



Contact:

John G. Copeland
Senior Executive Vice President and
Chief Financial Officer
662/680-2536

Will Fisackerly
Senior Vice President and
Director of Corporate Finance
662/680-2475

BancorpSouth Reports Record Quarterly Earnings

TUPELO, MS, October 17, 2018/PRNewswire – BancorpSouth Bank (NYSE: BXS) (the “Company”) today announced financial results for the quarter ended September 30, 2018.

Highlights for the third quarter of 2018 included:

- Record quarterly net income of \$66.7 million, or \$0.67 per diluted share, which represents an increase of 56 percent on a per share basis compared with the third quarter of 2017.
- Recognized a one-time tax benefit of \$11.3 million, or \$0.11 per diluted share, as a result of a voluntary contribution to the Company's pension plan as well as a tax accounting method change related to the recognition of certain software development costs.
- Earnings benefited from a positive pre-tax mortgage servicing rights (“MSR”) valuation adjustment of \$1.5 million.
- Net operating income – excluding MSR – of \$55.0 million, or \$0.56 per diluted share.
- Net interest margin – excluding accretable yield – of 3.62 percent remained stable compared with the second quarter of 2018.
- Continued focus on expense control reflected by a \$1.8 million decline in total operating expense compared with the second quarter of 2018.
- Repurchased 166,721 shares of outstanding common stock at a weighted average price of \$33.38 per share.
- Completed the acquisition of Icon Capital Corporation effective October 1, 2018, which will add over \$600 million in both loans and deposits to the Company's presence in Houston, Texas in the fourth quarter.

- MORE -

BXS Announces Third Quarter 2018 Financial Results

Page 2

October 17, 2018

The Company reported net income of \$66.7 million, or \$0.67 per diluted share, for the third quarter of 2018 compared with net income of \$39.5 million, or \$0.43 per diluted share, for the third quarter of 2017 and net income of \$54.0 million, or \$0.55 per diluted share, for the second quarter of 2018. The Company reported net operating income – excluding MSR – of \$55.0 million, or \$0.56 per diluted share, for the third quarter of 2018 compared with \$39.6 million, or \$0.43 per diluted share, for the third quarter of 2017 and \$55.6 million, or \$0.56 per diluted share, for the second quarter of 2018.

Net operating income – excluding MSR – is a non-GAAP financial measure used by management to assess the core operating performance of the Company. This measure excludes items such as recognized securities gains and losses, MSR valuation adjustments, restructuring charges, merger-related expenses, and other one-time charges.

"Our results for the quarter are highlighted by continued strong credit quality, a decline in total operating expense, and a stable core net interest margin," remarked Dan Rollins, Chairman and Chief Executive Officer. "We continue to experience a very competitive lending environment as well as upward pressure on deposit costs. We are pleased to have maintained a stable net interest margin – excluding accretable yield – at 3.62 percent despite these rising deposit costs and slower than anticipated balance sheet growth. We are also proud of our ability to continue to challenge expenses and realize cost savings from our previous mergers, which is evidenced by the \$1.8 million decline in total operating expense."

"Additionally, our third quarter income tax expense includes a one-time income tax benefit totaling \$11.3 million, or \$0.11 per diluted share, as a result of a voluntary pension contribution as well as a tax method change related to the recognition of software development costs. This benefit is the result of our ability to deduct these items on the Company's 2017 federal income tax return at the prior statutory rate of 35 percent."

"Finally, we are pleased to have recently completed our merger with Icon Bank of Texas and its parent company in Houston, Texas. We are excited about the experience and leadership Mark Reiley and John Green and their team can provide in our efforts to grow in the Houston market. We anticipate completing the operational integration of Icon during the fourth quarter of this year."

Net Interest Revenue

Net interest revenue was \$142.1 million for the third quarter of 2018, an increase of 17.9 percent from \$120.6 million for the third quarter of 2017 and flat compared with the second quarter of 2018. The fully taxable equivalent net interest margin was 3.67 percent for the third quarter of 2018 compared with 3.58 percent for the third quarter of 2017 and 3.71 percent for the second quarter of 2018. Yields on net loans and leases were 4.72 percent for the third quarter of 2018 compared with 4.33 percent for the third quarter of 2017 and 4.67 percent for the second quarter of 2018, while yields on total interest earning assets were 4.21 percent for the third quarter of 2018 compared with 3.89 percent for the third quarter of 2017 and 4.15 percent for the second quarter of 2018. The net interest margin, excluding accretable yield, was 3.62 percent for the

- MORE -

BancorpSouth Bank

201 South Spring Street • Tupelo, MS 38804 • (662) 680-2000

October 17, 2018

third quarter of 2018 compared with 3.63 percent for the second quarter of 2018 while yields on net loans and leases, excluding accretible yield, were 4.64 percent for the third quarter of 2018 compared with 4.57 percent for the second quarter of 2018. Purchase accounting accretion did not impact the net interest margin or net loan and lease yields for the third quarter of 2017. The average cost of deposits was 0.43 percent for the third quarter of 2018 compared with 0.26 percent for the third quarter of 2017 and 0.34 percent for the second quarter of 2018.

Asset, Deposit and Loan Activity

Total assets were \$17.2 billion at September 30, 2018 compared with \$14.8 billion at September 30, 2017. Loans and leases, net of unearned income, were \$12.4 billion at September 30, 2018 compared with \$11.1 billion at September 30, 2017. Total deposits were \$13.3 billion at September 30, 2018 compared with \$11.8 billion at September 30, 2017. These balance sheet comparisons include the impact of the acquisitions of Central Community Corporation and Ouachita Bancshares Corp., each of which closed effective January 15, 2018, but do not include the impact of the acquisition of Icon, which closed effective October 1, 2018. Balance sheet totals for these two banks at the time of closing are disclosed in the “Transactions” section of this news release.

Provision for Credit Losses and Allowance for Credit Losses

Earnings for the third quarter of 2018 reflect no provision for credit losses, compared with a provision of \$0.5 million for the third quarter of 2017 and a provision of \$2.5 million for the second quarter of 2018. Net recoveries for the third quarter of 2018 were \$1.1 million, compared with net charge-offs of \$2.6 million for the third quarter of 2017 and net charge-offs of \$2.0 million for the second quarter of 2018. The allowance for credit losses was \$121.0 million, or 0.97 percent of net loans and leases, at September 30, 2018, compared with \$119.5 million, or 1.08 percent of net loans and leases, at September 30, 2017 and \$119.9 million, or 0.97 percent of net loans and leases, at June 30, 2018. The allowance for credit losses coverage metrics were impacted by loans acquired in the acquisitions that closed during the first quarter of 2018.

Total non-performing assets were \$70.3 million, or 0.56 percent of net loans and leases, at September 30, 2018 compared with \$71.0 million, or 0.64 percent of net loans and leases, at September 30, 2017, and \$81.2 million, or 0.65 percent of net loans and leases, at June 30, 2018. Other real estate owned was \$4.3 million at September 30, 2018 compared with \$6.0 million at September 30, 2017 and \$7.8 million at June 30, 2018.

Noninterest Revenue

Noninterest revenue was \$71.6 million for the third quarter of 2018, compared with \$66.0 million for the third quarter of 2017 and \$72.5 million for the second quarter of 2018. These results include a positive MSR valuation adjustment of \$1.5 million for the third quarter of 2018, compared with an immaterial MSR valuation adjustment for the third quarter of 2017 and a negative MSR valuation adjustment of \$0.2 million for the second quarter of 2018. Valuation

- MORE -

adjustments in the MSR asset are driven primarily by fluctuations in interest rates period over period.

Excluding the MSR valuation adjustment, mortgage banking revenue was \$5.0 million for the third quarter of 2018, compared with \$7.0 million for the third quarter of 2017 and \$7.1 million for the second quarter of 2018. Mortgage origination volume for the third quarter of 2018 was \$384.8 million, compared with \$342.4 million for the third quarter of 2017 and \$523.7 million for the second quarter of 2018. Of the total mortgage origination volume for the third quarter of 2018, \$95.4 million was portfolio loans, compared with \$61.4 million for the third quarter of 2017 and \$209.3 million for the second quarter of 2018.

Credit and debit card fee revenue was \$9.9 million for the third quarter of 2018, compared with \$9.3 million for the third quarter of 2017 and \$10.5 million for the second quarter of 2018. Deposit service charge revenue was \$11.3 million for the third quarter of 2018, compared with \$10.4 million for the third quarter of 2017 and \$10.8 million for the second quarter of 2018. Wealth management revenue was \$6.0 million for the third quarter of 2018, compared with \$5.4 million for the third quarter of 2017 and \$5.7 million for the second quarter of 2018. Other noninterest revenue was \$6.3 million for the third quarter of 2018, compared with \$5.3 million for the third quarter of 2017 and \$5.5 million for the second quarter of 2018.

Insurance commission revenue was \$31.7 million for the third quarter of 2018, compared with \$28.6 million for the third quarter of 2017 and \$33.0 million for the second quarter of 2018. New accounting guidance, which became effective January 1, 2018, impacted the Company's accounting for insurance commission revenue. Previously, contingent commissions were recognized as revenue in the period of receipt; however, under the new guidance, the Company is required to estimate and accrue for contingent commissions throughout the year.

