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**BancorpSouth Announces Record Annual Earnings
Surpasses \$20 Billion in Total Assets
Declares Quarterly Dividends**

TUPELO, Miss., January 22, 2020/PRNewswire – BancorpSouth Bank (NYSE: BXS) (the “Company”) today announced financial results for the quarter and year ended December 31, 2019.

Annual highlights for 2019 included:

- Surpassed \$20 billion in total assets for the first time in the Company’s history, ending the year at \$21.1 billion in total assets.
- Achieved record net income of \$234.3 million, or \$2.30 per diluted common share, and record net operating income – excluding mortgage servicing rights (“MSR”) – of \$255.4 million, or \$2.51 per diluted common share, which represents an increase of 12.6 percent on a per share basis compared to 2018.
- Net interest margin – excluding accretable yield – increased to 3.72 percent from 3.64 percent for 2018.
- Generated organic total deposit growth of approximately \$1.0 billion, or 7 percent for the year.
- Continued strong credit quality reflected by provision for credit losses of \$1.5 million for the year; net charge-offs of \$2.5 million for 2019, which represents 0.02 percent of average loans.
- Improvement in cost structure; operating efficiency ratio – excluding MSR – improved to 64.9 percent compared to 66.6 percent for 2018.
- Completed mergers with Casey Bancorp, Inc., Merchants Trust, Inc., Van Alstyne Financial Corporation and Summit Financial Enterprises, Inc. – collectively contributing \$1.0 billion in loans and \$1.3 billion in deposits.

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- Repurchased 2,466,438 shares of outstanding common stock at a weighted average price of \$28.20 per share.

Highlights for the fourth quarter of 2019 included:

- Achieved quarterly net income of \$65.8 million, or \$0.63 per diluted common share.
- Earnings were positively impacted by a pre-tax MSR valuation adjustment of \$3.2 million, while merger-related expenses totaling \$5.8 million adversely impacted earnings for the quarter.
- Achieved net operating income – excluding MSR – of \$67.8 million, or \$0.65 per diluted common share, which represents an increase of 14.0 percent on a per share basis compared with the fourth quarter of 2018.
- Generated organic total deposit growth for the quarter of approximately \$385 million, or 9.5 percent on an annualized basis.
- Continued strong credit quality reflected by net recoveries of \$2.2 million and no recorded provision for credit losses for the quarter; non-performing and classified asset levels remained stable.
- Repurchased 293,357 shares of outstanding common stock at a weighted average price of \$32.46 per share.
- Enhanced capital structure through underwritten public offerings of \$300 million of the Company's 4.125 percent Fixed-to-Floating Rate Subordinated Notes and \$172.5 million of its 5.50 percent Series A Non-Cumulative Perpetual Preferred Stock.
- Completed the acquisition of Texas First Bancshares, Inc., the parent company of Texas First State Bank, effective January 1, 2020, which will add over \$185 million in loans and approximately \$370 million in deposits to the Company's Central Texas presence in the first quarter of 2020.

The Company reported net income of \$65.8 million, or \$0.63 per diluted common share, for the fourth quarter of 2019, compared with net income of \$47.1 million, or \$0.47 per diluted common share, for the fourth quarter of 2018 and net income of \$63.8 million, or \$0.63 per diluted common share, for the third quarter of 2019. The Company reported net operating income – excluding MSR – of \$67.8 million, or \$0.65 per diluted common share, for the fourth quarter of 2019, compared with \$56.4 million, or \$0.57 per diluted common share, for the fourth quarter of 2018 and \$69.7 million, or \$0.69 per diluted common share, for the third quarter of 2019.

Additionally, the Company reported net income of \$234.3 million, or \$2.30 per diluted common share, for the year ended December 31, 2019 compared with \$221.3 million, or \$2.23 per diluted

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common share, for the year ended December 31, 2018. The Company reported net operating income – excluding MSR – of \$255.4 million, or \$2.51 per diluted common share, for the year ended December 31, 2019 compared with \$220.7 million, or \$2.23 per diluted common share, for the year ended December 31, 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 certain other charges.

At its regular quarterly meeting today, the Board of Directors of the Company declared quarterly cash dividends of \$0.185 per share of common stock and \$0.34375 per share of Series A Preferred Stock. The common stock dividend is payable on April 1, 2020 to shareholders of record at the close of business on March 13, 2020. The preferred stock dividend is payable on February 20, 2020 to shareholders of record at the close of business on February 5, 2020.

“We are pleased to report record financial results for 2019,” remarked Dan Rollins, Chairman and Chief Executive Officer. “First and foremost, we are excited to pass the \$20 billion mark in total assets. This achievement is a tremendous milestone for our Company and a testament to the hard work and success of our teammates in growing our Company both organically and through acquisitions. We also reported record annual income, both on a GAAP basis and an operating basis. Our net operating income – excluding MSR – of \$255.4 million, or \$2.51 per diluted common share, represented an increase of over 12 percent compared to 2018. While the net interest margin has been under recent pressure primarily as a result of a shift in earning asset mix, we were able to improve our net interest margin – excluding accretable yield from 3.64 percent for 2018 to 3.72 percent for 2019. The earnings asset mix shift was attributable primarily to our ability to grow deposits approximately \$1.0 billion, or 7 percent, organically while loans were essentially flat for the year on an organic basis. Finally, our ability to maintain strong credit quality and improve our efficiency has been instrumental in our success.”

“As we look at our fourth quarter results, the highlights are much the same. We reported net operating income – excluding MSR – of \$67.8 million, or \$0.65 per diluted common share, which represents an increase of 14.0 percent compared to the fourth quarter of 2018. We had another great quarter of organic deposit growth, which totaled \$385 million, or 9.5 percent annualized. We were also active in the capital markets during the quarter, raising \$300 million from the offering of subordinated debt and \$172.5 million from the offering of preferred stock. These transactions allowed us to take advantage of historically low interest rates and improve our capital structure. As we move into 2020, efficiently managing and deploying this additional capital will be of utmost importance.”

Net Interest Revenue

Net interest revenue was \$170.8 million for the fourth quarter of 2019, an increase of 11.7 percent from \$152.9 million for the fourth quarter of 2018 and an increase of 2.5 percent from \$166.6 million for the third quarter of 2019. The fully taxable equivalent net interest margin was

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3.76 percent for the fourth quarter of 2019, compared with 3.80 percent for the fourth quarter of 2018 and 3.88 percent for the third quarter of 2019. Yields on net loans and leases were 5.13 percent for the fourth quarter of 2019, compared with 4.94 percent for the fourth quarter of 2018 and 5.16 percent for the third quarter of 2019, while yields on total interest earning assets were 4.48 percent for the fourth quarter of 2019, compared with 4.45 percent for the fourth quarter of 2018 and 4.63 percent for the third quarter of 2019. The net interest margin, excluding accretable yield, was 3.61 percent for the fourth quarter of 2019, compared with 3.71 percent for the fourth quarter of 2018 and 3.76 percent for the third quarter of 2019, while yields on net loans and leases, excluding accretable yield, were 4.95 percent for the fourth quarter of 2019, compared with 4.83 percent for the fourth quarter of 2018 and 5.02 percent for the third quarter of 2019. The average cost of deposits was 0.68 percent for the fourth quarter of 2019, compared with 0.52 percent for the fourth quarter of 2018 and 0.71 percent for the third quarter of 2019.

Balance Sheet Activity

Loans and leases, net of unearned income, decreased \$31.1 million during the fourth quarter of 2019 and have increased \$1.0 billion since December 31, 2018. Excluding acquired balances, loans were essentially flat for both the fourth quarter and the full year 2019. Deposits increased \$384.9 million during the fourth quarter of 2019 and deposits have increased \$2.3 billion since December 31, 2018. Excluding acquired deposits, total deposits increased approximately \$1.0 billion, or 7.2 percent, during 2019.

Provision for Credit Losses and Allowance for Credit Losses

Earnings for the fourth quarter of 2019 reflect no provision for credit losses, compared with a provision of \$1.0 million for the fourth quarter of 2018 and \$0.5 million for the third quarter of 2019. Net recoveries for the fourth quarter of 2019 were \$2.2 million, compared with net charge-offs of \$1.9 million for the fourth quarter of 2018 and net recoveries of \$0.7 million for the third quarter of 2019. The allowance for credit losses was \$119.1 million, or 0.85 percent of net loans and leases, at December 31, 2019, compared with \$120.1 million, or 0.92 percent of net loans and leases, at December 31, 2018, and \$116.9 million, or 0.83 percent of net loans and leases, at September 30, 2019. The allowance for credit losses coverage metrics were impacted by loans acquired in the acquisitions that closed during the second quarter of 2019 and the third quarter of 2019.

Total non-performing assets were \$118.3 million, or 0.84 percent of net loans and leases, at December 31, 2019, compared with \$106.0 million, or 0.81 percent of net loans and leases, at December 31, 2018, and \$116.0 million, or 0.82 percent of net loans and leases, at September 30, 2019. Other real estate owned was \$6.7 million at December 31, 2019, compared with \$9.3 million at December 31, 2018 and \$7.9 million at September 30, 2019.

Noninterest Revenue

Noninterest revenue was \$74.7 million for the fourth quarter of 2019, compared with \$59.0 million for the fourth quarter of 2018 and \$75.4 million for the third quarter of 2019. These

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results include a positive MSR valuation adjustment of \$3.2 million for the fourth quarter of 2019, compared with a negative MSR valuation adjustment of \$8.1 million for the fourth quarter of 2018 and a negative MSR valuation adjustment of \$4.0 million for the third quarter of 2019. Valuation adjustments in the MSR asset are driven primarily by fluctuations in interest rates period over period.

