

## **BancorpSouth Files Annual Report on Form 10-K for 2009**

### **Revises Previously Reported Financial Condition and Results of Operation**

PRNewswire-FirstCall  
TUPELO, Miss.

BancorpSouth, Inc. today announced the filing of its Annual Report on Form 10-K for the year ended December 31, 2009 with the Securities and Exchange Commission. As previously announced, the delay in filing the annual report resulted from management's determination, in consultation with BancorpSouth's independent registered public accounting firm and with the concurrence of the Audit Committee of the Board of Directors, that certain asset quality indicators, including the allowance for credit losses, and their impact on BancorpSouth's financial statements for the fourth quarter and year ended December 31, 2009, should be further reviewed. As a result of this review, the Company's previously announced results for the fourth quarter and year ended December 31, 2009 have been revised to reflect, among other things:

- A \$27.6 million increase in the provision for credit losses; a \$4.5 million increase in foreclosed property expense, which included \$3.8 million for a valuation allowance; a \$2.3 million expense related to a specific litigation matter; and a reversal of interest income totaling \$606,000 related to loans placed on non-accrual.
- A \$21.6 million, or \$0.26 per diluted share, reduction in net income, producing a net loss of \$2.1 million, or \$0.03 per diluted share, for the fourth quarter of 2009 and net income of \$82.7 million, or \$0.99 per diluted share, for the full-year 2009.
- Nonperforming loans and leases of \$186.5 million, or 1.91 percent of net loans and leases at year end.
- Annualized net charge-offs of 1.27 percent of average loans and leases for the fourth quarter of 2009 and 0.76 percent for full-year 2009.
- An allowance for credit losses at year-end that was equal to 2.4 times net charge-offs for 2009 and 94 percent of non-performing loans and leases. The allowance for credit losses at year end was 1.80 percent of net loans and leases.
- A ratio of shareholders' equity to assets of 9.69 percent at the end of 2009 and tangible equity to assets of 7.63 percent. Year-end Tier 1 risk-based capital of 11.17 percent and total risk-based capital of 12.42 percent compared favorably with required minimum levels of 6 percent and 10 percent, respectively, to meet the definition of "well capitalized" under federal regulations.

Aubrey Patterson, Chairman and Chief Executive Officer of BancorpSouth, commented, "BancorpSouth has completed an in-depth review of asset quality and adequacy of its allowance for credit losses. In February, it became necessary to determine whether certain additional provisions should be made in the fourth quarter of 2009. Working in conjunction with our independent auditors, we concluded that these matters should be included in the results of operations for the fourth quarter of 2009.

"The Company undertook a very thorough review of credit quality and adequacy of the allowance for credit losses, focusing especially on the real estate acquisition and development portfolio. As a result of this review, we determined that \$27.6 million should be added to the provision as a result of rating downgrades and impairments.

"Given the deterioration in real estate values generally, we also determined that the Company should write down the net carrying value of other real estate owned by \$4.5 million. This write-down included the establishment of a valuation reserve of \$3.8 million for losses in other real estate owned. Another factor was the conclusion of a pending litigation matter in March 2010, which resulted in an additional litigation reserve of \$2.3 million. The net effect of these and less significant individual adjustments resulted in essentially a break-even fourth quarter and annual earnings for 2009 of \$82.7 million.

"To ensure an even stronger focus on credit quality in this difficult economic environment, the Company is currently taking steps to establish a centralized real estate risk management group which will add strength and direction to improved procedures for real estate appraisal processes, early identification and impairment of troubled credits, and generally tightened controls on all aspects of administration of this portfolio.

"As a result of our review, the allowance for credit losses was a 2.4 multiple of 2009 net charge-offs and 94 percent of non-performing loans at year end. I am confident that these enhanced reserves place the Company's balance sheet in an extremely strong position."

#### Conference Call

BancorpSouth will conduct a conference call to discuss the Company's filing of its Annual Report on Form 10-K for 2009 tomorrow, March 16, 2010, at 8:00 a.m. (Central Time). Investors may listen via the Internet by accessing BancorpSouth's website at <http://www.bancorpsouth.com/>. Related presentation materials will be posted to the Company's website prior to the call. A replay of the conference call will be available at BancorpSouth's website for at least two weeks following the call.

#### Forward-Looking Statements

Certain statements contained in this news release may not be based on historical facts and are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by their reference to a future period or periods or by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "may," "might," "will," "would," "could" or "intend." These forward-looking statements include, without limitation, statements relating to asset quality, allowance and provision for credit losses, reserves, the establishment of a commercial real estate risk management group and the continuation of the economic downturn.