Noninterest Expense

Noninterest expense for the third quarter of 2018 was \$142.4 million, compared with \$126.9 million for the third quarter of 2017 and \$145.2 million for the second quarter of 2018. Salaries and employee benefits expense was \$89.6 million for the third quarter of 2018 compared with \$80.5 million for the third quarter of 2017 and \$91.5 million for the second quarter of 2018. Occupancy expense was \$11.7 million for the third quarter of 2018, compared with \$10.3 million for the third quarter of 2017 and \$11.1 million for the second quarter of 2018. Other noninterest expense was \$34.1 million for the third quarter of 2018, compared with \$30.2 million for the third quarter of 2017 and \$35.7 million for the second quarter of 2018. Additionally, merger-related expense for the third quarter of 2018 was \$0.9 million, compared with no merger-related expense for the third quarter of 2017 and \$1.9 million for the second quarter of 2018. Income tax expense for the third quarter of 2018 included a one-time tax benefit of \$11.3 million as a result of a voluntary contribution to the Company's pension plan as well as a tax accounting method change related to the recognition of certain software development costs. Income tax expense for the second quarter of 2018 was reduced by the tax benefit of the vesting of restricted stock during the quarter.

- MORE -

Capital Management

The Company's equity capitalization is comprised entirely of common stock. The Company's ratio of shareholders' equity to assets was 12.27 percent at September 30, 2018, compared with 11.52 percent at September 30, 2017 and 12.03 percent at June 30, 2018. The ratio of tangible shareholders' equity to tangible assets was 8.96 percent at September 30, 2018, compared with 9.56 percent at September 30, 2017 and 8.71 percent at June 30, 2018.

During the third quarter of 2018, the Company repurchased 166,721 shares of its outstanding common stock at a weighted average price of \$33.38 per share pursuant to its share repurchase program which is intended to comply with Rules 10b-18 and 10b5-1 promulgated under the Securities and Exchange Act of 1934, as amended. During the second quarter of 2018, the Company repurchased 785,877 shares of its outstanding common stock at a weighted average price of \$31.39 per share. As of September 30, 2018, the Company had 2,973,416 remaining shares available for repurchase under its current share repurchase authorization, which expires on December 31, 2019.

Estimated regulatory capital ratios at September 30, 2018 were calculated in accordance with the Basel III capital framework. The Company is a "well capitalized" bank, as defined by federal regulations, at September 30, 2018, with Tier 1 risk-based capital of 11.72 percent and total risk-based capital of 12.61 percent, compared with required minimum levels of 8 percent and 10 percent, respectively, in order to qualify for "well capitalized" classification.

Summary

Rollins concluded, "As we look toward the remainder of the year and beyond, we will continue to focus on our initiatives of balance sheet growth, both organically and through strategic opportunities, strong credit quality, and diligent expense management. We continue to emphasize to our bankers the importance of developing and mining customer relationships that can contribute growth to both sides of the balance sheet. In addition to our growth efforts, we have also steadily increased our dividend and utilized our share repurchase program in an effort to maximize returns for our shareholders."

TRANSACTIONS

Icon Capital Corporation

Effective October 1, 2018, the Company completed the merger with Icon Capital Corporation and its wholly owned subsidiary, Icon Bank of Texas, National Association (collectively referred to as "Icon"), pursuant to which Icon was merged with and into the Company. Icon was headquartered in Houston, Texas and operated 7 full-service banking offices in the Houston, Texas metropolitan area. As of October 1, 2018, Icon, on a consolidated basis, reported total assets of \$760.4 million, total loans of \$650.4 million and total deposits of \$675.8 million. Under the terms of the definitive agreement, the Company issued approximately 4,125,000 shares of the Company's common stock plus \$17.5 million in cash for all outstanding shares of

- MORE -

October 17, 2018

Icon Capital Corporation's capital stock. For more information regarding the Icon Merger, see our Current Report on Form 8-K that was filed with the Federal Deposit Insurance Corporation ("FDIC") on October 1, 2018.

Central Community Corporation

Effective January 15, 2018, the Company completed the merger with Central Community Corporation ("CCC"), headquartered in Temple, Texas, pursuant to which CCC merged with and into the Company. CCC was the parent company of First State Bank Central Texas ("First State Bank"), which was headquartered in Austin, Texas. First State Bank operated 31 full-service banking offices in central Texas. As of January 15, 2018, CCC, on a consolidated basis, reported total assets of \$1.4 billion, total loans of \$712.2 million and total deposits of \$1.2 billion. Under the terms of the definitive merger agreement, the Company issued approximately 7,250,000 shares of the Company's common stock plus \$28.5 million in cash for all outstanding shares of CCC's capital stock. For more information regarding the CCC merger, see our Current Report on Form 8-K that was filed with the FDIC on January 16, 2018. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

Ouachita Bancshares Corp.

Effective January 15, 2018, the Company completed the merger with Ouachita Bancshares Corp., parent company of Ouachita Independent Bank (collectively referred to as "OIB"), headquartered in Monroe, Louisiana, pursuant to which OIB was merged with and into the Company. OIB operated 11 full-service banking offices along the I-20 corridor and had a loan production office in Madison, Mississippi. As of January 15, 2018, OIB, on a consolidated basis, reported total assets of \$707.1 million, total loans of \$495.6 million and total deposits of \$653.4 million. Under the terms of the definitive merger agreement, the Company issued approximately 3,675,000 shares of the Company's common stock plus \$22.875 million in cash for all outstanding shares of Ouachita Bancshares Corp.'s capital stock. For more information regarding the OIB merger, see our Current Report on Form 8-K that was filed with the FDIC on January 16, 2018. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

The Reorganization

Effective October 31, 2017, the merger of BancorpSouth, Inc. with and into BancorpSouth Bank was closed, with BancorpSouth Bank continuing as the surviving entity (the "Reorganization"). The Reorganization resulted in the elimination of the holding company structure. The Reorganization is expected to improve efficiency through the elimination of redundant corporate infrastructure and duplicative regulatory oversight. For more information regarding the Reorganization, see our Current Report on Form 8-K that was filed with the FDIC on November 1, 2017.

- MORE -

BancorpSouth Bank

201 South Spring Street • Tupelo, MS 38804 • (662) 680-2000

Non-GAAP Measures and Ratios

This news release presents certain financial measures and ratios that are not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). A discussion regarding these non-GAAP measures and ratios, including reconciliations of non-GAAP measures to the most directly comparable GAAP measures and definitions for non-GAAP ratios, appears under the caption “Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions” beginning on page 21 of this news release.

Conference Call and Webcast

The Company will conduct a conference call to discuss its third quarter 2018 financial results on October 18, 2018, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. Shareholders and other interested parties may listen to this live conference call via Internet webcast by accessing www.BancorpSouth.investorroom.com/Webcasts. The webcast will also be available in archived format at the same address.

About BancorpSouth Bank

BancorpSouth Bank (NYSE: BXS) is headquartered in Tupelo, Mississippi, with approximately \$18 billion in assets. BancorpSouth operates approximately 285 full service branch locations as well as additional mortgage, insurance, and loan production offices in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, including an insurance location in Illinois. BancorpSouth is committed to a culture of respect, diversity, and inclusion in both its workplace and communities. To learn more, visit our Community Commitment page at www.bancorpsouth.com. Like us on Facebook; follow us on Twitter: @MyBXS; or connect with us through LinkedIn.

Forward-Looking Statements

Certain statements contained in this news release may not be based upon historical facts and are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by their reference to a future period or periods or by the use of forward-looking terminology such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “foresee,” “hope,” “intend,” “may,” “might,” “plan,” “will,” or “would” or future or conditional verb tenses and variations or negatives of such terms. These forward-looking statements include, without limitation, those relating to the benefits, costs, synergies and financial and operational impact of the Reorganization and the Icon, CCC and OIB mergers on the Company, the acceptance by customers of Icon, OIB and CCC of the Company’s products and services after the closing of the mergers, the opportunities to enhance market share in certain markets and market acceptance of the Company generally in new markets, the Company’s ability to operate its regulatory compliance programs consistent with federal, state and local laws, including its Bank Secrecy Act (“BSA”) and anti-money laundering (“AML”) compliance program and its fair lending compliance program, the Company’s compliance with the consent order it entered into with the Consumer Financial Protection Bureau and the United States Department of Justice related to the Company’s fair lending practices (the “Consent Order”), the impact of the Tax Cuts and Jobs Act of 2017 on the Company and its operations and financial performance, amortization expense for intangible assets, goodwill impairments, loan impairment, utilization of appraisals and inspections for real estate loans, maturity, renewal or extension of construction, acquisition and development loans, net interest revenue, fair value determinations, the amount of the Company’s non-performing loans and leases, credit quality, credit losses, liquidity, off-balance sheet commitments and arrangements, valuation of mortgage servicing rights, allowance and provision for credit losses, early identification and resolution of credit issues, utilization of non-GAAP financial measures, the ability of the Company to collect all amounts due according to the contractual terms of loan agreements, the Company’s reserve for losses from representation and warranty obligations, the Company’s foreclosure process related to mortgage loans, the resolution of non-performing loans that are collateral dependent, real estate values, fully-indexed interest rates, interest rate risk, interest rate sensitivity, the impact of interest rates on loan yields, calculation of economic value of equity, impaired loan charge-offs, diversification of the Company’s revenue stream, the growth of the Company’s insurance business and commission revenue, the growth of the Company’s customer base and loan,

- MORE -

BXS Announces Third Quarter 2018 Financial Results

Page 8

October 17, 2018

deposit and fee revenue sources, liquidity needs and strategies, sources of funding, net interest margin, declaration and payment of dividends, the utilization of the Company's share repurchase program, the implementation and execution of cost saving initiatives, improvement in the Company's efficiencies, operating expense trends, future acquisitions, dispositions and other strategic growth opportunities and initiatives and the impact of certain claims and ongoing, pending or threatened litigation, administrative and investigatory matters.