Mortgage production and servicing revenue was \$6.9 million for the fourth quarter of 2019, compared with \$4.8 million for the fourth quarter of 2018 and \$11.3 million for the third quarter of 2019. Mortgage origination volume for the fourth quarter of 2019 was \$504.9 million, compared with \$305.0 million for the fourth quarter of 2018 and \$536.1 million for the third quarter of 2019. Of the total mortgage origination volume for the fourth quarter of 2019, \$106.4 million was portfolio loans, compared with \$47.3 million for the fourth quarter of 2018 and \$112.1 million for the third quarter of 2019.

Credit card, debit card, and merchant fee revenue was \$9.8 million for the fourth quarter of 2019, compared with \$9.9 million for the fourth quarter of 2018 and \$9.8 million for the third quarter of 2019. Deposit service charge revenue was \$12.2 million for the fourth quarter of 2019, compared with \$11.7 million for the fourth quarter of 2018 and \$11.9 million for the third quarter of 2019. Wealth management revenue was \$6.6 million for the fourth quarter of 2019, compared with \$5.5 million for the fourth quarter of 2018 and \$6.7 million for the third quarter of 2019. Other noninterest revenue was \$8.3 million for the fourth quarter of 2019, compared with \$7.0 million for the fourth quarter of 2018 and \$8.1 million for the third quarter of 2019. Insurance commission revenue was \$27.7 million for the fourth quarter of 2019, compared with \$28.0 million for the fourth quarter of 2018 and \$31.5 million for the third quarter of 2019.

Noninterest Expense

Noninterest expense for the fourth quarter of 2019 was \$162.4 million, compared with \$152.3 million for the fourth quarter of 2018 and \$159.6 million for the third quarter of 2019. Salaries and employee benefits expense was \$97.1 million for the fourth quarter of 2019, compared with \$92.0 million for the fourth quarter of 2018 and \$101.2 million for the third quarter of 2019. The decline in salaries and employee benefits expense was related to an accrual true-up of approximately \$4.0 million as a result of the improved performance of employee benefit plans in 2019 compared to 2018. Occupancy expense was \$12.3 million for the fourth quarter of 2019, compared with \$12.1 million for the fourth quarter of 2018 and \$12.3 million for the third quarter of 2019. Other noninterest expense was \$46.0 million for the fourth quarter of 2019, compared with \$42.5 million for the fourth quarter of 2018 and \$39.4 million for the third quarter of 2019. Additionally, merger-related expense for the fourth quarter of 2019 was \$5.8 million, compared with merger-related expense of \$4.5 million for the fourth quarter of 2018 and \$4.1 million for the third quarter of 2019.

Capital Management

The Company's ratio of shareholders' equity to assets was 12.75 percent at December 31, 2019, compared with 12.25 percent at December 31, 2018 and 12.54 percent at September 30, 2019.

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The ratio of tangible common shareholders' equity to tangible assets was 8.09 percent at December 31, 2019, compared with 8.46 percent at December 31, 2018 and 8.47 percent at September 30, 2019.

During November 2019, the Company completed an underwritten public offering of \$300.0 million aggregate principal amount of its 4.125 percent Fixed-to-Floating Rate Subordinated Notes due November 20, 2029 (the "Notes") and an underwritten public offering of \$172.5 million of its 5.50 percent Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share (the "Series A Preferred Stock"). For additional details regarding the terms of the Notes, including those related to interest rates and interest payment dates, redemption, seniority, and maturity, and the terms of the Series A Preferred Stock, including those related to dividends and dividend payment dates, redemption, seniority, and maturity, please refer to the offering circulars related to each offering that the Company filed with the Federal Deposit Insurance Corporation ("FDIC") on November 15, 2019. The Company intends to use the net proceeds from the offerings for general corporate purposes, potentially including repurchases of shares of its common stock, future acquisitions and ongoing working capital needs.

During the fourth quarter of 2019, the Company repurchased 293,357 shares of its outstanding common stock at a weighted average price of \$32.46 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 (the "Exchange Act"). For the full year of 2019, the Company repurchased 2,466,438 shares of its outstanding common stock at a weighted average price of \$28.20 per share. On December 12, 2019, the Company announced that its Board of Directors authorized a new share repurchase program to purchase up to an aggregate of 8.0 million shares of the Company's common stock. This new share repurchase program became effective January 2, 2020 and will expire on December 31, 2020.

Estimated regulatory capital ratios at December 31, 2019 were calculated in accordance with the Basel III capital framework. The Company is a "well capitalized" bank, as defined by federal regulations, at December 31, 2019, with Tier 1 risk-based capital of 11.60 percent and total risk-based capital of 14.17 percent, compared with required minimum levels of 8 percent and 10 percent, respectively, in order to qualify for "well capitalized" classification.

Summary

Rollins concluded, "We are pleased with our accomplishments in 2019 and excited about what lies ahead in 2020. We recently closed our previously announced merger with Texas First Bancshares, Inc. We are excited to welcome Rodney Kroll and his team to our Company as we enter the Waco, Texas market and expand our presence in other surrounding markets. As we venture into the new year, we will look for ways to continue to grow our Company, enhance our technology and customer experience, and ultimately deliver improved returns to our shareholders."

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TRANSACTIONS

Texas First Bancshares, Inc.

On January 1, 2020, the Company completed the merger with Texas First Bancshares, Inc., the parent company of Texas First State Bank, (collectively referred to as “Texas First”), pursuant to which Texas First was merged with and into the Company. Texas First operated 6 full-service banking offices in the Waco, Texas and Killeen-Temple, Texas metropolitan statistical areas (“MSA”). As of January 1, 2020, Texas First collectively reported total assets of \$396.9 million, total loans of \$185.7 million and total deposits of \$369.3 million. Under the terms of the definitive merger agreement, the Company issued approximately 1,040,000 shares of the Company’s common stock plus \$13.0 million in cash for all outstanding shares of Texas First. For more information regarding this transaction, see our Current Report on Form 8-K that was filed with the FDIC on January 2, 2020.

Van Alstyne Financial Corporation & Summit Financial Enterprises, Inc.

On September 1, 2019, the Company completed the mergers with Van Alstyne Financial Corporation and its wholly owned subsidiary, Texas Star Bank (collectively referred to as “Texas Star”), pursuant to which Texas Star was merged with and into the Company, and with Summit Financial Enterprises, Inc. and its wholly owned subsidiary, Summit Bank (collectively referred to as “Summit”), pursuant to which Summit was merged with and into the Company. Texas Star operated 7 full-service banking offices in Collin and Grayson counties in Texas, and one loan production office in Durant, Oklahoma, while Summit operated 4 offices located in Panama City, Panama City Beach, Fort Walton Beach, and Pensacola, Florida. As of September 1, 2019, Texas Star and Summit collectively reported total assets of \$805.2 million, total loans of \$610.2 million and total deposits of \$794.2 million. Under the terms of the definitive merger agreements, the Company issued approximately 4,600,000 shares of the Company’s common stock plus \$48.2 million in cash for all outstanding shares of both institutions. For more information regarding these transactions, see our Current Report on Form 8-K that was filed with the FDIC on September 3, 2019. The purchase accounting for these transactions 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.

Casey Bancorp, Inc. & Merchants Trust, Inc.

On April 1, 2019, the Company completed the mergers with Casey Bancorp, Inc. and its wholly owned subsidiary, Grand Bank of Texas (collectively referred to as “Grand Bank”), pursuant to which Grand Bank was merged with and into the Company, and with Merchants Trust, Inc. and its wholly owned subsidiary, Merchants Bank (collectively referred to as “Merchants”), pursuant to which Merchants was merged with and into the Company. Grand Bank operated 4 full-service banking offices in the cities of Dallas, Grand Prairie, Horseshoe Bay and Marble Falls, all in Texas, while Merchants, which was based in Jackson, Alabama, operated 6 full-service banking offices in Clarke and Mobile counties in Alabama. As of April 1, 2019, Grand Bank and

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Merchants collectively reported total assets of \$566.0 million, total loans of \$415.0 million and total deposits of \$529.0 million. Under the terms of the definitive merger agreements, the Company issued approximately 2,225,000 shares of the Company's common stock plus \$24.2 million in cash for all outstanding shares of both institutions. For more information regarding these transactions, see our Current Report on Form 8-K that was filed with the FDIC on April 1, 2019. The purchase accounting for these transactions 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.

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 22 of this news release.

Conference Call and Webcast

The Company will conduct a conference call to discuss its fourth quarter 2019 financial results on January 23, 2020, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. 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 \$21 billion in assets. BancorpSouth operates approximately 310 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 made in this news release are not statements of historical fact and constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as "may," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "anticipate," "seek," "aspire," "roadmap," "achieve," "estimate," "intend," "plan," "project," "projection," "forecast," "goal," "target," "would," and "outlook," or the negative version of those words or other comparable words of a future or forward-looking nature. These forward-looking statements include, without limitation, those relating to the benefits, costs, synergies and financial and operational impact of the Grand Bank, Merchants, Texas Star, Summit and Texas First mergers on the Company, the acceptance by customers of Grand Bank, Merchants, Texas Star, Summit and Texas First 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

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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 Company’s ability to pay dividends or coupons on Series A Preferred Stock or the Notes or its ability to ultimately repay the Notes or otherwise comply with the terms of such instruments, amortization expense for intangible assets, goodwill impairments, loan impairments, 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 collaterally 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, deposit and fee revenue sources, liquidity needs and strategies, the ability of the Company to access successfully the capital and credit markets when needed or as desired, 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.

