

## CAPITAL MARKETS ANNOUNCEMENT

**Southern First Bancshares, Inc. (NASDAQ: SFST; Greenville, SC) Closes \$19.9 Million Follow-On Offering of Common Stock**

Sandler O'Neill + Partners, L.P. served as the sole book-running manager for this offering.

This transaction represents the 95<sup>th</sup> public offering or private placement of common stock for a bank or thrift since January 1, 2011 for which Sandler O'Neill acted as book-runner, co-manager or placement agent, more than any other investment bank during that period. These transactions have raised approximately \$16.5 billion for our clients.<sup>1</sup>

**About the Offering:**

On November 12, 2014, Southern First Bancshares, Inc. announced the closing of its \$19.9 million follow-on offering of common stock. Southern First Bancshares, Inc. offered and sold a total of 1,380,000 primary shares of common stock, which includes the exercise of the full over-allotment option of 180,000 shares, at a price to the public of \$14.40 per share. Total net proceeds from the offering to Southern First Bancshares, Inc. were approximately \$18.4 million.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Southern First Bancshares, Inc. is a bank holding company headquartered in Greenville, South Carolina. Its wholly-owned subsidiary, Southern First Bank, provides commercial banking services through its 9 banking offices located in the South Carolina markets of Greenville, Columbia and Charleston. Southern First Bank is primarily engaged in the business of accepting demand and savings deposits and providing commercial, consumer and mortgage loans to its customers.

November 12, 2014

## Common Stock

**\$19.9 Million**

Sole Book-Running Manager

SANDLER O'NEILL + PARTNERS

**Financial Highlights<sup>(1)</sup>**

*(Dollars in thousands); Financial data as of or for the quarter ended 9/30/2014*

|                        |             |
|------------------------|-------------|
| Total Assets           | \$1,007,553 |
| Net Loans              | \$830,789   |
| Total Deposits         | \$772,760   |
| Tangible Common Equity | \$62,350    |
| TCE / TA               | 6.19%       |
| ROAA                   | 0.75%       |
| Efficiency Ratio       | 59.23%      |

*(1) Source: SNL Financial*

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