We caution you not to place undue reliance on the forward-looking statements contained in this news release in that actual results could differ materially from those indicated in such forward-looking statements because of a variety of factors. These factors may include, but are not limited to, changes in general business or economic conditions or government fiscal and monetary policies, volatility and disruption in national and international financial markets, fluctuations in prevailing interest rates and the

ability of BancorpSouth to manage its assets and liabilities to limit exposure to changing interest rates, the ability of BancorpSouth to increase noninterest revenue and expand noninterest revenue business, the ability of BancorpSouth to maintain credit quality, changes in laws and regulations affecting financial service companies in general, the ability of BancorpSouth to compete with other financial services companies, the ability of BancorpSouth to provide and market competitive services and products, changes in BancorpSouth's operating or expansion strategy, BancorpSouth's business model, geographic concentration of BancorpSouth's assets, the ability of BancorpSouth to manage its growth and effectively serve an expanding customer and market base, the ability of BancorpSouth to achieve profitable growth and increase shareholder value, the ability of BancorpSouth to attract, train and retain qualified personnel, the ability of BancorpSouth to identify, close and effectively integrate potential acquisitions, the ability of BancorpSouth to expand geographically and enter growing markets, changes in consumer preferences, other factors generally understood to affect the financial results of financial services companies, and other factors described from time to time in BancorpSouth's filings with the Securities and Exchange Commission. We undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

BancorpSouth, Inc. is a financial holding company headquartered in Tupelo, Mississippi, with \$13.2 billion in assets. BancorpSouth Bank, a wholly-owned subsidiary of BancorpSouth, Inc., operates approximately 314 commercial banking, mortgage, insurance, trust and broker/dealer locations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas. BancorpSouth Bank also operates an insurance location in Illinois.

BancorpSouth, Inc.  
Selected Financial Data

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2009	2008	2009	2008
(Dollars in thousands, except per share amounts)				
Earnings Summary:				
Net interest revenue	\$112,347	\$111,321	\$444,899	\$440,836
Provision for credit losses	62,271	17,822	117,324	56,176
Noninterest revenue	64,505	40,085	275,276	245,607
Noninterest expense	123,361	111,728	490,017	455,913
Income (loss) before income taxes	(8,780)	21,856	112,834	174,354
Income tax provision	(6,634)	5,060	30,105	53,943
Net income (loss)	(\$2,146)	\$16,796	\$82,729	\$120,411
Earning (loss) per share:				
Basic	(\$0.03)	\$0.20	\$0.99	\$1.46
Diluted	(\$0.03)	\$0.20	\$0.99	\$1.45

Balance sheet data at

December 31:		
Total assets	\$13,167,867	\$13,480,218
Total earning assets	11,939,776	12,210,439
Loans and leases, net of unearned income	9,775,136	9,691,277
Allowance for credit losses	176,043	132,793
Total deposits	10,677,702	9,711,872
Common shareholders' equity	1,276,296	1,240,260
Book value per share	15.29	14.92

Average balance sheet data:

Total assets	\$13,065,172	\$13,279,593	\$13,203,659	\$13,200,801
Total earning assets	11,966,504	12,109,660	12,078,437	12,037,141
Loans and leases, net of unearned interest	9,750,989	9,604,142	9,734,580	9,429,963
Total deposits	10,448,617	9,598,321	10,155,730	9,803,999
Common shareholders' equity	1,266,989	1,239,498	1,255,605	1,224,280

Non-performing assets at December 31:

Non-accrual loans and leases	\$144,013	\$28,168		
Loans and leases 90+ days past due, still accruing	36,301	33,373		
Restructured loans and leases, still accruing	6,161	2,472		
Other real estate owned	59,265	46,317		
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Total non-performing assets		245,740	110,330	

Net charge-offs as a percentage of average loans (annualized)	1.27%	0.57%	0.76%	0.40%
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Performance ratios (annualized):

Return on average assets	(0.07%)	0.50%	0.63%	0.91%
Return on common equity	(0.67%)	5.39%	6.59%	9.84%
Total shareholders' equity to total assets	9.69%	9.20%	9.69%	9.20%
Tangible shareholders' equity to tangible assets	7.63%	7.15%	7.63%	7.15%
Net interest margin	3.81%	3.74%	3.77%	3.75%

Average shares outstanding

- basic	83,399,113	83,096,799	83,295,461	82,589,400
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Average shares outstanding

