

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) February 18, 2015

ServisFirst Bancshares, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-53149

26-0734029

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

850 Shades Creek Parkway, Birmingham, Alabama
(Address of principal executive offices)

35209
(Zip Code)

(205) 949-0302

(Registrant's telephone number, including area code)

Not Applicable

(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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Item 7.01 – Regulation FD Disclosure

ServisFirst Bancshares, Inc. (the “Company”) will host certain investors for discussion of 2014 results at its headquarter office in Birmingham, Alabama on February 18, 2015. The PowerPoint slides used during discussions are attached as Exhibit 99.1 to this Current Report and are incorporated by reference into this Item 7.01.

The information in this report is being furnished, not filed, pursuant to Regulation FD. Accordingly, the information in Items 7.01 and 9.01 of this report will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Item 9.01 – Financial Statements and Exhibits

- (a) Not applicable
- (b) Not applicable
- (c) Not applicable
- (d) **Exhibits.** The following exhibits are included with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	PowerPoint slides to be used on February 18, 2015 at ServisFirst Bank in Birmingham, Alabama.

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.

SERVISFIRST BANCSHARES, INC.

Dated: February 18, 2015

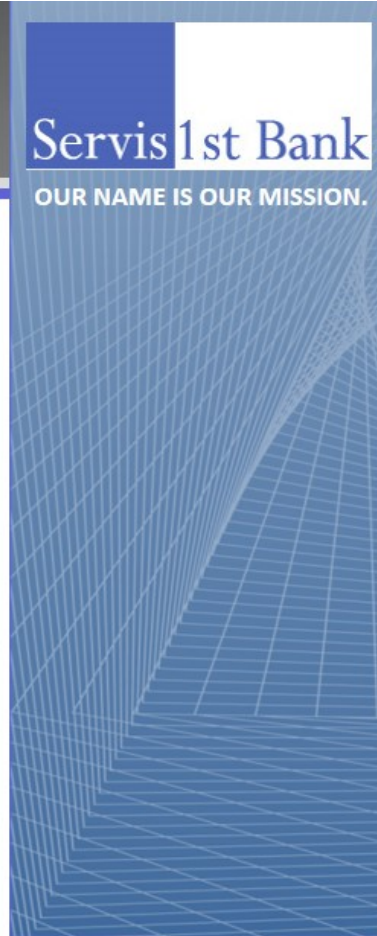
By: /s/ Thomas A. Broughton, III
Thomas A. Broughton, III
President and Chief Executive Officer

The logo for Servis1st Bank, featuring the text "Servis1st Bank" in a serif font. The "1st" is in a smaller font size and is positioned between "Servis" and "Bank". The text is white and set against a blue square background.

Servis1st Bank

OUR NAME IS OUR MISSION.

ServisFirst Bancshares, Inc.
NASDAQ: SFBS



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, ServisFirst Bancshares, Inc. may file or furnish documents with the Securities and Exchange Commission which contain forward-looking statements and management may make forward-looking statements orally to analysts, investors, representatives of the media and others. These statements are based on the current beliefs and expectations of ServisFirst Bancshares, Inc.'s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause ServisFirst Bancshares, Inc.'s actual results to differ materially from those described in the forward-looking statements can be found in ServisFirst Bancshares, Inc.'s Annual Report on Form 10-K/A for the year ended December 31, 2013, and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2014, June 30, 2014, and September 30, 2014 which have been filed with the Securities and Exchange Commission and which are available on ServisFirst Bancshares, Inc.'s website (www.servisfirstbank.com) and on the Securities and Exchange Commission's website (www.sec.gov). ServisFirst Bancshares, Inc. does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

▪ **Non-GAAP Financial Measures**

The presentation includes non-GAAP financial measures. Information about any such non-GAAP financial measures, including a reconciliation of those measures to GAAP, can be found in the presentation.

Overview

- Founded in 2005 in Birmingham, AL
- Single bank BHC

High-Performing Metropolitan Commercial Bank ⁽¹⁾

- Total Assets: \$4.1 billion
- Tangible Equity ⁽²⁾: \$407 million ⁽³⁾
- Core ROAA ⁽⁴⁾: 1.44%
- Core Efficiency Ratio ⁽⁴⁾: 38.86%

High Growth Coupled with Pristine Credit Metrics ⁽⁵⁾

- Gross Loans CAGR: 23%
- Total Deposits CAGR: 19%
- Net Income for Common CAGR: 55%
- Diluted EPS CAGR: 44%
- NPAs / assets ⁽¹⁾: 0.41%
- NPLs / loans ⁽¹⁾: 0.30%

(1) As of December 31, 2014.

(2) Non-GAAP financial measure. "Tangible Equity" is not a measure of financial performance recognized by generally accepted accounting principles in the United States, or GAAP. However, because the Company has no intangible assets, there is no reconciliation of these non-GAAP financial measures.

(3) Inclusive of \$40 million SBLF.

(4) Core measures exclude non-recurring expenses in the twelve month period ending December 31, 2014 resulting from a correction of our accounting for vested stock options previously granted to members of our advisory boards in our markets. For a reconciliation of these non-GAAP measures to the most comparable GAAP measure, see "GAAP Reconciliation and Management Explanation of Non-GAAP Financial Measures" included on page 34 of this presentation.

(5) 5-year compounded annual growth rate calculated from December 31, 2009 to December 31, 2014.

