FIRST BANCSHARES, INC. ANNOUNCES SECOND QUARTER 2015 RESULTS

Mountain Grove, Missouri (July 24, 2015) – First Bancshares, Inc. ("Company"), (OTCQB - FstBksh: FBSI), the holding company for First Home Bank ("Bank"), today announced its financial results for the quarter ended June 30, 2015.

The quarter ended June 30, 2015 is the 10th consecutive quarter and also is the 12th quarter of the past 13 quarters that the Company has reported quarterly net income. As a result of these improved earnings, during the quarter ended June 30, 2015, the Company recaptured $2.4 million of the approximately $4.0 million in deferred tax assets that the Company had fully reserved as of December 31, 2014.

For the quarter ended June 30, 2015, the Company had net income of $2.54 million, or $1.64 per share – diluted, compared to net income of $143,000, or $0.09 per share – diluted for the quarter ended June 30, 2014. The $2.40 million increase in net income for the quarter ended June 30, 2015 compared to the quarter ended June 30, 2014 is attributable to a $100,000 increase in net interest income, a $3,000 increase in gains on sale of investments and a $2.39 million income tax benefit. This was partially offset by a decrease of $49,000 in non-interest income and an increase of $45,000 in non-interest expense.

"We are pleased with the continued improvement in our operating income while maintaining a high standard of quality in our loan/asset portfolio" said R. Bradley Weaver, President and Chief Executive Officer of the Company. "Our improved financial results reflect a return to better operating fundamentals that provides us greater opportunities as we focus on the future" he concluded.

During the quarter ended June 30, 2015, net interest income increased by $100,000, or 7.8%, to $1.39 million from $1.29 million during the same quarter in 2014, and is reflected in an 18 point basis point increase in the net interest margin. This increase in net interest income was the result of an increase in interest income of $124,000, or 8.0% and was partially offset by an increase of $24,000, or 9.4%, in interest expense. The increase in interest income is due to the growth in the Company's loan portfolio. The increase in interest expense was primarily the result of an increase in the Company's deposit portfolio.

There was no provision for loan losses for the quarters ended June 30, 2015 and June 30, 2014. Classified loans at June 30, 2015 were $1.42 million compared to $2.45 million at June 30, 2014. The allowance for loan losses at both June 30, 2015 and June 30, 2014 was $1.70 million, or 1.4% of total loans.

For the quarter ended June 30, 2015, the Company had a gain on sale of investments of $3,000, compared to none during the quarter ended June 30, 2014. During the quarter ended June 30, 2015, market conditions presented management with an opportunity to sell securities in order to reduce the Company's interest rate risk profile. The Company used the proceeds from these sales to fund loans and the result was an increase in the Company's interest income.

Non-interest income decreased by $49,000, or 17.7% to $228,000 for the quarter ended June 30, 2015 from $277,000 for the same quarter in 2014. The decrease was the result of a decrease of $19,000 in service charges on deposit accounts, and a decrease of $30,000 in other non-interest income items.

Non-interest expense increased by $45,000, or 3.2%, to $1.47 million for the quarter ended June 30, 2015 from $1.42 million for the quarter ended June 30, 2014. The increase in non-interest expense reflects increases of $13,000 in salaries and employee benefits, $13,000 in premises and fixed asset expenses, $4,000 in other real estate owned expenses and $18,000 in other non-interest expense items. These increases were partially offset by a decrease of $3,000 in professional fees consisting of legal, accounting and consulting service related expenses.

For the six months ended June 30, 2015, the Company had net income of $2.64 million, or $1.70 per share – diluted, compared to net income of $323,000, or $0.20 per share – diluted for the six months ended June 30, 2014. The increase in net income for the six months ended June 30, 2015 compared to the six months ended June 30, 2014 is attributable to an increase of $236,000 in net interest income and an income tax benefit of $2.39 million. This was partially offset by an increase in provision for loan losses of $60,000, a decrease in gain on sale of investments of $40,000, a decrease in non-interest income of $126,000 and an increase in other non-interest expenses of $85,000.

The provision for loan losses for the six months ended June 30, 2015 was $60,000 compared to no provision expense during the same period in 2014. The increase in the provision for loan losses during the six months ended June 30, 2015 is attributable to growth in the Company's loan portfolio.

During the six months ended June 30, 2015, the Company had a loss on sale of investments of $11,000 compared to a gain on sale of investments of $29,000 during the same period in 2014.

Non-interest income decreased by $126,000, or 22.2%, to $441,000 for the six months ended June 30, 2015, compared to $567,000 for the same period in 2014. The decrease in non-interest income reflects decreases of $27,000 in service charges on deposit accounts, $61,000 in gains on sale of OREO and $38,000 in other non-interest income items.