- diluted	83,527,596	83,239,216	83,430,505	82,793,663
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Cash dividends per share	\$0.22	\$0.22	\$0.88	\$0.87
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Tier I capital	11.17%	10.79%	11.17%	10.79%
Total Capital	12.42%	12.04%	12.42%	12.04%
Tier I leverage capital	8.95%	8.65%	8.95%	8.65%

BancorpSouth, Inc.  
Consolidated Balance Sheets  
(Unaudited)

Dec-09    Sep-09    Jun-09

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(Dollars in thousands)

Assets

Cash and due from banks	\$222,741	\$189,103	\$236,327
Interest bearing deposits with other banks	15,704	43,067	28,836
Held-to-maturity securities, at amortized cost	1,032,822	1,180,716	1,204,618
Available-for-sale securities, at			

fair value	960,772	958,158	969,207
Federal funds sold and securities purchased under agreement to resell	75,000	75,000	-
Loans and leases	9,822,986	9,803,235	9,806,735
Less: Unearned income	47,850	45,291	45,335
Allowance for credit losses	176,043	144,791	138,747
	-----	-----	-----
Net loans and leases	9,599,093	9,613,153	9,622,653
Loans held for sale	80,343	80,053	94,736
Premises and equipment, net	343,877	346,931	348,661
Accrued interest receivable	68,651	74,589	71,349
Goodwill	270,097	270,097	270,097
Bank owned life insurance	187,770	189,043	185,822
Other assets	310,997	251,963	265,513
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Total Assets	\$13,167,867	13,271,873	13,297,819
	=====	=====	=====

#### Liabilities

#### Deposits:

Demand: Noninterest bearing	\$1,901,663	1,769,432	1,773,418
Interest bearing	4,323,646	4,055,395	3,960,008
Savings	725,192	712,446	718,302
Other time	3,727,201	3,759,761	3,705,819
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Total deposits 10,677,702 10,297,034 10,157,547

#### Federal funds purchased and securities sold under agreement

to repurchase 539,870 816,374 755,609

#### Short-term Federal Home Loan Bank

#### borrowings and other short-term

borrowing 203,500 200,000 475,000

Accrued interest payable 19,588 24,243 24,084

Junior subordinated debt securities 160,312 160,312 160,312

#### Long-term Federal Home Loan Bank

borrowings 112,771 286,281 286,292

Other liabilities 177,828 201,411 164,028

Total Liabilities 11,891,571 11,985,655 12,022,872

#### Shareholders' Equity

Common stock 208,626 208,615 208,391

Capital surplus 222,547 222,135 220,859

#### Accumulated other comprehensive

income (loss) (8,409) (18,568) (25,162)

Retained earnings 853,532 874,036 870,859

Total Shareholders' Equity 1,276,296 1,286,218 1,274,947

#### Total Liabilities & Shareholders'

Equity \$13,167,867 \$13,271,873 \$13,297,819

Mar-09 Dec-08

Assets (Dollars in thousands)

Cash and due from banks	\$242,180	\$291,055
Interest bearing deposits with other banks	34,230	13,542
Held-to-maturity securities, at amortized cost	1,330,810	1,333,521
Available-for-sale securities, at fair value	993,529	982,859
Federal funds sold and securities purchased under agreement to resell	-	-
Loans and leases	9,759,787	9,740,867
Less: Unearned income	46,964	49,590
Allowance for credit losses	134,632	132,793
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Net loans and leases	9,578,191	9,558,484
Loans held for sale	168,769	189,242
Premises and equipment, net	348,734	351,204

Accrued interest receivable	77,503	79,183
Goodwill	269,062	268,966
Bank owned life insurance	184,026	182,272
Other assets	231,330	229,890
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Total Assets	13,458,364	13,480,218
	=====	=====
Liabilities		
Deposits:		
Demand: Noninterest bearing	1,820,807	1,735,130
Interest bearing	4,005,620	3,904,307
Savings	719,676	678,326
Other time	3,545,871	3,394,109
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Total deposits	10,091,974	9,711,872
Federal funds purchased and securities sold under agreement to repurchase	1,256,649	1,205,366
Short-term Federal Home Loan Bank borrowings and other short-term borrowing	210,000	691,510
Accrued interest payable	22,841	20,755
Junior subordinated debt securities	160,312	160,312
Long-term Federal Home Loan Bank borrowings	286,302	286,312
Other liabilities	174,627	163,831
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Total Liabilities	12,202,705	12,239,958
Shareholders' Equity		
Common stock	207,811	207,763
Capital surplus	216,138	215,255
Accumulated other comprehensive income (loss)	(23,620)	(26,896)
Retained earnings	855,330	844,138
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Total Shareholders' Equity	1,255,659	1,240,260
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Total Liabilities & Shareholders' Equity	\$13,458,364	\$13,480,218
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BancorpSouth, Inc.  
Consolidated Condensed Statements of Income  
(Dollars in thousands, except per share data)  
(Unaudited)

