessing performance and highlighting trends on an overall basis. Adjusted EBITDA differs from the most comparable GAAP measure, net earnings, primarily because it does not include interest, income taxes, amortization, foreign exchange gains or losses, exchange listing and restructuring cost and share-based compensation expense.

The following table provides a reconciliation of net earnings to Adjusted EBITDA:

(\$000's)	2009	2008	2007
Net earnings (loss)	2,747	(786)	1,625
Depreciation and amortization	2,585	2,580	2,032
Interest income, net	(67)	(547)	(833)
Income tax expense – current	1,286	908	901
Income tax expense (recovery) – future	(36)	(131)	62
Share-based compensation	694	627	443
Foreign exchange (gain) loss	(110)	102	(37)
Listing costs (2009) and restructuring costs (2008)	906	844	–
Adjusted EBITDA	8,005	3,597	4,193

Classification of Payment Processing (credit card) Charges

Beginning the fourth fiscal quarter of 2009 and to conform with industry practice, Coastal began classifying costs associated with processing payments, including those related to credit cards, to selling, general and administrative expenses. Traditionally these costs were recorded in cost of goods sold and have consistently ranged between 1.2-1.5% of sales each fiscal quarter. Comparative figures will be adjusted in the future to reflect this reporting.

About Coastal Contacts Inc.:

Coastal Contacts Inc. is the world's leading direct-to-consumer vision products company which designs, produces and distributes a diversified offering of contact lenses and eyeglasses. The Company's unique combination of branded and private label products represent quality, value and above all, service. Coastal sells into more than 150 countries through proprietary web properties which reflect the culture and consumer preference of the target market. As new markets for eyeglasses and contact lenses evolve, the Company is positioned to become the vision product consumer's retailer of choice owing to its compelling value proposition combining value and service. A leader in many of its markets, Coastal is rapidly advancing toward its goal of becoming the "World's Optical Store".

For further information:

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Forward-looking statements

All statements made in this news release and analysis, other than statements of historical fact, are forward-looking statements. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", "goal", "target", "should," "likely," "potential," "continue," "project," "forecast," "prospects," and similar expressions typically are used to identify forward-looking statements. Examples of such forward looking statements within this document include statements relating to: our perception of the contact lens industry or market and anticipated trends in that market in any of the countries in which we do business; our anticipated ability to procure products, or the terms under which we may procure our products; our anticipated business operations, inventory levels, ability to handle specific order and call volumes, ability to fill and timely ship orders, ability to achieve greater marketing efficiency or similar statements; our relationships with suppliers; our anticipated results of operations, including but not limited to anticipated sales, revenues, earnings, tax benefits or similar matters; sufficiency of cash flows; and our perceptions regarding volatility in and impact of foreign currency exchange rates.

Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about our business and the industry and markets in which we operate. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Assumptions underlying our expectations regarding forward-looking statements or information contained in this news release include, among others: that we will maintain our position in the markets we operate in and expand into other markets in a favorable manner; that we will have sufficient capital to continue making investments in advertising, inventory, equipment and personnel to support our business and new product lines, including our eyeglass business; that we will be able to generate and maintain sufficient cash flows to support our operations; that we will be successful in complying with regulatory requirements in British Columbia and other jurisdictions; that we will be able to establish and/or maintain necessary relationships with suppliers; and that we will retain key personnel. The foregoing list of assumptions is not exhaustive.

Persons reading this news release are cautioned that forward-looking statements or information are only predictions, and that our actual future results or performance may be materially different due to a number of factors. These factors include, but are not limited to: changes in the market; potential downturns in economic conditions; consumer credit risk; our ability to implement our business strategies; competition; limited suppliers; inventory risk; disruption in our distribution facilities; mergers and acquisitions; foreign currency exchange rate fluctuations; regulatory requirements; demand for contact lenses and related vision care products; competition and dependence on the internet and other risks detailed in our filings with the Canadian and Swedish securities regulatory authorities. Reference should be made to the section entitled "Risk Factors" contained in our most recently filed Annual Information Form dated January 29, 2009 and our listing prospectus, dated October 14, 2009 and filed with the Swedish Regulatory Agency, both of which are available on SEDAR at www.sedar.com, for a detailed description of the risks and uncertainties relating to our business. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements and information, which are qualified in their entirety by this cautionary statement. These forward-looking statements are made as of the date of this news release and we expressly disclaim any intent or obligation to update these forward-looking statements, unless we specifically state otherwise and except as required by applicable law.