

FIRST BANCSHARES, INC. ANNOUNCES FIRST QUARTER 2017 RESULTS

Mountain Grove, Missouri (April 19, 2017) – First Bancshares, Inc. (OTCQB - FstBksh: FBSI), the holding company for First Home Bank (“Bank”), today announced its financial results for the quarter ended March 31, 2017. In addition, there is certain information in this release about the Company's agreement to acquire Stockmens Bank of Colorado Springs prior to the subsequent merger of Bank with and into Stockmens Bank, with Stockmens Bank the surviving bank.

For the quarter ended March 31, 2017, the Company had net income of \$52,000, or \$0.02 per share – diluted, compared to net income of \$159,000, or \$0.10 per share – diluted for the quarter ended March 31, 2016. The \$107,000 decrease in net income for the quarter ended March 31, 2017 compared to the quarter ended March 31, 2016 is attributable to an increase of \$60,000 in provision for loan losses, an increase of loss on sale of investments of \$8,000, a decrease of \$32,000 in non-interest income and an increase of \$123,000 in non-interest expense. This was partially offset by an increase of \$49,000 in net interest income and a decrease of \$67,000 in income tax expense.

“The first quarter results are due in large part to steady increases in loan totals funded by consistent deposit growth. We continue to focus on earnings improvement through increased net interest income, while maintaining very high asset quality and overall expense control” said Chairman, President and CEO R. Bradley Weaver.

During the quarter ended March 31, 2017, net interest income increased by \$49,000, or 3.34%, to \$1.52 million from \$1.47 million during the quarter ended March 31, 2016. This increase was the result of an increase in interest income of \$71,000, or 4.04% and was partially offset by an increase of \$22,000, or 7.59%, 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 as well as an increase in repurchase accounts.

Provision for loan losses for the quarter ended March 31, 2017 were \$60,000 compared to no provision for loan losses for the quarter ended March 31, 2016. Provision for loan losses during the March 31, 2017 quarter is attributable to growth in the Company's loan portfolio of nearly \$8.0 million. The allowance for loan losses at March 31, 2017 was \$1.76 million, or 1.20% of total loans, compared to \$1.69 million, or 1.25% of total loans at March 31, 2016. Classified loans at March 31, 2017 were \$1.34 million compared to \$1.35 million at March 31, 2016.

For the quarter ended March 31, 2017, the Company had a loss on sale of investments of \$10,000, compared to a small loss on sale of investments during the quarter ended March 31, 2016.

Non-interest income decreased by \$32,000, or 12.65% to \$221,000 for the quarter ended March 31, 2017 from \$253,000 for the quarter ended March 31, 2016. The decrease was the result of a decrease of \$14,000 in service charges on deposit accounts, a decrease of \$10,000 in debit card and ATM fees, a decrease of \$5,000 in gains on sale of OREO, a decrease of \$3,000 in other non-interest income items.

Non-interest expense increased by \$123,000, or 8.27%, to \$1.61 million for the quarter ended March 31, 2017 from \$1.49 million for the quarter ended March 31, 2016. The increase reflects an increase of \$30,000 in salaries and employee benefits, an increase of \$90,000 in

professional fees consisting of legal, accounting and consulting fees and an increase of \$3,000 in other non-interest expense items. The increase in professional fees was attributable to expenses during the March 31, 2017 quarter relating to the transaction with Stockmens Bank.

Total consolidated assets at March 31, 2017 were \$223.95 million, compared to \$219.48 million at December 31, 2016, representing an increase of \$4.47 million, or 2.03%. Stockholders' equity at March 31, 2017 was \$19.95 million, or 8.91% of assets, compared with \$19.77 million, or 9.01% of assets at December 31, 2016. Book value per common share increased to \$12.88 at March 31, 2017 from \$12.76 at December 31, 2016. The \$183,000, or 0.93% increase in stockholders' equity was attributable to a decrease in the unrealized loss on available-for-sale securities, net of income taxes of \$131,000 and by net income for the quarter ended March 31, 2017 of \$52,000

