

BIRMINGHAM, Ala., Oct. 21, 2013 /PRNewswire/ -- ServisFirst Bancshares, Inc. today announces record earnings for the quarter and nine months ended September 30, 2013

Third Quarter 2013 Highlights:

- **Third quarter record net income of \$10.7 million, a 16.4% increase year over year**
- **Diluted earnings per share of \$4.10 for the nine months, a 9.6% increase year over year**
- **Continued strong asset quality as reflected by non-performing assets to total assets of 0.70%**
- **Book value was \$33.40 at quarter end**
- **Total assets were \$3.4 billion at the end of the third quarter**

Bud Foshee, CFO, stated, "We are pleased to report record quarterly earnings that make this the fifteenth consecutive quarter of record earnings." Tom Broughton, President and CEO, said, "We are pleased with our continued strong loan and deposit growth of 26.4% and 21.2%, respectively, year over year."

ABOUT SERVISFIRST: ServisFirst Bancshares, Inc. is a bank holding company based in Birmingham, Alabama

. Through its subsidiary ServisFirst Bank, ServisFirst Bancshares, Inc. provides business and personal financial services from locations in Birmingham

,
Huntsville

,
Mobile

,
Montgomery
and
Dothan, Alabama

,
Pensacola, Florida
and
Nashville, Tennessee

ServisFirst Bancshares, Inc. files periodic reports with the U.S. Securities and Exchange Commission (SEC). Copies of its filings may be obtained through the SEC's website at www.sec.gov

or at

www.servisfirstbancshares.com

Statements in this press release that are not historical facts, including, but not limited to, statements concerning future operations, results or performance, are hereby identified as "forward-looking statements" for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933. The words "believe," "expect," "anticipate," "project," "plan," "intend," "will," "would," "might" and similar expressions often signify forward-looking statements. Such statements involve inherent risks and uncertainties. ServisFirst Bancshares, Inc. cautions that such forward-looking statements, wherever they occur in this press release or in other statements attributable to ServisFirst Bancshares, Inc. are necessarily estimates reflecting the judgment of ServisFirst Bancshares, Inc.'s senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Such forward-looking statements should, therefore, be considered in light of various factors that could affect the accuracy of such forward-looking statements, including: general economic conditions, especially in the credit markets and in the Southeast; the performance of the capital markets; changes in interest rates, yield curves and interest rate spread relationships; changes in accounting and tax principles, policies or guidelines; changes in legislation or regulatory

requirements; changes in our loan portfolio and the deposit base; possible changes in laws and regulations and governmental monetary and fiscal policies, including, but not limited to, economic stimulus initiatives; the cost and other effects of legal and administrative cases and similar contingencies; possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans and the value of collateral; the effect of natural disasters, such as hurricanes and tornados, in our geographic markets; and increased competition from both banks and non-bank financial institutions. The foregoing list of factors is not exhaustive. For discussion of these and other risks that may cause actual results to differ from expectations, please refer to "Cautionary Note Regarding Forward-looking Statements" and "Risk Factors" in our most recent Annual Report on Form 10-K and our other SEC filings. If one or more of the factors affecting our forward-looking information and statements proves incorrect, then our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained herein. Accordingly, you should not place undue reliance on any forward-looking statements, which speak only as of the date made. ServisFirst Bancshares, Inc. assumes no obligation to update or revise any forward-looking statements that are made from time to time.

More information about ServisFirst Bancshares, Inc. may be obtained over the Internet at www.servisfirstbancshares.com or by calling (205) 949-0302.

Contact: ServisFirst Bank Bud Foshee (205) 949-0307 BFoshee@servisfirstbank.com

SERVISFIRST BANCSHARES, INC.

