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**FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON, DC 20429**

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**FORM 8-K**

**CURRENT REPORT PURSUANT TO  
SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): February 10, 2021

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**BANCORPSOUTH BANK**  
(Exact Name of Registrant as Specified in Charter)

Mississippi  
(State or Other Jurisdiction of  
Incorporation)

11813  
(FDIC Certificate No.)

64-0117230  
(IRS Employer Identification  
No.)

One Mississippi Plaza  
201 South Spring Street  
Tupelo, Mississippi  
(Address of Principal Executive  
Offices)

38804  
(Zip Code)

Registrant's telephone number, including area code (662) 680-2000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u>                           | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Common Stock, \$2.50 par value per share             | BXS                      | New York Stock Exchange                          |
| Series A Preferred Stock, \$0.01 par value per share | BXS-PrA                  | New York Stock Exchange                          |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Section 7 – Regulation FD**

### **Item 7.01. Regulation FD Disclosure.**

Representatives of BancorpSouth Bank will be presenting at the 2021 KBW Winter Financial Services Symposium on February 10 and 11, 2021 and will also be conducting various other investor meetings during the first quarter of 2021. A copy of the presentation to be used during the conference and in the investor meetings is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference in its entirety.

## **Section 9 – Financial Statements and Exhibits**

### **Item 9.01. Financial Statements and Exhibits.**

#### **EXHIBIT INDEX**

| <u>Exhibit Number</u> | <u>Description</u>  |
|-----------------------|---|
| 99.1                  | 2021 First Quarter Investor Presentation by BancorpSouth Bank |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

**BANCORPSOUTH BANK**

By: /s/ Cathy S. Freeman  
Cathy S. Freeman  
Senior Executive Vice President and Chief  
Administrative Officer

Date: February 10, 2021



# BancorpSouth Bank

## Investor Presentation

*February 2021*



# Forward Looking Statements



Certain statements made in this 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 (the "Exchange Act"), 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 "anticipate," "aspire," "assume," "believe," "budget," "contemplate," "continue," "could," "estimate," "expect," "forecast," "foresee," "goal," "hope," "indicate," "intend," "may," "might," "outlook," "plan," "project," "projection," "predict," "prospect," "potential," "roadmap," "seek," "should," "target," "will," and "would," or the negative versions of those words or other comparable words of a future or forward-looking nature. These forward-looking statements include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, including the impact of the COVID-19 pandemic on our business; our assets; business; cash flows; financial condition; liquidity; prospects; results of operations; deposit and customer repo growth; interest and fee-based revenue; capital resources; capital metrics; efficiency ratio; valuation of mortgage servicing rights; mortgage production volume; net income; net interest revenue; non-interest revenue; net interest margin; interest expense; non-interest expense; earnings per share; interest rate sensitivity; interest rate risk; balance sheet and liquidity management; off-balance sheet arrangements; fair value determinations; asset quality; credit quality; credit losses; provision and allowance for credit losses, impairments, charge-offs, recoveries and changes in loan volumes; investment securities portfolio yields and values; ability to manage the impact of pandemics and natural disasters; adoption and use of critical accounting policies; adoption and implementation of new accounting standards and their effect on our financial results and our financial reporting; utilization of non-GAAP financial metrics; declaration and payment of dividends; ability to pay dividends or coupons on our 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029; mortgage origination volume; mortgage servicing and production revenue; insurance commission revenue; implementation and execution of cost savings initiatives; ability to successfully litigate, resolve or otherwise dispense with threatened, pending, ongoing and future litigation and governmental, administrative and investigatory matters; ability to successfully complete pending or future acquisitions, dispositions and other strategic growth opportunities and initiatives; ability to successfully obtain regulatory approval for acquisitions and other growth initiatives; ability to successfully integrate and manage acquisitions; opportunities and efforts to grow market share; reputation; ability to compete with other financial institutions; ability to recruit and retain key employees and personnel; access to capital markets; availability of capital; investments in the securities of other financial institutions; and ability to operate our regulatory compliance programs in accordance with applicable law.

Forward-looking statements are based upon management's expectations as well as certain assumptions and estimates made by, and information available to, our management at the time such statements were made. Forward-looking statements are not historical facts, are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that are beyond our control and that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, without limitation, potential delays or other problems in implementing and executing our growth, expansion and acquisition strategies, including delays in obtaining regulatory or other necessary approvals or the failure to realize any anticipated benefits or synergies from any acquisitions or growth strategies; the risks of changes in interest rates and their effects on the level and composition of deposits, loan demand and the values of loan collateral, securities and interest sensitive assets and liabilities; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; the availability of and access to capital; possible downgrades in our credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans; the ability to grow additional interest and fee income or to control noninterest expense; the potential impact of the proposed phase-out of the London Interbank Offered Rate ("LIBOR") or other changes involving LIBOR; competitive factors and pricing pressures, including their effect on our net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions, including those actions in response to the COVID-19 pandemic such as the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the "Economic Aid Act") and any related rules and regulations; changes in U.S. Government monetary and fiscal policy, including any changes that result from the recent U.S. elections; FDIC special assessments or changes to regular assessments; possible adverse rulings, judgments, settlements and other outcomes of pending, ongoing and future litigation and governmental, administrative and investigatory matters (including litigation or actions arising from our participation in and administration of programs related to the COVID-19 pandemic (including, among other things, the PPP loan programs authorized by the CARES Act and the Economic Aid Act); the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting us or our customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global COVID-19 pandemic, including the magnitude and duration of the pandemic, and the impact of actions taken to contain or treat COVID-19 on us, our employees, our customers, the global economy and the financial markets; international or political instability; impairment of our goodwill or other intangible assets; losses of key employees and personnel; adoption of new accounting standards, including the effects from the adoption of the current expected credit loss methodology on January 1, 2020, or changes in existing standards; and other factors as detailed from time to time in our press and news releases, periodic and current reports and other filings we file with the FDIC.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth from time to time in our periodic and current reports filed with the FDIC, including those factors included in our Annual Report on Form 10-K for the year ended December 31, 2019 under the heading "Item 1A. Risk Factors," in our Quarterly Reports on Form 10-Q and in our Current Reports on Form 8-K.

Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date of this presentation, if one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation, and we do 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 applicable law. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence or how they will affect us. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this section.

# About BancorpSouth Bank (NYSE: BXS)



- BancorpSouth was originally chartered in 1876 and went public in 1986
- Total assets of approximately \$24.1 billion as of December 31, 2020
- Market capitalization of \$2.8 billion<sup>(1)</sup>
- Headquartered in Tupelo, Mississippi
- Approximately 306 full service branches, as well as additional mortgage, insurance and loan production offices, located throughout an eight state footprint<sup>(2)</sup>
- Customer focused business model with comprehensive line of financial products and banking services for individuals and small to mid-size businesses

(1) Market capitalization as of January 31, 2021

(2) Excludes a single insurance location in Illinois and a single LPO in Oklahoma

# Community Bank Structure – 8-state Footprint



**LEGEND**

- BancorpSouth Bank
- National United \*
- FNB Bank \*

- 306 Full Service Branches
- 5 Loan Production Offices
- 29 Insurance Locations (20 Stand Alone)
- 105 Mortgage Locations (8 Stand Alone)
- 31 Wealth Management Locations

Location information as of December 31, 2020.  
 Excludes a single insurance location in Illinois and a single LPO in Oklahoma.  
 \*Transactions pending

# National United Transaction Summary



|  |  |
|--|--|
| <b>Merger Partner</b>                                    | <b>National United Bancshares, Inc. and its wholly owned bank subsidiary, National United (collectively, “National United”)</b>  |
| <b>Purchase Price<sup>(1)</sup></b>                      | <b>\$114.7 million</b>   |
| <b>Consideration</b>                                     | <b>3,110,000 shares of BXS common stock and \$33.25 million in cash</b>  |
| <b>Consideration Mix<sup>(1)</sup></b>                   | <b>≈ 70% stock / 30% cash</b>  |
| <b>Expected Tangible Equity at Closing<sup>(2)</sup></b> | <b>Approximately \$71.0 million after seller-incurred expenses</b>   |
| <b>Management Retention</b>                              | <ul style="list-style-type: none"><li>▪ <b>Eugene Worthington - Area Chairman (Current Chairman &amp; CEO)</b></li><li>▪ <b>16 other key team members under contract</b></li></ul> |
| <b>Required Approvals</b>                                | <b>Regulatory, National United shareholders, &amp; other customary approvals</b>   |
| <b>Anticipated Closing</b>                               | <b>First half of 2021</b>  |

(1) Based upon BancorpSouth's closing price of \$26.19 on December 1, 2020.

(2) In the event National United's equity capital at closing is less than \$67.0 million after seller-incurred expenses, then the consideration will be adjusted downward by an amount equal to such equity capital shortfall.

# FNS Transaction Summary



|  |  |
|--|--|
| <b>Merger Partner</b>                                    | <b>FNS Bancshares, Inc. and its wholly owned bank subsidiary, FNB Bank (collectively, “FNS”)</b> |
| <b>Purchase Price<sup>(1)</sup></b>                      | <b>\$108.4 million</b>   |
| <b>Consideration</b>                                     | <b>2,975,000 shares of BXS common stock and \$18.0 million in cash</b>                           |
| <b>Consideration Mix<sup>(1)</sup></b>                   | <b>≈ 80% stock / 20% cash</b>  |
| <b>Minimum Tangible Equity Requirement<sup>(2)</sup></b> | <b>\$66.0 million after seller-incurred expenses</b>   |
| <b>Management Retention</b>                              | <b>Steve Rownd – Division President (Current Chief Executive Officer)</b>                        |
| <b>Required Approvals</b>                                | <b>Regulatory, FNS shareholders, &amp; other customary approvals</b>                             |
| <b>Anticipated Closing</b>                               | <b>First half of 2021</b>  |

(1) Based upon BancorpSouth's closing price of \$30.37 on January 12, 2021.

(2) In the event FNS Bancshares' tangible equity capital at closing is less than \$66.0 million after seller-incurred expenses, then the consideration will be adjusted downward by an amount equal to such tangible equity capital shortfall. The tangible equity capital requirement is subject to certain adjustments dependent upon the actual closing date of the transaction.