- **Simple business model**
 - Loans and deposits are primary drivers, not ancillary services
- **Limited branch footprint**
 - Technology provides efficiency
- **Big bank products and bankers**
 - With the style of service and delivery of a community bank
- **Core deposit focus coupled with C&I lending emphasis**
- **Scalable, decentralized business model**
 - Regional CEOs drive revenue
- **Opportunistic expansion, attractive geographies**
 - Teams of the best bankers in each metropolitan market
- **Disciplined growth company that sets high standards for performance**

- **Identify great bankers in attractive markets**
 - Focus on people as opposed to places
 - Target minimum of \$300 million in deposits within 5 years
 - Best bankers in growing markets

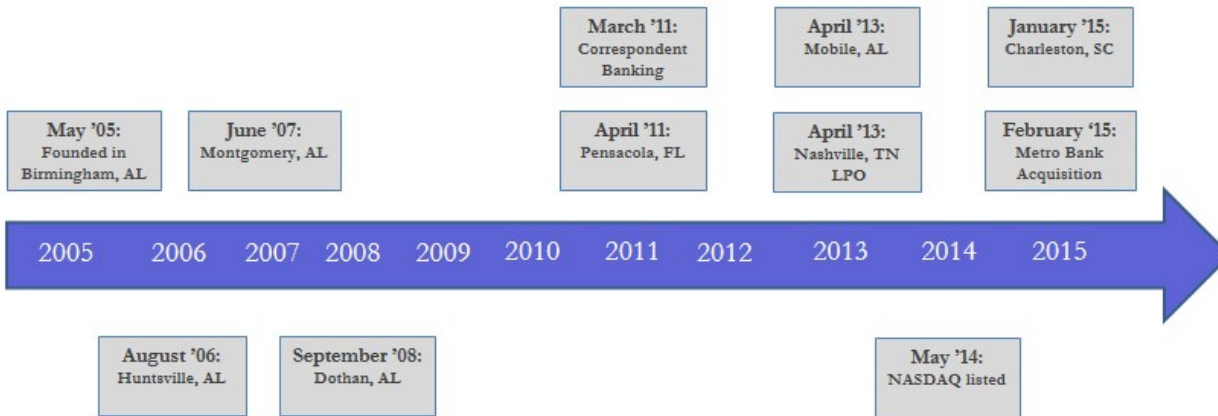
- **Market strategies**
 - Regional CEOs execute simple business model
 - Back office support and risk management infrastructure
 - Non-legal board of directors comprised of key business people
 - Provide professional banking services to mid market commercial customers that have been neglected by or pushed down to branch personnel of national and other larger regional banks

- **Opportunistic future expansion**
 - Southern markets, metropolitan focus
 - Draw on expertise of industry contacts

Milestones

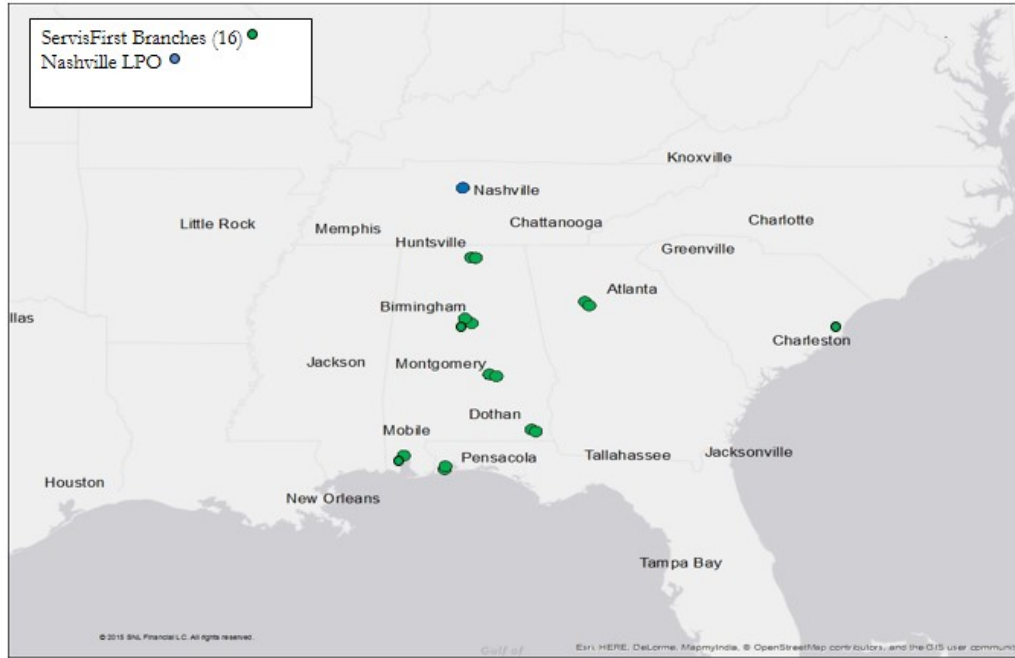


- **Founded in May 2005 with initial capital raise of \$35 million**



- **Achieved total asset milestones of \$1 billion in 2008, \$2 billion in 2011, \$3 billion in 2013, and \$4 billion in 2014, all through organic growth**

Our Footprint



Our Markets



Market ⁽¹⁾	Total Branches	Total Market Deposits ⁽²⁾ (\$ in billions)	Market Share ⁽²⁾ (%)
Alabama			
Birmingham - Hoover	3	32.9	4.6
Huntsville	2	6.8	8.5
Montgomery	2	7.5	5.3
Dothan	2	2.9	13.3
Mobile ⁽³⁾	2	6.3	1.4
Florida			
Pensacola - Ferry Pass - Brent	2	4.8	5.1
Tennessee			
Nashville ⁽⁴⁾	-	44.1	-
Georgia			
Atlanta - Sandy Springs - Roswell ⁽⁵⁾	-	132.6	-
South Carolina			
Charleston ⁽⁶⁾	-	10.4	-
Total	13	248.3	

(1) Represents metropolitan statistical areas (MSAs)
 (2) As reported by the FDIC, as of 6/30/2014
 (3) Branch 1 opened in July 2012 as a loan production office; converted to a full service branch in April 2013; Branch 2 opened 9/3/2014
 (4) Opened as a loan production office
 (5) Represents Metro Bank acquisition that closed on 1/31/2015
 (6) New market opening announced 1/21/2015