The Company cautions readers not to place undue reliance on the forward-looking statements contained in this news release, in that actual results could differ materially from those indicated in such forward-looking statements as a result of a variety of factors. These factors may include, but are not limited to, the Company's ability to operate its regulatory compliance programs consistent with federal, state and local laws, including its BSA/AML compliance program and its fair lending compliance program, the Company's ability to successfully implement and comply with the Consent Order, the ability of the Company to meet expectations regarding the benefits, costs, synergies, and financial and operational impact of the Reorganization and the Icon, CCC and OIB mergers, the possibility that any of the anticipated benefits, costs, synergies and financial and operational improvements of the Reorganization and the Icon, OIB and CCC mergers will not be realized or will not be realized as expected, the possibility that the Icon merger integration may be more expensive to complete than anticipated, the lack of availability of the Company's filings mandated by the Exchange Act from the SEC's publicly available website after the closing of the Reorganization, the impact of any ongoing, pending or threatened litigation, administrative and investigatory matters involving the Company, conditions in the financial markets and economic conditions generally, the adequacy of the Company's provision and allowance for credit losses to cover actual credit losses, the credit risk associated with real estate construction, acquisition and development loans, limitations on the Company's ability to declare and pay dividends, the availability of capital on favorable terms if and when needed, liquidity risk, governmental regulation, including the Dodd-Frank Act, and supervision of the Company's operations, the short-term and long-term impact of changes to banking capital standards on the Company's regulatory capital and liquidity, the impact of regulations on service charges on the Company's core deposit accounts, the susceptibility of the Company's business to local economic and environmental conditions, the soundness of other financial institutions, changes in interest rates, the impact of monetary policies and economic factors on the Company's ability to attract deposits or make loans, volatility in capital and credit markets, reputational risk, the impact of the Tax Cuts and Jobs Act of 2017 on the Company and its operations and financial performance, the impact of the loss of any key Company personnel, the impact of hurricanes or other adverse weather events, any requirement that the Company write down goodwill or other intangible assets, diversification in the types of financial services the Company offers, the growth of the Company's insurance business and commission revenue, the growth of the Company's loan, deposit and fee revenue sources, the Company's ability to adapt its products and services to evolving industry standards and consumer preferences, competition with other financial services companies, risks in connection with completed or potential acquisitions, dispositions and other strategic growth opportunities and initiatives, the Company's growth strategy, interruptions or breaches in the Company's information system security, the failure of certain third-party vendors to perform, unfavorable ratings by rating agencies, dilution caused by the Company's issuance of any additional shares of its common stock to raise capital or acquire other banks, bank holding companies, financial holding companies and insurance agencies, the utilization of the Company's share repurchase program, the implementation and execution of cost saving initiatives, other factors generally understood to affect the assets, business, cash flows, financial condition, liquidity, prospects and/or results of operations of financial services companies and other factors detailed from time to time in the Company's press and news releases, reports and other filings with the FDIC. Forward-looking statements speak only as of the date that they were made, and, except as required by law, the Company does not undertake any obligation to update or revise forward-looking statements to reflect events or circumstances that occur after the date of this news release.

- MORE -

BancorpSouth Bank

201 South Spring Street • Tupelo, MS 38804 • (662) 680-2000

BancorpSouth Bank
Selected Financial Information
(Dollars in thousands, except per share data)
(Unaudited)

	Quarter Ended 9/30/2018	Quarter Ended 6/30/2018	Quarter Ended 3/31/2018	Quarter Ended 12/31/2017	Quarter Ended 9/30/2017	Year to Date 9/30/2018	Year to Date 9/30/2017
Earnings Summary:							
Interest revenue	\$ 163,158	\$ 159,290	\$ 152,195	\$ 132,276	\$ 130,934	\$ 474,643	\$ 380,715
Interest expense	21,023	17,162	14,117	10,890	10,373	52,302	28,065
Net interest revenue	142,135	142,128	138,078	121,386	120,561	422,341	352,650
Provision for credit losses	-	2,500	1,000	500	500	3,500	2,500
Net interest revenue, after provision	142,135	139,628	137,078	120,886	120,061	418,841	350,150
for credit losses	142,135	139,628	137,078	120,886	120,061	418,841	350,150
Noninterest revenue	71,616	72,456	78,934	63,074	65,960	223,006	204,959
Noninterest expense	142,409	145,182	147,701	125,881	126,903	435,292	381,565
Income before income taxes	71,342	66,902	68,311	58,079	59,118	206,555	173,544
Income tax expense	4,659	12,856	14,820	20,556	19,590	32,335	58,034
Net income	\$ 66,683	\$ 54,046	\$ 53,491	\$ 37,523	\$ 39,528	\$ 174,220	\$ 115,510
Balance Sheet - Period End Balances							
Total assets	\$ 17,249,175	\$ 17,222,491	\$ 17,185,772	\$ 15,298,518	\$ 14,760,394	\$ 17,249,175	\$ 14,760,394
Total earning assets	15,594,549	15,600,037	15,593,366	14,081,818	13,606,145	15,594,549	13,606,145
Total securities	2,826,359	2,828,754	2,989,767	2,798,542	2,326,900	2,826,359	2,326,900
Loans and leases, net of unearned income	12,449,995	12,418,114	12,296,849	11,056,434	11,055,509	12,449,995	11,055,509
Allowance for credit losses	121,019	119,920	119,434	118,200	119,496	121,019	119,496
Net book value of acquired loans (included in loans and leases above)	835,939	926,996	1,076,208	-	-	835,939	-
Remaining loan mark on acquired loans	13,368	14,485	19,330	-	-	13,368	-
Total deposits	13,347,193	13,476,558	13,894,301	11,915,596	11,775,988	13,347,193	11,775,988
Long-term debt	33,182	33,214	32,963	30,000	30,000	33,182	30,000
Total shareholders' equity	2,116,375	2,072,083	2,060,487	1,713,485	1,700,502	2,116,375	1,700,502
Balance Sheet - Average Balances							
Total assets	\$ 17,059,865	\$ 17,094,283	\$ 16,918,568	\$ 14,809,497	\$ 14,710,245	\$ 17,024,756	\$ 14,760,991
Total earning assets	15,465,260	15,496,007	15,374,336	13,678,542	13,591,124	15,445,534	13,647,261
Total securities	2,814,751	2,906,235	2,966,917	2,414,140	2,334,717	2,895,410	2,424,067
Loans and leases, net of unearned income	12,433,701	12,334,756	12,084,020	11,010,187	11,013,270	12,285,440	10,906,326
Total deposits	13,387,849	13,539,324	13,563,510	11,840,049	11,802,682	13,496,251	11,881,806
Long-term debt	33,196	33,147	34,433	30,000	162,609	33,588	362,234
Total shareholders' equity	2,089,746	2,051,452	2,012,639	1,701,228	1,695,899	2,051,561	1,702,496
Nonperforming Assets:							
Non-accrual loans and leases	\$ 55,532	\$ 60,045	\$ 65,303	\$ 61,891	\$ 55,796	\$ 55,532	\$ 55,796
Loans and leases 90+ days past due, still accruing	2,934	6,335	6,519	8,503	1,855	2,934	1,855
Restructured loans and leases, still accruing	7,564	6,982	9,681	8,060	7,366	7,564	7,366
Non-performing loans (NPLs)	66,030	73,362	81,503	78,454	65,017	66,030	65,017
Other real estate owned	4,301	7,828	9,362	6,038	5,956	4,301	5,956
Non-performing assets (NPAs)	\$ 70,331	\$ 81,190	\$ 90,865	\$ 84,492	\$ 70,973	\$ 70,331	\$ 70,973
Financial Ratios and Other Data:							
Return on average assets	1.55%	1.27%	1.28%	1.01%	1.07%	1.37%	1.05%
Operating return on average assets-excluding MSR*	1.28%	1.31%	1.29%	0.99%	1.07%	1.29%	1.04%
Return on average shareholders' equity	12.66%	10.57%	10.78%	8.75%	9.25%	11.35%	9.07%
Operating return on average shareholders' equity-excluding MSR*	10.45%	10.88%	10.80%	8.58%	9.25%	10.71%	9.05%
Return on tangible equity*	17.76%	15.00%	15.08%	10.67%	11.36%	15.64%	11.18%
Operating return on tangible equity-excluding MSR*	14.66%	15.44%	15.11%	10.46%	11.36%	14.75%	11.16%
Noninterest income to average assets	1.67%	1.70%	1.89%	1.69%	1.78%	1.75%	1.86%
Noninterest expense to average assets	3.31%	3.41%	3.54%	3.37%	3.42%	3.42%	3.46%
Net interest margin-fully taxable equivalent	3.67%	3.71%	3.67%	3.58%	3.58%	3.68%	3.52%
Net interest margin-fully taxable equivalent, excluding net accretion on acquired loans and leases	3.62%	3.63%	3.60%	N/A	N/A	3.62%	N/A
Net interest rate spread	3.43%	3.52%	3.52%	3.44%	3.45%	3.49%	3.40%
Efficiency ratio (tax equivalent)*	66.29%	67.31%	67.66%	67.45%	67.23%	67.11%	67.61%
Operating efficiency ratio-excluding MSR (tax equivalent)*	66.34%	66.36%	66.79%	68.16%	67.24%	66.52%	67.66%
Loan/deposit ratio	93.28%	92.15%	88.50%	92.79%	93.88%	93.28%	93.88%
Price to earnings multiple (avg)	15.07	17.07	17.77	18.95	19.42	15.07	19.42
Market value to book value	152.23%	156.95%	153.77%	165.76%	170.25%	152.23%	170.25%
Market value to book value (avg)	158.19%	159.33%	159.14%	169.35%	158.92%	155.72%	160.35%
Market value to tangible book value	216.28%	225.06%	220.18%	203.64%	209.66%	216.28%	209.66%
Market value to tangible book value (avg)	224.75%	228.47%	227.87%	208.04%	195.70%	221.24%	197.47%
Employee FTE	4,270	4,366	4,305	3,947	3,950	4,270	3,950

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 21 and 22.