Non-interest expense increased by $85,000, or 3.02%, to $2.90 million for the six months ended June 30, 2015, compared to $2.82 million for the six months ended June 30, 2014. The increase is attributable to an increase in salaries and employee benefits of $57,000 and an increase in other non-interest expenses of $44,000. This was partially offset by a decrease of $5,000 in premises and fixed assets and a decrease of $11,000 in professional fees consisting of legal, accounting and consulting service related expenses.

Total consolidated assets at June 30, 2015 were $203.17 million, compared to $196.36 million at December 31, 2014, representing an increase of $6.81 million, or 3.5%. Stockholders' equity at June 30, 2015 was $18.22 million, or 9.0% of assets, compared with $15.27 million, or 7.8% of assets at December 31, 2014. Book value per common share increased to $11.76 at June 30, 2015 from $9.85 at December 31, 2014. The $2.96 million, or 19.4% increase in stockholders' equity was attributable to a decrease in the unrealized loss on available-for-sale securities, net of income taxes of $317,000 and by net income of $2.64 million for the six months ended June 30, 2014.

Net loans receivable increased $7.57 million, or 6.5%, to $123.57 million at June 30, 2015 from $116.00 million at December 31, 2014. While loan growth has been the key focus for the Company, we have continued to concentrate on maintaining high asset quality as we have increased our loans. Nonperforming loans at June 30, 2015 were $791,000, or 0.6% of net loans, compared to $1.25 million in nonperforming loans, or 1.08% of net loans at December 31, 2014. Deposits increased $3.35 million, or 2.0% to $172.09 million at June 30, 2015 from $168.75 million at December 31, 2014. FHLB advances decreased $500,000, or 4.4%, to $12.00 million at June 30, 2015 from $11.5 million at December 31, 2014.

First Bancshares, Inc. is the holding company for First Home Bank, a FDIC-insured commercial bank chartered by the State of Missouri that conducts business from its home office in Mountain Grove, Missouri, and seven full service offices in Marshfield, Ava, Gainesville, Sparta, Springfield, Crane, and Kissee Mills, Missouri.

The Company and its wholly-owned subsidiary, First Home Bank, may from time to time make written or oral “forward-looking statements” in its reports to shareholders, and in other communications by the Company, which are made in good faith by the Company pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements include statements with respect to the Company’s beliefs, expectations, estimates and intentions that are subject to significant risks and uncertainties, and are subject to change based on various factors, some of which are beyond the Company’s control. Such statements address the following subjects: future operating results; customer growth and retention; loan and other product demand; earnings growth and expectations; new products and services; credit quality and adequacy of reserves; results of examinations by our bank regulators, technology, and our employees. The following factors, among others, could cause the Company’s financial performance to differ materially from the expectations, estimates and intentions expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economies in which the Company conducts operations; the effects of, and changes in, trade, monetary, and fiscal policies and laws, including interest rate policies of the Federal Reserve Board; inflation, interest rate, market, and monetary fluctuations; the timely development and acceptance of new products and services of the Company and the perceived overall value of these products and services by users; the impact of changes in financial services’ laws and regulations; technological changes; acquisitions; changes in consumer spending and savings habits; and the success of the Company at managing and collecting assets of borrowers in default and managing the risks of the foregoing.

The foregoing list of factors is not exclusive. The Company does not undertake, and expressly disclaims any intent or obligation, to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

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First Bancshares, Inc. and Subsidiaries
Financial Highlights
(In thousands, except per share amounts)

	Quarter Ended June 30, 2015	Quarter Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Operating Data:				
Total interest income	$ 1,669	$ 1,545	$ 3,322	$ 3,059
Total interest expense	279	255	542	515
Net interest income	1,390	1,290	2,780	2,544
Provision for loan losses	-	-	60	-
Net interest income after provision for loan losses	1,390	1,290	2,720	2,544
Gain (loss) on sale of investments	3	-	(11)	29
Non-interest income	228	277	441	567
Non-interest expense	1,469	1,424	2,902	2,817
Income before taxes	152	143	248	323
Income tax expense (benefit)	(2,390)	-	(2,390)	-
Net income	$ 2,542	$ 143	$ 2,638	$ 323
Earnings per share	$ 1.64	$ 0.09	$ 1.70	$ 0.20

Financial Condition Data:	At June 30, 2015	At December 31, 2014
Cash and cash equivalents (excludes CDs)	$ 8,285	$ 4,240
Investment securities (includes CDs)	57,111	65,767
Loans receivable, net	123,571	116,003
Total assets	203,169	196,355
Deposits	172,093	168,746
Repurchase agreements	159	229
FHLB advances	12,000	11,500
Stockholders' equity	18,223	15,267
Book value per share	$ 11.76	$ 9.85