



Annual Report of Bank Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844 (c)(1)(A)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11 (a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The *Annual Report of Bank Holding Companies* must be signed by one director of the top-tier bank holding company. This individual should also be a senior official of the top-tier bank holding company. In the event that the top-tier bank holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report.

I, Joel C. Clements

Name of the Bank Holding Company Director and Official

Chairman/President/CEO

Title of the Bank Holding Company Director and Official

attest that the *Annual Report of Bank Holding Companies* (including the supporting attachments) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter *and* individual consent to public release of all details in the report concerning that individual.

Signature of Bank Holding Company Director and Official

Date of Signature

For bank holding companies **not** registered with the SEC—

Indicate status of Annual Report to Shareholders:

- is included with the FR Y-6 report
- will be sent under separate cover
- is not prepared

For Federal Reserve Bank Use Only

RSSD ID 7467305 1083587
C.I. _____

This report form is to be filed by all top-tier bank holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under section 211.23 of Regulation K (12 C.F.R. § 211.23). The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

Date of Report (top-tier bank holding company's fiscal year-end):

December 31, 2011

Month / Day / Year

Reporter's Name, Street, and Mailing Address

First State Corporation

Legal Title of Bank Holding Company

P. O. Box 506

(Mailing Address of the Bank Holding Company) Street / P.O. Box

Waynesboro MS 39367

City State Zip Code

708 Azalea Drive, Waynesboro, MS

Physical location (if different from mailing address)

Person to whom questions about this report should be directed:

Allen Hodo CFO

Name Title

601-735-3124

Area Code / Phone Number / Extension

601-735-0231

Area Code / FAX Number

ahodo@firststatebnk.com

E-mail Address

www.firststatebnk.com

Address (URL) for the Bank Holding Company's web page

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.

The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

For Use By Tiered Bank Holding Companies

Top-tiered bank holding companies must list the names, mailing address, and physical locations of each of their subsidiary bank holding companies below.

Legal Title of Subsidiary Bank Holding Company

(Mailing Address of the Subsidiary Bank Holding Company) Street / P.O. Box

City State Zip Code

Physical location (if different from mailing address)

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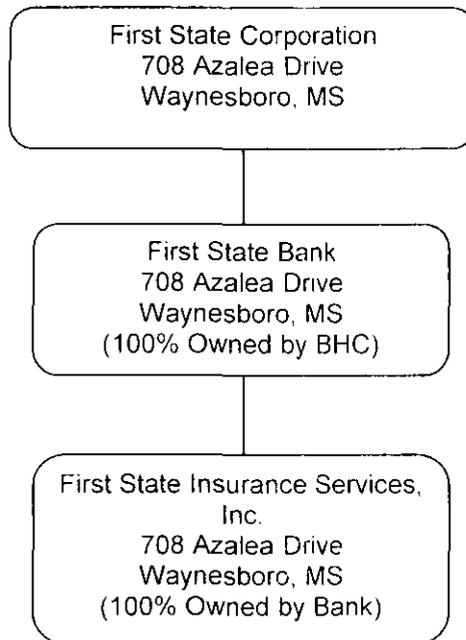
Form FR Y-6

First State Corporation
Waynesboro, Mississippi
Fiscal Year Ending December 31, 2011

Report Item

1. The Bank Holding Company does prepare an annual report for its shareholders. Enclosed are two copies of the annual report.

2a. Organizational Chart



First State Insurance Services is wholly owned by First State Bank, which in turn is wholly owned by First State Corporation.

Report Item 2b: Domestic Branch Listing

| Popular Name | Date Branch Opened | Street Address | City | County | State | Country | Zip Code | Branch Service Type |
|------------------------------|--------------------|---------------------------|-------------|------------|-------|---------------|----------|----------------------------|
| FIRST STATE BANK MAIN OFFICE | 1/1/1972 | 708 AZALEA DRIVE | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Full Service (Head Office) |
| BUCKATUNNA BRANCH | 4/1/1966 | BUCKATUNNA CLARA ROAD | BUCKATUNNA | WAYNE | MS | UNITED STATES | 39322 | Limited Service |
| CLARA BRANCH | 7/1/1969 | CHICORA CLARA ROAD | CLARA | WAYNE | MS | UNITED STATES | 39322 | Limited Service |
| LEAKESVILLE BRANCH | 3/1/1963 | LAFAYETTE STREET | LEAKESVILLE | GREENE | MS | UNITED STATES | 39451 | Full Service |
| QUITMAN BRANCH | 12/1/1995 | 310 SOUTH ARCHUSA AVENUE | QUITMAN | CLARKE | MS | UNITED STATES | 39355 | Full Service |
| STATE LINE BRANCH | 10/1/1975 | SAINT PETER STREET | STATE LINE | GREENE | MS | UNITED STATES | 39362 | Full Service |
| MORTGAGE LOAN CENTER | 5/10/1999 | 717 WAYNE STREET | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Full Service |
| NORTHEAST MOTOR BANK | 9/11/2003 | 1401 AZALEA DRIVE | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Limited Service |
| NORTHSIDE MINI-BANK BRANCH | 9/1/1977 | ROBINSON DRIVE - HERBERTS | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Limited Service |
| WAL-MART BRANCH | 4/1/2002 | 1350 AZALEA DRIVE | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Full Service |
| MERIDIAN CLOCK TOWER BRANCH | 12/3/2007 | 801 22ND AVENUE | MERIDIAN | LAUDERDALE | MS | UNITED STATES | 39301 | Full Service |
| INTERNET BANKING | | 717 WAYNE STREET | WAYNESBORO | WAYNE | MS | UNITED STATES | 39367 | Electronic Banking |
| GATEWAY BRANCH | 5/1/1998 | | LUCEDALE | GEORGE | MS | UNITED STATES | 39452 | Full Service |

