

FIRST SOUTH BANCORP, INC.

	CPP Disbursement Date 07/17/2009	RSSD (Holding Company) 1132104	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items				
	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$2,098	\$2,276	8.5%	
Loans	\$1,638	\$1,557	-5.0%	
Construction & development	\$270	\$201	-25.4%	
Closed-end 1-4 family residential	\$283	\$287	1.2%	
Home equity	\$158	\$193	22.1%	
Credit card	\$0	\$0	0.0%	
Other consumer	\$50	\$47	-5.6%	
Commercial & Industrial	\$277	\$258	-7.1%	
Commercial real estate	\$474	\$452	-4.7%	
Unused commitments	\$335	\$271	-19.1%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$270	\$325	20.2%	
Asset-backed securities	\$0	\$0		
Other securities	\$39	\$79	103.3%	
Cash & balances due	\$38	\$158	313.8%	
Residential mortgage originations				
Closed-end mortgage originated for sale (quarter)	\$14	\$20	39.7%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$13	\$21	60.2%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
Liabilities	\$1,884	\$2,061	9.4%	
Deposits	\$1,745	\$1,944	11.4%	
Total other borrowings	\$118	\$97	-18.2%	
FHLB advances	\$61	\$52	-14.2%	
Equity				
Equity capital at quarter end	\$214	\$215	0.8%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$11	\$25	NA	
Performance Ratios				
Tier 1 leverage ratio	7.3%	6.9%	--	
Tier 1 risk based capital ratio	8.6%	9.5%	--	
Total risk based capital ratio	10.2%	11.1%	--	
Return on equity ¹	-10.7%	-32.7%	--	
Return on assets ¹	-1.1%	-3.3%	--	
Net interest margin ¹	3.3%	3.3%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	47.8%	61.0%	--	
Loss provision to net charge-offs (qtr)	111.4%	218.2%	--	
Net charge-offs to average loans and leases ¹	2.8%	3.0%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
Construction & development	8.0%	17.0%	2.5%	2.5%
Closed-end 1-4 family residential	1.8%	3.0%	0.2%	0.3%
Home equity	0.8%	1.7%	0.1%	0.4%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.5%	0.5%	0.2%	0.1%
Commercial & Industrial	1.3%	2.7%	1.2%	0.8%
Commercial real estate	2.9%	1.8%	0.0%	0.6%
Total loans	2.8%	4.0%	0.7%	0.8%