

Press Release

## **SouthFirst Bancshares, Inc. Declares Quarterly Dividend**

Wednesday, January 23, 2008, Sylacauga, Alabama. (OTCBB Symbol: "SZBI"). Sandra H. Stephens, Chief Executive Officer of SouthFirst Bancshares, Inc., announced today, January 23, 2008, the Company's Board of Directors declared a \$.10 per share cash dividend on the Company's outstanding common stock. This dividend is for the Company's first fiscal quarter ended December 31, 2007. The dividend will be payable on February 19, 2008 to stockholders of record as of February 3, 2008. This is the fifty-third consecutive quarterly dividend to be declared by SouthFirst Bancshares, Inc., since the consummation of the initial public offering of its common shares on February 13, 1995.

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, a Federal Savings Association, with offices located in Sylacauga, Talladega, Clanton, and Birmingham.

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.