BancorpSouth Bank
Selected Financial Information
(Dollars in thousands, except per share data)
(Unaudited)

	Quarter Ended 9/30/2018	Quarter Ended 6/30/2018	Quarter Ended 3/31/2018	Quarter Ended 12/31/2017	Quarter Ended 9/30/2017	Year to Date 9/30/2018	Year to Date 9/30/2017
Credit Quality Ratios:							
Net (recoveries)charge-offs to average loans and leases (annualized)	(0.04%)	0.07%	(0.01%)	0.06%	0.09%	0.01%	0.08%
Provision for credit losses to average loans and leases (annualized)	0.00%	0.08%	0.03%	0.02%	0.02%	0.04%	0.03%
Allowance for credit losses to net loans and leases	0.97%	0.97%	0.97%	1.07%	1.08%	0.97%	1.08%
Allowance for credit losses to net loans and leases, excluding acquired loans and leases	1.04%	1.05%	1.07%	N/A	N/A	1.04%	N/A
Allowance for credit losses to non-performing loans and leases	183.28%	163.46%	146.54%	150.66%	183.79%	183.28%	183.79%
Allowance for credit losses to non-performing assets	172.07%	147.70%	131.44%	139.89%	168.37%	172.07%	168.37%
Non-performing loans and leases to net loans and leases	0.53%	0.59%	0.66%	0.71%	0.59%	0.53%	0.59%
Non-performing assets to net loans and leases	0.56%	0.65%	0.74%	0.76%	0.64%	0.56%	0.64%
Equity Ratios:							
Total shareholders' equity to total assets	12.27%	12.03%	11.99%	11.20%	11.52%	12.27%	11.52%
Tangible shareholders' equity to tangible assets*	8.96%	8.71%	8.69%	9.31%	9.56%	8.96%	9.56%
Capital Adequacy:							
Common Equity Tier 1 capital	11.72%	11.42%	11.30%	12.15%	12.04%	11.72%	12.04%
Tier 1 capital	11.72%	11.42%	11.30%	12.15%	12.04%	11.72%	12.04%
Total capital	12.61%	12.30%	12.18%	13.13%	13.03%	12.61%	13.03%
Tier 1 leverage capital	9.69%	9.38%	9.39%	10.12%	10.02%	9.69%	10.02%
Estimated for current quarter							
Common Share Data:							
Basic earnings per share	\$ 0.68	\$ 0.55	\$ 0.54	\$ 0.42	\$ 0.43	\$ 1.76	\$ 1.26
Diluted earnings per share	0.67	0.55	0.54	0.41	0.43	1.76	1.25
Operating earnings per share*	0.57	0.56	0.58	0.42	0.43	1.72	1.25
Operating earnings per share- excluding MSR*	0.56	0.56	0.54	0.41	0.43	1.67	1.25
Cash dividends per share	0.17	0.14	0.14	0.14	0.14	0.45	0.39
Book value per share	21.48	20.99	20.68	18.97	18.83	21.48	18.83
Tangible book value per share*	15.12	14.64	14.44	15.44	15.29	15.12	15.29
Market value per share (last)	32.70	32.95	31.80	31.45	32.05	32.70	32.05
Market value per share (high)	35.40	35.45	35.55	34.45	32.70	35.55	32.70
Market value per share (low)	32.45	30.60	30.90	30.25	27.20	30.60	27.20
Market value per share (avg)	33.98	33.45	32.91	32.13	29.92	33.45	30.19
Dividend payout ratio	25.15%	25.62%	25.85%	33.70%	32.20%	25.51%	31.05%
Total shares outstanding	98,525,516	98,700,509	99,636,779	90,312,378	90,329,896	98,525,516	90,329,896
Average shares outstanding - basic	98,646,087	98,906,619	98,765,789	90,321,137	90,911,702	98,772,832	91,973,620
Average shares outstanding - diluted	98,819,905	99,057,054	98,942,268	90,546,824	91,099,770	98,939,743	92,157,392
Yield/Rate:							
(Taxable equivalent basis)							
Loans, loans held for sale, and leases net of unearned income	4.72%	4.67%	4.60%	4.36%	4.33%	4.66%	4.27%
Loans, loans held for sale, and leases net of unearned income, excluding net accretion on acquired loans and leases	4.64%	4.57%	4.51%	N/A	N/A	4.58%	N/A
Available-for-sale securities:							
Taxable	1.80%	1.77%	1.72%	1.48%	1.41%	1.76%	1.38%
Tax-exempt	4.40%	4.39%	4.30%	5.29%	5.25%	4.36%	5.26%
Short-term, FHLB and other equity investments	2.04%	2.02%	1.54%	1.27%	1.22%	1.78%	0.84%
Total interest earning assets and revenue	4.21%	4.15%	4.05%	3.90%	3.89%	4.14%	3.80%
Deposits	0.43%	0.34%	0.31%	0.27%	0.26%	0.36%	0.25%
Demand - interest bearing	0.59%	0.43%	0.36%	0.29%	0.28%	0.46%	0.25%
Savings	0.24%	0.15%	0.13%	0.13%	0.12%	0.17%	0.12%
Other time	1.06%	0.95%	0.89%	0.86%	0.84%	0.97%	0.81%
Short-term borrowings	1.79%	1.62%	1.25%	0.96%	0.85%	1.58%	0.68%
Total interest bearing deposits and short-term borrowings	0.77%	0.62%	0.51%	0.45%	0.41%	0.64%	0.37%
Junior subordinated debt	N/A	N/A	0.00%	N/A	N/A	N/A	3.29%
Long-term debt	4.06%	4.11%	4.17%	4.05%	1.79%	4.11%	1.06%
Total interest bearing liabilities and expense	0.78%	0.63%	0.53%	0.46%	0.44%	0.65%	0.39%
Interest bearing liabilities to interest earning assets	69.12%	70.27%	70.91%	69.09%	69.55%	70.09%	69.82%
Net interest tax equivalent adjustment	\$ 1,088	\$ 1,119	\$ 1,205	\$ 2,155	\$ 2,237	\$ 3,302	\$ 6,742

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 21 and 22.

BancorpSouth Bank
Consolidated Balance Sheets
(Unaudited)

	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 169,493	\$ 198,374	\$ 180,104	\$ 167,283	\$ 167,871
Interest bearing deposits with other banks and Federal funds sold	138,677	152,566	127,345	53,440	52,316
Available-for-sale securities, at fair value	2,826,359	2,828,754	2,989,767	2,798,542	2,326,900
Loans and leases	12,464,877	12,433,152	12,312,346	11,072,062	11,073,306
Less: Unearned income	14,882	15,038	15,497	15,628	17,797
Allowance for credit losses	121,019	119,920	119,434	118,200	119,496
Net loans and leases	12,328,976	12,298,194	12,177,415	10,938,234	10,936,013
Loans held for sale	132,080	153,396	141,979	136,577	138,353
Premises and equipment, net	342,947	339,372	342,353	314,362	311,530
Accrued interest receivable	56,369	51,921	52,856	45,671	44,454
Goodwill	590,292	588,004	580,900	300,798	300,798
Other identifiable intangibles	36,475	39,031	40,590	17,882	18,860
Bank owned life insurance	304,687	306,116	304,850	292,069	259,361
Other real estate owned	4,301	7,828	9,362	6,038	5,956
Other assets	318,519	258,935	238,251	227,622	197,982
Total Assets	\$ 17,249,175	\$ 17,222,491	\$ 17,185,772	\$ 15,298,518	\$ 14,760,394
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 4,007,158	\$ 4,135,322	\$ 4,035,830	\$ 3,453,000	\$ 3,414,397
Interest bearing	5,535,689	5,509,901	5,945,359	5,066,614	4,925,127
Savings	1,783,602	1,810,149	1,843,264	1,638,799	1,638,033
Other time	2,020,744	2,021,186	2,069,848	1,757,183	1,798,431
Total deposits	13,347,193	13,476,558	13,894,301	11,915,596	11,775,988
Securities sold under agreement to repurchase	403,724	407,704	469,114	417,867	421,044
Federal funds purchased and other short-term borrowing	1,095,000	1,025,022	500,000	1,025,000	625,000
Accrued interest payable	7,330	5,961	5,525	4,882	4,826
Long-term debt	33,182	33,214	32,963	30,000	30,000
Other liabilities	246,371	201,949	223,382	191,688	203,034
Total Liabilities	15,132,800	15,150,408	15,125,285	13,585,033	13,059,892
<u>Shareholders' Equity</u>					
Common stock	246,314	246,751	249,092	225,781	225,825
Capital surplus	439,590	441,950	465,699	177,624	175,837
Accumulated other comprehensive loss	(91,650)	(88,751)	(85,994)	(63,843)	(50,203)
Retained earnings	1,522,121	1,472,133	1,431,690	1,373,923	1,349,043
Total Shareholders' Equity	2,116,375	2,072,083	2,060,487	1,713,485	1,700,502
Total Liabilities & Shareholders' Equity	\$ 17,249,175	\$ 17,222,491	\$ 17,185,772	\$ 15,298,518	\$ 14,760,394