	Quarter Ended				
	Dec-09	Sep-09	Jun-09	Mar-09	Dec-08
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INTEREST REVENUE:					
Loans and leases	\$129,086	\$129,455	\$129,263	\$129,209	\$139,099
Deposits with other banks	19	20	22	70	111
Federal funds sold and securities purchased under agreement to resell	43	27	3	1	3
Held-to-maturity securities:					
Taxable	10,128	11,690	12,108	13,031	13,625
Tax-exempt	2,393	2,193	2,155	2,111	2,053
Available-for-sale securities:					
Taxable	8,675	8,592	8,721	9,038	8,693
Tax-exempt	875	812	826	883	867
Loans held for sale	777	698	1,215	1,275	2,117
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Total interest revenue	151,996	153,487	154,313	155,618	166,568
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INTEREST EXPENSE:					
Interest bearing demand	9,023	9,038	9,738	12,248	15,924

Savings	900	937	927	936	1,080
Other time	23,445	25,534	26,496	25,833	28,293
Federal funds purchased and securities sold under agreement to repurchase	305	331	421	572	2,175
FHLB borrowings	3,012	2,877	2,885	2,823	4,537
Junior subordinated debt	2,863	2,884	2,928	2,955	3,162
Other	101	150	(22)	375	76

Total interest expense	39,649	41,751	43,373	45,742	55,247
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Net interest revenue	112,347	111,736	110,940	109,876	111,321
Provision for credit losses	62,271	22,514	17,594	14,945	17,822

Net interest revenue, after provision for credit losses	50,076	89,222	93,346	94,931	93,499
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#### NONINTEREST REVENUE:

Mortgage lending	8,602	2,012	13,959	7,652	(12,174)
Credit card, debit card and merchant fees	7,883	8,902	9,111	8,348	8,409
Service charges	18,689	19,049	18,371	16,755	19,295
Trust income	3,014	2,435	2,040	2,209	2,328
Security gains (losses), net	(102)	-	42	5	(6,226)
Insurance commissions	17,583	20,134	20,575	22,645	18,752
Other	8,836	9,943	16,380	10,204	9,701

Total noninterest revenue	64,505	62,475	80,478	67,818	40,085
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#### NONINTEREST EXPENSES:

Salaries and employee benefits	66,926	70,353	70,092	71,363	64,395
Occupancy, net of rental income	10,897	10,720	10,492	9,999	10,307
Equipment	5,578	5,853	5,855	6,222	6,319
Deposit insurance assessments	3,786	3,402	9,358	3,126	1,444
Other	36,174	32,344	28,209	29,268	29,263

Total noninterest expenses	123,361	122,672	124,006	119,978	111,728
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Income (loss) before income taxes	(8,780)	29,025	49,818	42,771	21,856
Income tax expense (credit)	(6,634)	7,494	15,951	13,294	5,060

Net income (loss)	(\$2,146)	\$21,531	\$33,867	\$29,477	\$16,796
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#### Net income (loss)

per share:

Basic	(\$0.03)	\$0.26	\$0.41	\$0.35	\$0.20
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Diluted	(\$0.03)	\$0.26	\$0.41	\$0.35	\$0.20
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Year To Date

