

FIRST SOUTH BANCORP, INC.
PRESS RELEASE
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FOR IMMEDIATE RELEASE
For More Information Contact:
Bill Wall (CFO)
Phone: (252) 940-5017
Website: www.firstsouthnc.com

First South Bancorp, Inc. Recognized by Business North Carolina

Washington, North Carolina - First South Bancorp, Inc. (NASDAQ: FSBK), parent holding company of First South Bank, has been recognized as one of North Carolina's Top 75 Public Companies by Business North Carolina.

The listing which appears in the August 2009 edition of Business North Carolina, presented their rankings of North Carolina's Top 75 Public Companies based on total market value as of June 30, 2009. In their current rankings, First South Bancorp, Inc. is ranked 56th among the Top 75 Public Companies in North Carolina based on market value as of June 30, 2009.

In addition, Business North Carolina also ranked the Top 75 Public Companies in North Carolina by various other performance measures. First South Bancorp, Inc. was ranked in the following categories:

- 6th in Net Margin (latest fiscal year)
- 8th in Dividend Yield

Bill Wall, Executive Vice President and Chief Financial Officer of the Company, stated, "We are pleased to be recognized by Business North Carolina. Their rankings support First South Bancorp's performance among the state's top publicly traded companies. The 75 companies with the highest market capitalization were selected as North Carolina's Top Public Companies in their market value category. We are also pleased to be recognized in two of the Business North Carolina other performance measures."

First South Bank operates through its main office headquartered in Washington, North Carolina, and has 28 full service branch offices and a loan production office located throughout eastern, northeastern, southeastern and central North Carolina. The Bank offers a broad range of financial products and services, including a leasing company. The Bank also makes securities brokerage services available through an affiliation with an independent broker-dealer.

First South Bancorp's common stock is listed on the NASDAQ Global Select Market under the symbol FSBK. Additional corporate information, product and service descriptions and online services are available to investors and customers through First South Bank's website at www.firstsouthnc.com.

Statements contained in this release, which are not historical facts, are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors which include, but are not limited to, factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time.

(NASDAQ: FSBK)