BancorpSouth Bank
Consolidated Average Balance Sheets
(Unaudited)

	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17
(Dollars in thousands)					
<u>Assets</u>					
Cash and due from banks	\$ 179,098	\$ 203,220	\$ 202,141	\$ 154,843	\$ 153,797
Interest bearing deposits with other banks and Federal funds sold	57,204	66,035	182,488	108,880	83,109
Available-for-sale securities, at fair value	2,814,751	2,906,235	2,966,917	2,414,140	2,334,717
Loans and leases	12,448,814	12,350,226	12,099,694	11,026,437	11,032,159
Less: Unearned income	15,113	15,470	15,674	16,250	18,889
Allowance for credit losses	120,678	119,622	118,840	119,124	121,501
Net loans and leases	12,313,023	12,215,134	11,965,180	10,891,063	10,891,769
Loans held for sale	112,387	144,400	98,662	112,118	127,112
Premises and equipment, net	340,456	342,395	343,098	313,874	309,592
Accrued interest receivable	50,437	48,767	47,770	40,228	40,100
Goodwill	588,777	583,188	544,840	300,798	300,798
Other identifiable intangibles	37,529	39,752	17,811	18,231	19,222
Bank owned life insurance	305,476	305,016	301,982	265,761	261,100
Other real estate owned	6,245	8,997	9,300	5,777	6,985
Other assets	254,482	231,144	238,379	183,784	181,944
Total Assets	\$ 17,059,865	\$ 17,094,283	\$ 16,918,568	\$ 14,809,497	\$ 14,710,245
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 4,076,890	\$ 3,976,039	\$ 3,822,216	\$ 3,479,771	\$ 3,369,468
Interest bearing	5,495,517	5,697,444	5,898,269	4,949,183	4,985,113
Savings	1,794,229	1,820,013	1,801,128	1,631,617	1,634,577
Other time	2,021,213	2,045,828	2,041,897	1,779,478	1,813,524
Total deposits	13,387,849	13,539,324	13,563,510	11,840,049	11,802,682
Securities sold under agreement to repurchase	427,583	416,839	445,840	471,581	444,999
Federal funds purchased and other short-term borrowing	918,153	875,641	667,546	589,261	411,815
Accrued interest payable	6,617	5,600	5,177	4,718	4,507
Long-term debt	33,196	33,147	34,433	30,000	162,609
Other liabilities	196,721	172,280	189,423	172,660	187,734
Total Liabilities	14,970,119	15,042,831	14,905,929	13,108,269	13,014,346
<u>Shareholders' Equity</u>					
Common stock	246,635	247,120	247,189	225,808	227,247
Capital surplus	441,779	444,379	447,576	176,613	189,545
Accumulated other comprehensive loss	(89,244)	(88,962)	(71,205)	(55,181)	(48,591)
Retained earnings	1,490,576	1,448,915	1,389,079	1,353,988	1,327,698
Total Shareholders' Equity	2,089,746	2,051,452	2,012,639	1,701,228	1,695,899
Total Liabilities & Shareholders' Equity	\$ 17,059,865	\$ 17,094,283	\$ 16,918,568	\$ 14,809,497	\$ 14,710,245

BancorpSouth Bank
Consolidated Condensed Statements of Income
(Dollars in thousands, except per share data)
(Unaudited)

	Quarter Ended					Year to Date	
	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17	Sep-18	Sep-17
INTEREST REVENUE:							
Loans and leases	\$ 147,404	\$ 143,029	\$ 136,568	\$ 120,381	\$ 119,599	\$427,001	\$346,383
Deposits with other banks	243	331	664	300	214	1,238	955
Federal funds sold, securities purchased under agreement to resell, FHLB and other equity investments	295	226	191	157	143	712	361
Available-for-sale securities:							
Taxable	11,529	11,554	11,313	7,957	7,235	34,396	21,876
Tax-exempt	2,394	2,435	2,504	2,417	2,514	7,333	7,657
Loans held for sale	1,293	1,715	955	1,064	1,229	3,963	3,483
Total interest revenue	<u>163,158</u>	<u>159,290</u>	<u>152,195</u>	<u>132,276</u>	<u>130,934</u>	<u>474,643</u>	<u>380,715</u>
INTEREST EXPENSE:							
Interest bearing demand	8,113	6,075	5,278	3,645	3,482	19,466	9,472
Savings	1,087	667	584	517	494	2,338	1,449
Other time	5,399	4,862	4,457	3,853	3,819	14,718	11,126
Federal funds purchased and securities sold under agreement to repurchase	2,071	1,898	1,341	930	754	5,310	1,585
Short-term and long-term debt	4,353	3,660	2,455	1,943	1,824	10,468	4,422
Junior subordinated debt	-	-	-	-	-	-	9
Other	-	-	2	2	-	2	2
Total interest expense	<u>21,023</u>	<u>17,162</u>	<u>14,117</u>	<u>10,890</u>	<u>10,373</u>	<u>52,302</u>	<u>28,065</u>
Net interest revenue	142,135	142,128	138,078	121,386	120,561	422,341	352,650
Provision for credit losses	-	2,500	1,000	500	500	3,500	2,500
Net interest revenue, after provision for credit losses	<u>142,135</u>	<u>139,628</u>	<u>137,078</u>	<u>120,886</u>	<u>120,061</u>	<u>418,841</u>	<u>350,150</u>
NONINTEREST REVENUE:							
Mortgage banking	6,517	6,904	13,265	7,246	6,909	26,686	22,033
Credit card, debit card and merchant fees	9,857	10,530	9,564	9,530	9,346	29,951	27,814
Deposit service charges	11,278	10,767	10,901	10,257	10,388	32,946	29,783
Security gains, net	(54)	(2)	27	523	5	(29)	1,099
Insurance commissions	31,705	32,965	29,130	25,758	28,616	93,800	92,682
Wealth management	6,016	5,745	5,697	5,619	5,386	17,458	15,835
Other	6,297	5,547	10,350	4,141	5,310	22,194	15,713
Total noninterest revenue	<u>71,616</u>	<u>72,456</u>	<u>78,934</u>	<u>63,074</u>	<u>65,960</u>	<u>223,006</u>	<u>204,959</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	89,646	91,451	91,197	77,268	80,541	272,294	241,776
Occupancy, net of rental income	11,690	11,103	10,804	10,064	10,343	33,597	31,100
Equipment	3,994	3,804	3,754	3,710	3,352	11,552	10,358
Deposit insurance assessments	2,954	3,129	2,360	2,659	2,499	8,443	7,244
Other	34,125	35,695	39,586	32,180	30,168	109,406	91,087
Total noninterest expense	<u>142,409</u>	<u>145,182</u>	<u>147,701</u>	<u>125,881</u>	<u>126,903</u>	<u>435,292</u>	<u>381,565</u>
Income before income taxes	71,342	66,902	68,311	58,079	59,118	206,555	173,544
Income tax expense	4,659	12,856	14,820	20,556	19,590	32,335	58,034
Net income	<u>\$ 66,683</u>	<u>\$ 54,046</u>	<u>\$ 53,491</u>	<u>\$ 37,523</u>	<u>\$ 39,528</u>	<u>\$ 174,220</u>	<u>\$ 115,510</u>
Net income per share: Basic	<u>\$ 0.68</u>	<u>\$ 0.55</u>	<u>\$ 0.54</u>	<u>\$ 0.42</u>	<u>\$ 0.43</u>	<u>\$ 1.76</u>	<u>\$ 1.26</u>
Diluted	<u>\$ 0.67</u>	<u>\$ 0.55</u>	<u>\$ 0.54</u>	<u>\$ 0.41</u>	<u>\$ 0.43</u>	<u>\$ 1.76</u>	<u>\$ 1.25</u>

October 17, 2018

BancorpSouth Bank
Selected Loan Data
(Dollars in thousands)
(Unaudited)

