

## **SERVISFIRST BANCSHARES, INC. REPORTS FIRST QUARTER 2008 EARNINGS**

Birmingham, Ala. – (BUSINESS WIRE) – April 21, 2008 – ServisFirst Bancshares, Inc. today reported earnings for the quarter ending March 31, 2008.

### **FIRST QUARTER 2008 HIGHLIGHTS:**

- Total Assets grew 49% year/year
- Deposits grew 46% year/year
- Loans increased 62% year/year
- Net Income of \$1.6 million

ServisFirst Bancshares, Inc. announced today that its net income for the first quarter of 2008 was \$1.6 million compared to \$1.5 million for the first quarter of 2007. Fully diluted earnings per share were \$0.30 in the first quarter of 2008 compared to \$0.34 in the first quarter of 2007. The diluted earnings per share were reflective of the issuance of additional shares in connection with the expansion into the Montgomery market in 2007.

President and CEO, Tom Broughton stated “We are pleased with our net income for the first quarter as we continue to execute our business model that has proven to be so successful. Our net income was achieved despite the significant start-up expenses in Montgomery and organizational expenses to form our holding company. We are staying true to our stated goal to build shareholder value with a long term horizon.”

ServisFirst achieved significant asset, loan and deposit growth compared to the first quarter of 2007. All three markets had substantial growth in assets, loans and deposits. ServisFirst continues to have no brokered deposits with all growth being organic.

ServisFirst’s asset quality compares favorably with its peer group with no material exposure in the coastal areas of Alabama and Florida. Additionally, ServisFirst has no balance sheet exposure to subprime or Alt-A mortgages, collateralized debt obligations, structured investment vehicles, or collateralized mortgage obligations.

### **ABOUT SERVISFIRST:**

ServisFirst Bancshares, Inc. became a holding company in the fourth quarter of 2007 when it acquired all the shares of ServisFirst Bank. ServisFirst Bank was formed in Birmingham in May 2005, opened ServisFirst Bank Huntsville in August 2006, and opened ServisFirst Bank Montgomery in June 2007.

ServisFirst Bancshares, Inc. filed a Form 10 with the U.S. Securities and Exchange Commission (SEC) on March 28, 2008. The form can be viewed on the SEC’s website at [www.sec.gov](http://www.sec.gov).

Certain of the statements set forth in this release may constitute "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements that may predict, forecast, indicate or imply future results, performance or achievements. All forward-looking

statements involve risks and uncertainties. Therefore, prospective investors are cautioned that there can be no assurance that the forward-looking statements included herein will prove to be accurate. Because of the significant uncertainties inherent in forward-looking statements, the inclusion of such information should not be regarded as a representation or warranty by ServisFirst Bancshares, Inc. or any other person that the objectives and plans of ServisFirst Bancshares, Inc. will be timely achieved or achieved at all.

More information about ServisFirst Bank may be obtained over the internet at <http://www.servisfirstbank.com> or by calling (205) 949-0302.

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**SERVISFIRST BANCSHARES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(IN THOUSANDS EXCEPT SHARES AND PER SHARE DATA)**

	Three Months Ended March 31,		Three Months Ended December 31,
	<u>2008</u>	<u>2007</u>	<u>2007</u>
	(Unaudited)	(Unaudited)	(Unaudited)
Interest Income:			
Interest and fees on loans	\$ 12,374	\$ 9,469	\$ 12,308
Interest on investment securities	\$ 1,188	\$ 403	\$ 1,220
Interest on federal funds sold and other investments	<u>\$ 273</u>	<u>\$ 953</u>	<u>\$ 670</u>
Total Interest Income	<u>\$ 13,835</u>	<u>\$ 10,825</u>	<u>\$ 14,198</u>
Interest Expense:			
Interest on deposits	\$ 5,722	\$ 5,225	\$ 6,481
Interest on borrowings	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 1</u>
Total interest expense	<u>\$ 5,748</u>	<u>\$ 5,225</u>	<u>\$ 6,482</u>
Net interest income before provision	\$ 8,087	\$ 5,600	\$ 7,716
Provision for loan losses	<u>\$ 1,383</u>	<u>\$ 643</u>	<u>\$ 1,266</u>
Net interest income	\$ 6,704	\$ 4,957	\$ 6,450
Noninterest Income:			
Service charges and fees on deposits	\$ 256	\$ 113	\$ 233
Mortgage banking income	\$ 210	\$ 108	\$ 227
Other income	<u>\$ 78</u>	<u>\$ 42</u>	<u>\$ 91</u>
Total Noninterest Income	\$ 544	\$ 263	\$ 551
Noninterest Expense:			
Salaries and employee benefits	\$ 2,826	\$ 1,866	\$ 2,815

