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**Capitol Bancorp Announces Record Fourth Quarter Earnings,
with Full Year 2001 Earnings Advancing 20% Versus Last Year**

Lansing, Michigan: January 31, 2002 - Today, Capitol Bancorp Limited (NASDAQ:CBCL) reported for 2001 record fourth quarter (\$0.37) and full year (\$1.35) earnings per share (EPS), fueled by continued strong balance sheet growth and solid net operating revenue increases within its family of 27 affiliated community banks. On a consolidated basis, total assets of over \$2.0 billion at the end of 2001 represent a 25% advance from 2000's year-end figure of approximately \$1.6 billion. Portfolio loans (+28%) and deposits (+24%) also experienced comparable robust growth during 2001, consistent with the balance sheet expansion demonstrated by this bank development company in recent years.

Record Earnings Performance

Full year 2001 diluted EPS of \$1.35, a record, reflects a nearly 20% improvement over 2000's full year comparable EPS of \$1.13. A more than 24% increase in annual net operating revenues (to a record \$90.1 million) in 2001 fueled the solid bottom line advances for Capitol Bancorp. In the fourth quarter of 2001, diluted EPS of \$0.37, a quarterly record, represented a 16% improvement over the \$0.32 reported in 2000's comparable quarter. Fourth quarter 2001 net operating revenues expanded 22% versus the comparable 2000 period, to a record \$24.2 million, as the growth of Capitol Bancorp's more seasoned community banks continues to be augmented by the on-going maturation of its newer affiliates.

Commenting on the record performance in 2001, Capitol Bancorp Chairman and CEO, Joseph D. Reid, stated, "Our 2001 objective of focusing primarily on the maturation of the community banks developed in the past few years, while prudently limiting new development initiatives, has resulted in a second consecutive year of record earnings per share. And while Capitol Bancorp launched only one new community bank during 2001, Sunrise Bank of San Diego, balance sheet growth at our consolidated organization once again exceeded 25% for the year, mirrored by continued strengthening operating leverage in terms of record quarterly and annual net operating revenues. We will continue to focus on selective opportunities to develop new banks. Currently two new affiliates in California and Nevada are slated to open in early 2002. We are confident that our operating performance coupled with 2001 initiatives both completed (raising \$25 million in additional capital to support growth) and announced (plans to consolidate the public-ownership position at our Southwest-based bank development affiliate, Sun Community Bancorp Limited) have positioned us well entering 2002. Together with your continued support we are confident that Capitol Bancorp will demonstrate and further develop the quality organic growth embedded within our family of community banks that should translate into a solid valuation in the equity markets."

About the Corporation

Capitol Bancorp Limited is a bank development company and the only company of its kind headquartered in Michigan. In an era of bank consolidation, Capitol's business is the development of community banks.

Capitol is a uniquely structured affiliation of community banks. Each bank is focused on meeting the banking needs of entrepreneurs, professionals and other individuals seeking individually-tailored service. Each bank has full local decision-making authority in making loans and delivery of other banking services. Each bank is managed by an on-site president and management team under the direction of its local board of directors which is comprised of business leaders from that bank's community.

Capitol's bank development philosophy is one of 'shared vision', which encompasses a commitment to community banking emphasizing local leadership and investment, with the shared resources of efficient management.

The Corporation's total number of affiliates currently stands at 27 banks with total banking assets exceeding \$2 billion. Capitol's affiliate banks include:

	<u>Year Formed or Acquired</u>	<u>Community</u>
<i>In Arizona:</i>		
Arrowhead Community Bank	2000	Glendale
Bank of Tucson	1996	Tucson
Camelback Community Bank	1998	Phoenix
East Valley Community Bank	1999	Chandler
Mesa Bank	1998	Mesa
Southern Arizona Community Bank	1998	Tucson
Sunrise Bank of Arizona	1998	Phoenix
Valley First Community Bank	1997	Scottsdale
Yuma Community Bank	2000	Yuma
<i>In California:</i>		
Napa Community Bank	"In Organization"	Napa
Sunrise Bank of San Diego	2001	San Diego
<i>In Indiana:</i>		
Elkhart Community Bank	1999	Elkhart
Goshen Community Bank	2000	Goshen
<i>In Michigan:</i>		
Ann Arbor Commerce Bank	1990	Ann Arbor
Brighton Commerce Bank	1997	Brighton
Capitol National Bank	1982	Lansing
Detroit Commerce Bank	1998	Detroit
Grand Haven Bank	1995	Grand Haven
Kent Commerce Bank	1998	Grand Rapids
Macomb Community Bank	1996	Clinton Township
Muskegon Commerce Bank	1997	Muskegon
Oakland Commerce Bank	1992	Farmington Hills
Paragon Bank & Trust	1994	Holland
Portage Commerce Bank	1988	Portage
<i>In Nevada:</i>		
Bank of Las Vegas	"In Organization"	Las Vegas
Black Mountain Community Bank	2000	Henderson
Desert Community Bank	1999	Las Vegas
Red Rock Community Bank	1999	Las Vegas
<i>In New Mexico:</i>		
Sunrise Bank of Albuquerque	2000	Albuquerque

CAPITOL BANCORP LIMITED
Financial Highlights
(in thousands, except share and per share data)

	Three Months Ended December 31		Year Ended December 31	
	2001	2000	2001	2000
<u>CONDENSED CONSOLIDATED STATEMENTS OF INCOME</u>				
Interest income	\$ 38,031	\$ 36,830	\$ 153,797	\$ 132,311
Interest expense	16,398	18,743	73,292	65,912
Net interest income	21,633	18,087	80,505	66,399
Provision for loan losses	2,530	2,220	8,167	7,216
Net interest income after provision for loan losses	19,103	15,867	72,338	59,183
Noninterest income	2,591	1,763	9,585	6,137
Noninterest expense	17,145	14,075	65,381	52,996
Income before federal income taxes	4,549	3,555	16,542	12,324
Federal income taxes	1,586	1,248	5,824	4,289
NET INCOME	<u>\$ 2,963</u>	<u>\$ 2,307</u>	<u>\$ 10,718</u>	<u>\$ 8,035</u>
NET INCOME PER SHARE:				
Basic	<u>\$ 0.38</u>	<u>\$ 0.32</u>	<u>\$ 1.38</u>	<u>\$ 1.14</u>
Diluted	<u>\$ 0.37</u>	<u>\$ 0.32</u>	<u>\$ 1.35</u>	<u>\$ 1.13</u>
Weighted average number of common shares outstanding for purposes of computing basic net income per share	<u>7,826,039</u>	<u>7,171,893</u>	<u>7,783,613</u>	<u>7,064,830</u>
	<u>December 31</u>	<u>December 31</u>		
	2001	2000		
<u>BALANCE SHEET DATA</u>				
Total assets	\$ 2,044,006	\$ 1,630,076		
Portfolio loans	1,734,589	1,355,798		
Deposits	1,740,385	1,400,899		
Stockholders' equity	80,172	70,404		
Number of common shares outstanding	7,829,178	7,673,363		

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include expressions such as "expects", "intends", "believes" and "should" which are not necessarily statements of belief as to the expected outcomes of future events. Actual results could materially differ from those presented due to a variety of internal and external factors. Actual results could materially differ from those contained in, or implied by, such statements. Capitol Bancorp Limited undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.