First State Corporation
FR Y-6 Report Item 3: Shareholders

Section 3 (1): Shareholders

Listed below are shareholders of First State Corporation that directly or indirectly own, control, or holds with power to vote 5% or more of any class of voting securities of First State Corporation, the bank holding company.

| Name & Address | County of Citizenship | # of Shares Held | % of Class |
|--|-----------------------|------------------|------------|
| ✓ Marie M. Arledge Waynesboro, MS | USA | 100.37 ↑ | 7.41% |
| ✓ Ben C. Daws Waynesboro, MS | USA | 71.27 ↓ | 5.26% |
| ✓ T.O. Kelley, Sr.* Waynesboro, MS | USA | 136.9 ↓ | 10.10% |
| ✓ Wilodyne Rhinehart Waynesboro, MS | USA | 89 | 6.57% |
| James Gary Sigler-Personally | USA | 71.08 ↓ | 5.25% |
| ✓ As Trustee for First State Bank ESOP** | | <u>54.01</u> | 3.99% |
| Total | | 125.09 | 9.23% |
| Waynesboro, MS | | | |

Percent of class is based on 1,355 shares issued and outstanding at December 31, 2011.

*T. O. Kelley, Sr. is represented on the Board by T. O. Kelley, Jr.

**The shares held by the ESOP are voted based on the will of the majority of plan beneficiaries.

Section 3 (2):

There were no shareholders not listed above that at any point in the year owned or controlled five percent or more of the stock in the bank holding company during the fiscal year. In addition, there are no warrants, rights, or options outstanding that if exercised would allow anyone to meet or exceed the five percent threshold of stock ownership.

First State Corporation
 FR 14-6 Report Item 4 Directors and Officers
 As of December 31 2010

| (1) Name and Address | (2) Principal Occupation if other than with Bank Holding Co. | (3a) Title/Position with Bank Holding Co. | (3b) Title/Position with Subsidiaries (including name of subsidiaries) | (3c) Title & Position with Other Businesses | (4a) % of Voting Shares in Bank Holding Co. | (4b) Not Applicable* | (4c) Names of other companies that 25% or more voting securities are held |
|---|---|--|---|---|--|-------------------------|--|
| John H. Airdge ** Brandon, MS | Entry VP Public Affairs Jackson, MS | Director | N/A | None | 7.41% | | None |
| Rodell Bonner Waynesboro, MS | Certified Public Accountant | Director | N/A | Partner, Bonner & Associates | 2.23% | | Bonner & Associates, CPA (working interest) |
| Joel C. Clements Waynesboro, MS | President/CEO of First State Bank | Director & Chairman | President/CEO of First State Bank | None | 0.15% | | None |
| James F. Cooley Waynesboro, MS | Owner, Fast Food Business | Director & Secretary/Treasurer | N/A | Owner, Pizza Inn of Waynesboro | 3.84% | | Pizza Inn of Waynesboro (100%) |
| Ban C. Dawes Waynesboro, MS | President, Southeastern Oil Company | Director | N/A | President, Southeastern Oil President, Southeastern Producing | 5.26% | | Southeastern Oil (51%) Southeastern Producing (51%) |
| John G. Giles, Jr. Waynesboro, MS | Retired | Director | N/A | None | 2.95% | | None |
| Ernest W. Joiner Waynesboro, MS | President, Joiner-Sigler Insurance Agency | Director | N/A | President, Joiner-Sigler Insurance Agency | 2.07% | | Joiner-Sigler Insurance Agency (71%) |
| T. O. Kelley, Jr. *** Waynesboro, MS | Vice President, Kelley Industries, Inc. | Director | N/A | VP-Kelley Industries Partner-Kelley Holding Co. President-Kelwood Products President-AL-Tom Forest Products VP-EDL Labs Inc | 5.27% | | Kelley Industries (33.33%) Kelley Holding Co. (33.00%) Kelwood Products (33.33%) AL-Tom Forest Products (33.33%) EDL Labs, Inc. (30.00%) |
| Kenneth F. Rhinehart **** Waynesboro, MS | Adjunct Professor University of Southern Mississippi | Director | N/A | None | 6.57% | | None |
| B. B. Rounsaville Leaksville, MS | Retired | Director | N/A | None | 3.91% | | None |
| James Gary Sigler Waynesboro, MS | Vice President, First State Bank | Director | Vice President, First State Bank | None | 9.23% | | Ormus, LP (98%) |
| Ernie King Waynesboro, MS | Community Bank President EVP Lending Waynesboro Branch | EVP | Community Bank President | None | 0.59% | | None |
| Byron Jordan Waynesboro, MS | EVP Lending Waynesboro Branch | None | SVP Lending | None | 0.07% | | None |
| Allen Hood Waynesboro, MS | CEO/EVP Operations First State Bank | Vice President | CEO/SVP Operations | None | 0.15% | | None |

* Related to (4b), all subsidiary stock is 100% owned by First State Corporation.

** John Airdge is the grandson of Marie Airdge.

*** T. O. Kelley, Jr. is the son of T. O. Kelley, Sr.

**** Ken Rhinehart is the son of Willdyne Rhinehart.