	Quarter Ended				
	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17
LOAN AND LEASE PORTFOLIO:					
Commercial and industrial	\$ 1,617,293	\$ 1,668,174	\$ 1,695,718	\$ 1,480,279	\$ 1,506,352
Real estate					
Consumer mortgages	3,184,674	3,143,215	3,000,479	2,864,623	2,826,333
Home equity	655,213	653,450	655,634	638,394	626,961
Agricultural	315,842	315,828	313,470	243,449	247,211
Commercial and industrial-owner occupied	2,157,177	2,147,176	2,102,493	1,846,085	1,835,430
Construction, acquisition and development	1,103,532	1,346,370	1,377,153	1,153,187	1,175,979
Commercial real estate	2,923,791	2,636,533	2,640,503	2,345,231	2,336,219
Credit cards	102,353	102,790	102,114	107,848	104,613
All other	390,120	404,578	409,285	377,338	396,411
Total loans	<u>\$ 12,449,995</u>	<u>\$ 12,418,114</u>	<u>\$ 12,296,849</u>	<u>\$ 11,056,434</u>	<u>\$ 11,055,509</u>
ALLOWANCE FOR CREDIT LOSSES:					
Balance, beginning of period	\$ 119,920	\$ 119,434	\$ 118,200	\$ 119,496	\$ 121,561
Loans and leases charged-off:					
Commercial and industrial	(322)	(1,057)	(484)	(1,234)	(1,963)
Real estate					
Consumer mortgages	(210)	(366)	(134)	(773)	(1,193)
Home equity	(227)	(107)	(143)	(95)	(439)
Agricultural	(6)	(6)	(12)	(5)	(54)
Commercial and industrial-owner occupied	(315)	(279)	(41)	(720)	(20)
Construction, acquisition and development	(41)	(66)	(163)	(206)	(29)
Commercial real estate	0	(946)	(35)	(159)	(49)
Credit cards	(596)	(830)	(794)	(849)	(745)
All other	(941)	(551)	(725)	(627)	(711)
Total loans charged-off	<u>(2,658)</u>	<u>(4,208)</u>	<u>(2,531)</u>	<u>(4,668)</u>	<u>(5,203)</u>
Recoveries:					
Commercial and industrial	1,558	684	372	599	481
Real estate					
Consumer mortgages	522	361	95	755	642
Home equity	58	72	333	69	378
Agricultural	20	10	79	7	77
Commercial and industrial-owner occupied	413	46	80	391	285
Construction, acquisition and development	564	308	1,262	483	260
Commercial real estate	200	149	53	98	151
Credit cards	198	367	220	218	177
All other	224	197	271	252	187
Total recoveries	<u>3,757</u>	<u>2,194</u>	<u>2,765</u>	<u>2,872</u>	<u>2,638</u>
Net recoveries (charge-offs)	1,099	(2,014)	234	(1,796)	(2,565)
Provision charged to operating expense	-	2,500	1,000	500	500
Balance, end of period	<u>\$ 121,019</u>	<u>\$ 119,920</u>	<u>\$ 119,434</u>	<u>\$ 118,200</u>	<u>\$ 119,496</u>
Average loans for period	<u>\$ 12,433,701</u>	<u>\$ 12,334,756</u>	<u>\$ 12,084,020</u>	<u>\$ 11,010,187</u>	<u>\$ 11,013,270</u>
Ratio:					
Net (recoveries)charge-offs to average loans (annualized)	<u>(0.04%)</u>	<u>0.07%</u>	<u>(0.01%)</u>	<u>0.06%</u>	<u>0.09%</u>

October 17, 2018

BancorpSouth Bank
Selected Loan Data
(Dollars in thousands)
(Unaudited)

	Quarter Ended				
	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17
NON-PERFORMING ASSETS					
NON-PERFORMING LOANS AND LEASES:					
Nonaccrual Loans and Leases					
Commercial and industrial	\$ 11,158	\$ 11,090	\$ 11,122	\$ 10,178	\$ 8,776
Real estate					
Consumer mortgages	23,015	22,588	26,832	22,988	23,635
Home equity	2,349	2,446	2,587	2,956	2,555
Agricultural	1,603	1,536	6,225	6,160	5,919
Commercial and industrial-owner occupied	7,927	12,275	12,210	12,585	7,558
Construction, acquisition and development	1,410	1,563	2,223	2,197	1,771
Commercial real estate	7,787	8,265	3,597	4,318	4,645
Credit cards	120	104	136	74	126
All other	163	178	371	435	811
Total nonaccrual loans and leases	<u>\$ 55,532</u>	<u>\$ 60,045</u>	<u>\$ 65,303</u>	<u>\$ 61,891</u>	<u>\$ 55,796</u>
Loans and Leases 90+ Days Past Due, Still Accruing:	2,934	6,335	6,519	8,503	1,855
Restructured Loans and Leases, Still Accruing	7,564	6,982	9,681	8,060	7,366
Total non-performing loans and leases	<u>\$ 66,030</u>	<u>\$ 73,362</u>	<u>\$ 81,503</u>	<u>\$ 78,454</u>	<u>\$ 65,017</u>
OTHER REAL ESTATE OWNED:	4,301	7,828	9,362	6,038	5,956
Total Non-performing Assets	<u>\$ 70,331</u>	<u>\$ 81,190</u>	<u>\$ 90,865</u>	<u>\$ 84,492</u>	<u>\$ 70,973</u>
Additions to Nonaccrual Loans and Leases During the Quarter	<u>\$ 12,217</u>	<u>\$ 16,902</u>	<u>\$ 16,641</u>	<u>\$ 20,799</u>	<u>\$ 16,975</u>
Loans and Leases 30-89 Days Past Due, Still Accruing:					
Commercial and industrial	\$ 5,843	\$ 7,540	\$ 5,020	\$ 1,990	\$ 3,791
Real estate					
Consumer mortgages	17,858	16,242	17,076	15,080	18,603
Home equity	2,533	2,231	1,768	1,858	2,042
Agricultural	719	6,415	295	191	476
Commercial and industrial-owner occupied	5,805	2,338	4,356	1,655	4,453
Construction, acquisition and development	4,043	1,240	2,215	1,386	4,464
Commercial real estate	5,732	816	679	1,200	1,206
Credit cards	700	778	705	851	720
All other	1,154	1,435	733	951	699
Total Loans and Leases 30-89 days past due, still accruing	<u>\$ 44,387</u>	<u>\$ 39,035</u>	<u>\$ 32,847</u>	<u>\$ 25,162</u>	<u>\$ 36,454</u>
Credit Quality Ratios:					
Provision for credit losses to average loans and leases (annualized)	0.00%	0.08%	0.03%	0.02%	0.02%
Allowance for credit losses to net loans and leases	0.97%	0.97%	0.97%	1.07%	1.08%
Allowance for credit losses to non-performing loans and leases	183.28%	163.46%	146.54%	150.66%	183.79%
Allowance for credit losses to non-performing assets	172.07%	147.70%	131.44%	139.89%	168.37%
Non-performing loans and leases to net loans and leases	0.53%	0.59%	0.66%	0.71%	0.59%
Non-performing assets to net loans and leases	0.56%	0.65%	0.74%	0.76%	0.64%

BancorpSouth Bank
Selected Loan Data
(Dollars in thousands)
(Unaudited)

	September 30, 2018							
	Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Impaired	Total
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:								
Commercial and industrial	\$ 1,559,723	\$ -	\$ 52,855	\$ 802	\$ -	\$ 3,912	\$ 1	\$ 1,617,293
Real estate								
Consumer mortgages	3,127,420	-	53,310	384	-	3,560	-	3,184,674
Home equity	648,216	-	6,767	-	-	230	-	655,213
Agricultural	302,645	-	9,775	-	-	228	3,194	315,842
Commercial and industrial-owner occupied	2,094,604	-	56,949	-	-	3,715	1,909	2,157,177
Construction, acquisition and development	1,083,200	1,000	19,328	-	-	-	4	1,103,532
Commercial real estate	2,864,040	-	53,870	-	-	5,881	-	2,923,791
Credit cards	102,353	-	-	-	-	-	-	102,353
All other	379,358	-	10,762	-	-	-	-	390,120
Total loans	\$ 12,161,559	\$ 1,000	\$ 263,616	\$ 1,186	\$ -	\$ 17,526	\$ 5,108	\$ 12,449,995

	June 30, 2018							
	Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Impaired	Total
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:								
Commercial and industrial	\$ 1,609,943	\$ -	\$ 51,862	\$ 858	\$ -	\$ 5,347	\$ 164	\$ 1,668,174
Real estate								
Consumer mortgages	3,084,706	-	54,775	180	-	3,554	-	3,143,215
Home equity	644,893	-	8,281	-	-	276	-	653,450
Agricultural	297,506	-	15,080	-	-	228	3,014	315,828
Commercial and industrial-owner occupied	2,079,866	-	57,429	-	-	7,964	1,917	2,147,176
Construction, acquisition and development	1,329,372	-	16,569	-	-	424	5	1,346,370
Commercial real estate	2,594,808	-	35,424	-	-	6,301	-	2,636,533
Credit cards	102,790	-	-	-	-	-	-	102,790
All other	393,765	-	10,813	-	-	-	-	404,578
Total loans	\$ 12,137,649	\$ -	\$ 250,233	\$ 1,038	\$ -	\$ 24,094	\$ 5,100	\$ 12,418,114

BancorpSouth Bank
Geographical Information
(Dollars in thousands)
(Unaudited)