- **“Loan making and deposit taking”**
 - Traditional commercial banking services
 - No emphasis on non-traditional business lines

- **Culture of cost control**
 - “Branch light”, with \$261 million ⁽¹⁾ average deposits per banking center
 - Leverage technology and centralized infrastructure
 - Headcount focused on production and risk management
 - Key products; including remote deposit capture, cash management, remote currency manager
 - Outsource selected functions

- **C&I lending expertise**
 - 44.5% of gross loans ⁽¹⁾
 - Target customers: privately held businesses \$2 to \$250 million in annual sales, professionals, affluent consumers

- **Local decision-making**
 - Emphasize local decision-making to drive customer revenue
 - Centralized, uniform risk management and support
 - Conservative local lending authorities, covers most lending decisions

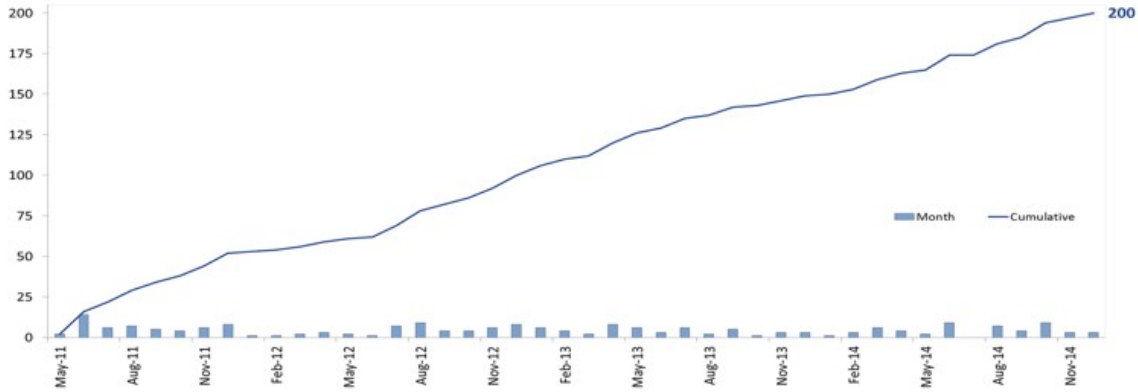
- **Geographic organizational structure (as opposed to line of business structure)**

- **Regional CEOs empowered and held accountable**
 - Utilize stock based compensation to align goals

- **Top-down sales culture**
 - Senior management actively involved in customer acquisition

Correspondent bank to approximately 200 community banks

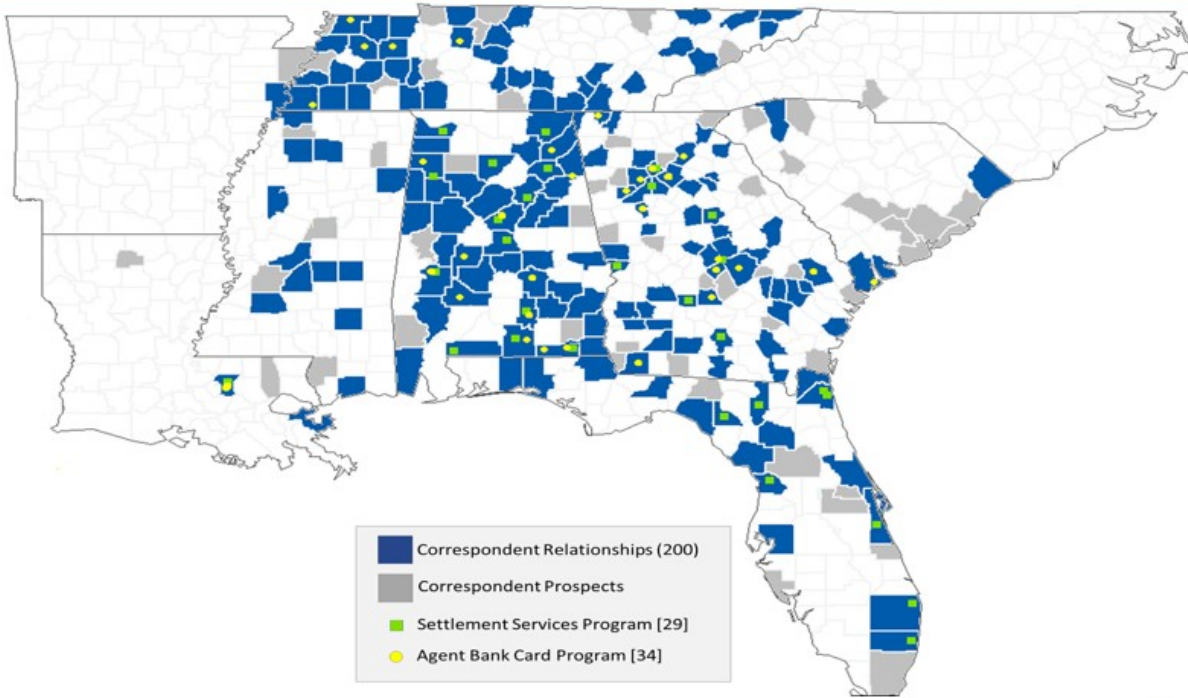
Account Relationships Growth



12/31/2013	# of Accts	Balance (000s)	Avg Acct Bal
Total Relationships	149	227,503	
Fed Funds Purchased		184,580	1.24M
Deposit Accounts		42,923	0.29M

12/31/2014	# of Accts	Balance	Avg Acct Bal
Total Relationships	200	388,966	
Fed Funds Purchased		264,315	1.32M
Deposit Accounts		124,651	0.62M