# Pro Forma Loans and Deposits



*As of December 31, 2020 (Dollars in Thousands)*

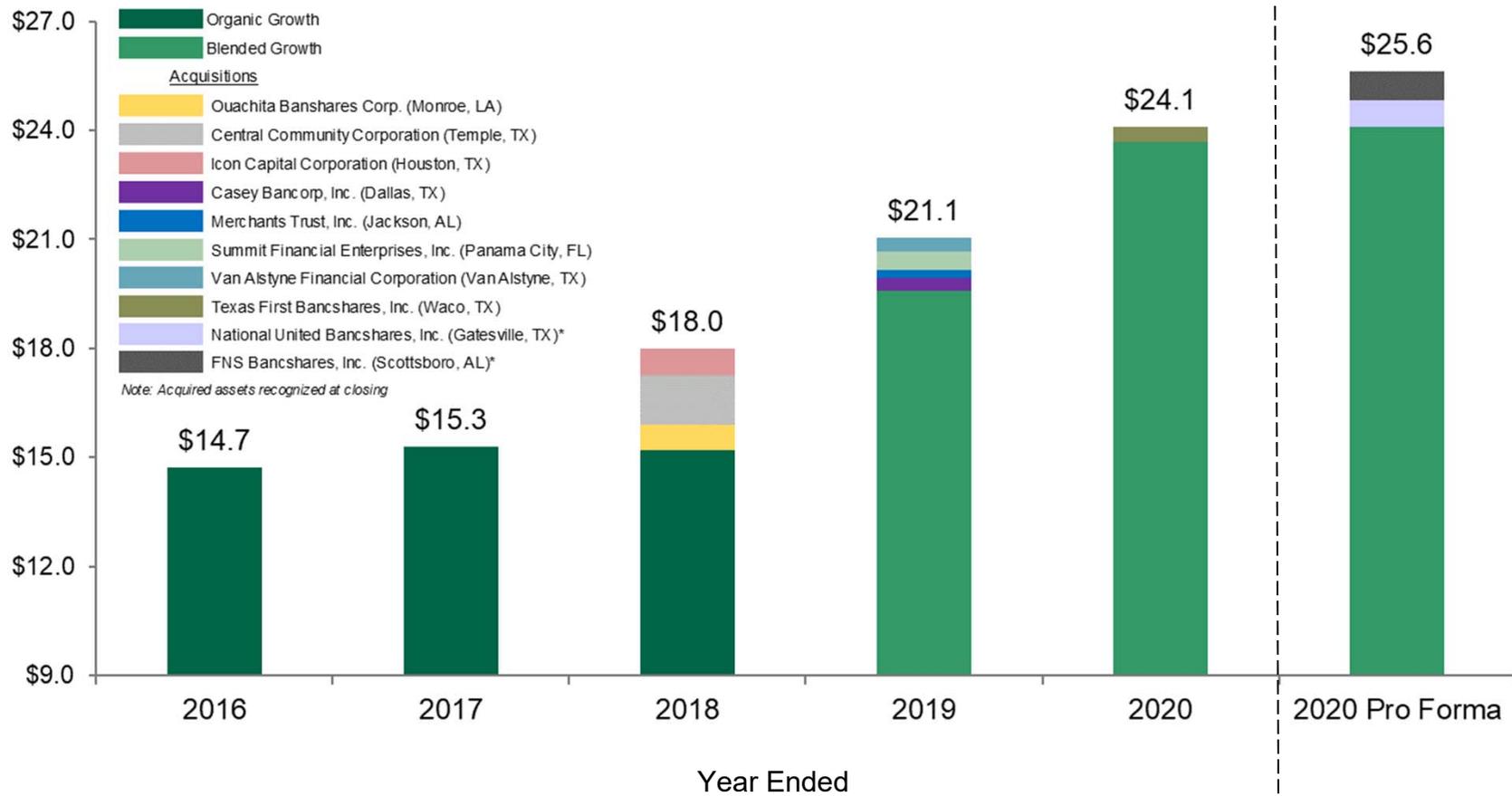
| Market       | Total BXS Deposits   | National United / FNS | Pro Forma Deposits   | Percent of Total | Total BXS Loans*     | National United / FNS | Pro Forma Loans      | Percent of Total |
|--------------|----------------------|-----------------------|----------------------|------------------|----------------------|-----------------------|----------------------|------------------|
| Mississippi  | \$ 7,277,335         | \$ -                  | \$ 7,277,335         | 34.3%            | \$ 4,419,356         | \$ -                  | \$ 4,419,356         | 27.7%            |
| Texas        | 4,605,249            | 676,709               | 5,281,958            | 24.9%            | 5,000,240            | 446,038               | 5,446,278            | 34.1%            |
| Arkansas     | 2,027,687            | -                     | 2,027,687            | 9.6%             | 1,189,946            | -                     | 1,189,946            | 7.5%             |
| Alabama      | 1,457,042            | 459,892               | 1,916,934            | 9.0%             | 1,169,390            | 373,180               | 1,542,570            | 9.7%             |
| Tennessee    | 1,787,311            | 98,395                | 1,885,706            | 8.9%             | 1,022,282            | 43,666                | 1,065,948            | 6.7%             |
| Louisiana    | 1,770,068            | -                     | 1,770,068            | 8.3%             | 1,313,131            | -                     | 1,313,131            | 8.2%             |
| Missouri     | 461,954              | -                     | 461,954              | 2.2%             | 482,627              | -                     | 482,627              | 3.0%             |
| Florida      | 459,795              | -                     | 459,795              | 2.2%             | 425,507              | -                     | 425,507              | 2.7%             |
| Georgia      | -                    | 117,193               | 117,193              | 0.6%             | -                    | 66,621                | 66,621               | 0.4%             |
| <b>Total</b> | <b>\$ 19,846,441</b> | <b>\$ 1,352,189</b>   | <b>\$ 21,198,630</b> | <b>100.0%</b>    | <b>\$ 15,022,479</b> | <b>\$ 929,505</b>     | <b>\$ 15,951,984</b> | <b>100.0%</b>    |