Dec-09 Dec-08

INTEREST REVENUE:		
Loans and leases	\$517,013	\$589,965
Deposits with other banks	131	684
Federal funds sold and securities purchased under agreement to resell	74	288
Held-to-maturity securities:		
Taxable	46,957	58,679
Tax-exempt	8,852	8,112
Available-for-sale securities:		
Taxable	35,026	35,813
Tax-exempt	3,396	4,205
Loans held for sale	3,965	7,667
Total interest revenue	615,414	705,413
INTEREST EXPENSE:		
Interest bearing demand	40,047	60,333
Savings	3,700	5,280
Other time	101,308	148,591
Federal funds purchased and securities sold under agreement to repurchase	1,629	14,999
FHLB borrowings	11,597	22,458
Junior subordinated debt	11,630	12,469
Other	604	447
Total interest expense	170,515	264,577
Net interest revenue	444,899	440,836
Provision for credit losses	117,324	56,176
Net interest revenue, after provision for credit losses	327,575	384,660
NONINTEREST REVENUE:		
Mortgage lending	32,225	2,146
Credit card, debit card and merchant fees	34,244	33,743
Service charges	72,864	77,091
Trust income	9,698	9,330
Security gains (losses), net	(55)	(5,849)
Insurance commissions	80,937	86,661
Other	45,363	42,485
Total noninterest revenue	275,276	245,607
NONINTEREST EXPENSES:		
Salaries and employee benefits	278,734	271,556
Occupancy, net of rental income	42,108	39,846
Equipment	23,508	25,211
Deposit insurance assessments	19,672	2,852
Other	125,995	116,448
Total noninterest expenses	490,017	455,913
Income (loss) before income taxes	112,834	174,354
Income tax expense (credit)	30,105	53,943
Net income (loss)	\$82,729	\$120,411
Net income (loss) per share:		
Basic	\$0.99	\$1.46
Diluted	\$0.99	\$1.45

BancorpSouth, Inc.  
Selected Loan Data  
(Dollars in thousands)  
(Unaudited)



Quarter Ended

Dec-09 Sep-09 Jun-09 Mar-09 Dec-08

LOAN AND LEASE

PORTFOLIO:

Commercial and

industrial \$1,466,569 \$1,442,344 \$1,441,718 \$1,390,042 \$1,417,499

Real estate

Consumer

mortgages 2,017,067 2,046,433 2,054,666 2,037,439 2,096,568

Home equity 550,085 540,875 532,337 519,528 511,480

Agricultural 262,069 254,647 242,034 238,466 234,024

Commercial and

industrial-owner

occupied 1,449,554 1,432,859 1,394,852 1,455,422 1,465,027

Construction,

acquisition and

development 1,459,503 1,533,622 1,652,052 1,692,526 1,689,719

Commercial 1,806,766 1,770,066 1,719,044 1,660,211 1,568,956

Credit cards 108,086 103,208 101,844 98,450 93,650

All other 655,437 633,890 622,853 620,739 614,354

Total loans \$9,775,136 \$9,757,944 \$9,761,400 \$9,712,823 \$9,691,277

ALLOWANCE FOR CREDIT

LOSSES:

Balance, beginning

of period \$144,791 \$138,746 \$134,632 \$132,793 \$129,147

Loans and leases charged off:

Commercial and

industrial (3,404) (3,913) (1,070) (1,147) (1,003)

Real estate

Consumer mortgages (2,298) (2,669) (4,877) (4,073) (3,582)

Home equity (1,835) (1,278) (1,106) (1,153) (596)

Agricultural (401) (407) (3) (37) (350)

Commercial and

industrial-owner

occupied (753) (1,795) (649) (836) (511)

Construction,

acquisition and

development (20,766) (3,160) (4,335) (4,377) (6,208)

Commercial (568) (2,135) (321) (560) (611)

Credit cards (1,118) (1,204) (1,290) (1,158) (953)

All other (954) (938) (815) (810) (953)

Total loans charged off (32,097) (17,499) (14,466) (14,151) (14,767)

Recoveries:

Commercial and

industrial 194 320 68 179 279

Real estate

Consumer mortgages 209 132 263 220 174

Home equity 76 28 2 3 1

Agricultural - - 2 -

Commercial and

industrial-owner

occupied 10 31 248 8 54

Construction,

acquisition and

development 7 31 4 86 97

Commercial 25 108 - 56 23

Credit cards 216 123 140 138 99

All other 341 257 261 353 290

Total recoveries 1,078 1,030 986 1,045 1,017

Net charge-offs	(31,019)	(16,469)	(13,480)	(13,106)	(13,750)
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Provision charged to					
operating expense	62,271	22,514	17,594	14,945	17,822
Other, net	-	-	-	(426)	

Balance, end of					
period	\$176,043	\$144,791	\$138,746	\$134,632	\$132,793

Average loans for					
period	\$9,750,989	\$9,750,159	\$9,740,916	\$9,695,475	\$9,604,142
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Ratios:					
Net charge-offs to					
average loans					
(annualized)	1.27%	0.68%	0.55%	0.54%	0.57%
	=====	=====	=====	=====	=====

BancorpSouth, Inc.  
Selected Loan Data  
(Dollars in thousands)  
(Unaudited)

Quarter Ended

Dec-09	Sep-09	Jun-09	Mar-09	Dec-08
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NON-PERFORMING ASSETS  
NON-PERFORMING LOANS AND  
LEASES:

Nonaccrual Loans and Leases

Commercial and					
industrial	\$4,852	\$7,048	\$7,364	\$5,523	\$7,378
Real estate					
Consumer mortgages	20,731	12,433	9,946	8,398	4,599
Home equity	1,642	1,879	596	100	143
Agricultural	1,136	2,647	970	673	440
Commercial and industrial-					
owner occupied	7,039	5,044	2,631	4,153	1,768
Construction, acquisition					
and development	82,170	39,989	21,742	17,984	12,393
Commercial	23,209	12,228	1,023	925	432
Credit cards	1,044	850	816	939	952
All other	2,190	614	454	241	63
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Total nonaccrual loans					
and leases	144,013	82,732	45,542	38,936	28,168
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Loans and Leases 90+ Days Past Due, Still Accruing:

Commercial and					
industrial	1,797	1,062	1,919	1,489	715
Real estate					
Consumer mortgages	9,905	14,189	9,961	7,110	13,371
Home equity	810	707	1,651	1,375	796
Agricultural	1,015	289	3,292	421	409
Commercial and industrial-					
owner occupied	4,511	1,342	4,253	2,982	2,761
Construction, acquisition					
and development	13,482	1,477	18,648	11,372	12,481
Commercial	2,558	305	2,351	1,021	1,013
Credit cards	355	373	476	391	463
All other	1,868	955	1,315	1,138	1,364
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Total loans and leases 90+					
past due, still					
accruing	36,301	20,699	43,866	27,299	33,373

Restructured Loans and Leases, Still Accruing	6,161	8,205	8,264	7,581	2,472
Total non-performing loans and leases	186,475	111,636	97,672	73,816	64,013
OTHER REAL ESTATE OWNED:	59,265	62,072	51,477	47,450	46,317
Total Non-performing Assets	\$245,740	\$173,708	\$149,149	\$121,266	\$110,330
	=====	=====	=====	=====	=====

Credit Quality Ratios:					
Provision for credit losses to average loans and leases (annualized)	2.55%	0.92%	0.72%	0.62%	0.74%
Allowance for credit losses to net loans and leases	1.80%	1.48%	1.42%	1.39%	1.37%
Allowance for credit losses to non-performing assets	71.64%	83.35%	93.03%	111.02%	120.36%
Allowance for credit losses to non-performing loans and leases	94.41%	129.70%	142.05%	182.39%	207.45%
Non-performing loans and leases to net loans and leases	1.91%	1.14%	1.00%	0.76%	0.66%
Non-performing assets to net loans and leases	2.51%	1.77%	1.53%	1.25%	1.14%

BancorpSouth, Inc.  
Average Balances, Interest Income and Expense,  
and Average Yields and Rates  
(Dollars in thousands)  
(Unaudited)

	Quarter Ended December 31, 2009		
	Average	Yield/	
Taxable equivalent basis)	Balance	Interest	Rate
ASSETS			
Loans, loans held for sale, and leases net of unearned income	\$9,821,066	\$130,671	5.28%
Held-to-maturity securities:			
Taxable	878,452	10,239	4.62%
Tax-exempt	209,242	3,682	6.98%
Available-for-sale securities:			
Taxable	892,191	8,676	3.86%
Tax-exempt	72,902	1,344	7.31%
Short-term investments	92,651	61	0.26%
Total interest earning assets and revenue	11,966,504	154,673	5.13%
Other assets	1,267,510		
Less: allowance for credit losses	(168,842)		
Total	\$13,065,172		
	=====		

# LIABILITIES AND SHAREHOLDERS' EQUITY

## Deposits:

Demand - interest bearing	\$4,155,330	\$9,023	0.86%
Savings	717,630	900	0.50%
Other time	3,748,894	23,445	2.48%
Short-term borrowings	713,972	405	0.23%
Junior subordinated debt	160,312	2,865	7.09%
Long-term debt	303,301	3,011	3.94%

Total interest bearing liabilities and expense	9,799,439	39,649	1.61%
--	-----------	--------	-------

## Demand deposits -

noninterest bearing	1,826,763
Other liabilities	171,981

Total liabilities	11,798,183
Shareholders' equity	1,266,989

Total	\$13,065,172
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Net interest revenue	\$115,024
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Net interest margin	3.81%
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Net interest rate spread	3.52%
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Interest bearing liabilities to interest earning assets	81.89%
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Net interest tax equivalent adjustment	\$2,677
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## BancorpSouth, Inc. Average Balances, Interest Income and Expense, and Average Yields and Rates (Dollars in thousands) (Unaudited)

