

Firstbank CORPORATION



Annual Meeting of Shareholders
April 28, 2008

Forward-Looking Statement

Certain matters in this presentation are “forward-looking statements” intended to qualify for the safe harbors from liability as established by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include words and phrases such as “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “intends to,” or similar expressions. Similarly, statements that describe Firstbank’s future plans, objectives or goals are also forward-looking statements. Firstbank wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date of this presentation, and to advise the audience that various factors could affect Firstbank’s financial performance and could cause actual results for future periods to differ materially from those anticipated or projected. Such factors include, but are not limited to: (i) general market interest rates, (ii) general economic conditions, (iii) legislative/regulatory changes, (iv) monetary and fiscal policies of the U.S. Treasury and Federal Reserve, (v) changes in the quality of composition of Firstbank’s loan and investment portfolios, (vi) demand for loan products (vii) deposit flow, (viii) competition, (ix) demand for financial services in Firstbank’s markets, and (x) changes in accounting principles, policies or guidelines.

2007

A Year of Historic Challenges

Challenging Banking Environment Impacting All Banks

- Economic Problems
 - Low or No Growth
 - Increasing Unemployment
 - Rising Energy and Commodity Costs
- Earnings Problems
 - Margin Compression
 - Asset Quality Issues
 - Sub-Prime Mortgage Debacle

Michigan Banking Industry Hardest Hit

- Job Losses and High Level of Unemployment
- Declining Market Value of Real Estate
- Exceptionally High Level of Loan Losses
- Result:
 - Over 30 Michigan Banking Companies Posted Losses for the Year 2007
 - Over 50 Michigan Banking Companies Posted Losses in the 4th Quarter of 2007
 - Diminished Capital Levels Affecting Cash Dividends

Impact to Firstbank Corporation

- Continuing Margin Compression
- Earnings Stable, although at lower than historical levels
- Capital Remains Strong
- Credit and Asset Quality Issues have increased, but remain well contained
- Performance Very Good vs Michigan Peers

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Assets)

<u>Rank</u>	<u>Company Name</u>	<u>City</u>	<u>Total Assets (\$000) 2007Q4</u>
1	Flagstar Bancorp, Inc.	Troy	15,792,736
2	Citizens Republic Bancorp, Inc.	Flint	13,505,983
3	Capitol Bancorp Ltd.	Lansing	4,901,763
4	Chemical Financial Corporation	Midland	3,754,313
5	Independent Bank Corporation	Ionia	3,276,082
6	Macatawa Bank Corporation	Holland	2,129,966
7	Mercantile Bank Corporation	Grand Rapids	2,121,403
8	Citizens First Bancorp, Inc.	Port Huron	1,804,404
9	MBT Financial Corp.	Monroe	1,556,806
10	Firstbank Corporation	Alma	1,365,739
11	Dearborn Bancorp, Inc.	Dearborn	1,046,981
12	IBT Bancorp, Inc.	Mount Pleasant	957,282
13	Lake Michigan Financial Corporation	Holland	803,640
14	United Bancorp, Inc.	Tecumseh	795,687
15	Northwestern Bank	Traverse City	785,572
16	First State Financial Corporation	Saint Clair Shores	748,025
17	O.A.K. Financial Corporation	Byron Center	743,446
18	Sterling Bank and Trust, FSB	Southfield	678,734
19	Fentura Financial, Inc.	Fenton	628,019
20	Warren Bancorp, Inc.	Clinton Township	626,618

Source: SNL and Firstbank

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Net Income)

