

HOWE BARNES IS PLEASED TO ANNOUNCE
OUR RECENT ADVISORY TRANSACTION



*has signed a definitive agreement
to acquire*

Carolina National Corporation
Holding Company for:



Pending August 2007

Howe Barnes acted as financial advisor to
First National Bancshares, Inc. in this
transaction.

First National Bancshares, Inc., Spartanburg, SC, has signed a definitive agreement to acquire Carolina National Corporation, Columbia, SC. Under the terms of the definitive agreement, First National will acquire all of the outstanding shares of Carolina National in a 70% stock and 30% cash transaction valued at \$59.3 million. With this transaction, First National will acquire four offices in Richland County, SC with a number 7 ranking in the \$7.7 billion deposit market.

The merger is expected to close early in the first quarter of 2008, subject to shareholder and regulatory approvals.

Deal Pricing

Transaction Value:	\$59.3 million
Transaction Value / Share:	\$21.65
Price / Earnings:	29.7x
Price / Book:	177%
Price / Tangible Book:	177%
Core Deposit Premium:	25%
Market Price Premium:	59%

(1) Financials as of 06/30/07

Financial Highlights ⁽¹⁾

	First National	Carolina National
Total Assets (\$000)	554,885	225,666
Total Equity (\$000)	27,872	31,611
Tang. Equity / Assets	5.0%	14.0%
ROAA	0.89%	0.93%
ROAE	15.5%	6.3%

SOURCE: SNL Financial LC

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