Occupancy and equipment expense	\$ 305	\$ 335	\$ 296
Depreciation expense	\$ 225	\$ 123	\$ 158
Marketing	\$ 71	\$ 105	\$ 80
Data processing	\$ 274	\$ 131	\$ 271
BIF insurance	\$ 122	\$ 3	\$ 113
Other professional	\$ 189	\$ 22	\$ 159
Other	\$ 818	\$ 320	\$ 669
Total Noninterest Expenses	<u>\$ 4,830</u>	<u>\$ 2,905</u>	<u>\$ 4,561</u>
Income before taxes	<u>\$ 2,418</u>	<u>\$ 2,315</u>	<u>\$ 2,440</u>
Income taxes	<u>\$ 848</u>	<u>\$ 808</u>	<u>\$ 857</u>
Net Income	<u>\$ 1,570</u>	<u>\$ 1,507</u>	<u>\$ 1,583</u>
Basic earnings per share	<u>\$ 0.31</u>	<u>\$ 0.34</u>	<u>\$ 0.31</u>
Fully diluted earnings per share	<u>\$ 0.30</u>	<u>\$ 0.34</u>	<u>\$ 0.30</u>
Average basic shares	<u>5,113,482</u>	<u>4,463,606</u>	<u>5,089,003</u>
Average fully diluted shares	<u>5,299,333</u>	<u>4,478,390</u>	<u>5,262,888</u>

**SERVISFIRST BANCSHARES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(IN THOUSANDS)**

	<u>3/31/2008</u>		<u>3/31/2007</u>		<u>12/31/2007</u>
	(Unaudited)		(Unaudited)		(Unaudited)
Cash and due from banks	\$ 19,239	\$	20,274	\$	15,825
Investment securities	\$ 91,633	\$	39,010	\$	88,435
Federal funds sold and other investments	\$ 83,455	\$	114,786	\$	50,598
Mortgage loans held for sale	\$ 4,768	\$	1,072	\$	2,463
Loans	\$ 755,534	\$	467,366	\$	675,281
Reserve for loan losses	<u>\$ (8,852)</u>	<u>\$</u>	<u>(6,039)</u>	<u>\$</u>	<u>(7,732)</u>
Net loans	<u>\$ 746,682</u>	<u>\$</u>	<u>461,327</u>	<u>\$</u>	<u>667,549</u>
Other assets	\$ 13,987	\$	8,438	\$	13,382
Total Assets	<u>\$ 959,764</u>	<u>\$</u>	<u>644,907</u>	<u>\$</u>	<u>838,252</u>
Noninterest-bearing	\$ 88,613	\$	81,238	\$	85,017
Interest bearing	\$ 774,158	\$	507,711	\$	677,665
Total deposits	<u>\$ 862,771</u>	<u>\$</u>	<u>588,949</u>	<u>\$</u>	<u>762,682</u>
Borrowings	\$ 20,275	\$	-	\$	73
Interest payable	\$ 900	\$	728	\$	783
Other liabilities	\$ 1,626	\$	1,332	\$	2,466
Total liabilities	<u>\$ 885,572</u>	<u>\$</u>	<u>591,009</u>	<u>\$</u>	<u>766,004</u>
Stockholders' equity	<u>\$ 74,192</u>	<u>\$</u>	<u>53,898</u>	<u>\$</u>	<u>72,248</u>
Total liabilities and stockholders' equity	<u>\$ 959,764</u>	<u>\$</u>	<u>644,907</u>	<u>\$</u>	<u>838,252</u>

**SERVISFIRST BANCSHARES, INC.**  
**KEY RATIOS**

	<u>Three months ended</u> <u>3/31/08</u> (Unaudited)	<u>Three months</u> <u>ended 3/31/07</u> (Unaudited)	<u>Three months</u> <u>ended 12/31/07</u> (Unaudited)
Return on average assets	0.72%	1.05%	0.75%
Return on average equity	8.58%	11.33%	9.06%
Net interest margin	3.86%	4.07%	3.61%
Net charge offs annualized to average loans	0.15%	0.02%	0.69%
Efficiency ratio	55.96%	49.55%	55.16%
	<u>3/31/08</u> (Unaudited)	<u>3/31/07</u> (Unaudited)	<u>12/31/07</u> (Unaudited)
Book value per share	\$14.27	\$12.08	\$13.93
Tangible book value per share	\$14.27	\$12.08	\$13.93
Nonperforming assets to total loans	0.81%	0.11%	0.90%
% of reserve for loan losses to total loans	1.17%	1.29%	1.15%