Correspondent Banking Footprint December 2014



Our Management Team



Thomas A. Broughton, III
President and Chief Executive Officer

- Previously President and CEO of First Commercial Bank (acquired by Synovus Financial, 1992); subsequently, regional CEO for Synovus
- *American Banker's* 2009 Community Banker of the Year
- 59 years old

William M. Foshee
EVP and Chief Financial Officer

- Previously Chief Financial Officer of Heritage Financial Holding Corporation
- Certified public accountant
- 60 years old

Clarence C. Pouncey, III
EVP and Chief Operating Officer

- Previously with Wachovia; oversaw production functions in Alabama, Arizona, Tennessee and Texas
- Previously SVP of SouthTrust Bank
- 58 years old

Don G. Owens
SVP and Chief Credit Officer

- Previously Senior Vice President and Senior Loan Administrator, BBVA-Compass
- 63 years old

Rodney E. Rushing
EVP, Correspondent Banking Executive

- Previously Executive Vice President of Correspondent Banking, BBVA-Compass
- 57 years old

- **Executive officers and Board of Directors own 14.42% of fully-diluted shares**
- **Five regional CEOs, all industry veterans with significant years of experience**

- **Closed deal January 31, 2015**
- **Purchased all shares of common stock of Metro Bancshares, Inc., a Georgia state-chartered holding company with \$211 million in total assets**
- **Addition of experienced Atlanta area bankers to the ServisFirst Bank team**
- **Deal value: \$42.9 million**
 - Cash consideration: \$22,825,000**
 - Total stock issued: 636,720 shares valued at \$31.5064⁽¹⁾ per share**
- **Internal rate of return greater than 20%**
- **Accretive to EPS in year two**
- **Tangible book value earn back in year three**
- **Cost savings greater than 40%**
- **System conversion date: Expected late May 2015**

(1) Volume weighted average stock price for the 20 trading days preceding the closing

- **Thomas G. Trouche – Regional CEO/EVP**
 - Previously served as Coastal Division Executive for First Citizens Bank.
 - 26 years banking experience

- **Robert H. Warrick – Commercial Banking Manager/SVP**
 - Previously served as Commercial Market Executive for CresCom Bank
 - 27 years banking experience

- **Benjamin Moore, III – Private Banking Officer/SVP**
 - Previously served as SVP, Team Leader for First Tennessee Bank
 - 23 years investment and banking experience

- **Seth Horton – Business Development Officer/SVP**
 - Previously served as SVP, Eastern South Carolina Sales Manager for PNC Bank’s Healthcare Banking Division
 - 11 years banking experience

Financial Results



Success Measures: Balance Sheet Growth



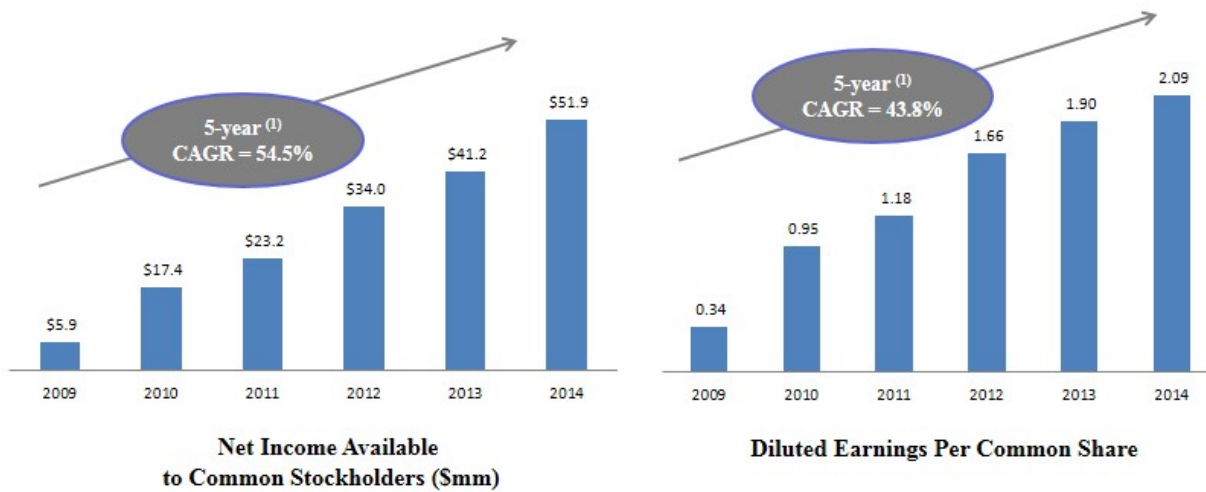
- Organic growth of gross loans and total deposits in the 20% range
- 5-year⁽¹⁾ CAGR of non-interest bearing deposits = 30.9%
- 5-year⁽¹⁾ CAGR of C&I loans = 26.5%



(1) 5-year CAGR = 12/31/2009 - 12/31/2014

Success Measures: Income Growth

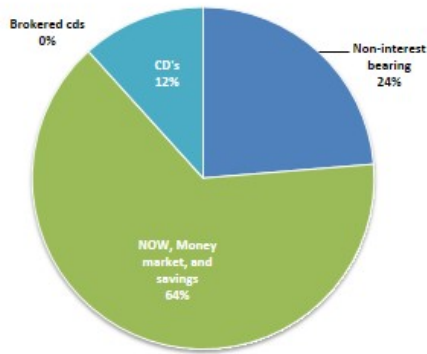
- Rare combination of balance sheet growth and earnings power
- EPS growth includes impact of \$55.1 million of common stock issued in five private placements as we entered new markets and \$56.9 from the initial public offering



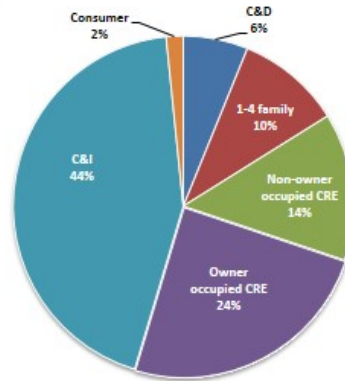
(1) 5-year CAGR = 12/31/2009 - 12/31/2014

