

Capital Properties, Inc.

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PRESS RELEASE

October 30, 2015

Capital Properties, Inc. Announces Third Quarter 2015 Results

FOR IMMEDIATE RELEASE

East Providence, Rhode Island: Today, Capital Properties, Inc. (OTCQX: CPTP) reported net income of \$576,000 and \$1,550,000 for the three and nine months ended September 30, 2015. Based upon 6,599,912 shares outstanding, the basic income per common share for the same periods was \$.08 and \$.23, respectively. For the three and nine months ended September 30, 2014, the Company reported net income of \$448,000 and \$975,000, respectively. Based upon 6,599,912 shares outstanding, the basic income per common share for the same periods in 2014 was \$.07 and \$.15, respectively.

For the three and nine months ended September 30, 2015, leasing revenue increased \$119,000 and \$236,000, respectively, from 2014 due principally to scheduled increases in rents under both short-term and long-term land leases. For the three months ended September 30, 2015, leasing expense decreased \$9,000 from 2014 due to lower depreciation expense; certain assets became fully depreciated in 2015. For the nine months ended September 30, 2015, leasing expense increased \$10,000 from 2014 due to an increase in repairs and maintenance at the Steeple Street Building, offset in part by a decrease in depreciation expense due to certain assets becoming fully depreciated in 2015.

For the three months ended September 30, 2015, petroleum storage facility revenue remained at the 2014 level. For the nine months ended September 30, 2015, petroleum storage facility revenue increased \$450,000 from 2014 due to Sprague Operating Resources LLC leasing the entire Facility. Under a lease that terminated on April 30, 2014, the Company had leased to Atlantic Trading & Marketing, Inc., a portion of the storage capacity of the Facility. For the three months and nine months ended September 30, 2015, petroleum storage facility expense decreased \$44,000 and \$220,000, respectively from 2014 due to lower depreciation expense due to certain assets becoming fully depreciation in 2015 and a decrease in repairs and maintenance, offset in part by an increase in payroll and related costs.

For the three months ended September 30, 2015, general and administrative expense decreased \$14,000 due to a decrease in payroll and related costs. For the nine months ended September 30, 2015, general and administrative expense increased \$20,000 due to an increase in payroll and related costs.

For the three months and nine months ended September 30, 2015 and 2014, the interest expense on the bank loan decreased \$23,000 and \$67,000, respectively. In both May and August, 2015, the Company prepaid \$1,000,000 on the bank loan. In June and December 2014, the Company prepaid \$1,000,000 and \$1,300,000, respectively, on the bank loan. For the three months and nine months ended September 30, 2015 and 2014, the interest expense on the dividend notes payable remained at the 2014 level.

PRESS RELEASE (Continued)

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Financial Summary

	<u>Three Months Ended</u> <u>September 30</u>		<u>Nine Months Ended</u> <u>September 30</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:				
Leasing	\$ 1,249,000	\$ 1,130,000	\$ 3,763,000	\$ 3,527,000
Petroleum storage facility	<u>883,000</u>	<u>884,000</u>	<u>2,638,000</u>	<u>2,188,000</u>
Total revenues	<u>2,132,000</u>	<u>2,014,000</u>	<u>6,401,000</u>	<u>5,715,000</u>
Expenses:				
Leasing	207,000	216,000	653,000	643,000
Petroleum storage facility	561,000	605,000	1,865,000	2,085,000
General and administrative	255,000	269,000	828,000	808,000
Interest on notes:				
Bank loan	14,000	37,000	62,000	129,000
Dividend notes	<u>147,000</u>	<u>147,000</u>	<u>442,000</u>	<u>442,000</u>
	<u>1,184,000</u>	<u>1,274,000</u>	<u>3,850,000</u>	<u>4,107,000</u>
Income before income taxes	<u>\$ 948,000</u>	<u>\$ 740,000</u>	<u>\$ 2,551,000</u>	<u>\$ 1,608,000</u>
Net income	<u>\$ 576,000</u>	<u>\$ 448,000</u>	<u>\$ 1,550,000</u>	<u>\$ 975,000</u>
Basic income per common share, based upon 6,599,912 shares outstanding	<u>\$.08</u>	<u>\$.07</u>	<u>\$.23</u>	<u>\$.15</u>

Capital Properties, Inc. and its subsidiaries operate in two segments: (1) Leasing and (2) Petroleum Storage. The leasing segment consists of the long-term leasing of certain of its real estate interests in downtown Providence, Rhode Island for commercial development, the leasing of a portion of a building and the leasing of locations along interstate and primary highways in Rhode Island and Massachusetts for outdoor advertising purposes. The petroleum storage segment consists of the petroleum storage terminal and the Wilkesbarre Pier in East Providence, Rhode Island, collectively referred to as the "Facility," which the Company operates for the tenant of the Facility.

Certain written statements made in this press release may contain "forward-looking statements" which represent the Company's expectations or beliefs concerning future events. Certain risks, uncertainties and other important factors are detailed in reports filed by the Company with the Securities and Exchange Commission, including Forms 8-K, 10-K and 10-Q. The Company cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements.

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