\*Includes \$975.4 million in PPP loans  
Transactions with National United and FNS are pending.

# Total Assets Growth



Compound Annual Growth Rate of 13.1%

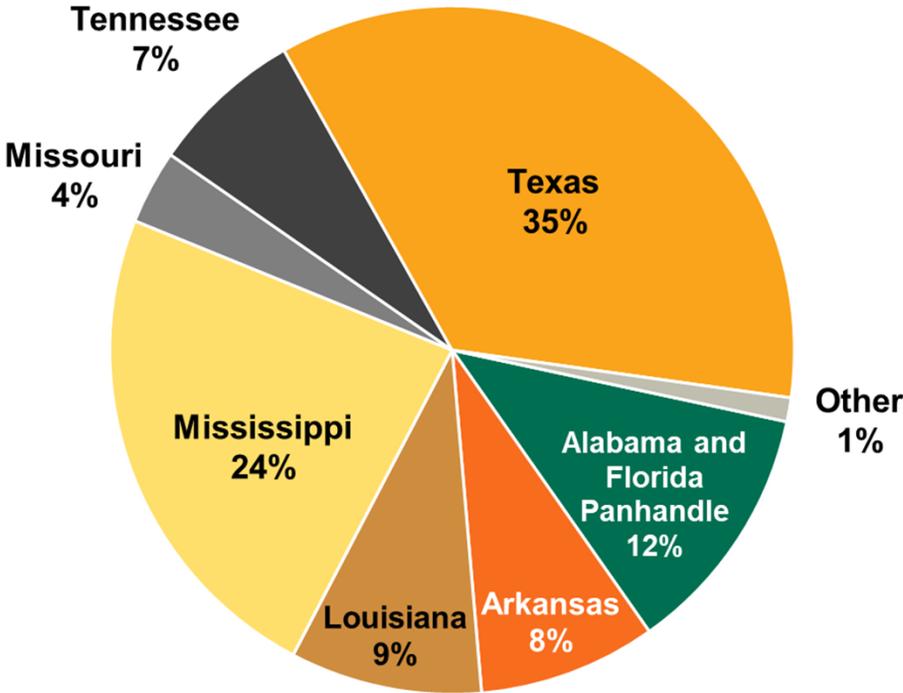


Dollars in billions.  
\*Transactions pending

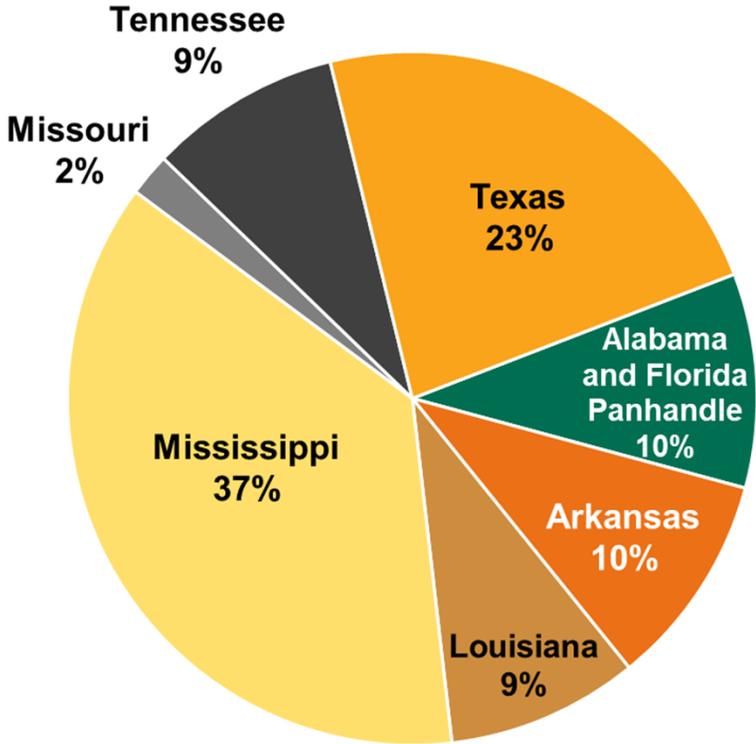
# Book of Business by State



## Loans



## Deposits



As of December 31, 2020.

