BANCORPSOUTH BANK

Financial Information

As of and for the Three Months and Year Ended December 31, 2019

BancorpSouth®

Forward Looking Statements

Certain statements made in this news presentation 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 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 presentation, 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

BancorpSouth®

2019 Highlights

- 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 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, and record net income of $234.3 million, or $2.30 per diluted common share.
- 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.
- Repurchased 2,466,438 shares of outstanding common stock at a weighted average price of $28.20 per share.

As of and for the year ended December 31, 2019.
All non-GAAP measures are defined and/or reconciled in the quarterly news release which accompanies this presentation.

BancorpSouth®

Annual Results

4-Year Compound Operating EPS Growth of 15%

	Year Ended				
	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15
Net interest revenue	$ 649.9	$ 575.2	$ 474.0	$ 453.5	$ 435.7
Provision for credit losses	1.5	4.5	3.0	4.0	(13.0)
Noninterest revenue	280.7	282.0	268.0	274.9	274.4
Noninterest expense	629.6	587.6	507.4	527.9	536.3
Income before income taxes	299.5	265.1	231.6	196.4	186.7
Income tax expense	65.3	43.8	78.6	63.7	59.2
Net income	**$ 234.3**	**$ 221.3**	**$ 153.0**	**$ 132.7**	**$ 127.5**
Less: Preferred dividends	-	-	-	-	-
Net income available to common shareholders	**$ 234.3**	**$ 221.3**	**$ 153.0**	**$ 132.7**	**$ 127.5**
Plus: Non-operating items, net of tax	10.3	(1.6)	0.0	9.3	10.2
Less: MSR market value adjustment, net of tax	(10.9)	(0.9)	1.1	0.6	(0.7)
Net operating income - excluding MSR available to common shareholders	**$ 255.4**	**$ 220.7**	**$ 152.0**	**$ 141.4**	**$ 138.4**
Net income per common share: diluted	**$ 2.30**	**$ 2.23**	**$ 1.67**	**$ 1.41**	**$ 1.33**
Operating earnings per common share - excluding MSR	**$ 2.51**	**$ 2.23**	**$ 1.66**	**$ 1.50**	**$ 1.44**
Year over year operating EPS growth	12.6%	34.3%	10.7%	4.2%	12.5%

Dollars in millions, except per share data.
All non-GAAP measures are defined and/or reconciled in the quarterly news release which accompanies this presentation.
NM – Not Meaningful
Figures may not foot due to rounding.

BancorpSouth®

Q4 Highlights

- 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.
- 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.
- 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.

As of and for the three months ended December 31, 2019.
All non-GAAP measures are defined and/or reconciled in the quarterly news release which accompanies this presentation.

Recent Quarterly Results

	Three Months Ended			% Change	
	12/31/19	9/30/19	12/31/18	vs 9/30/19	vs 12/31/18
Net interest revenue	$ 170.8	$ 166.6	$ 152.9	2.5 %	11.7 %
Provision for credit losses	0.0	0.5	1.0	NM	NM
Noninterest revenue	74.7	75.4	59.0	(1.0)	26.5
Noninterest expense	162.4	159.6	152.3	1.7	6.6
Income before income taxes	83.1	81.9	58.6	1.5	41.9
Income tax expense	17.3	18.2	11.5	(4.9)	50.5
Net income	**$ 65.8**	**$ 63.8**	**$ 47.1**	**3.3 %**	**39.8 %**
Less: Preferred dividends	-	-	-	0.0	0.0
Net income available to common shareholders	**$ 65.8**	**$ 63.8**	**$ 47.1**	**3.3 %**	**39.8 %**
Plus: Non-operating items, net of tax	4.3	3.0	3.2	NM	NM
Less: MSR market value adjustment, net of tax	2.4	(3.0)	(6.1)	NM	NM
Net operating income - excluding MSR available to common shareholders	**$ 67.8**	**$ 69.7**	**$ 56.4**	**(2.8) %**	**20.2 %**
Net income per common share: diluted	**$ 0.63**	**$ 0.63**	**$ 0.47**	**0.0 %**	**34.0 %**
Operating earnings per common share - excluding MSR	**$ 0.65**	**$ 0.69**	**$ 0.57**	**(5.8) %**	**14.0 %**

Dollars in millions, except per share data.
All non-GAAP measures are defined and/or reconciled in the quarterly news release which accompanies this presentation.
NM – Not Meaningful
Figures may not foot due to rounding.