Success Measures: Balance Sheet Makeup

- Primary focus on building core deposits, highlighted by non-interest bearing accounts and non-reliance on CDs
- C&I lending expertise within a well balanced loan portfolio



Deposit Mix ⁽¹⁾
0.50% Cost of Interest Bearing Deposits ⁽²⁾



Loan Portfolio ⁽¹⁾
4.41% Yield on Loans ⁽²⁾

⁽¹⁾ As of December 31, 2014
⁽²⁾ Average for the three months ended December 31, 2014

Loan Growth by MSA



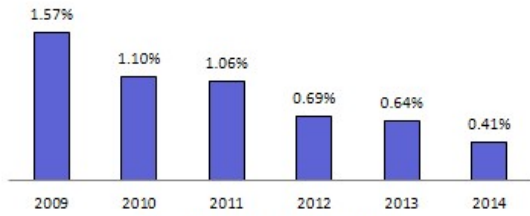
<i>Dollars in Thousands</i> MSA			YTD Growth by	
	12/31/2013	12/31/2014	Market	YTD Growth Rate
Birmingham-Hoover, AL MSA	\$ 1,438,126	\$ 1,688,897	\$ 250,771	17%
Huntsville, AL MSA	\$ 419,753	\$ 432,931	\$ 13,179	3%
Dothan, AL MSA	\$ 361,463	\$ 387,681	\$ 26,219	7%
Montgomery, AL MSA	\$ 295,601	\$ 318,278	\$ 22,677	8%
Mobile, AL MSA	\$ 87,974	\$ 169,565	\$ 81,591	93%
Total Alabama MSAs	\$ 2,602,917	\$ 2,997,353	\$ 394,436	15%
Pensacola, FL MSA	\$ 213,324	\$ 240,860	\$ 27,536	13%
Nashville, TN MSA	\$ 42,628	\$ 121,645	\$ 79,018	185%
Total Loans	\$ 2,858,868	\$ 3,359,858	\$ 500,990	18%

Loan Growth by Type



Loan Type (dollars in thousands)	12/31/2013	12/31/2014	YTD Growth by Loan Type	% of YTD Growth
Commercial, Financial and Agricultural	\$ 1,278,649	\$ 1,495,092	\$ 216,443	43%
Real estate - Construction	\$ 151,868	\$ 208,769	\$ 56,901	11%
Real Estate - Mortgage:				
Owner-Occupied Commercial	\$ 710,372	\$ 793,917	\$ 83,545	17%
1-4 Family Mortgage	\$ 278,621	\$ 333,455	\$ 54,834	11%
Other Mortgage	\$ 391,396	\$ 471,363	\$ 79,967	16%
Subtotal: Real Estate - Mortgage	\$ 1,380,389	\$ 1,598,735	\$ 218,346	44%
Consumer	\$ 47,962	\$ 57,262	\$ 9,300	2%
Total Loans	\$ 2,858,868	\$ 3,359,858	\$ 500,990	100%

- Strong loan growth while maintaining asset quality discipline



Non-Performing Assets / Total Assets



Non-Performing Loans / Total Loans



Allowance for Loan Losses / Total Loans

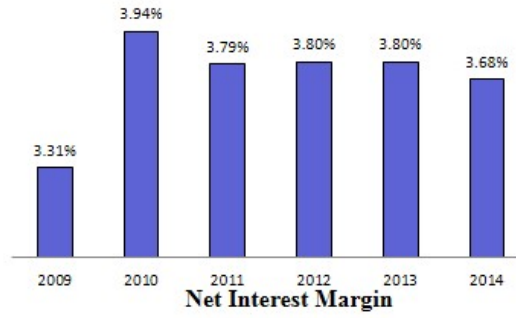
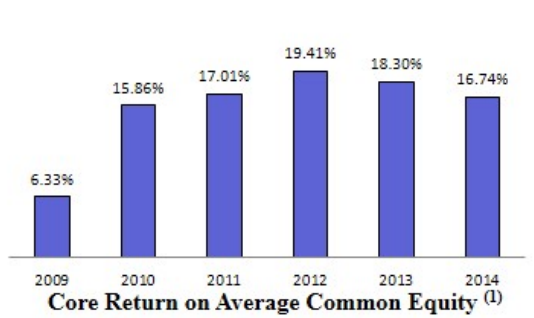


Net Charge Offs / Total Average Loans

Success Measures: Profitability Metrics



- Consistent earnings results and strong momentum

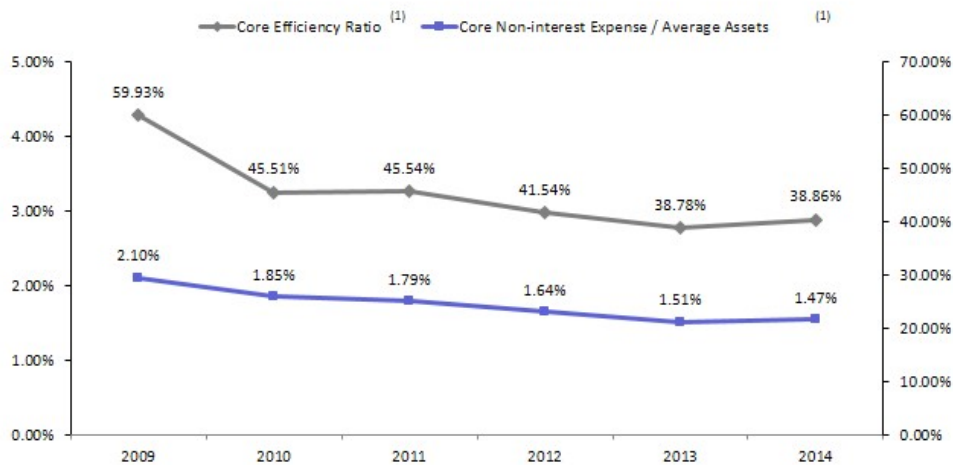


(1) Core measures exclude non-recurring expenses in the twelve month period ending December 31, 2014 resulting from a correction of our accounting for vested stock options previously granted to members of our advisory boards in our markets. For a reconciliation of these non-GAAP measures to the most comparable GAAP measure, see "GAAP Reconciliation and Management Explanation of Non-GAAP Financial Measures" included on page 34 of this presentation.