# Wide Range of Product Offerings



# Other Product Offerings



## INSURANCE

 **155**  
LICENSED PRODUCERS

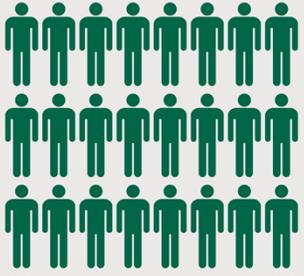
**29**   
LOCATIONS

  
P&C

  
COMMERCIAL

  
EMPLOYEE BENEFITS

## MORTGAGE

  
**160**  
ORIGINATORS

  
**105**  
LOCATIONS

**\$3.2**   
BILLION 2020 PRODUCTION

**57%**  
PURCHASE MONEY

**43%**  
REFINANCE

## TRUST & WEALTH MANAGEMENT

  
**31** LOCATIONS

 **11**  
BILLION  
Total Assets Under Management

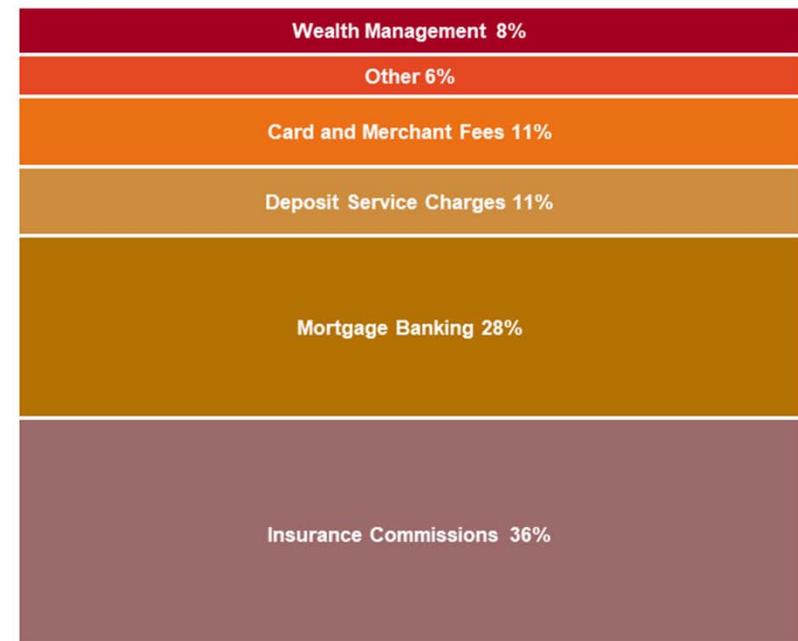
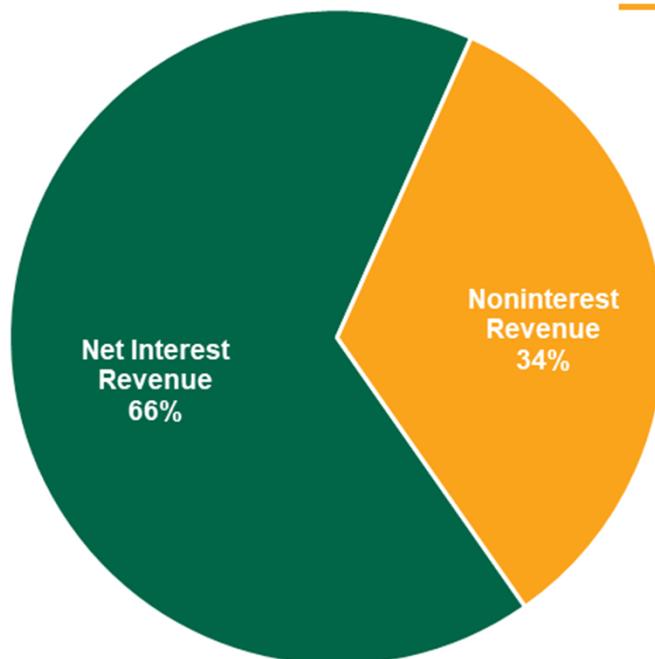
# Diversified Revenue Streams



**Broad Product Offerings Generate Approximately 34% Noninterest Revenue**

Total Revenue of \$1.0 billion\*

Total Noninterest Revenue of \$349.3 million\*



Note: Percentages and amounts based on the rolling twelve month period ended December 31, 2020.  
\*Excludes negative MSR adjustment of \$12.8 million and net securities gains of approximately \$58,000.

