

BancorpSouth Insurance Services, Inc., Acquires Arthur J. Gallagher's Springfield, Missouri Office

Agency to operate as Southwest Missouri Insurance Group, a division of BancorpSouth Insurance Services, Inc.

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TUPELO, Miss.

BancorpSouth Insurance Services, Inc., a subsidiary of BancorpSouth Bank, headquartered in Tupelo, Mississippi, announced today that it has acquired the property and casualty lines of business of the Springfield, Missouri, office of Arthur J. Gallagher, Risk Management Services, Inc. The transaction was effective on December 31, 2007. Financial terms of the acquisition were not disclosed.

The agency will operate as the Southwest Missouri Insurance Group (SMI Group), a division of BancorpSouth Insurance Services, Inc. The SMI Group will continue to operate at its current Springfield location, 1650 East Battlefield, Suite 200, under the management of SMI Group President Chris Stack and associates Jim Morris and Jim Sanders. The existing staff is expected to remain.

Established in 1958 as the Jim Morris Sales Company, the agency has operated on both a local independent agency level and more recently on a national/international brokerage level as an office of Arthur J. Gallagher, Risk Management Services, Inc.

BancorpSouth Chairman and CEO Aubrey Patterson said, "This acquisition provides our company with the opportunity to continue expanding our successful insurance brokerage business. We already have a strong presence in the Springfield and St. Louis market areas through our existing commercial banking operations. This latest addition to our insurance line of business provides the opportunity to offer our clients in these market areas an even greater depth of financial services."

Chris Stack, SMI Group President, said, "Our core agency has nearly 50 years of experience operating on both the local level and the national/international level. Combined with BancorpSouth Insurance Services, we will have a local agency atmosphere while providing a broader market presence and the resources of a regional/national broker.

"This combination offers our agency and clients the best of local service and regional resources. It will be business as usual in servicing our clients' needs while our clients continue to benefit from a strong presence in the insurance marketplace. BancorpSouth's organizational model was a key component in our decision to join their agency network," said Stack.

BancorpSouth Insurance Services President Markham McKnight said, "Our continued expansion of insurance production gives us additional influence in the industry and the ability to offer our customers more products and better service. We are pleased that the SMI Group, in joining our growing agency

network, recognized our unique approach and commitment of empowering local management and focusing on doing what is best for our clients."

Robert Fulp, BancorpSouth Bank's Springfield Division President added, "We are delighted to now have the insurance and risk management resources of the SMI Group available in our market. This is a continuation of our efforts to be a single-source provider of financial services for our clients."

Together with BancorpSouth's Louisiana insurance division, Wright & Percy; its Arkansas insurance division, Ramsey, Krug, Farrell and Lensing; and its Mississippi insurance division, Stewart Sneed Hewes, BancorpSouth Insurance Services, Inc., was ranked 38th among the top insurance brokerage firms in America by Business Insurance: 100 Largest Brokers of U. S. Business, July 2007. At September 30, 2007, BancorpSouth Bank, parent company of BancorpSouth Insurance Services, Inc, ranked sixth nationally among banks in insurance brokerage fee income according to the Michael White/Symetra Bank Fee Income Report 2007.

About BancorpSouth Bank:

BancorpSouth Bank is a wholly owned subsidiary of BancorpSouth, Inc. , a financial holding company with approximately \$13.1 billion in assets headquartered in Tupelo, Mississippi. BancorpSouth Bank operates approximately 290 commercial banking, mortgage, insurance, trust and broker/dealer locations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas.

Forward-Looking Statements:

Certain statements contained in the press 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 reference to a future period(s) or by the use of forward-looking terminology, such as "anticipate," "believe," "estimate," "expect," "foresee," "may," "might," "will," "intend," "could," "would," or "plan," or future or conditional verb tenses, and variations or negatives of such terms. These forward-looking statements include, without limitation, statements relating to the future operation of SMI Group, the retention of the staff of SMI Group and the atmosphere and resources of SMI Group going forward. We caution you not to place undue reliance on the forward-looking statements contained in this press release, in that actual results could differ materially from those indicated in such forward-looking statements as a result of a variety of factors. These factors include, but are not limited to, the ability of BancorpSouth to successfully integrate SMI Group after the acquisition, the ability of BancorpSouth to attract, train and retain qualified personnel, the ability of BancorpSouth to provide and market competitive services and products, the ability of BancorpSouth to expand geographically and enter fast-growing markets, changes in consumer preferences, changes in BancorpSouth's operating strategy, changes in economic conditions and government fiscal and

monetary policies, changes in laws and regulations affecting financial institutions generally and particularly insurance brokerage businesses, the ability of BancorpSouth to manage its growth and effectively serve an expanding customer and market base, the geographic concentrations of BancorpSouth's assets, the ability of BancorpSouth to compete with other financial services companies generally and particularly insurance brokerage businesses, possible adverse rulings, judgments, settlements and other outcomes of pending or threatened litigation or tax assessments, other factors generally understood to affect the financial condition or results of financial services companies generally and particularly insurance brokerage businesses, and other factors detailed from time to time in BancorpSouth's press releases and 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 of this press release.

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