

CapitalSouth[®]

BANCORP

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CAPITALSOUTH BANCORP TO PRESENT AT THE STEPHENS SPRING INVESTMENT CONFERENCE

BIRMINGHAM, Ala. (June 1, 2007) – CapitalSouth Bancorp (NASDAQ-GM: CAPB) today announced that it will participate in the Stephens Spring Investment Conference, which takes place June 6-7 at The New York Palace Hotel in New York City. W. Dan Puckett, Chairman and Chief Executive Officer, and Flake Oakley, President, will represent the Company at the conference.

The Company's investor presentation is scheduled to begin at 1:00 p.m. ET on Wednesday, June 6, 2007. The Company's slide presentation for the conference will be posted to the Investor Relations section of Company's website, www.capitalsouthbank.com.

CapitalSouth Bancorp is a bank holding company operating nine full service banking offices and one loan production office through its bank subsidiary, CapitalSouth Bank, with offices in Birmingham, Huntsville, and Montgomery, Alabama, and Jacksonville, Florida, as well as a loan production office in Atlanta, Georgia. CapitalSouth targets small to medium-sized businesses in the markets it serves. CapitalSouth Bank also operates "Banco Hispano," providing financial services to the growing Latino community. CapitalSouth offers SBA lending services and other loan programs for business owners through its Business Capital Group, which operates through full-service offices as well as the loan production office. CapitalSouth also provides Internet banking services at www.capitalsouthbank.com as well as personal investment services.

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