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FIRST BANCSHARES INC /MO/
Form 8-K
April 23, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 23, 2007

FIRST BANCSHARES, INC.
(Exact name of registrant as specified in its charter)

Missouri	000-22842	43-1654695
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(State or other jurisdiction of incorporation)	(Commission File number)	(I.R.S. Employer Identification No.)

142 East First Street, Mountain Grove, Missouri	65711
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(Address of principal executive office)	(Zip code)

Registrant's telephone number, including are code: (417) 926-5151

NA

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of
the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17
CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17
CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the
Exchange Act (17 CFR 240.14d-2 (b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the
Exchange Act (17 CFR 240.13e-4 (c))

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Section 2 Financial Information

Item 2.02 Results of Operations and Financial Condition

On April 23, 2007, First Bancshares, Inc. issued a news release announcing earnings for the quarter ended March 31, 2007. A copy of the press release is attached as Exhibit 99.1 to this report and is incorporated herein, by reference.

Section 9 Financial Statements and Exhibits.

Item 9.01 Financial Statements and Exhibits.

c) Exhibits.

99.1 Press Release of First Bancshares, Inc., dated April 23, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 23, 2007

FIRST BANCSHARES, INC.

/s/Ronald J. Walters

Ronald J. Walters
Senior Vice President and Chief
Financial Officer
(Principal Financial and Accounting
Officer)

Exhibit Index

Exhibit
Number

Description of Exhibit

99.1 Press Release of First Bancshares, Inc. dated April 23, 2007

FIRST BANCSHARES, INC. ANNOUNCES THIRD QUARTER FISCAL 2007 RESULTS

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Mountain Grove, Missouri (April 23, 2007) - First Bancshares, Inc. (NASDAQ - FstBksh : FBSI), the holding company for First Home Savings Bank ("Bank"), today announced earnings for the third quarter of its fiscal year ending June 30, 2007.

For the quarter ended March 31, 2007, the Company had net income of \$192,000, or \$0.12 per share diluted, compared to net income of \$276,000, or \$0.18 per share diluted for the comparable period in 2006. Net income for the nine-month period ended March 31, 2007 was \$265,000, or \$0.17 per share diluted, compared to \$394,000, or \$0.25 per share - diluted for the nine month period ended March 31, 2006. The reduction in net income for both the quarter and nine-month periods ended March 31, 2007 when compared to the prior year is attributable to a reduction in net interest income, and increases in compensation and benefits expense, occupancy expense and professional fees. These items were partially offset by a decrease in the provision for loan losses, an increase in non-operating income and a slight decrease in other operating expenses.

Total consolidated assets at March 31, 2007 were \$241.6 million, compared to \$228.4 million at June 30, 2006, representing an increase of \$13.2 million, or 5.8%. Stockholders' equity at March 31, 2007 was \$26.6 million, or 11.0% of assets, compared with \$26.3 million, or 11.5% of assets, at June 30, 2006. Book value per common share increased to \$17.17 at March 31, 2007 from \$16.93 at June 30, 2006. The increase in equity was primarily attributable to net income of \$265,000 for the nine month period and to a positive change of \$170,000, net of taxes, in the market value of available-for-sale securities, net of the effect of income tax.

Net loans receivable increased \$12.4 million, or 8.7%, to \$154.4 million at March 31, 2007 from \$142.0 million at June 30, 2006. Customer deposits increased \$9.0 million, or 5.0%, to \$188.1 million at March 31, 2007 from \$179.1 million at June 30, 2006. Non-performing assets increased during the third fiscal quarter by \$2.2 million. This was the result of loans with two borrowers becoming non-performing. In one case, a borrower with loans totaling \$1.6 million, filed for bankruptcy protection. In the other case, a \$620,000 loan became non-performing when a pending sale of the collateral property failed to materialize. There are Small Business Administration guarantees on these loans and they have been included in the reserve analysis for the quarter ended March 31, 2007.

The Company currently has a stock repurchase plan in place. The plan, authorizing the repurchase of up to 164,336 shares, has been in effect since May 28, 2004. From May 28, 2004 through March 31, 2007, 94,918 shares had been repurchased under that plan at a cost of \$1,957,000 or an average cost per share of \$20.61. During the quarter ended March 31, 2007, 400 shares of common stock were purchased at a cost of \$16.65 per share.

First Bancshares, Inc. is the holding company for First Home Savings Bank, a FDIC-insured savings bank chartered by the State of Missouri that conducts business from its home office in Mountain Grove, Missouri, ten full service offices in Marshfield, Ava, Gainesville, Sparta, Springfield, Theodosia, Crane, Galena, Kisse Mills and Rockaway Beach, Missouri, and a loan origination office in Springfield, Missouri.

The Company and its wholly-owned subsidiaries, First Home Savings Bank and SCMG, Inc. may from time to time make written or oral "forward-looking statements," including statements contained in its filings with the Securities and Exchange Commission, in its reports to stockholders, 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.

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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; 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. Additional discussion of factors affecting the Company's business and prospects is contained in the Company's periodic filing with the SEC. 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.

Contact: Daniel P. Katzfey, President and
Chief Executive Officer (417) 926-5151

First Bancshares, Inc. and Subsidiaries Financial Highlights (In thousands, except per share amounts)

	Quarter Ended March 31,		Nine Months Ended March 31,	
	2007	2006	2007	2006
Operating Data:				
Total interest income	\$ 3,437	\$ 3,179	\$ 10,081	\$ 9,670
Total interest expense	1,913	1,555	5,347	4,393
Net interest income	1,524	1,624	4,734	5,277
Provision for loan losses	40	77	280	914
Net interest income after provision for loan losses	1,484	1,547	4,454	4,363
Non-interest income	691	438	1,919	1,547
Non-interest expense	1,975	1,714	6,080	5,567
Income (loss) before income tax	200	271	293	343
Income tax expense (benefit)	8	(5)	28	(51)
Net income	\$ 192	\$ 276	\$ 265	\$ 394

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Net income per share-basic	=====	=====	=====	=====
	\$ 0.12	\$ 0.18	\$ 0.17	\$ 0.25
Net income per share-diluted	=====	=====	=====	=====
	\$ 0.12	\$ 0.18	\$ 0.17	\$ 0.25
	=====	=====	=====	=====

Financial Condition Data:	At March 31, 2007	At June 30, 2006
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Total assets	\$ 241,589	\$ 228,395
Loans receivable, net	154,394	141,987
Non-performing assets	3,549	1,341
Cash and cash equivalents, including interest-bearing deposits	27,817	23,474
Investment securities	40,064	43,921
Customer deposits	188,089	179,141
Borrowed funds	26,133	22,000
Stockholders' equity	26,638	26,291
Book value per share	17.17	16.93