Quarter Ended  
September 30, 2009

(Taxable equivalent basis)	Average Balance	Yield/ Interest	Rate
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## ASSETS

Loans, loans held for sale, and leases net of unearned income	\$9,808,427	\$130,957	5.30%
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## Held-to-maturity securities:

Taxable	998,773	11,799	4.69%
Tax-exempt	199,360	3,373	6.71%

## Available-for-sale securities:

Taxable	889,278	8,591	3.83%
Tax-exempt	69,737	1,251	7.12%

Short-term investments	62,334	47	0.30%
------------------------	--------	----	-------

Total interest earning assets and revenue	12,027,909	156,020	5.15%
---	------------	---------	-------

Other assets	1,285,360
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Less: allowance for credit losses	(146,212)
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Total	\$13,167,057
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## LIABILITIES AND SHAREHOLDERS' EQUITY

## Deposits:

Demand - interest bearing	\$4,010,281	\$9,038	0.89%
Savings	716,155	936	0.52%
Other time	3,726,754	25,535	2.72%
Short-term borrowings	1,071,144	544	0.20%

Junior subordinated debt	160,312	2,884	7.14%
Long-term debt	286,285	2,814	3.90%
	-----	-----	
Total interest bearing liabilities and expense	9,970,931	41,751	1.66%
Demand deposits - noninterest bearing	1,747,021		
Other liabilities	184,006		
	-----		
Total liabilities	11,901,958		
Shareholders' equity	1,265,099		
	-----		
Total	\$13,167,057		
	=====	-----	
Net interest revenue		\$114,269	
	=====		
Net interest margin		3.77%	
Net interest rate spread		3.49%	
Interest bearing liabilities to interest earning assets		82.90%	
Net interest tax equivalent adjustment		\$2,533	

BancorpSouth, Inc.  
Average Balances, Interest Income and Expense,  
and Average Yields and Rates  
(Dollars in thousands)  
(Unaudited)

Quarter Ended  
June 30, 2009

	Average (Taxable equivalent basis)	Balance	Yield/ Interest	Rate
	-----	-----	----	
<b>ASSETS</b>				
Loans, loans held for sale, and leases net of unearned income	\$9,896,890	\$131,313	5.32%	
Held-to-maturity securities:				
Taxable	1,040,896	12,218	4.71%	
Tax-exempt	186,473	3,316	7.13%	
Available-for-sale securities:				
Taxable	919,217	8,721	3.81%	
Tax-exempt	69,960	1,270	7.28%	
Short-term investments	21,727	25	0.47%	
	-----	--		
Total interest earning assets and revenue	12,135,163	156,863	5.18%	
Other assets	1,270,193			
Less: allowance for credit losses	(144,570)			
	-----			
Total	\$13,260,786			
	=====			

**LIABILITIES AND  
SHAREHOLDERS' EQUITY**

<b>Deposits:</b>				
Demand - interest bearing	\$3,948,759	\$9,738	0.99%	
Savings	719,281	928	0.52%	
Other time	3,634,336	26,496	2.92%	
Short-term borrowings	1,340,244	470	0.14%	
Junior subordinated debt	160,312	2,928	7.33%	
Long-term debt	286,294	2,813	3.94%	
	-----	-----		
Total interest bearing liabilities and expense	10,089,226	43,373	1.72%	

Demand deposits - noninterest bearing	1,756,861	
Other liabilities	163,749	
	-----	
Total liabilities	12,009,836	
Shareholders' equity	1,250,950	
	-----	
Total	\$13,260,786	
	=====	-----
Net interest revenue		\$113,490
	=====	
Net interest margin		3.75%
Net interest rate spread		3.46%
Interest bearing liabilities to interest earning assets		83.14%
Net interest tax equivalent adjustment		\$2,550

BancorpSouth, Inc.  
Average Balances, Interest Income and Expense,  
and Average Yields and Rates  
(Dollars in thousands)  
(Unaudited)