Success Measures: Efficiency



- Our operating structure and business strategy enable efficient, profitable growth



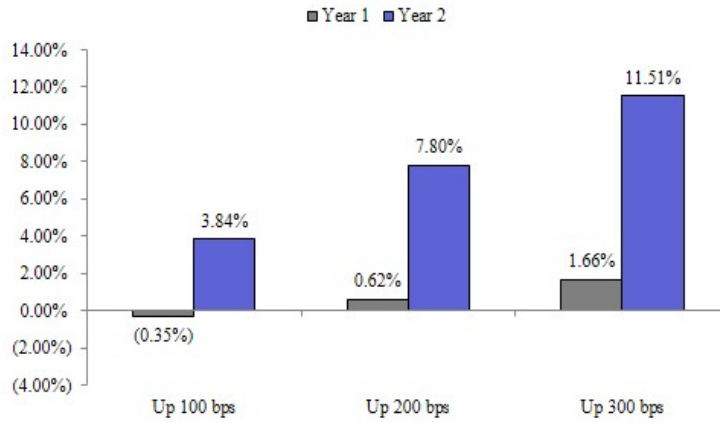
**Core Efficiency Ratio ⁽¹⁾ and
Core Noninterest Expense / Average Assets ⁽¹⁾**

⁽¹⁾ Core measures exclude non-recurring expenses in the twelve month period ending December 31, 2014 resulting from a correction of our accounting for vested stock options previously granted to members of our advisory boards in our markets. For a reconciliation of these non-GAAP measures to the most comparable GAAP measure, see "GAAP Reconciliation and Management Explanation of Non-GAAP Financial Measures" included on page 14 of this presentation.

Well Positioned for Rising Interest Rates



Change in Net Interest Income



Scenario	Based on parallel shift in yield curve and a static balance sheet
Variable-rate Loans	54% of loans are variable rate
Deposit Mix	24% of deposits are held in non-interest bearing demand deposit accounts

Appendix

Our Markets: Centers for Continued Growth



Birmingham, AL

- *Key Industries:* Metals manufacturing, finance, insurance, healthcare services and distribution
- *Key Employers:* Protective Life, HealthSouth Corporation, Vulcan Materials Company, AT&T, and The University of Alabama at Birmingham (UAB) (Alabama's largest employer)

Huntsville, AL

- *Key Industries:* U.S. Government, commercial and university research
- *Key Employers:* U.S. Army/Redstone Arsenal, the Boeing Company, NASA/Marshall Space Flight Center, Intergraph Corporation, ADTRAN, Inc., Northrop Grumman, Cinram, SAIC, DirecTV, Lockheed Martin and Toyota Motor Manufacturing

Montgomery, AL

- *Key Industries:* State of Alabama and U.S. Government, U.S. Air Force , automotive manufacturing
- *Key Employers:* Maxwell Gunter Air Force Base, Hyundai Motor Manufacturing

Our Markets: Centers for Continued Growth (cont.)



Dothan, AL

- *Key Industries:* Agricultural trade and agri-business
- *Key Employers:* Michelin, Pemco World Aviation, International Paper, Globe Motors, and AAA Cooper Transportation

Pensacola, FL

- *Key Industries:* Tourism, military, health services, and medical technology industries
- *Key Employers:* Eglin Air Force Base, Hurlburt Field, Pensacola Whiting Field, Pensacola Naval Air Station and Corry Station; Sacred Heart Health System, West Florida Regional Hospital, Gulf Power Company (Southern Company), the University of West Florida, International Paper, Ascend Performance Materials (Solutia), GE Wind Energy, Armstrong World Industries, and Wayne Dalton Corporation

Mobile, AL

- *Key Industries:* Aircraft assembly, aerospace, steel, ship building, maritime, retail, services, construction, medicine, and manufacturing
- *Key Employers:* Port of Mobile, Austal USA, Brookley Aeroplex, ThyssenKrupp, Infirmary Health Systems, Walmart, University of South Alabama, ST Aerospace Mobile, and EADS

Our Markets: Centers for Continued Growth (cont.)



Nashville, TN

- *Key Industries:* Manufacturing, healthcare, transportation, and technology
- *Key Employers:* HCA Holdings, Nissan North America, Dollar General Corporation, Asurion, and Community Health Systems

Charleston, SC

- *Key Industries:* Tourism, maritime, information technology, higher education, military, and manufacturing
- *Key Employers:* Joint Base Charleston, Medical University of South Carolina (MUSC), Roper St. Francis Healthcare, The Boeing Company, Robert Bosch LLC, Blackbaud, and SAIC

Atlanta, GA

- *Key Industries:* Logistics, media, information technology, and entertainment
- *Key Employers:* The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, UPS, Newell-Rubbermaid, Cable News Network (CNN), and Cox Enterprises

The Bank has invested in three types of tax credit partnerships which provide loan opportunities and allow for the recognition of tax credits

- **New Market Tax Credit** – designed to encourage private sector equity investments in low income communities
- **Low Income Housing Tax Credits** – designed to encourage private sector investment in the development of affordable rental housing
- **Historical Tax Credits** – designed to encourage the preservation and reuse of historic buildings