# 2020 Financial Highlights



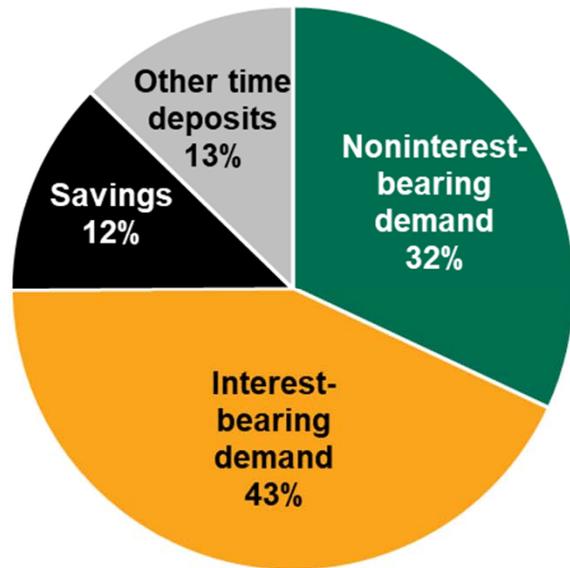
|                            |   |
|----------------------------|---|
| <b>Earnings Highlights</b> | <ul style="list-style-type: none"><li>• Record pre-tax pre-provision net revenue of \$397.5 million – 1.75% of average assets</li><li>• Net income available to common shareholders of \$218.6 million, or \$2.12 per diluted common share</li><li>• Net operating income available to common shareholders – excluding MSR – of \$237.3 million, or \$2.30 per diluted common share</li></ul>   |
| <b>Credit</b>              | <ul style="list-style-type: none"><li>• Adopted CECL effective January 1, 2020 with a day 1 impact of \$62.6 million; Provision for credit losses for the year of \$86.0 million</li><li>• Net charge-offs of \$27.5 million, or 0.18% of net loans and leases, 0.14% of which represented acquired loans while 0.04% represented originated credits</li><li>• Allowance for credit losses coverage increased to 1.74% of net loans and leases, excluding the impact of PPP loans</li></ul> |
| <b>Mortgage</b>            | <ul style="list-style-type: none"><li>• Record production volume of \$3.2 billion, a 60% increase over previous annual production record</li><li>• Production and servicing revenue of \$99.1 million</li><li>• Negative pre-tax mortgage servicing rights (“MSR”) valuation adjustment of \$12.8 million</li></ul>   |
| <b>Other Highlights</b>    | <ul style="list-style-type: none"><li>• Generated \$3.2 billion, or 19% organic deposit and customer repo growth</li><li>• Produced \$1.2 Paycheck Protection Program (“PPP”) loans</li><li>• Continued success improving cost structure; operating efficiency ratio – excluding MSR – declined to 61.6%</li></ul>  |
| <b>Capital</b>             | <ul style="list-style-type: none"><li>• Repurchased 3.3 million shares at a weighted average price of \$26.42</li><li>• Maintained strong regulatory capital metrics – total risk-based capital of 14.24%</li></ul>   |

# Q4 Financial Highlights

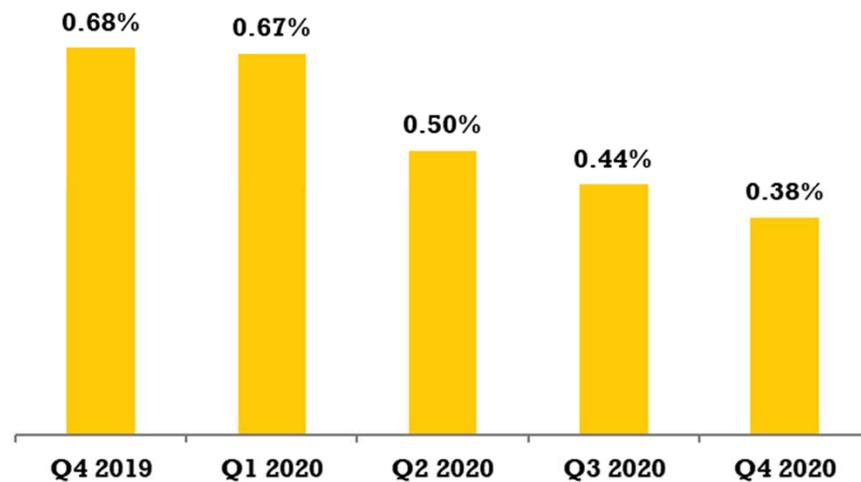


|                            |  |
|----------------------------|--|
| <b>Earnings Highlights</b> | <ul style="list-style-type: none"><li>• Pre-tax pre-provision net revenue of \$93.6 million – 1.57% of average assets annualized</li><li>• Net income available to common shareholders of \$66.4 million, or \$0.65 per diluted common share</li><li>• Net operating income available to common shareholders – excluding MSR – of \$70.8 million, or \$0.69 per diluted common share</li></ul> |
| <b>Credit</b>              | <ul style="list-style-type: none"><li>• Provision for credit losses of \$5.0 million for the quarter</li><li>• Total non-performing assets declined 15.7% while past dues, loan deferrals, and modifications remained relatively stable</li></ul>  |
| <b>Mortgage</b>            | <ul style="list-style-type: none"><li>• Production volume of \$845.9 million, 55% of which represented purchase money production</li><li>• Production and servicing revenue of \$19.9 million</li><li>• Positive MSR valuation adjustment of \$0.2 million</li></ul>   |
| <b>Other Highlights</b>    | <ul style="list-style-type: none"><li>• Generated \$459.7 million, or 9.1% annualized, deposit and customer repo growth</li><li>• Recorded charge of \$5.8 million to reflect settlement accounting impact of lump sum payments associated with elevated number of retirements</li></ul>   |
| <b>Capital</b>             | <ul style="list-style-type: none"><li>• No share repurchases during the quarter</li><li>• Announced the signing of merger agreements with National United Bancshares, Inc., and FNS Bancshares, Inc. which will add approximately \$1.5 billion in assets</li></ul>  |