Rank	Company Name	City	Net Income (\$000) 2007Y
1	Citizens Republic Bancorp, Inc.	Flint	100,842
2	Chemical Financial Corporation	Midland	39,009
3	Capitol Bancorp Ltd.	Lansing	21,937
4	Independent Bank Corporation	Ionia	10,357
5	Macatawa Bank Corporation	Holland	9,269
6	Mercantile Bank Corporation	Grand Rapids	8,966
7	Firstbank Corporation	Alma	8,386
8	IBT Bancorp, Inc.	Mount Pleasant	7,930
9	MBT Financial Corp.	Monroe	7,713
10	O.A.K. Financial Corporation	Byron Center	6,729
11	Northwestern Bank	Traverse City	5,724
12	United Bancorp, Inc.	Tecumseh	5,582
13	Lake Michigan Financial Corporation	Holland	3,709
14	Dearborn Bancorp, Inc.	Dearborn	3,166
15	Citizens First Bancorp, Inc.	Port Huron	1,870
16	Warren Bancorp, Inc.	Clinton Township	1,086
17	Fentura Financial, Inc.	Fenton	(467)
18	Sterling Bank and Trust, FSB	Southfield	(6,314)
19	First State Financial Corporation	Saint Clair Shores	(8,732)
20	Flagstar Bancorp, Inc.	Troy	(39,225)

Source: SNL and Firstbank

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Return on Assets)

<u>Rank</u>	<u>Company Name</u>	<u>City</u>	<u>ROAA (%)</u> <u>2007Y</u>
1	Chemical Financial Corporation	Midland	1.03
2	O.A.K. Financial Corporation	Byron Center	0.95
3	IBT Bancorp, Inc.	Mount Pleasant	0.86
4	Citizens Republic Bancorp, Inc.	Flint	0.76
5	Northwestern Bank	Traverse City	0.76
6	United Bancorp, Inc.	Tecumseh	0.72
7	Firstbank Corporation	Alma	0.69
8	Lake Michigan Financial Corporation	Holland	0.52
9	MBT Financial Corp.	Monroe	0.50
10	Capitol Bancorp Ltd.	Lansing	0.49
11	Macatawa Bank Corporation	Holland	0.44
12	Mercantile Bank Corporation	Grand Rapids	0.43
13	Independent Bank Corporation	Ionia	0.32
14	Dearborn Bancorp, Inc.	Dearborn	0.30
15	Warren Bancorp, Inc.	Clinton Township	0.17
16	Citizens First Bancorp, Inc.	Port Huron	0.10
17	Fentura Financial, Inc.	Fenton	(0.08)
18	Flagstar Bancorp, Inc.	Troy	(0.24)
19	Sterling Bank and Trust, FSB	Southfield	(1.00)
20	First State Financial Corporation	Saint Clair Shores	(1.15)

Source: SNL and Firstbank

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Return on Equity)

<u>Rank</u>	<u>Company Name</u>	<u>City</u>	<u>ROAE (%)</u> <u>2007Y</u>
1	O.A.K. Financial Corporation	Byron Center	9.80
2	Northwestern Bank	Traverse City	8.35
3	Firstbank Corporation	Alma	7.80
4	Chemical Financial Corporation	Midland	7.71
5	United Bancorp, Inc.	Tecumseh	7.44
6	Lake Michigan Financial Corporation	Holland	7.16
7	IBT Bancorp, Inc.	Mount Pleasant	6.65
8	Citizens Republic Bancorp, Inc.	Flint	6.51
9	MBT Financial Corp.	Monroe	5.77
10	Capitol Bancorp Ltd.	Lansing	5.72
11	Macatawa Bank Corporation	Holland	5.63
12	Mercantile Bank Corporation	Grand Rapids	5.10
13	Independent Bank Corporation	Ionia	4.12
14	Dearborn Bancorp, Inc.	Dearborn	2.21
15	Warren Bancorp, Inc.	Clinton Township	2.15
16	Citizens First Bancorp, Inc.	Port Huron	1.05
17	Fentura Financial, Inc.	Fenton	(0.89)
18	Flagstar Bancorp, Inc.	Troy	(5.14)
19	Sterling Bank and Trust, FSB	Southfield	(7.56)
20	First State Financial Corporation	Saint Clair Shores	(11.75)