September 30, 2018

	Alabama and Florida Panhandle	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Texas	Other	Total
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial	107,865	155,714	278,962	550,050	65,369	100,378	290,400	68,555	\$ 1,617,293
Real estate									
Consumer mortgages	453,241	343,766	331,192	889,660	100,079	334,383	667,888	64,465	3,184,674
Home equity	97,712	48,273	89,971	233,768	19,865	143,152	20,883	1,589	655,213
Agricultural	9,109	84,786	38,609	72,579	5,960	11,987	92,812	-	315,842
Commercial and industrial-owner occupied	205,956	212,397	339,004	754,134	48,079	148,540	449,067	-	2,157,177
Construction, acquisition and development	107,368	58,244	87,277	288,088	14,107	177,855	370,593	-	1,103,532
Commercial real estate	312,472	362,311	375,990	598,430	212,742	213,428	848,418	-	2,923,791
Credit cards	-	-	-	-	-	-	-	102,353	102,353
All other	44,148	40,173	27,232	181,216	2,671	19,974	68,742	5,964	390,120
Total loans	<u>\$ 1,337,871</u>	<u>\$ 1,305,664</u>	<u>\$ 1,568,237</u>	<u>\$ 3,567,925</u>	<u>\$ 468,872</u>	<u>\$ 1,149,697</u>	<u>\$ 2,808,803</u>	<u>\$ 242,926</u>	<u>\$ 12,449,995</u>
NON-PERFORMING LOANS AND LEASES:									
Commercial and industrial	160	390	1,316	3,266	2,617	978	3,281	112	\$ 12,120
Real estate									
Consumer mortgages	1,084	3,166	5,152	11,392	352	2,574	3,173	249	27,142
Home equity	382	184	790	691	30	307	49	-	2,433
Agricultural	50	640	5	398	-	-	525	-	1,618
Commercial and industrial-owner occupied	39	1,141	1,589	3,823	143	972	2,789	-	10,496
Construction, acquisition and development	37	641	87	789	-	-	17	-	1,571
Commercial real estate	153	462	6,719	1,634	-	100	-	-	9,068
Credit cards	-	-	-	-	-	-	-	1,257	1,257
All other	-	18	1	149	-	142	15	-	325
Total loans	<u>\$ 1,905</u>	<u>\$ 6,642</u>	<u>\$ 15,659</u>	<u>\$ 22,142</u>	<u>\$ 3,142</u>	<u>\$ 5,073</u>	<u>\$ 9,849</u>	<u>\$ 1,618</u>	<u>\$ 66,030</u>
NON-PERFORMING LOANS AND LEASES AS A PERCENTAGE OF OUTSTANDING:									
Commercial and industrial	0.15%	0.25%	0.47%	0.59%	4.00%	0.97%	1.13%	0.16%	0.75%
Real estate									
Consumer mortgages	0.24%	0.92%	1.56%	1.28%	0.35%	0.77%	0.48%	0.39%	0.85%
Home equity	0.39%	0.38%	0.88%	0.30%	0.15%	0.21%	0.23%	0.00%	0.37%
Agricultural	0.55%	0.75%	0.01%	0.55%	0.00%	0.00%	0.57%	N/A	0.51%
Commercial and industrial-owner occupied	0.02%	0.54%	0.47%	0.51%	0.30%	0.65%	0.62%	N/A	0.49%
Construction, acquisition and development	0.03%	1.10%	0.10%	0.27%	0.00%	0.00%	0.00%	N/A	0.14%
Commercial real estate	0.05%	0.13%	1.79%	0.27%	0.00%	0.05%	0.00%	N/A	0.31%
Credit cards	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.23%	1.23%
All other	0.00%	0.04%	0.00%	0.08%	0.00%	0.71%	0.02%	0.00%	0.08%
Total loans	<u>0.14%</u>	<u>0.51%</u>	<u>1.00%</u>	<u>0.62%</u>	<u>0.67%</u>	<u>0.44%</u>	<u>0.35%</u>	<u>0.67%</u>	<u>0.53%</u>

BancorpSouth Bank
Acquired Loan Information
(Dollars in thousands)
(Unaudited)

	Quarter Ended September 30, 2018		
	Acquired Loans Accounted for Under ASC 310-20	Acquired Loans Accounted for Under ASC 310-30	Total Acquired Loans
Net book value of acquired loans at beginning of period	\$ 919,712	\$ 6,220	\$ 925,932
Fair value of loans acquired during the period	-	-	-
Changes in acquired loans	(88,881)	(1,112)	(89,993)
Net book value of acquired loans at end of period	<u>\$ 830,831</u>	<u>\$ 5,108</u>	<u>\$ 835,939</u>
Loan mark on acquired loans at beginning of period	\$ (10,824)	\$ (4,725)	\$ (15,549)
Loan mark recorded on loans acquired during the period	-	-	-
Change in remaining nonaccretable difference (for ASC 310-30 loans only)	-	482	482
Adjustment to accretable yield from excess recovery (for ASC 310-30 loans only)	-	(482)	(482)
Net accretion recognized on acquired loans	1,410	771	2,181
Remaining loan mark on acquired loans*	<u>\$ (9,414)</u>	<u>\$ (3,954)</u>	<u>\$ (13,368)</u>
	Quarter Ended June 30, 2018		
	Acquired Loans Accounted for Under ASC 310-20	Acquired Loans Accounted for Under ASC 310-30	Total Acquired Loans
Net book value of acquired loans at beginning of period	\$ 1,070,417	\$ 5,865	\$ 1,076,282
Fair value of loans acquired during the period	-	-	-
Changes in acquired loans	(150,705)	355	(150,350)
Net book value of acquired loans at end of period	<u>\$ 919,712</u>	<u>\$ 6,220</u>	<u>\$ 925,932</u>
Loan mark on acquired loans at beginning of period	\$ (13,507)	\$ (5,458)	\$ (18,965)
Loan mark recorded on loans acquired during the period	-	-	-
Change in nonaccretable difference (for ASC 310-30 loans only)	N/A	408	408
Net accretion recognized on acquired loans	2,683	325	3,008
Remaining loan mark on acquired loans	<u>\$ (10,824)</u>	<u>\$ (4,725)</u>	<u>\$ (15,549)</u>
	Quarter Ended 9/30/2018	Quarter Ended 6/30/2018	Quarter Ended 3/31/2018
Loan yield, as reported	4.72%	4.67%	4.60%
Loan yield, excluding net accretion on acquired loans	4.64%	4.57%	4.51%
Net interest margin, as reported	3.67%	3.71%	3.67%
Net interest margin, excluding net accretion on acquired loans	3.62%	3.63%	3.60%

Certain balances within the Acquired Loan Information have been adjusted for prior periods to reflect changes made to loans accounted for under ASC 310-30 during the measurement period. These changes may result in certain balances not agreeing to other prior period information presented within this press release.

* The remaining loan mark shown above for loans accounted for under ASC 310-30 includes \$357 thousand in accretable yield as of September 30, 2018 compared to \$424 thousand in accretable yield as of June 30, 2018. In addition, the same loans include \$3.6 million in nonaccretable difference as of September 30, 2018 compared to \$3.2 million as of June 30, 2018.

BancorpSouth Bank
Noninterest Revenue and Expense
(Dollars in thousands)
(Unaudited)

	Quarter Ended					Year to Date	
	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17	Sep-18	Sep-17
NONINTEREST REVENUE:							
Mortgage banking excl. MSR and MSR Hedge market value adj	\$ 5,045	\$ 7,105	\$ 7,732	\$ 4,868	\$ 6,955	\$ 19,882	\$ 22,654
MSR and MSR Hedge market value adjustment	1,472	(201)	5,533	2,378	(46)	6,804	(621)
Credit card, debit card and merchant fees	9,857	10,530	9,564	9,530	9,346	29,951	27,814
Deposit service charges	11,278	10,767	10,901	10,257	10,388	32,946	29,783
Securities gains, net	(54)	(2)	27	523	5	(29)	1,099
Insurance commissions	31,705	32,965	29,130	25,758	28,616	93,800	92,682
Trust income	3,742	3,850	3,848	3,985	3,803	11,440	11,043
Annuity fees	276	357	297	216	246	930	859
Brokerage commissions and fees	1,998	1,538	1,552	1,418	1,337	5,088	3,933
Bank-owned life insurance	2,842	3,259	1,947	1,732	2,700	8,048	6,079
Other miscellaneous income	3,455	2,288	8,403	2,409	2,610	14,146	9,634
Total noninterest revenue	<u>\$ 71,616</u>	<u>\$ 72,456</u>	<u>\$ 78,934</u>	<u>\$ 63,074</u>	<u>\$ 65,960</u>	<u>\$ 223,006</u>	<u>\$ 204,959</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	\$ 89,646	\$ 91,451	\$ 91,197	\$ 77,268	\$ 80,541	\$ 272,294	\$ 241,776
Occupancy, net of rental income	11,690	11,103	10,804	10,064	10,343	33,597	31,100
Equipment	3,994	3,804	3,754	3,710	3,352	11,552	10,358
Deposit insurance assessments	2,954	3,129	2,360	2,659	2,499	8,443	7,244
Advertising	1,522	1,226	855	1,671	1,185	3,603	2,885
Foreclosed property expense	920	997	366	1,035	447	2,283	2,457
Telecommunications	1,318	1,327	1,217	1,219	1,192	3,862	3,572
Public relations	795	829	794	705	675	2,418	2,049
Data processing	8,113	7,970	7,360	6,855	6,942	23,443	20,795
Computer software	3,652	3,624	3,336	3,172	3,074	10,612	8,968
Amortization of intangibles	1,438	1,559	1,602	979	994	4,599	3,034
Legal	657	1,568	691	1,326	1,016	2,916	3,575
Merger expense	942	1,911	5,727	688	-	8,580	-
Postage and shipping	1,238	1,151	1,237	1,092	1,050	3,626	3,305
Other miscellaneous expense	13,530	13,533	16,401	13,438	13,593	43,464	40,447
Total noninterest expense	<u>\$ 142,409</u>	<u>\$ 145,182</u>	<u>\$ 147,701</u>	<u>\$ 125,881</u>	<u>\$ 126,903</u>	<u>\$ 435,292</u>	<u>\$ 381,565</u>
INSURANCE COMMISSIONS:							
Property and casualty commissions	\$ 21,907	\$ 23,041	\$ 20,100	\$ 18,667	\$ 21,086	\$ 65,048	\$ 63,204
Life and health commissions	6,162	6,753	5,943	5,900	6,134	18,858	19,222
Risk management income	635	605	750	608	703	1,990	1,951
Other	3,001	2,566	2,337	583	693	7,904	8,305
Total insurance commissions	<u>\$ 31,705</u>	<u>\$ 32,965</u>	<u>\$ 29,130</u>	<u>\$ 25,758</u>	<u>\$ 28,616</u>	<u>\$ 93,800</u>	<u>\$ 92,682</u>

BancorpSouth Bank
Selected Additional Information
(Dollars in thousands)
(Unaudited)