Our Financial Performance: Key Operating and Performance Metrics



Dollars in Millions Except per Share Amounts

	For the Year Ended December 31,					
	2009	2010	2011	2012	2013	2014
Balance Sheet						
Total Assets	\$1,573	\$1,935	\$2,461	\$2,906	\$3,521	\$4,099
Net Loans	\$1,192	\$1,377	\$1,809	\$2,337	\$2,828	\$3,324
Deposits	\$1,432	\$1,759	\$2,144	\$2,512	\$3,020	\$3,398
Loans / Deposits	84%	79%	85%	94%	95%	99%
Total Equity	\$98	\$117	\$196	\$233	\$297	\$407
Profitability						
Net Income	\$5.9	\$17.4	\$23.4	\$34.4	\$41.6	\$52.3
Net Income Available to Common	\$5.9	\$17.4	\$23.2	\$34.0	\$41.2	\$51.9
Core Net Income Available to Common ⁽¹⁾	\$5.9	\$17.4	\$23.2	\$34.0	\$41.2	\$53.6
Core ROAA ⁽¹⁾	0.43%	1.04%	1.12%	1.31%	1.32%	1.44%
Core ROAE ⁽¹⁾	6.33%	15.86%	14.86%	15.99%	15.70%	15.00%
Core ROACE ⁽²⁾	6.33%	15.86%	17.01%	19.41%	18.30%	16.74%
Net Interest Margin	3.31%	3.94%	3.79%	3.80%	3.80%	3.68%
Core Efficiency Ratio ⁽¹⁾	59.93%	45.51%	45.54%	41.54%	38.78%	38.86%
Capital Adequacy						
Tangible Common Equity to Tangible Assets ⁽²⁾	6.20%	6.05%	6.35%	6.65%	7.31%	8.96%
Tier I Leverage Ratio	6.97%	7.77%	9.17%	8.43%	8.48%	9.91%
Tier I Capital Ratio	8.89%	10.22%	11.39%	9.89%	10.00%	11.75%
Total Risk-Based Capital Ratio	10.48%	11.82%	12.79%	11.78%	11.73%	13.38%
Asset Quality						
NPAs / Assets	1.57%	1.10%	1.06%	0.69%	0.64%	0.41%
NCOs / Average Loans	0.60%	0.55%	0.32%	0.24%	0.33%	0.17%
Loan Loss Reserve / Gross Loans	1.24%	1.30%	1.20%	1.11%	1.07%	1.06%
Per Share Information						
Common Shares Outstanding	16,540,446	16,582,446	17,796,546	18,806,436	22,050,036	24,801,518
Book Value per Share	\$5.90	\$7.06	\$8.78	\$10.28	\$11.67	\$14.81
Tangible Book Value per Share ⁽²⁾	\$5.90	\$7.06	\$8.78	\$10.28	\$11.67	\$14.81
Diluted Earnings per Share	\$0.34	\$0.95	\$1.18	\$1.66	\$1.90	\$2.09
Core Diluted Earnings per Share ⁽¹⁾	\$0.34	\$0.95	\$1.18	\$1.66	\$1.90	\$2.16

(1) Core measures exclude non-routine expenses in the twelve month period ending December 31, 2014 resulting from a correction of our accounting for vested stock options previously granted to members of our advisory boards in our markets. For a reconciliation of these non-GAAP measures to the most comparable GAAP measure, see "GAAP Reconciliation and Management Explanation of Non-GAAP Financial Measures" included on page 24 of this presentation.

(2) Non-GAAP financial measures. "Tangible Common Equity to total tangible Assets" and "Tangible Book value per Share" are not measures of financial performance recognized by generally accepted accounting principles in the United States, or GAAP. However, because the Company has no intangible assets, there is no reconciliation of these non-GAAP financial measures.

Our Financial Performance: Asset Quality



Dollars in Thousands	Year Ended December 31,					
	2009	2010	2011	2012	2013	2014
Nonaccrual Loans:						
1-4 Family	265	202	670	453	1,878	1,596
Owner-Occupied Commercial Real Estate	909	635	792	2,786	1,435	683
Other Real Estate Loans	615	--	693	240	243	959
Commercial, Financial & Agricultural Real Estate	2,032	2,164	1,179	276	1,714	172
Construction	8,100	10,722	10,063	6,460	3,749	5,049
Consumer	--	624	375	135	602	666
Total Nonaccrual Loans	11,921	14,347	13,772	10,350	9,621	9,125
Total 90+ Days Past Due and Accruing	267	--	--	8	115	925
Total Nonperforming Loans	12,188	14,347	13,772	10,358	9,736	10,050
Other Real Estate Owned and Repossessions	12,525	6,966	12,305	9,721	12,861	6,840
Total Nonperforming Assets	24,713	21,313	26,077	20,079	22,597	16,890
Troubled Debt Restructurings (Accruing):						
1-4 Family	--	--	--	1,709	8,225	--
Owner-Occupied Commercial Real Estate	845	--	2,785	3,121	--	--
Other Real Estate Loans	--	--	331	302	285	1,663
Commercial, Financial & Agricultural Real Estate	--	2,398	1,369	1,168	962	6,632
Construction	--	--	--	3,213	217	--
Consumer	--	--	--	--	--	--
Total Troubled Debt Restructurings (Accruing)	845	2,398	4,485	9,513	9,689	8,295
Total Nonperforming Assets & Troubled Debt Restructurings (Accruing)	25,558	23,711	30,562	29,592	32,286	25,185
Total Nonperforming Loans to Total Loans	1.01%	1.03%	0.75%	0.44%	0.34%	0.30%
Total Nonperforming Assets to Total Assets	1.57%	1.10%	1.06%	0.69%	0.64%	0.41%
Total Nonperforming Assets and Troubled Debt Restructurings (Accruing) to Total Assets	1.62%	1.23%	1.24%	1.02%	0.92%	0.61%