BancorpSouth®

Noninterest Revenue

	Three Months Ended			% Change	
	12/31/19	9/30/19	12/31/18	vs 9/30/19	vs 12/31/18
Mortgage production and servicing revenue	$ 6,938	$ 11,283	$ 4,789	(38.5) %	44.9 %
Credit card, debit card and merchant fees	9,836	9,778	9,941	0.6	(1.1)
Deposit service charges	12,193	11,939	11,699	2.1	4.2
Insurance commissions	27,648	31,512	27,981	(12.3)	(1.2)
Wealth management	6,617	6,651	5,534	(0.5)	19.6
Other	8,301	8,263	7,151	0.5	16.1
Total noninterest revenue-excluding MSR	**71,533**	**79,426**	**67,095**	**(9.9) %**	**6.6 %**
MSR valuation adjustment	3,164	(3,994)	(8,064)	NM	NM
Total noninterest revenue	**$ 74,697**	**$ 75,432**	**$ 59,031**	**(1.0) %**	**26.5 %**
% of total revenue	30.4%	31.2%	27.9%		

Dollars in thousands
NM – Not Meaningful

BancorpSouth®

Noninterest Expense

	Three Months Ended			% Change	
	12/31/19	9/30/19	12/31/18	vs 9/30/19	vs 12/31/18
Salaries and employee benefits	$ 97,137	$ 101,154	$ 92,013	(4.0) %	5.6 %
Occupancy, net of rental income	12,267	12,323	12,107	(0.5)	1.3
Equipment	4,725	4,676	3,837	1.0	23.1
Deposit insurance assessments	2,200	2,038	1,866	7.9	17.9
Advertising and public relations	2,033	2,451	2,274	(17.1)	(10.6)
Foreclosed property expense	855	870	1,113	(1.7)	(23.2)
Data processing, telecom and computer software	16,023	14,291	13,435	12.1	19.3
Amortization of intangibles	2,508	2,117	2,040	18.5	22.9
Legal	854	786	1,082	8.7	(21.1)
Merger expense	5,782	4,062	4,456	NM	NM
Postage and shipping	1,353	1,281	1,214	5.6	11.4
Other miscellaneous expense	16,614	13,565	16,905	22.5	(1.7)
Total noninterest expense	**162,351**	**159,614**	**152,342**	**1.7 %**	**6.6 %**
Non-operating items:					
Merger expense	5,782	4,062	4,456	NM	NM
Total noninterest expense - operating	**$ 156,569**	**$ 155,552**	**$ 147,886**	**0.7 %**	**5.9 %**

Dollars in thousands
NM – Not Meaningful

BancorpSouth®

Deposits and Customer Repos

- Total deposits and customer repos have increased $369 million, or 8.8 percent annualized compared to September 30, 2019. No deposits and customer repos were acquired during the fourth quarter.
- Total deposits and customer repos have increased $2.4 billion, or 16.8 percent, since December 31, 2018. Of this increase, approximately $1.3 billion represents acquired balances while organic funding growth totaled approximately $1.1 billion, or 7.7 percent.

	As of 12/31/19		As of 9/30/19		As of 12/31/18	
	Balance	% of Total	Balance	% of Total	Balance	% of Total
Noninterest bearing demand	$ 4,662	27.5%	$ 4,771	28.8%	$ 4,125	28.5%
Interest bearing demand	7,177	42.4%	6,745	40.7%	5,899	40.7%
Savings	1,938	11.5%	1,899	11.5%	1,836	12.7%
Other time	2,634	15.6%	2,611	15.8%	2,210	15.3%
Customer Repos	513	3.0%	530	3.2%	416	2.9%
Total Deposits and Customer Repos	**$16,924**	**100.0%**	**$16,556**	**100.0%**	**$14,486**	**100.0%**
Total Cost of Deposits	**0.68%**		**0.71%**		**0.52%**	

Dollars in millions

Loan Portfolio

- Total loans have declined $31 million, or 0.9 percent annualized compared to September 30, 2019. No loans were acquired during the fourth quarter.
- Total loans have increased $978 million, or 7.5 percent, since December 31, 2018, primarily as a result of acquired loans. Organic loan growth has been essentially flat over this period.