Source: SNL and Firstbank

Capital Remains Strong

	<u>Bank Regulatory Requirement</u>		<u>Firstbank Corp., 12/31</u>	
	<u>Adequate</u>	<u>Well-Capitalized</u>	<u>2006</u>	<u>2007</u>
Total Capital to Risk Weighted Assets	8.00%	10.00%	11.43%	11.28%
Tier I (Core) Capital to Risk Weighted Assets	4.00%	6.00%	10.37%	10.25%
Tier I (Core) Capital to Average Assets	4.00%	5.00%	8.81%	8.51%

Asset Quality Focused

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Non-Performing Assets / Assets)

<u>Rank</u>	<u>Company Name</u>	<u>City</u>	<u>NPAs/ Assets (%) 2007Y</u>
1	Lake Michigan Financial Corporation	Holland	0.80
2	IBT Bancorp, Inc.	Mount Pleasant	0.83
3	O.A.K. Financial Corporation	Byron Center	0.93
4	Firstbank Corporation	Alma	1.27
5	Mercantile Bank Corporation	Grand Rapids	1.68
6	Northwestern Bank	Traverse City	1.72
7	Capitol Bancorp Ltd.	Lansing	1.82
8	Citizens Republic Bancorp, Inc.	Flint	1.86
9	Chemical Financial Corporation	Midland	1.98
10	Flagstar Bancorp, Inc.	Troy	2.00
11	United Bancorp, Inc.	Tecumseh	2.19
12	Independent Bank Corporation	Ionia	2.65
13	Fentura Financial, Inc.	Fenton	2.79
14	MBT Financial Corp.	Monroe	2.99
15	Citizens First Bancorp, Inc.	Port Huron	3.62
16	Macatawa Bank Corporation	Holland	3.75
17	First State Financial Corporation	Saint Clair Shore	3.83
18	Dearborn Bancorp, Inc.	Dearborn	4.43
19	Sterling Bank and Trust, FSB	Southfield	7.11
20	Warren Bancorp, Inc.	Clinton Townshij	9.43

Source: SNL and Firstbank

Rankings of Michigan Banking Companies

(20 Largest in Asset Size – Ranked by Net Charge-offs / Average Loans)

Rank	Company Name	City	NCOs/ Avg Loans (%) 2007Y
1	Lake Michigan Financial Corporation	Holland	0.11
2	Northwestern Bank	Traverse City	0.12
3	Chemical Financial Corporation	Midland	0.22
4	Flagstar Bancorp, Inc.	Troy	0.24
5	IBT Bancorp, Inc.	Mount Pleasant	0.25
6	Firstbank Corporation	Alma	0.28
7	O.A.K. Financial Corporation	Byron Center	0.31
8	Macatawa Bank Corporation	Holland	0.32
9	Capitol Bancorp Ltd.	Lansing	0.33
10	Citizens First Bancorp, Inc.	Port Huron	0.33
11	Mercantile Bank Corporation	Grand Rapids	0.38
12	Warren Bancorp, Inc.	Clinton Township	0.40
13	MBT Financial Corp.	Monroe	0.49
14	Dearborn Bancorp, Inc.	Dearborn	0.50
15	Citizens Republic Bancorp, Inc.	Flint	0.55
16	United Bancorp, Inc.	Tecumseh	0.66
17	Independent Bank Corporation	Ionia	0.97
18	Sterling Bank and Trust, FSB	Southfield	1.01
19	Fentura Financial, Inc.	Fenton	1.21
20	First State Financial Corporation	Saint Clair Shore	1.79

Source: SNL and Firstbank

Asset Quality Focused

- Experienced and High Quality Lenders
- Low Individual Authorities, Strong Committee System
- Multi-Charter Format Capitalizes on our Knowledge of each Market and Borrower
- Strong Loan Review Function
- Historical Bias to Asset Quality vs. Growth
- In This Environment – Nobody's Immune

Continue to Invest for the Future

- Additional Branches in Attractive Markets – Dewitt, Hastings, Kalamazoo, Paw Paw
- Technology Investments are Proving Attractive to Customers
 - E-banking now interfaces with Quicken and Microsoft Money
 - Business Remote Deposit Very Popular
 - Introducing “Positive Pay” for Municipalities and Large Commercial Accounts
 - Branch Capture Improved Customer Service