Our Financial Performance: Loan Loss Reserve and Charge-Offs



Analysis of the Allowance for Loan Losses

	Year Ended December 31,					
	2009	2010	2011	2012	2013	2014
<i>Dollars in Thousands</i>						
Allowance for Loan Losses:						
Beginning of Year	\$ 10,602	\$ 14,737	\$ 18,077	\$ 22,030	\$ 26,258	\$ 30,663
Change-Offs:						
Commercial, Financial and Agricultural	(2,616)	(1,667)	(1,096)	(1,106)	(1,932)	(2,311)
Real Estate - Construction	(5,322)	(5,488)	(2,594)	(3,088)	(4,829)	(1,267)
Real Estate - Mortgage:						
Owner Occupied Commercial	-	(548)	-	(250)	(1,100)	(36)
1-4 Family Mortgage	(522)	(1,227)	(1,096)	(511)	(941)	(1,529)
Other Mortgage	(9)	-	-	(99)	-	(400)
Total Real Estate Mortgage	(531)	(1,775)	(1,096)	(660)	(2,041)	(1,965)
Consumer	(207)	(278)	(367)	(901)	(210)	(223)
Total Charge-Offs	(6,676)	(7,208)	(5,653)	(5,755)	(9,012)	(5,771)
Recoveries:						
Commercial, Financial and Agricultural	-	97	361	125	66	48
Real Estate - Construction	108	53	180	58	296	322
Real Estate - Mortgage:						
Owner Occupied Commercial	-	12	12	-	32	-
1-4 Family mortgage	3	20	-	692	4	65
Other Mortgage	-	-	-	-	-	9
Total Real Estate Mortgage	3	32	12	692	36	74
Consumer	15	16	81	8	11	34
Total Recoveries	126	198	634	883	409	478
Net Charge-Offs	(6,550)	(7,010)	(5,019)	(4,872)	(8,603)	(5,293)
Provision for Loan Losses Charged to Expense	10,685	10,350	8,972	9,100	13,008	10,259
Allowance for Loan Losses at End of Period	\$ 14,737	\$ 18,077	\$ 22,030	\$ 26,258	\$ 30,663	\$ 35,629
As a Percent of Year to Date Average Loans:						
Net Charge-Offs	0.6 %	0.55 %	0.32 %	0.24 %	0.33 %	0.17 %
Provision for Loan Losses	1 %	0.81 %	0.37 %	0.45 %	0.5 %	0.34 %
Allowance for Loan Losses As a Percentage of Loans	1.24 %	1.3 %	1.2 %	1.11 %	1.07 %	1.06 %

GAAP Reconciliation and Management Explanation of Non-GAAP Financial Measures



We recorded a non-routine expense of \$703,000 for the first quarter of 2014 resulting from the correction of our accounting for vested stock options previously granted to members of our advisory boards in our Dothan, Huntsville and Montgomery, Alabama markets, and we recorded a non-routine expense of \$1.8 million for the second quarter of 2014 resulting from a correction of our accounting for vested stock options previously granted to members of our advisory boards in our Mobile, Alabama and Pensacola, Florida markets. This change in accounting treatment is a non-cash item and does not impact our operating activities or cash from operations. The non-GAAP financial measures included in this presentation twelve months ended December 31, 2014 are "core net income available to common stockholders," "core diluted earnings per share," "core return on average assets," "core return on average equity," "core return on average common equity," "core efficiency ratio" and "core non-interest expense to average assets." Each of these seven core financial measures excludes the impact of the non-routine expenses attributable to the correction of our accounting for vested stock options. None of the other periods included in this presentation are affected by this correction.

"Core net income available to common stockholders" is defined as net income, adjusted by the net effect of the non-routine expense, available to common stockholders.

"Core diluted earnings per share" is defined as net income available to common stockholders, adjusted by the net effect of the non-routine expense, divided by weighted average diluted shares outstanding.

"Core return on average assets" is defined as net income, adjusted by the net effect of the non-routine expense, divided by average total assets.

"Core return of average equity" is defined as net income, adjusted by the net effect of the non-routine expense, divided by average equity.

"Core return of average common equity" is defined as net income, adjusted by the net effect of the non-routine expense, divided by average common equity.

"Core efficiency ratio" is defined as non-interest expense, adjusted by the effect of the non-routine expense, divided by the sum of net interest income plus non-interest income.

"Core non-interest expense to average assets" is defined as non-interest expense, adjusted by the effect of the non-routine expense, divided by average assets.

We believe these non-GAAP financial measures provide useful information to management and investors that is supplementary to our financial condition, results of operations and cash flows computed in accordance with GAAP; however, we acknowledge that these non-GAAP financial measures have a number of limitations. As such, you should not view these disclosures as a substitute for results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP financial measures that other companies, including those in our industry, use. The following reconciliation table provides a more detailed analysis of the non-GAAP financial measures for the twelve months ended December 31, 2014. Dollars are in thousands, except share and per share data.

Our Financial Performance: GAAP Reconciliation



	Adjustment for non-routine expense	<u>1,612</u>
Core net income	\$	53,989
Average assets	\$	3,757,932
Core return on average assets		1.44 %
Return on average common stockholders' equity		16.23 %
Net income available to common stockholders - GAAP	\$	51,946
	Adjustments:	
	Adjustment for non-routine expense	<u>1,612</u>
Core net income available to common stockholders	\$	53,558
Average common stockholders' equity	\$	320,005
Core return on average common stockholders' equity		16.74 %
Earnings per share - GAAP	\$	2.18
Weighted average common shares outstanding	\$	23,355,001
Core earnings per share	\$	2.25
Diluted earnings per share - GAAP	\$	2.09
Weighted average common shares outstanding, diluted	\$	24,818,221
Core diluted earnings per share	\$	2.16