These forward-looking statements are not historical facts, and are based upon current expectations, estimates and projections about the Company’s industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain, involve risk and are beyond the Company’s control. The inclusion of these forward-looking statements should not be regarded as a representation by the Company or any other person that such expectations, estimates and projections will be achieved. Accordingly, the Company cautions that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict and that are beyond BancorpSouth’s control. These risks, assumptions and uncertainties 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 Grand Bank, Merchants, Texas Star, Summit and Texas First mergers, the possibility that any of the anticipated benefits, costs, synergies and financial and operational improvements of the Grand Bank, Merchants, Texas Star, Summit and Texas First mergers will not be realized or will not be realized as expected, the ability of the Company and Texas First to meet expectations regarding the timing, completion and accounting and tax treatments of the Texas First merger, the possibility that any of the anticipated benefits of the Texas First merger will not be realized or will not be realized as expected, the effect of any announcements regarding the Texas First merger on the Company’s operating results, the possibility that the Texas First merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events, the lack of availability of the Company’s filings mandated by the Exchange Act from the Securities and Exchange Commission’s publicly available website after November 1, 2017, 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 Wall Street Reform and Consumer Protection 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 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 capital 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 Federal Deposit Insurance Corporation.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. If one or more events related to these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, actual results may differ materially from the Company’s forward-looking statements. Accordingly, undue reliance should not be placed on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company.

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

	Quarter Ended 12/31/2019	Quarter Ended 9/30/2019	Quarter Ended 6/30/2019	Quarter Ended 3/31/2019	Quarter Ended 12/31/2018	Year Ended 12/31/2019	Year Ended 12/31/2018
Earnings Summary:							
Interest revenue	\$ 203,812	\$ 199,004	\$ 191,063	\$ 181,133	\$ 178,850	\$ 775,012	\$ 653,493
Interest expense	33,038	32,405	31,046	28,579	25,969	125,068	78,271
Net interest revenue	170,774	166,599	160,017	152,554	152,881	649,944	575,222
Provision for credit losses	-	500	500	500	1,000	1,500	4,500
Net interest revenue, after provision							
for credit losses	170,774	166,099	159,517	152,054	151,881	648,444	570,722
Noninterest revenue	74,697	75,432	66,332	64,220	59,031	280,681	282,037
Noninterest expense	162,351	159,614	157,674	149,968	152,342	629,607	587,634
Income before income taxes	83,120	81,917	68,175	66,306	58,570	299,518	265,125
Income tax expense	17,271	18,160	15,118	14,708	11,473	65,257	43,808
Net income	\$ 65,849	\$ 63,757	\$ 53,057	\$ 51,598	\$ 47,097	\$ 234,261	\$ 221,317
Less: Preferred dividends	-	-	-	-	-	-	-
Net income available to common shareholders	\$ 65,849	\$ 63,757	\$ 53,057	\$ 51,598	\$ 47,097	\$ 234,261	\$ 221,317
Balance Sheet - Period End Balances							
Total assets	\$ 21,052,576	\$ 19,850,225	\$ 18,936,814	\$ 18,314,183	\$ 18,001,540	\$ 21,052,576	\$ 18,001,540
Total earning assets	18,891,021	17,619,053	16,948,009	16,426,872	16,144,098	18,891,021	16,144,098
Total securities	4,481,974	2,766,446	2,760,732	2,692,499	2,749,188	4,481,974	2,749,188
Loans and leases, net of unearned income	14,089,683	14,120,783	13,658,527	13,071,059	13,112,149	14,089,683	13,112,149
Allowance for credit losses	119,066	116,908	115,691	116,499	120,070	119,066	120,070
Net book value of acquired loans (included in loans and leases above)	1,628,265	1,845,056	1,421,303	1,191,673	1,310,089	1,628,265	1,310,089
Remaining loan mark on acquired loans	46,240	53,137	38,408	30,782	37,366	46,240	37,366
Total deposits	16,410,699	16,025,756	15,136,648	14,692,609	14,069,966	16,410,699	14,069,966
Long-term debt	5,053	5,161	5,271	5,503	6,213	5,053	6,213
Junior subordinated debt securities	296,547	-	-	-	-	296,547	-
Total shareholders' equity	2,685,017	2,489,427	2,327,120	2,226,585	2,205,737	2,685,017	2,205,737
Common shareholders' equity	2,517,996	2,489,427	2,327,120	2,226,585	2,205,737	2,517,996	2,205,737
Balance Sheet - Average Balances							
Total assets	\$ 20,243,023	\$ 19,170,926	\$ 18,637,258	\$ 18,033,513	\$ 17,879,081	\$ 19,027,644	\$ 17,240,092
Total earning assets	18,125,676	17,148,574	16,693,115	16,156,235	16,056,656	17,036,618	15,599,570
Total securities	3,555,014	2,738,691	2,733,335	2,704,383	2,784,437	2,934,654	2,867,439
Loans and leases, net of unearned income	14,061,118	13,726,755	13,549,591	13,078,221	13,063,422	13,606,951	12,481,534
Total deposits	16,218,715	15,509,511	15,080,885	14,445,834	14,072,416	15,319,130	13,641,476
Long-term debt	5,138	5,303	5,403	5,826	17,403	5,415	29,508
Junior subordinated debt securities	135,535	-	-	-	-	34,162	3,169
Total shareholders' equity	2,572,750	2,378,882	2,298,512	2,212,748	2,191,852	2,366,745	2,086,922
Common shareholders' equity	2,498,033	2,378,882	2,298,512	2,212,748	2,191,852	2,347,913	2,086,922
Nonperforming Assets:							
Non-accrual loans and leases	\$ 78,796	\$ 76,383	\$ 71,076	\$ 68,949	\$ 70,555	\$ 78,796	\$ 70,555
Loans and leases 90+ days past due, still accruing	17,531	16,659	8,053	8,471	18,695	17,531	18,695
Restructured loans and leases, still accruing	15,184	15,033	10,676	9,874	7,498	15,184	7,498
Non-performing loans (NPLs)	111,511	108,075	89,805	87,294	96,748	111,511	96,748
Other real estate owned	6,746	7,929	6,179	9,686	9,276	6,746	9,276
Non-performing assets (NPAs)	\$ 118,257	\$ 116,004	\$ 95,984	\$ 96,980	\$ 106,024	\$ 118,257	\$ 106,024
Financial Ratios and Other Data:							
Return on average assets	1.29%	1.32%	1.14%	1.16%	1.05%	1.23%	1.28%
Operating return on average assets-excluding MSR*	1.33%	1.44%	1.33%	1.26%	1.25%	1.34%	1.28%
Return on average shareholders' equity	10.15%	10.63%	9.26%	9.46%	8.52%	9.90%	10.60%
Operating return on average shareholders' equity-excluding MSR*	10.46%	11.63%	10.82%	10.24%	10.20%	10.79%	10.57%
Return on average common shareholders' equity	10.46%	10.63%	9.26%	9.46%	8.52%	9.98%	10.60%
Operating return on average common shareholders' equity-excluding MSR*	10.78%	11.63%	10.82%	10.24%	10.20%	10.88%	10.57%
Return on average tangible equity*	15.47%	16.23%	14.06%	14.27%	12.66%	15.04%	15.22%
Operating return on average tangible equity-excluding MSR*	15.94%	17.75%	16.42%	15.45%	15.15%	16.40%	15.95%
Return on average tangible common equity*	16.19%	16.23%	14.06%	14.27%	12.66%	15.22%	15.22%
Operating return on average tangible common equity-excluding MSR*	16.68%	17.75%	16.42%	15.45%	15.15%	16.60%	15.95%
Noninterest income to average assets	1.46%	1.56%	1.43%	1.44%	1.31%	1.48%	1.64%
Noninterest expense to average assets	3.18%	3.30%	3.39%	3.37%	3.38%	3.31%	3.41%
Net interest margin-fully taxable equivalent	3.76%	3.88%	3.87%	3.86%	3.80%	3.84%	3.72%
Net interest margin-fully taxable equivalent, excluding net accretion on acquired loans and leases	3.61%	3.76%	3.79%	3.74%	3.71%	3.72%	3.64%
Net interest rate spread	3.44%	3.56%	3.56%	3.56%	3.53%	3.53%	3.50%
Efficiency ratio (tax equivalent)*	65.92%	65.68%	69.36%	68.85%	71.52%	67.38%	68.22%
Operating efficiency ratio-excluding MSR (tax equivalent)*	64.39%	63.01%	65.46%	66.89%	66.86%	64.90%	66.62%
Loan/deposit ratio	85.86%	88.11%	90.23%	88.96%	93.19%	85.86%	93.19%
Price to earnings multiple (close)	13.60	13.77	13.26	16.60	11.67	13.60	11.67
Market value to common book value	130.38%	124.62%	125.60%	125.56%	118.27%	130.38%	118.27%
Market value to common book value (avg)	128.18%	120.12%	125.47%	132.05%	131.34%	122.58%	146.37%
Market value to common tangible book value	201.13%	193.15%	191.45%	189.14%	178.79%	201.13%	178.79%
Market value to common tangible book value (avg)	197.74%	186.17%	191.25%	198.92%	198.55%	189.09%	221.26%
Employee FTE	4,693	4,674	4,581	4,370	4,445	4,693	4,445

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 22 and 23.