# Strong Deposit Base



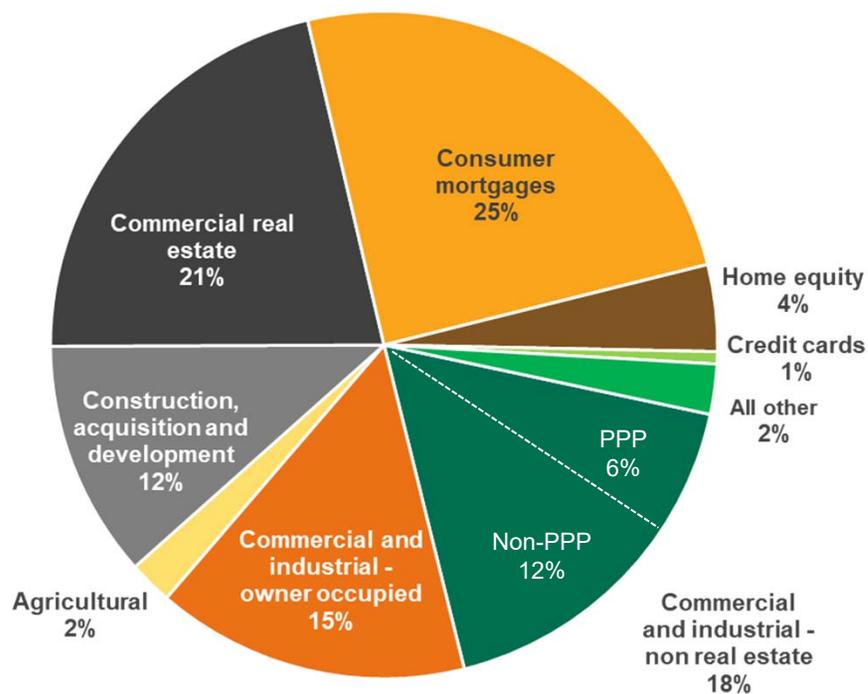
## Cost of Deposits (%)



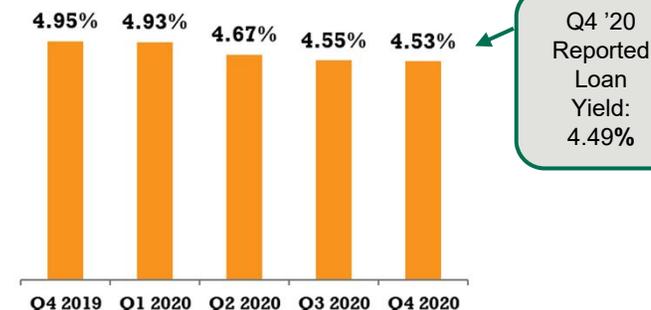
| As of December 31, 2020<br>(\$ in Thousands) |           | Deposits          | Average<br>Account Size | Q4 2020<br>Cost of Deposits |
|--|-----------|-------------------|-------------------------|-----------------------------|
| Noninterest-bearing demand                   | \$        | 6,341,457         | \$ 17.1                 | -                           |
| Interest-bearing demand                      |           | 8,524,010         | 72.2                    | 0.47%                       |
| Savings                                      |           | 2,452,059         | 15.7                    | 0.15%                       |
| Other time deposits                          |           | 2,528,915         | 48.3                    | 1.28%                       |
| <b>Total Deposits</b>                        | <b>\$</b> | <b>19,846,441</b> | <b>\$ 28.5</b>          | <b>0.38%</b>                |

Q4 '20 Cost of Interest Bearing Deposits: **0.57%**

# Loan Portfolio



## Loan Yield Excluding PPP (%)<sup>(1)</sup>



| As of December 31, 2020<br>(\$ in Thousands) | Loans                | Average Account Size* | Q4 2020 Yield <sup>(1)</sup> |
|--|----------------------|-----------------------|------------------------------|
| <b>Commercial and industrial</b>             |                      |                       |                              |
| Commercial and industrial - non real estate  | \$ 1,765,943         | \$ 107.0              | 5.03%                        |
| Commercial and industrial - owner occupied   | 2,281,127            | 431.8                 | 4.47%                        |
| <b>Commercial Real Estate</b>                |                      |                       |                              |
| Agricultural                                 | 317,994              | 150.1                 | 4.51%                        |
| Construction, acquisition and development    | 1,728,682            | 332.3                 | 4.82%                        |
| Commercial real estate                       | 3,211,434            | 850.3                 | 4.31%                        |
| <b>Consumer</b>                              |                      |                       |                              |
| Consumer mortgages                           | 3,726,241            | 145.5                 | 4.23%                        |
| Home equity                                  | 630,097              | 37.0                  | 4.11%                        |
| Credit cards                                 | 89,077               | N/A                   | 11.19%                       |
| All other                                    | 296,463              | 18.2                  | 5.51%                        |
| <b>Total Loans HFI (excl. PPP)</b>           | <b>\$ 14,047,058</b> | <b>\$ 152.0</b>       | <b>4.53%</b>                 |
| PPP Loans                                    | 975,421              | 71.6                  | 3.99%                        |
| <b>Total Loans HFI</b>                       | <b>\$ 15,022,479</b> | <b>\$ 141.6</b>       | <b>4.49%</b>                 |

(1) Excludes accretable yield.