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except shares and per share data)

Three Months Ended

September 30,

June 30,

2013

2012

2013

Total interest income

\$ 32,499

\$ 27,743

\$ 30,692

ServisFirst Bancshares, Inc. Announces Record Third Quarter 2013

Written by Australian Business

Total interest expense

3,534

3,695

3,211

Net interest income before

provision for loan losses

28,965

24,048

27,481

Provision for loan losses

3,034

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Written by Australian Business

1,185

3,334

Net interest income after

provision for loan losses

25,931

22,863

24,147

Total noninterest income

2,269

2,360

2,573

Salaries and employee benefits

7,048

5,697

7,056

Other noninterest expense

5,019

5,574

5,316

Total noninterest expense

12,067

11,271

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12,372

Income before taxes

16,133

13,952

14,348

Income taxes

5,321

4,650

4,662

Net income

10,812

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9,302

9,686

Preferred stock dividends

100

100

100

Net income available to

common stockholders

\$ 10,712

\$ 9,202

\$ 9,586

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Basic earnings per common share

\$ 1.53

\$ 1.53

\$ 1.38

Diluted earnings per common share

\$ 1.46

\$ 1.35

\$ 1.33

Average basic common shares

7,019,069

6,005,242

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6,944,900

Average diluted common shares

7,277,105

6,947,429

7,218,442

Nine Months Ended September 30,

2013

2012

Total interest income

\$ 92,356

\$ 79,968

Total interest expense

10,009

11,277

Net interest income before

provision for loan losses

82,347

68,691

Provision for loan losses

10,652

6,651

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Net interest income after

provision for loan losses

71,695

62,040

Total noninterest income

7,639

7,057

Salaries and employee benefits

19,783

16,110

Other noninterest expense

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15,408

14,087

Total noninterest expense

35,191

30,197

Income before taxes

44,143

38,900

Income taxes

14,394

13,011

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Net income

29,749

25,889

Preferred stock dividends

300

300

Net income available to

common stockholders

\$ 29,449

\$ 25,589

Basic earnings per common share

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\$ 4.35

\$ 4.28

Diluted earnings per common share

\$ 4.10

\$ 3.75

Average basic common shares

6,768,678

5,977,590

Average diluted common shares

7,191,419

6,931,678

SERVISFIRST BANCSHARES, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands)

September 30, 2013

September 30, 2012

December 31, 2012

ASSETS

Cash and due from banks

\$ 257,490

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\$ 244,673

\$ 177,450

Investment securities

289,515

257,373

259,848

Restricted equity securities

3,738

3,941

3,941

Federal funds sold and other

investments

7,923

10,672

3,291

Mortgage loans held for sale

11,592

28,558

25,826

Loans

2,731,973

2,161,130

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2,363,182

Reserve for loan losses

(28,927)

(24,604)

(26,258)

Net loans

2,703,046

2,136,526

2,336,924

Foreclosed real estate

14,070

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9,641

9,685

Bank owned life insurance

contracts

68,460

41,551

57,014

Other assets

40,129

30,299

32,335

Total assets

\$ 3,395,963

\$ 2,763,234

\$ 2,906,314

LIABILITIES AND

STOCKHOLDERS' EQUITY

Liabilities:

Noninterest-bearing

\$ 635,153

\$ 512,962

\$ 545,174

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Interest-bearing

2,284,064

1,896,559

1,966,398

Total deposits

2,919,217

2,409,521

2,511,572

Federal funds purchased

170,090

91,317

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117,065

Borrowings

19,932

30,514

34,967

Interest payable

4,553

867

942

Other liabilities

6,061

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6,009

8,511

Total liabilities

3,119,853

2,538,228

2,673,057

Stockholders' equity

276,110

225,006

233,257

Total liabilities and stockholders'

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equity

\$ 3,395,963

\$ 2,763,234

\$ 2,906,314

SERVISFIRST BANCSHARES, INC.

Key Ratios

Three Months Ended

September 30,

June 30,

2013

2012

2013

Return on average assets

1.29%

1.38%

1.29%

Return on average common equity

15.75%

16.64%

14.65%

Net interest margin (fully taxable-equivalent)

3.71%

3.82%

3.93%

Efficiency ratio

38.63%

42.68%

41.17%

Nine Months Ended September 30,

2013

2012

Return on average assets

1.30%

1.34%

Return on average common equity

15.47%

16.22%

Net interest margin (fully taxable-equivalent)

3.84%

3.81%

Efficiency ratio

39.11%

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39.87%

September 30,

June 30,

2013

2012

2013

Book value per common share

\$ 33.40

\$ 30.81

\$ 32.29

Tangible book value per common share

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\$ 33.40

\$ 30.81

\$ 32.29

% of reserve for loan losses to total loans

1.06%

1.14%

1.11%

Nonperforming assets to total loans

plus foreclosed real estate

0.86%

1.05%

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0.93%

Nonperforming assets to total assets

0.70%

0.83%

0.77%

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