



CAPITAL BANK

"Banking Outside the Box"

PRESS RELEASE

February 12, 2009

Capital Bank Reports Strong Growth in First Year of Operations

San Juan Capistrano, CA –(BUSINESS WIRE) –Capital Bank (OTCBB:CBJC) announced the completion of its first year of operations after opening for business on March 26, 2008. Assets climbed to \$30.3 million during the nine months of operations ending December 31, 2008 while deposits totaled \$18.1 million and outstanding loans totaled \$20.9 million. While the Bank reported a net loss of \$1,547,000 for the period, the loss was substantially less than the projected loss for the bank's first nine months of operations, and solely attributable to initial operating cost as no loan losses were incurred.

J.M. "Mike" Justice Jr., President & Chief Executive Officer stated "I am very pleased with our performance during the short period of time we have been open. Asset and loan growth has been solid, despite the unprecedented turbulence and uncertainties in the financial markets. While many Banks are reluctant to lend as they struggle with challenges in their loan portfolios we are in the enviable position of having no such challenges and have money to lend to qualified borrowers". The Bank has no past due or non-performing loans and maintains prudent loan loss reserves equal to 1.25% of outstanding loans. Total capital is exceptionally strong with total risk based capital of 50.2%, over 5 times the regulatory standard of 10% to be considered well capitalized. Mr. Justice stated "In these uncertain times, plagued by multiple Bank and brokerage firm failures, the strength of our capital base combined with the quality of our loan portfolio makes our Bank a safe haven for depositors seeking strength and security."

John R. McGill, Executive Vice President & Chief Operating Officer stated "We are proud of our success to date, in spite of a challenging economic and unprecedented interest rate environment. Our ability to grow assets and loans is a tribute to the dedication and hard work of our employees, the support of our talented directors and the loyalty of our shareholders and growing base of customers. Our ongoing focus of providing unparalleled customer service will continue to play a vital role in the success of our Bank."

Dedicated to becoming recognized as the Premier Business and Professional Bank of south Orange County, by providing innovative financial solutions tailored to the needs of our customers, which exceed their expectations, producing superior shareholder value that become solutions recognized for.....”**Banking Outside the Box**”.

For Additional Information visit our website at: www.mycapitalbank.com

Contact:

J.M.”Mike” Justice Jr , President & C.E.O. (949) 489-4202 or

John R. McGill, Executive Vice President & C.O.O. (949) 489-4203

Information contained herein may contain certain forward-looking statements that are based on management’s current expectations regarding economic, legislative, and regulatory issues that may impact the Bank’s earnings in future periods. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words “believe,” “expect,” “intend,” “estimate” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could” or “may.” Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values, and competition; changes in accounting principles, policies or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory and technological factors affecting the Bank’s operations, pricing, products and services. The Bank undertakes no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.