	Quarter Ended March 31, 2009			
	Average		Yield/	
(Taxable equivalent basis)	Balance		Interest	Rate
	-----	-----	----	
<b>ASSETS</b>				
Loans, loans held for sale, and leases net of unearned income	\$9,873,692	\$131,339	5.39%	
Held-to-maturity securities:				
Taxable	1,146,772	13,141	4.65%	
Tax-exempt	182,051	3,247	7.23%	
Available-for-sale securities:				
Taxable	891,699	9,038	4.11%	
Tax-exempt	73,814	1,358	7.46%	
Short-term investments	19,123	71	1.51%	
	-----	--		
Total interest earning assets and revenue	12,187,151	158,194	5.26%	
Other assets	1,277,538			
Less: allowance for credit losses	(139,811)			
	-----			
Total	\$13,324,878			
	=====			
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Deposits:				
Demand - interest bearing	\$4,090,821	\$12,248	1.21%	
Savings	697,639	936	0.54%	
Other time	3,419,180	25,833	3.06%	
Short-term borrowings	1,588,229	959	0.24%	
Junior subordinated debt	160,312	2,955	7.48%	
Long-term debt	286,306	2,811	3.98%	
	-----	-----		
Total interest bearing liabilities and expense	10,242,487	45,742	1.81%	
Demand deposits - noninterest bearing	1,700,792			
Other liabilities	142,628			
	-----			
Total liabilities	12,085,907			

Shareholders' equity	1,238,971	
	-----	
Total	\$13,324,878	
	=====	-----
Net interest revenue		\$112,452
	=====	
Net interest margin		3.74%
Net interest rate spread		3.45%
Interest bearing liabilities to interest earning assets		84.04%
Net interest tax equivalent adjustment	\$2,576	

BancorpSouth, Inc.  
Average Balances, Interest Income and Expense,  
and Average Yields and Rates  
(Dollars in thousands)  
(Unaudited)

Quarter Ended  
December 31, 2008

(Taxable equivalent basis)	Average Balance	Yield/ Interest	Rate
-----	-----	----	
<b>ASSETS</b>			
Loans, loans held for sale, and leases net of unearned income	\$9,773,683	\$142,039	5.78%
Held-to-maturity securities:			
Taxable	1,193,555	13,734	4.58%
Tax-exempt	180,695	3,159	6.96%
Available-for-sale securities:			
Taxable	868,913	8,693	3.98%
Tax-exempt	73,476	1,335	7.23%
Short-term investments	19,338	114	2.34%
	-----	---	----
Total interest earning assets and revenue	12,109,660	169,074	5.55%
Other assets	1,304,386		
Less: allowance for credit losses	(134,453)		
	-----		
Total	\$13,279,593		
	=====		

**LIABILITIES AND  
SHAREHOLDERS' EQUITY**

<b>Deposits:</b>			
Demand - interest bearing	\$3,811,782	\$15,924	1.66%
Savings	684,068	1,080	0.63%
Other time	3,400,071	28,293	3.31%
Short-term borrowings	1,828,010	3,951	0.86%
Junior subordinated debt	160,312	3,161	7.84%
Long-term debt	287,990	2,838	3.92%
	-----	-----	
Total interest bearing liabilities and expense	10,172,233	55,247	2.16%
Demand deposits - noninterest bearing	1,702,400		
Other liabilities	165,462		
	-----		
Total liabilities	12,040,095		
Shareholders' equity	1,239,498		
	-----		
Total	\$13,279,593		
	=====	-----	
Net interest revenue		\$113,827	

-----	=====
Net interest margin	3.74%
Net interest rate spread	3.39%
Interest bearing liabilities to interest earning assets	84.00%
Net interest tax equivalent adjustment	\$2,506

BancorpSouth, Inc.  
Reconciliation of Tangible assets and Tangible Shareholders' Equity to  
Total Assets and Total Shareholders' Equity  
(Dollars in thousands)  
(Unaudited)

	December 31,	
	2009	2008
-----	-----	-----
Tangible Assets (a):		
Total assets	\$13,167,867	\$13,480,218
Less: Goodwill	270,097	268,966
Identifiable intangible assets	23,533	28,165
-----	-----	-----
Total tangible assets	\$12,874,237	\$13,183,087
Tangible Shareholders' Equity(a):		
Total shareholders' equity	\$1,276,296	\$1,240,260
Less: Goodwill	270,097	268,966
Identifiable intangible assets	23,533	28,165
-----	-----	-----
Total tangible shareholders' equity	\$982,666	\$943,129
Tangible shareholders' equity to tangible assets	7.63%	7.15%

(a) BancorpSouth, Inc. utilizes tangible assets and tangible shareholders' equity measures when evaluating the performance of the Company. Tangible shareholders' equity is defined by the Company as total shareholders' equity less goodwill and identifiable assets. Tangible assets are defined by the Company as total assets less goodwill and identifiable assets. The Company believes the ratio of tangible equity to tangible assets to be an important measure of financial strength of the Company.

First Call Analyst:

FCMN Contact:

SOURCE: BancorpSouth, Inc.

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