Grow Selectively Thru Acquisition Keystone and ICNB

(000s)

	<u>Dec. 31 2004</u>	<u>Dec. 31 2005</u>	<u>Dec. 31 2006</u>	<u>Dec. 31 2007</u>	<u>Change</u>
Assets	\$806,135	\$1,061,118	\$1,095,092	\$1,365,739	69%
Loans	\$671,087	\$878,624	\$909,520	\$1,121,929	67%
Deposits	\$603,267	\$811,105	\$835,426	\$1,011,392	68%
Borrowings	\$81,740	\$100,944	\$114,797	\$175,119	114%
Equity	\$72,864	\$93,577	\$96,073	\$118,611	63%

2008 First Quarter Results

First Quarter Financial Results

(000s)

	Mar. 31 2007	Dec. 31 2007	Mar. 31 2008	Q1'08 Change
Assets	\$1,101,101	\$1,365,739	\$1,382,487	1%
Loans	\$912,581	\$1,121,929	\$1,128,807	1%
Deposits	\$833,612	\$1,011,392	\$1,011,687	0%
Borrowings	\$114,766	\$175,119	\$183,656	5%
Equity	\$98,130	\$118,611	\$119,767	1%
Shares Outstanding	6,518	7,407	7,441	0%
Net Income	\$2,658	\$1,566	\$2,150	37%

Loan Quality and Capital

	<u>FY'2007</u>	<u>Q1'2008</u>
Net Charge-offs	\$2,848	\$743
NCO / Avg. Loans	0.28%	0.26%
Allowance (ending)	\$11,477	\$11,550
Allowance / Loans (ending)	1.02%	1.02%
Non-Performing Loans / Loans (ending)	1.26%	1.27%
Avg. Equity / Assets	8.8%	8.6%

Future Strategies

- Maintain Stable and Respectable Earnings until the Michigan Economic and Banking Cycles Improve
- Weather the Current Asset Quality Problems by Renewing our Focus on this Critical Area
- Continue Striving to be the Community Bank of Choice in Every One of our Markets
- Maximize the Benefits of our Community Banking Model
- Focus on our Staff – the Real Differentiator between Banks
- Maintain our Disciplined Acquisition Strategy

Challenge Our Model

- Multi-Charter Format
- Market Sensitive Pricing and Decision-Making provide Market Advantages
- Each Bank/Unit Must Produce Growth and Earnings to Justify Additional Cost
- Overlapping Markets may Provide Cost Savings Opportunities
- Lakeview/Mt. Pleasant Combination

Shareholder Value

Shareholder E-mail

"I have been knocking my head against the wall trying to figure out why a stock with a book value of over \$16 would sell for just over \$13. This is either a great investment opportunity or a house of cards ready to collapse. Can you discuss this sometime soon?"

Bank Stock Prices

	<u>Value</u>	<u>Percentage Change</u>			
		<u>1 Day</u>	<u>10 Day</u>	<u>YTD</u>	<u>52 Week</u>
SNL Bank	460.10	1.85	-0.49	-6.64	-29.25
Super-Regional Bank	370.50	2.13	-0.72	-7.43	-31.74
MultiNational Bank	615.40	2.04	-0.18	-6.60	-28.61

Source: SNL Bank and Thrift Daily 04/21/2008

What If I Had Invested Outside of Michigan?

	<u>Value</u>	<u>Percentage Change</u>			
		<u>1 Day</u>	<u>10 Day</u>	<u>YTD</u>	<u>52 Week</u>
Bank New England	395.90	-2.04	-15.96	-15.37	-6.35
Bank Mid-Atlantic	420.30	1.94	2.25	-4.39	-30.60
Bank Southeast	442.60	2.62	-1.46	-11.16	-33.61
Bank Midwest	473.60	0.70	-0.65	-5.04	-26.98
Bank Southwest	669.50	1.48	0.88	-2.16	-23.28
Bank West	784.50	1.99	-1.91	-1.73	-20.72

Source: SNL Bank and Thrift Daily 04/21/2008

What If Firstbank Had Stayed Smaller – or - Had Grown More Aggressively?