	Quarter Ended				
	Sep-18	Jun-18	Mar-18	Dec-17	Sep-17
MORTGAGE SERVICING RIGHTS:					
Fair value, beginning of period	\$ 75,614	\$ 75,206	\$ 69,190	\$ 66,417	\$ 65,491
Additions to mortgage servicing rights:					
Originations of servicing assets	3,520	3,516	2,683	3,011	3,393
Changes in fair value:					
Due to payoffs/paydowns	(2,984)	(2,916)	(2,382)	(2,659)	(2,502)
Due to change in valuation inputs or assumptions used in the valuation model	1,646	(191)	5,716	2,422	36
Other changes in fair value	-	(1)	(1)	(1)	(1)
Fair value, end of period	<u>\$ 77,796</u>	<u>\$ 75,614</u>	<u>\$ 75,206</u>	<u>\$ 69,190</u>	<u>\$ 66,417</u>
MORTGAGE BANKING REVENUE:					
Production revenue:					
Origination	\$ 3,161	\$ 5,295	\$ 5,239	\$ 2,824	\$ 4,809
Servicing	4,868	4,726	4,875	4,703	4,648
Payoffs/Paydowns	(2,984)	(2,916)	(2,382)	(2,659)	(2,502)
Total production revenue	5,045	7,105	7,732	4,868	6,955
Market value adjustment on MSR	1,646	(191)	5,716	2,422	36
Market value adjustment on MSR Hedge	(174)	(10)	(183)	(44)	(82)
Total mortgage banking revenue	<u>\$ 6,517</u>	<u>\$ 6,904</u>	<u>\$ 13,265</u>	<u>\$ 7,246</u>	<u>\$ 6,909</u>
Mortgage loans serviced	\$ 6,628,445	\$ 6,579,444	\$ 6,532,950	\$ 6,533,642	\$ 6,506,550
MSR/mtg loans serviced	1.17%	1.15%	1.15%	1.06%	1.02%
AVAILABLE-FOR-SALE SECURITIES, at fair value					
U.S. Government agencies	\$ 2,260,949	\$ 2,235,238	\$ 2,385,962	\$ 2,214,995	\$ 1,687,186
U.S. Government agency issued residential mortgage-back securities	138,624	141,443	139,148	148,548	157,891
U.S. Government agency issued commercial mortgage-back securities	107,506	122,974	124,041	122,068	153,509
Obligations of states and political subdivisions	319,280	329,099	340,616	312,931	328,314
Total available-for-sale securities	<u>\$ 2,826,359</u>	<u>\$ 2,828,754</u>	<u>\$ 2,989,767</u>	<u>\$ 2,798,542</u>	<u>\$ 2,326,900</u>

BancorpSouth Bank
Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions
(Dollars in thousands, except per share amounts)
(Unaudited)

Management evaluates the Company's capital position and operating performance by utilizing certain financial measures not calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP), including net operating income, net operating income-excluding MSR, total operating expense, tangible shareholders' equity to tangible assets, return on tangible equity, operating return on tangible equity-excluding MSR, operating return on average assets-excluding MSR, operating return on average shareholders' equity-excluding MSR, tangible book value per share, operating earnings per share, operating earnings per share-excluding MSR, efficiency ratio (tax equivalent) and operating efficiency ratio-excluding MSR (tax equivalent). The Company has included these non-GAAP financial measures in this news release for the applicable periods presented. Management believes that the presentation of these non-GAAP financial measures (i) provides important supplemental information that contributes to a proper understanding of the Company's capital position and operating performance, (ii) enables a more complete understanding of factors and trends affecting the Company's business and (iii) allows investors to evaluate the Company's performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and the Company strongly encourages investors to review the GAAP financial measures included in this news release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this news release with other companies' non-GAAP financial measures having the same or similar names.

Reconciliation of Net Operating Income and Net Operating Income-Excluding MSR to Net Income:

	Quarter ended				Year to Date		
	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017	9/30/2018	9/30/2017
Net income	\$ 66,683	\$ 54,046	\$ 53,491	\$ 37,523	\$ 39,528	\$ 174,220	\$ 115,510
Plus: Merger expense, net of tax	707	1,434	4,298	427	-	6,439	-
Tax-related matters	-	-	-	623	-	-	-
Less: Security (losses)/gains, net of tax	(40)	(2)	20	325	3	(22)	681
Tax-related matters	11,288	-	-	-	-	11,288	-
Net operating income	<u>\$ 56,142</u>	<u>\$ 55,482</u>	<u>\$ 57,769</u>	<u>\$ 38,248</u>	<u>\$ 39,525</u>	<u>\$ 169,393</u>	<u>\$ 114,829</u>
Less: MSR market value adjustment, net of tax	1,103	(151)	4,153	1,476	(28)	5,106	(385)
Net operating income-excluding MSR	<u>\$ 55,039</u>	<u>\$ 55,633</u>	<u>\$ 53,616</u>	<u>\$ 36,772</u>	<u>\$ 39,553</u>	<u>\$ 164,287</u>	<u>\$ 115,214</u>

Reconciliation of Total Operating Expense to Total Noninterest Expense:

Total noninterest expense	\$ 142,409	\$ 145,182	\$ 147,701	\$ 125,881	\$ 126,903	\$ 435,292	\$ 381,565
Less: Merger expense	942	1,911	5,727	688	-	8,580	-
Total operating expense	<u>\$ 141,467</u>	<u>\$ 143,271</u>	<u>\$ 141,974</u>	<u>\$ 125,193</u>	<u>\$ 126,903</u>	<u>\$ 426,712</u>	<u>\$ 381,565</u>

BancorpSouth Bank
Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions
(Dollars in thousands, except per share amounts)
(Unaudited)

Reconciliation of Tangible Assets and Tangible Shareholders' Equity to
Total Assets and Total Shareholders' Equity:

	Quarter ended					Year to Date	
	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017	9/30/2018	9/30/2017
Tangible assets							
Total assets	\$ 17,249,175	\$ 17,222,491	\$ 17,185,772	\$ 15,298,518	\$ 14,760,394	\$ 17,249,175	\$ 14,760,394
Less: Goodwill	590,292	588,004	580,900	300,798	300,798	590,292	300,798
Other identifiable intangible assets	36,475	39,031	40,590	17,882	18,860	36,475	18,860
Total tangible assets	\$ 16,622,408	\$ 16,595,456	\$ 16,564,282	\$ 14,979,838	\$ 14,440,736	\$ 16,622,408	\$ 14,440,736
Tangible shareholders' equity							
Total shareholders' equity	\$ 2,116,375	\$ 2,072,083	\$ 2,060,487	\$ 1,713,485	\$ 1,700,502	\$ 2,116,375	\$ 1,700,502
Less: Goodwill	590,292	588,004	580,900	300,798	300,798	590,292	300,798
Other identifiable intangible assets	36,475	39,031	40,590	17,882	18,860	36,475	18,860
Total tangible shareholders' equity	\$ 1,489,608	\$ 1,445,048	\$ 1,438,997	\$ 1,394,805	\$ 1,380,844	\$ 1,489,608	\$ 1,380,844
Total average assets	\$ 17,059,865	\$ 17,094,283	\$ 16,918,568	\$ 14,809,497	\$ 14,710,245	\$ 17,024,756	\$ 14,760,991
Total shares of common stock outstanding	98,525,516	98,700,509	99,636,779	90,312,378	90,329,896	98,525,516	90,329,896
Average shares outstanding-diluted	98,819,905	99,057,054	98,942,268	90,546,824	91,099,770	98,939,743	92,157,392
Tangible shareholders' equity to tangible assets (1)	8.96%	8.71%	8.69%	9.31%	9.56%	8.96%	9.56%
Return on tangible equity (2)	17.76%	15.00%	15.08%	10.67%	11.36%	15.64%	11.18%
Operating return on tangible equity-excluding MSR (3)	14.66%	15.44%	15.11%	10.46%	11.36%	14.75%	11.16%
Operating return on average assets-excluding MSR (4)	1.28%	1.31%	1.29%	0.99%	1.07%	1.29%	1.04%
Operating return on average shareholders' equity-excluding MSR (5)	10.45%	10.88%	10.80%	8.58%	9.25%	10.71%	9.05%
Tangible book value per share (6)	\$ 15.12	\$ 14.64	\$ 14.44	\$ 15.44	\$ 15.29	\$ 15.12	\$ 15.29
Operating earnings per share (7)	\$ 0.57	\$ 0.56	\$ 0.58	\$ 0.42	\$ 0.43	\$ 1.72	\$ 1.25
Operating earnings per share-excluding MSR (8)	\$ 0.56	\$ 0.56	\$ 0.54	\$ 0.41	\$ 0.43	\$ 1.67	\$ 1.25

- (1) Tangible shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (2) Return on tangible equity is defined by the Company as annualized net income divided by tangible shareholders' equity.
- (3) Operating return on tangible equity-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by tangible shareholders' equity.
- (4) Operating return on average assets-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by total average assets.
- (5) Operating return on average shareholders' equity-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by average shareholders' equity.
- (6) Tangible book value per share is defined by the Company as tangible shareholders' equity divided by total shares of common stock outstanding.
- (7) Operating earnings per share is defined by the Company as net operating income divided by average shares outstanding-diluted.
- (8) Operating earnings per share-excluding MSR is defined by the Company as net operating income-excluding MSR divided by average shares outstanding-diluted.

Efficiency Ratio (tax equivalent) and Operating Efficiency Ratio-excluding MSR (tax equivalent) Definitions

The efficiency ratio (tax equivalent) and the operating efficiency ratio-excluding MSR (tax equivalent) are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio (tax equivalent) is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment. The operating efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as non-operating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.