January 22, 2020

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

	Quarter Ended 12/31/2019	Quarter Ended 9/30/2019	Quarter Ended 6/30/2019	Quarter Ended 3/31/2019	Quarter Ended 12/31/2018	Year Ended 12/31/2019	Year Ended 12/31/2018
Credit Quality Ratios:							
Net (recoveries)charge-offs to average loans and leases (annualized)	(0.06%)	(0.02%)	0.04%	0.12%	0.06%	0.02%	0.02%
Provision for credit losses to average loans and leases (annualized)	0.00%	0.01%	0.01%	0.02%	0.03%	0.01%	0.04%
Allowance for credit losses to net loans and leases	0.85%	0.83%	0.85%	0.89%	0.92%	0.85%	0.92%
Allowance for credit losses to net loans and leases, excluding acquired loans and leases	0.96%	0.95%	0.95%	0.98%	1.02%	0.96%	1.02%
Allowance for credit losses to non-performing loans and leases	106.78%	108.17%	128.83%	133.46%	124.11%	106.78%	124.11%
Allowance for credit losses to non-performing assets	100.68%	100.78%	120.53%	120.13%	113.25%	100.68%	113.25%
Non-performing loans and leases to net loans and leases	0.79%	0.77%	0.66%	0.67%	0.74%	0.79%	0.74%
Non-performing assets to net loans and leases	0.84%	0.82%	0.70%	0.74%	0.81%	0.84%	0.81%
Equity Ratios:							
Total shareholders' equity to total assets	12.75%	12.54%	12.29%	12.16%	12.25%	12.75%	12.25%
Total common shareholders' equity to total assets	11.96%	12.54%	12.29%	12.16%	12.25%	11.96%	12.25%
Tangible shareholders' equity to tangible assets*	8.92%	8.47%	8.42%	8.41%	8.46%	8.92%	8.46%
Tangible common shareholders' equity to tangible assets*	8.09%	8.47%	8.42%	8.41%	8.46%	8.09%	8.46%
Capital Adequacy:							
Common Equity Tier 1 capital	10.57%	10.54%	10.52%	10.75%	10.84%	10.57%	10.84%
Tier 1 capital	11.60%	10.54%	10.52%	10.75%	10.84%	11.60%	10.84%
Total capital	14.17%	11.28%	11.28%	11.55%	11.68%	14.17%	11.68%
Tier 1 leverage capital	9.69%	9.14%	8.96%	9.03%	9.06%	9.69%	9.06%
Estimated for current quarter							
Common Share Data:							
Basic earnings per share	\$ 0.63	\$ 0.63	\$ 0.53	\$ 0.52	\$ 0.47	2.31	\$ 2.24
Diluted earnings per share	0.63	0.63	0.53	0.52	0.47	2.30	2.23
Operating earnings per share*	0.67	0.66	0.55	0.52	0.51	2.40	2.22
Operating earnings per share- excluding MSR*	0.65	0.69	0.61	0.56	0.57	2.51	2.23
Cash dividends per share	0.19	0.19	0.17	0.17	0.17	0.71	0.62
Book value per share	24.09	23.76	23.12	22.48	22.10	24.09	22.10
Tangible book value per share*	15.62	15.33	15.17	14.92	14.62	15.62	14.62
Market value per share (last)	31.41	29.61	29.04	28.22	26.14	31.41	26.14
Market value per share (high)	32.97	30.54	31.10	33.45	33.50	33.45	35.55
Market value per share (low)	28.13	26.47	26.92	25.76	24.31	25.76	24.31
Market value per share (avg)	30.88	28.54	29.01	29.68	29.03	29.53	32.35
Dividend payout ratio	29.43%	29.36%	32.24%	32.78%	35.93%	30.76%	27.72%
Total shares outstanding	104,522,804	104,775,876	100,651,798	99,066,856	99,797,271	104,522,804	99,797,271
Average shares outstanding - basic	104,739,906	101,168,730	100,610,746	99,506,952	99,541,965	101,506,583	98,965,115
Average shares outstanding - diluted	105,144,032	101,493,247	100,888,164	99,717,119	99,720,219	101,810,640	99,134,861
Yield/Rate:							
(Taxable equivalent basis)							
Loans, loans held for sale, and leases net of unearned income	5.13%	5.16%	5.12%	5.09%	4.94%	5.13%	4.73%
Loans, loans held for sale, and leases net of unearned income, excluding net accretion on acquired loans and leases	4.95%	5.02%	5.02%	4.95%	4.83%	4.98%	4.64%
Available-for-sale securities:							
Taxable	2.00%	2.13%	2.10%	2.04%	1.92%	2.06%	1.80%
Tax-exempt	4.69%	5.56%	4.53%	4.63%	4.47%	4.82%	4.39%
Short-term, FHLB and other equity investments	1.95%	2.41%	2.52%	2.67%	2.84%	2.37%	2.00%
Total interest earning assets and revenue	4.48%	4.63%	4.61%	4.57%	4.45%	4.57%	4.22%
Deposits	0.68%	0.71%	0.68%	0.63%	0.52%	0.68%	0.40%
Demand - interest bearing	0.88%	0.94%	0.91%	0.85%	0.70%	0.89%	0.52%
Savings	0.28%	0.28%	0.29%	0.30%	0.30%	0.29%	0.20%
Other time	1.68%	1.67%	1.60%	1.46%	1.26%	1.61%	1.04%
Short-term borrowings	1.51%	1.90%	2.14%	2.16%	2.06%	1.93%	1.71%
Total interest bearing deposits and short-term borrowings	1.01%	1.07%	1.06%	1.01%	0.91%	1.03%	0.71%
Junior subordinated debt	4.17%	N/A	N/A	N/A	N/A	4.17%	N/A
Long-term debt	4.83%	4.93%	4.87%	4.88%	4.12%	4.88%	4.11%
Total interest bearing liabilities and expense	1.04%	1.07%	1.06%	1.01%	0.92%	1.04%	0.72%
Interest bearing liabilities to interest earning assets	69.37%	70.15%	70.47%	71.15%	69.79%	70.25%	70.01%
Net interest tax equivalent adjustment	\$ 800	\$ 972	\$ 974	\$ 1,035	\$ 1,088	\$ 3,782	\$ 4,390

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 22 and 23.

BancorpSouth Bank
Consolidated Balance Sheets
(Unaudited)

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 261,773	\$ 333,108	\$ 212,080	\$ 207,486	\$ 239,960
Interest bearing deposits with other banks and Federal funds sold	71,233	466,650	314,172	490,667	92,476
Available-for-sale securities, at fair value	4,481,974	2,766,446	2,760,732	2,692,499	2,749,188
Loans and leases	14,107,743	14,137,563	13,674,990	13,086,801	13,129,012
Less: Unearned income	18,060	16,780	16,463	15,742	16,863
Allowance for credit losses	119,066	116,908	115,691	116,499	120,070
Net loans and leases	13,970,617	14,003,875	13,542,836	12,954,560	12,992,079
Loans held for sale	210,361	229,514	175,898	138,379	140,300
Premises and equipment, net	480,901	480,819	447,564	432,540	361,859
Accrued interest receivable	65,173	62,818	60,598	59,038	57,054
Goodwill	825,679	822,093	734,473	699,073	695,720
Other identifiable intangibles	60,008	61,100	65,930	49,396	50,896
Bank owned life insurance	326,417	328,670	315,398	305,315	308,324
Other real estate owned	6,746	7,929	6,179	9,686	9,276
Other assets	291,694	287,203	300,954	275,544	304,408
Total Assets	<u>\$ 21,052,576</u>	<u>\$ 19,850,225</u>	<u>\$ 18,936,814</u>	<u>\$ 18,314,183</u>	<u>\$ 18,001,540</u>
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 4,661,821	\$ 4,770,907	\$ 4,329,172	\$ 4,201,695	\$ 4,124,744
Interest bearing	7,176,934	6,745,329	6,511,332	6,353,731	5,898,851
Savings	1,937,985	1,898,813	1,861,247	1,855,024	1,836,167
Other time	2,633,959	2,610,707	2,434,897	2,282,159	2,210,204
Total deposits	16,410,699	16,025,756	15,136,648	14,692,609	14,069,966
Securities sold under agreement to repurchase	513,422	529,788	439,541	481,567	416,008
Federal funds purchased and other short-term borrowing	725,000	480,000	730,000	630,000	1,095,000
Accrued interest payable	15,124	13,120	12,225	9,718	8,543
Junior subordinated debt securities	296,547	-	-	-	-
Long-term debt	5,053	5,161	5,271	5,503	6,213
Other liabilities	401,714	306,973	286,009	268,201	200,073
Total Liabilities	18,367,559	17,360,798	16,609,694	16,087,598	15,795,803
<u>Shareholders' Equity</u>					
Preferred stock	167,021	-	-	-	-
Common stock	261,307	261,940	251,629	247,667	249,493
Capital surplus	605,976	611,115	506,201	462,256	484,482
Accumulated other comprehensive loss	(62,663)	(50,538)	(53,252)	(69,924)	(80,491)
Retained earnings	1,713,376	1,666,910	1,622,542	1,586,586	1,552,253
Total Shareholders' Equity	2,685,017	2,489,427	2,327,120	2,226,585	2,205,737
Total Liabilities & Shareholders' Equity	<u>\$ 21,052,576</u>	<u>\$ 19,850,225</u>	<u>\$ 18,936,814</u>	<u>\$ 18,314,183</u>	<u>\$ 18,001,540</u>

BancorpSouth Bank
Consolidated Average Balance Sheets
(Unaudited)

