

**SOUTHFIRST BANCSHARES, INC.
EARNINGS RELEASE**

For Immediate Release

**SOUTHFIRST BANCSHARES, INC. REPORTS EARNINGS FOR THE FISCAL YEAR
ENDED SEPTEMBER 30, 2007.**

January 8, 2008, Sylacauga, Alabama (OTCBB Symbol: "SZBI"). SouthFirst Bancshares, Inc. (the "Company"), today announced net income of \$71,818 for the fiscal year ended September 30, 2007, representing a decrease in net income of \$444,297, when compared to fiscal year 2006. Further, basic earnings (loss) per weighted average share, based on 708,600 shares outstanding for the twelve-month period ended September 30, 2007, and 708,768 shares outstanding for the twelve-month period ended September 30, 2006 (as if such shares were outstanding for such entire periods), was \$0.10 and \$0.73 respectively.

The Company has posted a copy of its Balance Sheet and Income Statement for the fiscal year ending September 30, 2007, containing further financial information for review by its stockholders on its company website located at <http://www.southfirst.com/>, under SouthFirst Bancshares, Inc. and Press Releases.

SouthFirst Bancshares, Inc. is a thrift holding company that owns all of the outstanding shares of stock of SouthFirst Bank, formerly known as First Federal of the South.

Please contact Sandra H. Stephens, Chief Executive Officer, at (256) 245-4365 with any questions or requests for additional information.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

Certain statements in the release contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, which statements can generally be identified by the use of forward-looking terminology, such as "may," "will," "expect," "estimate," "anticipate," "believe," "target," "plan," "project," "continue," or the negatives thereof, or other variations thereon or similar terminology, and are made on the basis of management's plans and current analyses of the Company, its business and the industry as a whole. These forward-looking statements are subject to risks and uncertainties, including, but not limited to, economic conditions, competition, interest rate sensitivity and exposure to regulatory and legislative changes. The above factors, in some cases, have affected, and in the future could affect, the Company's financial performance and could cause actual results for 2007 and beyond to differ materially from those expressed or implied in such forward-looking statements, even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.