	<u>Value</u>	<u>Percentage Change</u>			
		<u>1 Day</u>	<u>10 Day</u>	<u>YTD</u>	<u>52 Week</u>
Bank w/Assets < \$500M	672.60	0.32	-0.62	-5.42	-23.75
Bank w/Assets \$500M-\$1B	658.20	-0.02	-1.62	-5.30	-23.62
Bank w/Assets \$1B-\$5B	764.70	1.70	0.06	0.14	-21.17
Bank w/Assets \$5B-\$10B	760.80	1.40	-1.11	-4.08	-20.44
Bank w/Assets > \$10B	416.70	1.90	-0.49	-7.01	-29.89

Source: SNL Bank and Thrift Daily 04/21/2008

Shareholder E-mail

“I have been knocking my head against the wall trying to figure out why a stock with a book value of over \$16 would sell for just over \$13. This is either a great investment opportunity or a house of cards ready to collapse. Can you discuss this sometime soon?”

	<u>Total Book Value</u>	<u>Tangible Book Value</u>	<u>Current Price</u>	<u>2007 ROE</u>
Firstbank	\$16.01	\$10.58	\$13.40	7.80%
Chemical	21.35	18.22	24.49	7.71%
Isabella	17.58	13.72	39.00	6.51%
Citizens Repub.	20.84	10.20	12.91	6.51%
Macatawa	9.47	7.76	10.60	5.63%
Mercantile	20.89	20.89	10.30	5.10%
Independent	10.62	7.00	9.87	4.12%
Flagstar	11.50	11.50	7.30	-5.14%

	<u>Price/Total Book</u>	<u>Price/Tangible Book</u>
Group	99.7%	128%
Adjusted Group	80.0%	103%
Firstbank Corp.	83.7%	126%

Percent Change in Cash Dividend Based upon Most Recent Announcement

<u>Company Name</u>	<u>% Change</u>
Macatawa Bank Corporation	5%
Chemical Financial Corporation	3.5%
Capitol Bancorp Ltd.	n/c
Citizens First Bancorp, Inc.	n/c
Fifth Third Bancorp	n/c
Firstbank Corporation	n/c
Huntington Bancshares Incorporated	n/c
MBT Financial Corp.	n/c
Mercantile Bank Corporation	-47%
Independent Bank Corporation	-48%
National City Corporation	-95%
Citizens Republic Bancorp, Inc.	-100%
Flagstar Bancorp, Inc.	-100%

Source: SNL and Firstbank

House of Cards
Or
Buying Opportunity

Investment Issues

- Bank Stocks Currently Out of Favor – Especially Michigan Bank Stocks
- Michigan's Very Troubled Economy
- Depressed Real Estate Values and Housing Over-Supply will continue to impact Mortgage Business
- Recent Federal Reserve Rate Actions require time to adjust
- When will the Cycles turn?

Investment Issues

(con't)

- Firstbank's Strong Financial Performance relative to Michigan Banking Companies
- Firstbank's Demonstrated Discipline in our approach to Asset Quality and Acquisition Pricing
- Firstbank Performance exceeds Peer, but trading multiples only at or slightly above Peer.
- Stable and Long Term Dividend Policy with Attractive Current Dividend Yield
- Continued Investment by Officers and Directors

Summary

- We remain firmly committed to our core values of Community Banking, continuing to focus on Growth, Asset Quality, and enhancing Shareholder Value.
- From the sole view of Share Price it is difficult to see enhanced Shareholder Value, however:
 - We have maintained a consistent record of stable and very respectable earnings
 - We have a relentless focus on controlling loan losses and asset quality
 - We have continued to invest in initiatives designed to provide future growth, and
 - We are committed to a long term and dependable dividend policy
- All provide a firm foundation for future success and improved valuation to be realized when we emerge from this most difficult operating environment.

Thank You for Your
Support, Encouragement,
& Investment
in
Firstbank Corporation

Questions & Answers

Firstbank

CORPORATION



We're all about you.