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 244,444	\$ 229,814	\$ 202,564	\$ 213,415	\$ 218,553
Interest bearing deposits with other banks and Federal funds sold	300,495	486,716	254,951	238,194	62,516
Available-for-sale securities, at fair value	3,555,014	2,738,691	2,733,335	2,704,383	2,784,437
Loans and leases	14,078,793	13,743,876	13,565,632	13,094,817	13,079,321
Less: Unearned income	17,675	17,121	16,041	16,596	15,899
Allowance for credit losses	117,668	116,232	116,339	118,352	120,426
Net loans and leases	13,943,450	13,610,523	13,433,252	12,959,869	12,942,996
Loans held for sale	173,649	157,691	117,995	86,294	96,588
Premises and equipment, net	481,623	458,758	453,239	430,675	372,488
Accrued interest receivable	60,678	57,941	54,977	54,296	54,156
Goodwill	823,812	761,084	735,540	695,787	668,544
Other identifiable intangibles	60,559	59,253	49,058	50,115	47,567
Bank owned life insurance	328,567	319,894	313,550	306,134	305,888
Other real estate owned	7,820	6,908	7,313	9,555	15,048
Other assets	262,912	283,653	281,484	284,796	310,300
Total Assets	\$ 20,243,023	\$ 19,170,926	\$ 18,637,258	\$ 18,033,513	\$ 17,879,081
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 4,803,104	\$ 4,479,698	\$ 4,307,570	\$ 4,078,027	\$ 4,284,521
Interest bearing	6,872,921	6,655,962	6,485,523	6,283,089	5,753,655
Savings	1,913,650	1,869,045	1,872,552	1,837,197	1,836,148
Other time	2,629,040	2,504,806	2,415,240	2,247,521	2,198,092
Total deposits	16,218,715	15,509,511	15,080,885	14,445,834	14,072,416
Securities sold under agreement to repurchase	530,217	507,558	484,950	457,875	447,727
Federal funds purchased and other short-term borrowing	487,272	487,456	499,385	664,056	953,137
Accrued interest payable	14,942	13,756	12,239	9,998	8,305
Junior subordinated debt securities	135,535	-	-	-	-
Long-term debt	5,138	5,303	5,403	5,826	17,403
Other liabilities	278,454	268,460	255,884	237,176	188,241
Total Liabilities	17,670,273	16,792,044	16,338,746	15,820,765	15,687,229
<u>Shareholders' Equity</u>					
Preferred stock	74,717	-	-	-	-
Common stock	261,905	254,881	252,351	248,810	250,752
Capital surplus	611,667	538,665	511,786	475,390	497,330
Accumulated other comprehensive loss	(53,111)	(52,204)	(66,048)	(78,255)	(91,541)
Retained earnings	1,677,572	1,637,540	1,600,423	1,566,803	1,535,311
Total Shareholders' Equity	2,572,750	2,378,882	2,298,512	2,212,748	2,191,852
Total Liabilities & Shareholders' Equity	\$ 20,243,023	\$ 19,170,926	\$ 18,637,258	\$ 18,033,513	\$ 17,879,081

BXS Announces Fourth Quarter 2019 Financial Results

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January 22, 2020

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

	Quarter Ended					Year to Date	
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18	Dec-19	Dec-18
INTEREST REVENUE:							
Loans and leases	\$ 182,269	\$ 178,729	\$ 172,748	\$ 163,679	\$ 162,237	\$ 697,425	\$ 589,238
Deposits with other banks	1,225	2,456	1,292	1,516	457	6,489	1,695
Federal funds sold, securities purchased under agreement to resell, FHLB and other equity investments	426	735	542	374	344	2,077	1,056
Available-for-sale securities:							
Taxable	17,241	13,759	13,223	12,437	12,208	56,660	46,604
Tax-exempt	1,266	1,883	1,890	2,121	2,308	7,160	9,641
Loans held for sale	1,385	1,442	1,368	1,006	1,296	5,201	5,259
Total interest revenue	<u>203,812</u>	<u>199,004</u>	<u>191,063</u>	<u>181,133</u>	<u>178,850</u>	<u>775,012</u>	<u>653,493</u>
INTEREST EXPENSE:							
Interest bearing demand	15,202	15,689	14,741	13,139	10,191	58,771	29,657
Savings	1,334	1,341	1,348	1,338	1,367	5,361	3,705
Other time	11,134	10,546	9,635	8,065	6,967	39,380	21,685
Federal funds purchased and securities sold under agreement to repurchase	1,591	1,857	1,972	1,775	2,563	7,195	7,873
Short-term and long-term debt	2,293	2,971	3,349	4,262	4,880	12,875	15,348
Junior subordinated debt	1,482	-	-	-	-	1,482	-
Other	2	1	1	-	1	4	3
Total interest expense	<u>33,038</u>	<u>32,405</u>	<u>31,046</u>	<u>28,579</u>	<u>25,969</u>	<u>125,068</u>	<u>78,271</u>
Net interest revenue	170,774	166,599	160,017	152,554	152,881	649,944	575,222
Provision for credit losses	-	500	500	500	1,000	1,500	4,500
Net interest revenue, after provision for credit losses	<u>170,774</u>	<u>166,099</u>	<u>159,517</u>	<u>152,054</u>	<u>151,881</u>	<u>648,444</u>	<u>570,722</u>
NONINTEREST REVENUE:							
Mortgage banking	10,102	7,289	351	2,040	(3,275)	19,782	23,411
Credit card, debit card and merchant fees	9,836	9,778	10,168	8,874	9,941	38,656	39,892
Deposit service charges	12,193	11,939	11,117	10,766	11,699	46,015	44,645
Security gains(losses), net	(41)	117	59	39	162	174	133
Insurance commissions	27,648	31,512	33,951	30,180	27,981	123,291	121,781
Wealth management	6,617	6,651	5,906	5,635	5,534	24,809	22,992
Other	8,342	8,146	4,780	6,686	6,989	27,954	29,183
Total noninterest revenue	<u>74,697</u>	<u>75,432</u>	<u>66,332</u>	<u>64,220</u>	<u>59,031</u>	<u>280,681</u>	<u>282,037</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	97,137	101,154	100,981	97,228	92,013	396,500	364,307
Occupancy, net of rental income	12,267	12,323	11,988	11,551	12,107	48,129	45,704
Equipment	4,725	4,676	4,423	3,888	3,837	17,712	15,389
Deposit insurance assessments	2,200	2,038	2,165	2,740	1,866	9,143	10,309
Other	46,022	39,423	38,117	34,561	42,519	158,123	151,925
Total noninterest expense	<u>162,351</u>	<u>159,614</u>	<u>157,674</u>	<u>149,968</u>	<u>152,342</u>	<u>629,607</u>	<u>587,634</u>
Income before income taxes	83,120	81,917	68,175	66,306	58,570	299,518	265,125
Income tax expense	17,271	18,160	15,118	14,708	11,473	65,257	43,808
Net income	\$ 65,849	\$ 63,757	\$ 53,057	\$ 51,598	\$ 47,097	\$ 234,261	\$ 221,317
Less: Preferred dividends	-	-	-	-	-	-	-
Net income available to common shareholders	<u>\$ 65,849</u>	<u>\$ 63,757</u>	<u>\$ 53,057</u>	<u>\$ 51,598</u>	<u>\$ 47,097</u>	<u>\$ 234,261</u>	<u>\$ 221,317</u>
Net income per common share: Basic	<u>\$ 0.63</u>	<u>\$ 0.63</u>	<u>\$ 0.53</u>	<u>\$ 0.52</u>	<u>\$ 0.47</u>	<u>\$ 2.31</u>	<u>\$ 2.24</u>
Diluted	<u>\$ 0.63</u>	<u>\$ 0.63</u>	<u>\$ 0.53</u>	<u>\$ 0.52</u>	<u>\$ 0.47</u>	<u>\$ 2.30</u>	<u>\$ 2.23</u>

- MORE -

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

	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
LOAN AND LEASE PORTFOLIO:					
Commercial and industrial					
Commercial and industrial-non real estate	1,979,507	1,887,817	1,832,016	1,728,897	\$ 1,766,515
Commercial and industrial-owner occupied	2,268,813	2,276,338	2,157,292	2,128,763	2,267,902
Total commercial and industrial	4,248,320	4,164,155	3,989,308	3,857,660	4,034,417
Commercial real estate					
Agricultural	337,349	347,866	332,902	309,931	318,038
Construction, acquisition and development	1,577,342	1,538,073	1,441,269	1,322,671	1,286,786
Commercial real estate	3,220,914	3,345,166	3,287,453	3,169,117	3,026,214
Total commercial real estate	5,135,605	5,231,105	5,061,624	4,801,719	4,631,038
Consumer					
Consumer mortgages	3,543,075	3,519,449	3,422,661	3,242,769	3,259,390
Home equity	683,515	678,294	670,352	663,120	663,572
Credit cards	102,559	101,213	101,024	99,260	105,569
Total consumer	4,329,149	4,298,956	4,194,037	4,005,149	4,028,531
All other	376,609	426,567	413,558	406,531	418,163
Total loans	\$ 14,089,683	\$ 14,120,783	\$ 13,658,527	\$ 13,071,059	\$ 13,112,149
ALLOWANCE FOR CREDIT LOSSES:					
Balance, beginning of period	\$ 116,908	\$ 115,691	\$ 116,499	\$ 120,070	\$ 121,019
Loans and leases charged-off:					
Commercial and industrial					
Commercial and industrial-non real estate	(1,273)	(218)	(866)	(819)	(1,042)
Commercial and industrial-owner occupied	(192)	(65)	-	-	(237)
Total commercial and industrial	(1,465)	(283)	(866)	(819)	(1,279)
Commercial real estate					
Agricultural	(11)	-	-	-	(6)
Construction, acquisition and development	(26)	-	(45)	-	(142)
Commercial real estate	-	(49)	(250)	(3,815)	(594)
Total commercial real estate	(37)	(49)	(295)	(3,815)	(742)
Consumer					
Consumer mortgages	(687)	(255)	(237)	(185)	(298)
Home equity	(173)	(39)	(124)	(353)	(237)
Credit cards	(797)	(631)	(922)	(955)	(816)
Total consumer	(1,657)	(925)	(1,283)	(1,493)	(1,351)
All other	(965)	(895)	(912)	(831)	(761)
Total loans charged-off	(4,124)	(2,152)	(3,356)	(6,958)	(4,133)
Recoveries:					
Commercial and industrial					
Commercial and industrial-non real estate	353	835	747	360	504
Commercial and industrial-owner occupied	30	49	71	100	40
Total commercial and industrial	383	884	818	460	544
Commercial real estate					
Agricultural	4	3	10	4	304
Construction, acquisition and development	584	480	63	714	197
Commercial real estate	4,212	29	218	78	139
Total commercial real estate	4,800	512	291	796	640
Consumer					
Consumer mortgages	407	278	244	1,081	419
Home equity	216	731	179	75	86
Credit cards	218	224	223	218	245
Total consumer	841	1,233	646	1,374	750
All other	258	240	293	257	250
Total recoveries	6,282	2,869	2,048	2,887	2,184
Net recoveries(charge-offs)	2,158	717	(1,308)	(4,071)	(1,949)
Provision charged to operating expense	-	500	500	500	1,000
Balance, end of period	\$ 119,066	\$ 116,908	\$ 115,691	\$ 116,499	\$ 120,070
Average loans for period	\$ 14,061,118	\$ 13,726,755	\$ 13,549,591	\$ 13,078,221	\$ 13,063,422
Ratio:					
Net (recoveries) charge-offs to average loans (annualized)	(0.06%)	(0.02%)	0.04%	0.12%	0.06%