Net loans receivable increased \$8.25 million, or 6.03%, to \$145.05 million at March 31, 2017 from \$136.80 million at December 31, 2016. Nonperforming loans at March 31, 2017 were \$374,000, or 0.26% of net loans, compared to \$246,000 in nonperforming loans, or 0.18% of net loans at December 31, 2016. While Company's level of nonperforming loans increased slightly during the quarter, they remain very low as a total of outstanding loans and well below the Company's peer group. Deposits increased \$5.97 million, or 3.28% to \$187.69 million at March 31, 2017 from \$181.73 million at December 31, 2016. Repurchase agreements increased \$1.48 million to \$6.66 million at March 31, 2017 from \$5.19 million at December 31, 2016. Federal Home Loan Bank advances decreased \$3.0 million, or 25.00%, to \$9.00 million at March 31, 2017 from \$12.00 million at December 31, 2016.

Having announced on March 29, 2017 its agreement to acquire Stockmens Bank of Colorado Springs, the Company's first quarter earnings and subsequent earnings will impact the share exchange ratio in accordance with the provisions of the transaction documents in the all-stock transaction (the "Share Exchange").

If the Share Exchange is completed, the Company will transfer to each Stockmens Bank shareholder for each one (1) share of Stockmens Bank stock, the number of common shares of the Company equal to the quotient of (i) 125% multiplied by the Stockmens Bank book value per share, as adjusted, and (ii) the FBSI book value per share, as adjusted. No fractional shares of the Company's stock would be issued. In lieu of issuing any fractional shares of the Company stock, the holder of any share of Stockmens Bank stock who would otherwise be entitled to receive such fractional share shall be entitled to a cash payment.

For purposes of the transaction, the respective book values of Stockmens Bank and the Company will be calculated as of the last day of the calendar month immediately preceding the date of closing of the transaction. For example, as of March 31, 2017, the Company's unadjusted book value per share was \$12.88 and, after adjustments for deferred compensation payments, a deferred tax asset, and defined benefit plan liability, its adjusted book value per share was \$11.41. As of March 31, 2017, Stockmens Bank's unadjusted book value per share was \$5,498.86 and, after an adjustment for a tax distribution, its adjusted book value per share was \$5,229.17.

Based on the March 31, 2017 numbers and, if the transaction had closed on that date, the Company would have issued 1,001,952 new shares to the Stockmens shareholders. Currently, the Company has 1,548,748 shares outstanding and, after the transaction, there would have

been 2,550,700 Company shares outstanding, of which the Stockmens shareholders would hold 39.28% of such shares. As stated previously, the exact number of shares to be issued and the exchange ratio will be determined on the last day of the calendar month immediately preceding the date of closing of the transaction. The acquisition is expected to close in the second calendar quarter of 2017, pending the receipt of requisite regulatory approvals and the satisfaction of other customary closing conditions.

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	
	March 31,	
	2017	2016
Operating Data:		
Total interest income	\$ 1,829	\$ 1,758
Total interest expense	312	290
Net interest income	1,517	1,468
Provision for loan losses	60	-
Net interest income after provision for loan losses	1,457	1,468
Gain (loss) on sale of investments	(10)	(2)
Non-interest income	221	253
Non-interest expense	1,610	1,487
Income before taxes	58	232
Income tax expense (benefit)	6	73
Net income	\$ 52	\$ 159
Earnings per share	\$ 0.02	\$ 0.10
	At	At
	March 31,	December 31,
	2017	2016
Financial Condition Data:		
Cash and cash equivalents (excludes CDs)	\$ 5,827	\$ 4,708
Investment securities (includes CDs)	57,717	62,531
Loans receivable, net	145,047	136,802
Total assets	223,947	219,482
Deposits	187,694	181,727
Repurchase agreements	6,660	5,185
FHLB advances	9,000	12,000
Stockholders' equity	19,950	19,767
Book value per share	\$ 12.88	\$ 12.76