	As of 12/31/19		As of 9/30/19		As of 12/31/18	
	Balance	% of Total	Balance	% of Total	Balance	% of Total
Commercial and industrial						
Commercial and industrial-non real estate	$ 1,980	14.0%	$ 1,888	13.4%	$ 1,767	13.5%
Commercial and industrial-owner occupied	2,269	16.1%	2,276	16.1%	2,268	17.3%
Total commercial and industrial	4,248	30.2%	4,164	29.5%	4,034	30.8%
Commercial real estate						
Agricultural	337	2.4%	348	2.5%	318	2.4%
Construction, acquisition and development	1,577	11.2%	1,538	10.9%	1,287	9.8%
Commercial real estate	3,221	22.9%	3,345	23.7%	3,026	23.1%
Total commercial real estate	5,136	36.4%	5,231	37.0%	4,631	35.3%
Consumer						
Consumer mortgages	3,543	25.1%	3,519	24.9%	3,259	24.9%
Home equity	684	4.9%	678	4.8%	664	5.1%
Credit cards	103	0.7%	101	0.7%	106	0.8%
Total consumer	4,329	30.7%	4,299	30.4%	4,029	30.7%
All other	377	2.7%	427	3.0%	418	3.2%
Total	**$14,090**	**100.0%**	**$14,121**	**100.0%**	**$13,112**	**100.0%**

Dollars in millions
Net loans and leases

Credit Quality Highlights

- Recorded no provision for credit losses for the quarter.
- Reported net recoveries of $2.2 million for the quarter, which represents 0.06 percent of average loans on an annualized basis.
- Continued low levels of non-performing loans ("NPLs") and non-performing assets ("NPAs").
  - NPLs of 0.79 percent of net loans and leases compared with 0.77 percent at September 30, 2019.
  - NPAs of 0.84 percent of net loans and leases compared with 0.82 percent at September 30, 2019.
- Other real estate owned of $6.7 million.

BancorpSouth®

Mortgage and Insurance Revenue

Mortgage Lending Revenue

	Three Months Ended				
	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18
Origination revenue	$ 4,326	$ 8,922	$ 7,016	$ 4,068	$ 2,207
Servicing revenue	4,935	4,903	4,890	4,893	5,047
MSR payoffs/paydowns	(2,323)	(2,542)	(2,739)	(2,052)	(2,465)
Mortgage production and servicing revenue	6,938	11,283	9,167	6,909	4,789
MSR valuation adjustment	3,164	(3,994)	(8,816)	(4,869)	(8,064)
Total mortgage banking revenue	$ 10,102	$ 7,289	$ 351	$ 2,040	$ (3,275)
Production volume	$ 504,851	$ 536,089	$ 495,535	$ 291,746	$ 304,969
Purchase money production	$ 321,700	$ 353,900	$ 397,900	$ 227,500	$ 239,000
Mortgage loans sold	$ 419,142	$ 374,156	$ 304,352	$ 239,239	$ 251,121
Margin on loans sold	1.03%	2.38%	2.31%	1.70%	0.88%
Current pipeline	$ 289,648	$ 370,172	$ 304,778	$ 234,748	$ 197,730
Mortgage originators	153	159	161	159	156

Insurance Commission Revenue

Property and casualty commissions	$ 19,994	$ 22,643	$ 23,429	$ 21,238	$ 19,242
Life and health commissions	5,979	6,116	7,355	5,982	5,892
Risk management income	667	564	622	587	558
Other	1,008	2,189	2,545	2,373	2,289
Total insurance commissions	$ 27,648	$ 31,512	$ 33,951	$ 30,180	$ 27,981

Dollars in thousands

BancorpSouth®

Summary

Highlights

- Record annual earnings
- Surpassed $20 billion in total assets
- Organic deposit growth of approximately $1 billion for the year
- Continued strong credit quality
- Enhanced capital structure through public offerings of $300 million in subordinated notes and $172.5 million in preferred stock
- Repurchased approximately 2.5 million shares during 2019

Current Focus

- Continue to grow both organically and through strategic opportunities
  - Loans, deposits, and fee revenue sources
- Challenge expenses and continue to improve efficiency
- Enhance customer experience, including improved technology offerings
- Continue investing in producing relationship managers and supporting communities we serve

BancorpSouth®