January 22, 2020

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

	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
NON-PERFORMING ASSETS					
NON-PERFORMING LOANS AND LEASES:					
Nonaccrual Loans and Leases					
Commercial and industrial					
Commercial and industrial-non real estate	\$ 11,105	\$ 10,430	\$ 9,456	\$ 10,431	\$ 10,537
Commercial and industrial-owner occupied	7,838	7,446	8,648	8,782	8,637
Total commercial and industrial	18,943	17,876	18,104	19,213	19,174
Commercial real estate					
Agricultural	4,772	4,423	6,115	6,263	4,617
Construction, acquisition and development	6,225	2,231	2,071	2,710	3,124
Commercial real estate	16,199	16,823	13,064	12,283	16,590
Total commercial real estate	27,196	23,477	21,250	21,256	24,331
Consumer					
Consumer mortgages	28,879	31,744	28,779	25,680	23,932
Home equity	2,993	2,767	2,432	2,259	2,686
Credit cards	63	85	86	160	173
Total consumer	31,935	34,596	31,297	28,099	26,791
All other	722	434	425	381	259
Total nonaccrual loans and leases	\$ 78,796	\$ 76,383	\$ 71,076	\$ 68,949	\$ 70,555
Loans and Leases 90+ Days Past Due, Still Accruing:	17,531	16,659	8,053	8,471	18,695
Restructured Loans and Leases, Still Accruing	15,184	15,033	10,676	9,874	7,498
Total non-performing loans and leases	\$ 111,511	\$ 108,075	\$ 89,805	\$ 87,294	\$ 96,748
OTHER REAL ESTATE OWNED:	6,746	7,929	6,179	9,686	9,276
Total Non-performing Assets	\$ 118,257	\$ 116,004	\$ 95,984	\$ 96,980	\$ 106,024
BXS originated assets	\$ 78,295	\$ 84,413	\$ 76,816	\$ 77,110	\$ 72,527
Acquired assets	39,962	31,591	19,168	19,870	33,497
Total Non-performing Assets	\$ 118,257	\$ 116,004	\$ 95,984	\$ 96,980	\$ 106,024
Additions to Nonaccrual Loans and Leases During the Quarter	\$ 25,147	\$ 26,331	\$ 22,002	\$ 15,419	\$ 28,572
Loans and Leases 30-89 Days Past Due, Still Accruing:					
BXS originated loans	\$ 44,559	\$ 40,668	\$ 42,968	\$ 34,591	\$ 43,922
Acquired loans	23,054	16,741	14,042	10,840	9,769
Total Loans and Leases 30-89 days past due, still accruing	\$ 67,613	\$ 57,409	\$ 57,010	\$ 45,431	\$ 53,691
Credit Quality Ratios:					
Provision for credit losses to average loans and leases (annualized)	0.00%	0.01%	0.01%	0.02%	0.03%
Allowance for credit losses to net loans and leases	0.85%	0.83%	0.85%	0.89%	0.92%
Allowance for credit losses to non-performing loans and leases	106.78%	108.17%	128.83%	133.46%	124.11%
Allowance for credit losses to non-performing assets	100.68%	100.78%	120.53%	120.13%	113.25%
Non-performing loans and leases to net loans and leases	0.79%	0.77%	0.66%	0.67%	0.74%
Non-performing assets to net loans and leases	0.84%	0.82%	0.70%	0.74%	0.81%

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

December 31, 2019									
	Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Impaired	Total	
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 1,914,055	\$ -	\$ 56,035	\$ 194	\$ -	\$ 1,054	\$ 8,169	\$ 1,979,507	
Commercial and industrial-owner occupied	2,214,870	-	44,077	-	-	4,296	5,570	2,268,813	
Total commercial and industrial	4,128,925	-	100,112	194	-	5,350	13,739	4,248,320	
Commercial real estate									
Agricultural	326,983	-	8,200	-	-	757	1,409	337,349	
Construction, acquisition and development	1,554,291	-	11,759	-	-	5,457	5,835	1,577,342	
Commercial real estate	3,130,489	-	74,606	-	-	11,934	3,885	3,220,914	
Total commercial real estate	5,011,763	-	94,565	-	-	18,148	11,129	5,135,605	
Consumer									
Consumer mortgages	3,455,307	-	86,373	-	-	596	799	3,543,075	
Home equity	675,642	-	7,873	-	-	-	-	683,515	
Credit cards	102,559	-	-	-	-	-	-	102,559	
Total consumer	4,233,508	-	94,246	-	-	596	799	4,329,149	
All other	364,783	2,240	9,568	-	-	-	18	376,609	
Total loans	\$ 13,738,979	\$ 2,240	\$ 298,491	\$ 194	\$ -	\$ 24,094	\$ 25,685	\$ 14,089,683	
BXS originated loans	\$ 12,080,336	\$ -	\$ 202,017	\$ 194	\$ -	\$ 17,110	\$ -	\$ 12,299,657	
Acquired loans*	1,658,643	2,240	96,474	-	-	6,984	25,685	1,790,026	
Total Loans	\$ 13,738,979	\$ 2,240	\$ 298,491	\$ 194	\$ -	\$ 24,094	\$ 25,685	\$ 14,089,683	
September 30, 2019									
	Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Impaired	Total	
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 1,820,611	\$ 500	\$ 52,338	\$ 194	\$ -	\$ 1,653	\$ 12,521	\$ 1,887,817	
Commercial and industrial-owner occupied	2,224,622	-	41,503	-	-	4,211	6,002	2,276,338	
Total commercial and industrial	4,045,233	500	93,841	194	-	5,864	18,523	4,164,155	
Commercial real estate									
Agricultural	337,586	-	8,876	-	-	-	1,404	347,866	
Construction, acquisition and development	1,518,970	-	13,298	-	-	-	5,805	1,538,073	
Commercial real estate	3,256,932	-	70,072	-	-	14,244	3,918	3,345,166	
Total commercial real estate	5,113,488	-	92,246	-	-	14,244	11,127	5,231,105	
Consumer									
Consumer mortgages	3,436,136	-	77,677	-	-	4,840	796	3,519,449	
Home equity	671,520	-	6,774	-	-	-	-	678,294	
Credit cards	101,213	-	-	-	-	-	-	101,213	
Total consumer	4,208,869	-	84,451	-	-	4,840	796	4,298,956	
All other	414,994	2,030	9,521	-	-	-	22	426,567	
Total loans	\$ 13,782,584	\$ 2,530	\$ 280,059	\$ 194	\$ -	\$ 24,948	\$ 30,468	\$ 14,120,783	
BXS originated loans	\$ 11,901,311	\$ -	\$ 192,133	\$ 194	\$ -	\$ 24,379	\$ -	\$ 12,118,017	
Acquired loans*	1,881,273	2,530	87,926	-	-	569	30,468	2,002,766	
Total Loans	\$ 13,782,584	\$ 2,530	\$ 280,059	\$ 194	\$ -	\$ 24,948	\$ 30,468	\$ 14,120,783	

* Includes certain loans that are no longer included in acquired loans in the purchase accounting disclosures on page 19 as a result of a maturity, refinance, or other triggering event.

