

FIRST BANCSHARES INC /MO/
Form 8-K
June 03, 2005

**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): **June 3, 2005**

First Bancshares, Inc.

(Exact name of registrant as specified in its charter)

Missouri (State or other jurisdiction of incorporation)	000-22842 (Commission File Number)	43-1654695 (IRS Employer Identification No.)
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142 East First Street, Mountain Grove, Missouri (Address of principal executive offices)	65711 (Zip Code)
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Registrant's telephone number (including area code): **(417) 926-5151**

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))

Item 2.06 Material Impairments

On June 03, 2005, First Bancshares, Inc. ("First Bancshares"), the holding company for First Home Savings Bank ("Bank"), announced that the Bank determined that there has been adverse development with respect to a substandard loan. On that date, First Bancshares announced that it had received additional information on the value of the collateral securing this loan, as a result the earnings, net of tax, will be reduced by \$204,000 for the quarter ending June 30, 2005.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release of First Bancshares, Inc. dated June 03, 2005.

SIGNATURES

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.

FIRST BANCSHARES, INC.

Date: June 03, 2005

By: /s/ Charles W. Schumacher

Charles W. Schumacher

Chairman, President and

Chief Executive Officer

Exhibit 99.1

Press Release Dated June 03, 2005

Mountain Grove, Missouri (June 03, 2005) Charles W. Schumacher, President and Chairman of the Board of First Bancshares, Inc. (NASDAQ - FstBksh: FBSI) and Chairman of the Board of its subsidiary, First Home Savings Bank, announced that the Bank discovered there had been a potentially adverse development with respect to a substandard loan. The corporate borrower is no longer in business and the collateral for the loan is specialized equipment. The Bank has performed an inspection and evaluation of collateral on this collateral dependent loan and determined the collateral is not sufficient to cover repayment of the \$443,000 loan balance. The Bank added the estimated deficiency of \$300,000 to its reserve for loan losses as of May 31, 2005. As a result, First Bancshares anticipates that its earnings will be reduced by \$204,000, on an after tax basis, during the quarter ended June 30, 2005. The remaining collateral will be sold at auction as soon as necessary arrangements can be made.

Forward-looking statements:

Certain matters discussed in this press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to, among other things, developments with respect to the impaired loan. These forward-looking statements are based upon current management expectations and may, therefore, involve risks and uncertainties. The Company's actual results, performance, or achievements may differ materially from those suggested, expressed, or implied by forward-looking statements as a result of a wide variety or range of factors including, but not limited to, the value of the collateral. Accordingly, these factors should be considered in evaluating forward-looking statements, and undue reliance should not be placed on such statements. The Company undertakes no responsibility to update or revise any forward-looking statements.