

Capital Investment Companies Expands Relationship with Capital Bank

RALEIGH, N.C. (March 29, 2006) – Capital Investment Companies, one of the largest independent financial services and brokerage firms in the Southeast, announced today it is expanding its relationship with Capital Bank Corporation. Capital Bank recently completed a merger with 1st State Bank in Burlington and the new branches will now offer Capital Investment Companies' innovative brokerage services program.

Capital Investment Companies' bank securities program offers community banks services that include traditional brokerage, money management, investment banking, insurance and estate planning, trusts, no-load mutual fund management, retirement plans and mortgages, as well as a community foundation. The program provides participating banks with resources, knowledge and tools to enhance customer relationships, increasing revenue and expanding marketing and brand awareness programs.

"Capital Investment Companies enables us to better serve our customer base through a complete offering of investment and brokerage services," said Grant Yarber, president and chief executive officer. "Through this partnership, we are able to strengthen our customer relationships by providing them with a single institution to confidently consolidate their banking and investment needs."

Capital Bank Corporation is headquartered in Raleigh, N.C. and began operation on June 20th, 1997. With more than \$1.3 billion in total assets, Capital Bank operates 25 banking offices in Asheville (3), Burlington (4), Cary, Graham (2), Greensboro, Hickory, Mebane, Morrisville, Oxford, Pittsboro, Raleigh (4), Sanford (3), Siler City, and Wake Forest.

"We are excited to be expanding our relationship with Capital Bank," said Richard K. Bryant, president of Capital Investment Companies. "Through our brokerage platform, Capital Bank is able to provide its customers with personal service and investment programs comparable to national banks, brokerage and financial service providers."

About Capital Investment Companies

Capital Investment Companies is comprised of Capital Investment Brokerage, Inc and Capital Investment Group, Inc., registered broker/dealers (Members NASD/SIPC), and their affiliates. Capital Investment Companies (www.capinvestco.com) is one of the largest independent financial services and brokerage organizations in the Southeastern United States, headquartered in Raleigh, NC. The firm offers a wide variety of financial services including: traditional investment brokerage, money management, investment banking, trust services, no-load mutual fund management, mortgage services, estate planning, insurance services, retirement plans and a community foundation. They offer their services to individuals, corporations, and the CPA and banking community.

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