January 22, 2020

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

December 31, 2019

	Alabama and Florida Panhandle	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Texas	Other	Total
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 187,413	\$ 166,612	\$ 286,662	\$ 484,697	\$ 72,087	\$ 94,013	\$ 671,902	\$ 16,121	\$ 1,979,507
Commercial and industrial-owner occupied	281,496	192,232	264,664	628,581	60,540	152,978	688,322	-	2,268,813
Total commercial and industrial	468,909	358,844	551,326	1,113,278	132,627	246,991	1,360,224	16,121	4,248,320
Commercial real estate									
Agricultural	33,078	72,005	28,369	70,455	6,672	12,321	114,354	95	337,349
Construction, acquisition and development	175,862	65,186	76,151	329,486	20,620	117,061	792,976	-	1,577,342
Commercial real estate	336,559	364,466	335,106	654,115	216,542	210,732	1,096,382	7,012	3,220,914
Total commercial real estate	545,499	501,657	439,626	1,054,056	243,834	340,114	2,003,712	7,107	5,135,605
Consumer									
Consumer mortgages	570,223	345,258	348,855	856,314	95,571	322,045	913,246	91,563	3,543,075
Home equity	109,625	49,778	91,307	244,346	17,588	139,404	31,452	15	683,515
Credit cards	-	-	-	-	-	-	-	102,559	102,559
Total consumer	679,848	395,036	440,162	1,100,660	113,159	461,449	944,698	194,137	4,329,149
All other	31,861	22,409	18,691	132,072	3,044	16,801	75,259	76,472	376,609
Total loans	\$ 1,726,117	\$ 1,277,946	\$ 1,449,805	\$ 3,400,066	\$ 492,664	\$ 1,065,355	\$ 4,383,893	\$ 293,837	\$ 14,089,683
Loan growth, excluding loans acquired during the quarter (annualized)	(5.83%)	(6.46%)	(11.12%)	(15.13%)	7.51%	(9.18%)	11.56%	159.92%	(0.87%)
NON-PERFORMING LOANS AND LEASES:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 165	\$ 1,077	\$ 1,641	\$ 1,045	\$ 472	\$ 317	\$ 9,579	\$ 236	\$ 14,532
Commercial and industrial-owner occupied	1,242	1,313	1,127	4,033	-	-	9,506	-	17,221
Total commercial and industrial	1,407	2,390	2,768	5,078	472	317	19,085	236	31,753
Commercial real estate									
Agricultural	681	594	223	78	-	-	3,916	-	5,492
Construction, acquisition and development	137	423	552	120	-	177	11,334	-	12,743
Commercial real estate	780	801	1,033	1,155	-	-	16,712	-	20,481
Total commercial real estate	1,598	1,818	1,808	1,353	-	177	31,962	-	38,716
Consumer									
Consumer mortgages	5,225	3,479	2,491	11,513	151	2,319	9,719	770	35,667
Home equity	232	214	472	1,312	164	945	119	-	3,458
Credit cards	-	-	-	-	-	-	-	1,130	1,130
Total consumer	5,457	3,693	2,963	12,825	315	3,264	9,838	1,900	40,255
All other	115	125	11	105	1	67	359	4	787
Total loans	\$ 8,577	\$ 8,026	\$ 7,550	\$ 19,361	\$ 788	\$ 3,825	\$ 61,244	\$ 2,140	\$ 111,511
NON-PERFORMING LOANS AND LEASES AS A PERCENTAGE OF OUTSTANDING:									
Commercial and industrial									
Commercial and industrial-non real estate	0.09%	0.65%	0.57%	0.22%	0.65%	0.34%	1.43%	1.46%	0.73%
Commercial and industrial-owner occupied	0.44%	0.68%	0.43%	0.64%	0.00%	0.00%	1.38%	N/A	0.76%
Total commercial and industrial	0.30%	0.67%	0.50%	0.46%	0.36%	0.13%	1.40%	1.46%	0.75%
Commercial real estate									
Agricultural	2.06%	0.82%	0.79%	0.11%	0.00%	0.00%	3.42%	0.00%	1.63%
Construction, acquisition and development	0.08%	0.65%	0.72%	0.04%	0.00%	0.15%	1.43%	N/A	0.81%
Commercial real estate	0.23%	0.22%	0.31%	0.18%	0.00%	0.00%	1.52%	0.00%	0.64%
Total commercial real estate	0.29%	0.36%	0.41%	0.13%	0.00%	0.05%	1.60%	0.00%	0.75%
Consumer									
Consumer mortgages	0.92%	1.01%	0.71%	1.34%	0.16%	0.72%	1.06%	0.84%	1.01%
Home equity	0.21%	0.43%	0.52%	0.54%	0.93%	0.68%	0.38%	0.00%	0.51%
Credit cards	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.10%	1.10%
Total consumer	0.80%	0.93%	0.67%	1.17%	0.28%	0.71%	1.04%	0.98%	0.93%
All other	0.36%	0.56%	0.06%	0.08%	0.03%	0.40%	0.48%	0.01%	0.21%
Total loans	0.50%	0.63%	0.52%	0.57%	0.16%	0.36%	1.40%	0.73%	0.79%

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

	Quarter Ended December 31, 2019		
	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	\$ 1,814,588	\$ 30,468	\$ 1,845,056
Fair value of loans acquired during the period	-	-	-
Changes in acquired loans	(212,008)	(4,783)	(216,791)
Net book value of acquired loans at end of period	<u>\$ 1,602,580</u>	<u>\$ 25,685</u>	<u>\$ 1,628,265</u>
Loan mark on acquired loans at beginning of period	\$ (27,544)	\$ (25,593)	\$ (53,137)
Loan mark recorded on loans acquired during the period	-	-	-
Change in remaining nonaccretable difference (for ASC 310-30 loans only)	-	332	332
Net accretion recognized on acquired loans	3,770	2,795	6,565
Remaining loan mark on acquired loans*	<u>\$ (23,774)</u>	<u>\$ (22,466)</u>	<u>\$ (46,240)</u>
	Quarter Ended September 30, 2019		
	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	\$ 1,395,140	\$ 26,163	\$ 1,421,303
Fair value of loans acquired during the period	583,780	6,253	590,033
Changes in acquired loans	(164,332)	(1,948)	(166,280)
Net book value of acquired loans at end of period	<u>\$ 1,814,588</u>	<u>\$ 30,468</u>	<u>\$ 1,845,056</u>
Loan mark on acquired loans at beginning of period	\$ (15,493)	\$ (22,915)	\$ (38,408)
Loan mark recorded on loans acquired during the period	(14,826)	(5,327)	(20,153)
Change in remaining nonaccretable difference (for ASC 310-30 loans only)	-	315	315
Net accretion recognized on acquired loans	2,775	2,334	5,109
Remaining loan mark on acquired loans	<u>\$ (27,544)</u>	<u>\$ (25,593)</u>	<u>\$ (53,137)</u>
	Quarter Ended 12/31/2019	Quarter Ended 9/30/2019	Quarter Ended 6/30/2019
Loan yield, as reported	5.13%	5.16%	5.12%
Loan yield, excluding net accretion on acquired loans	4.95%	5.02%	5.02%
Net interest margin, as reported	3.76%	3.88%	3.87%
Net interest margin, excluding net accretion on acquired loans	3.61%	3.76%	3.79%

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 news release.

* The remaining loan mark shown above for loans accounted for under ASC 310-30 includes approximately \$426,000 in accretable yield as of December 31, 2019 compared to \$865,000 in accretable yield as of September 30, 2019. In addition, the same loans include \$22.0 million in nonaccretable difference as of December 31, 2019 compared to \$24.7 million as of September 30, 2019.

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

	Quarter Ended					Year to Date	
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18	Dec-19	Dec-18
NONINTEREST REVENUE:							
Mortgage banking excl. MSR and MSR Hedge market value adj	\$ 6,938	\$ 11,283	\$ 9,167	\$ 6,909	\$ 4,789	\$ 34,297	\$ 24,671
MSR and MSR Hedge market value adjustment	3,164	(3,994)	(8,816)	(4,869)	(8,064)	(14,515)	(1,260)
Credit card, debit card and merchant fees	9,836	9,778	10,168	8,874	9,941	38,656	39,892
Deposit service charges	12,193	11,939	11,117	10,766	11,699	46,015	44,645
Securities gains (losses), net	(41)	117	59	39	162	174	133
Insurance commissions	27,648	31,512	33,951	30,180	27,981	123,291	121,781
Trust income	3,951	4,488	3,815	3,788	3,681	16,042	15,121
Annuity fees	136	184	245	265	218	830	1,148
Brokerage commissions and fees	2,530	1,979	1,846	1,582	1,635	7,937	6,723
Bank-owned life insurance	3,427	2,529	1,854	1,822	3,636	9,632	11,684
Other miscellaneous income	4,915	5,617	2,926	4,864	3,353	18,322	17,499
Total noninterest revenue	<u>\$ 74,697</u>	<u>\$ 75,432</u>	<u>\$ 66,332</u>	<u>\$ 64,220</u>	<u>\$ 59,031</u>	<u>\$ 280,681</u>	<u>\$ 282,037</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	\$ 97,137	\$ 101,154	\$ 100,981	\$ 97,228	\$ 92,013	\$ 396,500	\$ 364,307
Occupancy, net of rental income	12,267	12,323	11,988	11,551	12,107	48,129	45,704
Equipment	4,725	4,676	4,423	3,888	3,837	17,712	15,389
Deposit insurance assessments	2,200	2,038	2,165	2,740	1,866	9,143	10,309
Advertising	1,153	1,382	1,427	947	1,440	4,909	5,043
Foreclosed property expense	855	870	519	624	1,113	2,868	3,396
Telecommunications	1,504	1,400	1,419	1,340	1,364	5,663	5,226
Public relations	880	1,069	934	765	834	3,648	3,252
Data processing	10,041	9,066	7,968	8,442	8,231	35,517	31,674
Computer software	4,478	3,825	3,835	3,699	3,840	15,837	14,452
Amortization of intangibles	2,508	2,117	2,508	1,985	2,040	9,118	6,639
Legal	854	786	1,310	605	1,082	3,555	3,998
Merger expense	5,782	4,062	3,136	891	4,456	13,871	13,036
Postage and shipping	1,353	1,281	1,217	1,412	1,214	5,263	4,840
Other miscellaneous expense	16,614	13,565	13,844	13,851	16,905	57,874	60,369
Total noninterest expense	<u>\$ 162,351</u>	<u>\$ 159,614</u>	<u>\$ 157,674</u>	<u>\$ 149,968</u>	<u>\$ 152,342</u>	<u>\$ 629,607</u>	<u>\$ 587,634</u>
INSURANCE COMMISSIONS:							
Property and casualty commissions	\$ 19,994	\$ 22,643	\$ 23,429	\$ 21,238	\$ 19,242	\$ 87,304	\$ 84,290
Life and health commissions	5,979	6,116	7,355	5,982	5,892	25,432	24,750
Risk management income	667	564	622	587	558	2,440	2,548
Other	1,008	2,189	2,545	2,373	2,289	8,115	10,193
Total insurance commissions	<u>\$ 27,648</u>	<u>\$ 31,512</u>	<u>\$ 33,951</u>	<u>\$ 30,180</u>	<u>\$ 27,981</u>	<u>\$ 123,291</u>	<u>\$ 121,781</u>

January 22, 2020

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

	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
MORTGAGE SERVICING RIGHTS:					
Fair value, beginning of period	\$ 51,492	\$ 55,294	\$ 64,643	\$ 69,822	\$ 77,796
Additions to mortgage servicing rights:					
Originations of servicing assets	4,025	3,410	2,790	1,976	2,840
Changes in fair value:					
Due to payoffs/paydowns	(2,323)	(2,542)	(2,739)	(2,052)	(2,465)
Due to change in valuation inputs or assumptions used in the valuation model	3,915	(4,669)	(9,399)	(5,103)	(8,348)
Other changes in fair value	-	(1)	(1)	-	(1)
Fair value, end of period	<u>\$ 57,109</u>	<u>\$ 51,492</u>	<u>\$ 55,294</u>	<u>\$ 64,643</u>	<u>\$ 69,822</u>
MORTGAGE BANKING REVENUE:					
Production revenue:					
Origination	\$ 4,326	\$ 8,922	\$ 7,016	\$ 4,068	\$ 2,207
Servicing	4,935	4,903	4,890	4,893	5,047
Payoffs/Paydowns	(2,323)	(2,542)	(2,739)	(2,052)	(2,465)
Total production revenue	6,938	11,283	9,167	6,909	4,789
Market value adjustment on MSR	3,915	(4,669)	(9,399)	(5,103)	(8,348)
Market value adjustment on MSR Hedge	(751)	675	583	234	284
Total mortgage banking revenue	<u>\$ 10,102</u>	<u>\$ 7,289</u>	<u>\$ 351</u>	<u>\$ 2,040</u>	<u>\$ (3,275)</u>
 Mortgage loans serviced	 \$ 6,898,195	 \$ 6,799,186	 \$ 6,749,416	 \$ 6,718,236	 \$ 6,686,475
MSR/mtg loans serviced	0.83%	0.76%	0.82%	0.96%	1.04%
 AVAILABLE-FOR-SALE SECURITIES, at fair value					
U.S. Government agencies	3,599,317	2,323,159	\$ 2,283,899	\$ 2,179,699	\$ 2,200,158
U.S. Government agency issued residential mortgage-back securities	133,375	128,677	134,648	141,542	136,846
U.S. Government agency issued commercial mortgage-back securities	609,009	115,228	94,878	98,941	107,841
Obligations of states and political subdivisions	140,273	199,382	247,307	272,317	304,343
Total available-for-sale securities	<u>\$ 4,481,974</u>	<u>\$ 2,766,446</u>	<u>\$ 2,760,732</u>	<u>\$ 2,692,499</u>	<u>\$ 2,749,188</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 available to common shareholders, net operating income-excluding MSR, net operating-excluding MSR income available to common shareholders, total operating expense, tangible shareholders' equity to tangible assets, tangible common shareholders' equity to tangible assets, return on tangible equity, return on tangible common equity, operating return on tangible equity-excluding MSR, operating return on tangible common equity-excluding MSR, operating return on average assets-excluding MSR, operating return on average shareholders' equity-excluding MSR, operating return on average common shareholders' equity-excluding MSR, tangible book value per common share, operating earnings per common share, operating earnings per common 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, Net Operating Income Available to Common Shareholders, Net Operating Income-Excluding MSR, and Net Operating Income-Excluding MSR Available to Common Shareholders to Net Income:

	Quarter ended				Year to Date		
	12/31/2019	9/30/2019	6/30/2019	3/31/2019	12/31/2018	12/31/2019	12/31/2018
Net income	\$ 65,849	\$ 63,757	\$ 53,057	\$ 51,598	\$ 47,097	\$ 234,261	\$ 221,317
Plus: Merger expense, net of tax	4,339	3,049	2,354	669	3,345	10,411	9,784
Less: Security gains(losses), net of tax	(30)	88	45	29	122	132	100
Tax-related matters	-	-	-	-	-	-	11,288
Net operating income	\$ 70,218	\$ 66,718	\$ 55,366	\$ 52,238	\$ 50,320	\$ 244,540	\$ 219,713
Less: Preferred dividends	-	-	-	-	-	-	-
Net operating income available to common shareholders	<u>\$ 70,218</u>	<u>\$ 66,718</u>	<u>\$ 55,366</u>	<u>\$ 52,238</u>	<u>\$ 50,320</u>	<u>\$ 244,540</u>	<u>\$ 219,713</u>
Net operating income	\$ 70,218	\$ 66,718	\$ 55,366	\$ 52,238	\$ 50,320	\$ 244,540	\$ 219,713
Less: MSR market value adjustment, net of tax	2,374	(2,998)	(6,616)	(3,654)	(6,052)	(10,894)	(946)
Net operating income-excluding MSR	\$ 67,844	\$ 69,716	\$ 61,982	\$ 55,892	\$ 56,372	\$ 255,434	\$ 220,659
Less: Preferred dividends	-	-	-	-	-	-	-
Net operating income-excluding MSR available to common shareholders	<u>\$ 67,844</u>	<u>\$ 69,716</u>	<u>\$ 61,982</u>	<u>\$ 55,892</u>	<u>\$ 56,372</u>	<u>\$ 255,434</u>	<u>\$ 220,659</u>

Reconciliation of Total Operating Expense to Total Noninterest Expense:

Total noninterest expense	\$ 162,351	\$ 159,614	\$ 157,674	\$ 149,968	\$ 152,342	\$ 629,607	\$ 587,634
Less: Merger expense	5,782	4,062	3,136	891	4,456	13,871	13,036
Total operating expense	<u>\$ 156,569</u>	<u>\$ 155,552</u>	<u>\$ 154,538</u>	<u>\$ 149,077</u>	<u>\$ 147,886</u>	<u>\$ 615,736</u>	<u>\$ 574,598</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		
	12/31/2019	9/30/2019	6/30/2019	3/31/2019	12/31/2018	12/31/2019	12/31/2018
Tangible assets							
Total assets	\$ 21,052,576	\$ 19,850,225	\$ 18,936,814	\$ 18,314,183	\$ 18,001,540	\$ 21,052,576	\$ 18,001,540
Less: Goodwill	825,679	822,093	734,473	699,073	695,720	825,679	695,720
Other identifiable intangible assets	60,008	61,100	65,930	49,396	50,896	60,008	50,896
Total tangible assets	\$ 20,166,889	\$ 18,967,032	\$ 18,136,411	\$ 17,565,714	\$ 17,254,924	\$ 20,166,889	\$ 17,254,924
PERIOD END BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 2,685,017	\$ 2,489,427	\$ 2,327,120	\$ 2,226,585	\$ 2,205,737	\$ 2,685,017	\$ 2,205,737
Less: Goodwill	825,679	822,093	734,473	699,073	695,720	825,679	695,720
Other identifiable intangible assets	60,008	61,100	65,930	49,396	50,896	60,008	50,896
Total tangible shareholders' equity	\$ 1,799,330	\$ 1,606,234	\$ 1,526,717	\$ 1,478,116	\$ 1,459,121	\$ 1,799,330	\$ 1,459,121
Less: Preferred stock	167,021	-	-	-	-	167,021	-
Total tangible common shareholders' equity	\$ 1,632,309	\$ 1,606,234	\$ 1,526,717	\$ 1,478,116	\$ 1,459,121	\$ 1,632,309	\$ 1,459,121
AVERAGE BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 2,572,750	\$ 2,378,882	\$ 2,298,512	\$ 2,212,748	\$ 2,191,852	\$ 2,366,745	\$ 2,086,922
Less: Goodwill	823,812	761,084	735,540	695,787	668,544	754,426	596,655
Other identifiable intangible assets	60,559	59,253	49,058	50,115	47,567	54,787	35,752
Total tangible shareholders' equity	\$ 1,688,379	\$ 1,558,545	\$ 1,513,914	\$ 1,466,846	\$ 1,475,741	\$ 1,557,532	\$ 1,454,515
Less: Preferred stock	74,717	-	-	-	-	18,833	-
Total tangible common shareholders' equity	\$ 1,613,662	\$ 1,558,545	\$ 1,513,914	\$ 1,466,846	\$ 1,475,741	\$ 1,538,699	\$ 1,454,515
Total average assets	\$ 20,243,023	\$ 19,170,926	\$ 18,637,258	\$ 18,033,513	\$ 17,879,081	\$ 19,027,644	\$ 17,240,092
Total shares of common stock outstanding	104,522,804	104,775,876	100,651,798	99,066,856	99,797,271	104,522,804	99,797,271
Average shares outstanding-diluted	105,144,032	101,493,247	100,888,164	99,717,119	99,720,219	101,810,640	99,134,861
Tangible shareholders' equity to tangible assets (1)	8.92%	8.47%	8.42%	8.41%	8.46%	8.92%	8.46%
Tangible common shareholders' equity to tangible assets (2)	8.09%	8.47%	8.42%	8.41%	8.46%	8.09%	8.46%
Return on average tangible equity (3)	15.47%	16.23%	14.06%	14.27%	12.66%	15.04%	15.22%
Return on average tangible common equity (4)	16.19%	16.23%	14.06%	14.27%	12.66%	15.22%	15.22%
Operating return on average tangible equity-excluding MSR (5)	15.94%	17.75%	16.42%	15.45%	15.15%	16.40%	15.95%
Operating return on average tangible common equity-excluding MSR (6)	16.68%	17.75%	16.42%	15.45%	15.15%	16.60%	15.95%
Operating return on average assets-excluding MSR (7)	1.33%	1.44%	1.33%	1.26%	1.25%	1.34%	1.28%
Operating return on average shareholders' equity-excluding MSR (8)	10.46%	11.63%	10.82%	10.24%	10.20%	10.79%	10.57%
Operating return on average common shareholders' equity-excluding MSR (9)	10.78%	11.63%	10.82%	10.24%	10.20%	10.88%	10.57%
Tangible book value per common share (10)	\$ 15.62	\$ 15.33	\$ 15.17	\$ 14.92	\$ 14.62	\$ 15.62	\$ 14.62
Operating earnings per common share (11)	\$ 0.67	\$ 0.66	\$ 0.55	\$ 0.52	\$ 0.51	\$ 2.40	\$ 2.22
Operating earnings per common share-excluding MSR (12)	\$ 0.65	\$ 0.69	\$ 0.61	\$ 0.56	\$ 0.57	\$ 2.51	\$ 2.23

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