\*Credit card is excluded from average account size totals

# Paycheck Protection Program



## Phase 1 Highlights\*

- The Company originated and funded 15,021 PPP loans totaling \$1.2 billion, with an average loan size of approximately \$82,500
- Over 5,000 of the loans were to new customers of the bank
- PPP loans had an adverse impact of approximately 4 basis points on the reported loan yield for the fourth quarter

## Forgiveness Update

- As of February 5, 2021 applications for forgiveness have been received for 8,014 loans totaling \$695.0 million
- 6,088 applications totaling \$527.7 million have been submitted to SBA, 5,592 of which have been approved for full forgiveness and funds have been received totaling \$384.4 million
- As of December 31, 2020 there were 12,347 loans totaling \$342.9 million that were under the streamlined forgiveness threshold of \$150,000

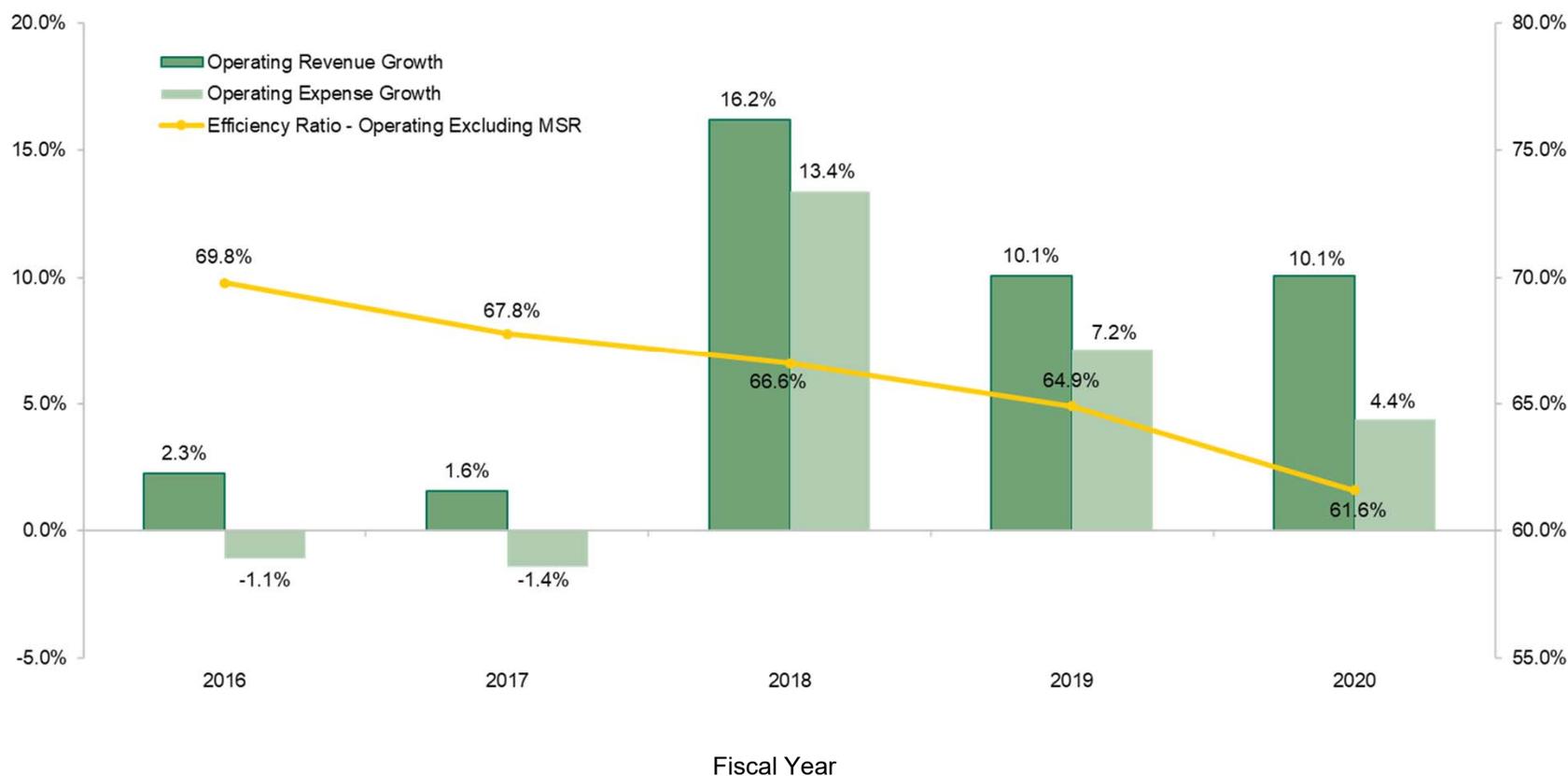
## Phase 2 Highlights

- Actively processing applications for funding under Phase 2 of the program
- As of February 5, 2021 applications have been received for 4,999 loans totaling \$695.0 million
- Not all applications will qualify under the revenue reduction requirement; actively working with customers to fully understand rules and ensure compliance

# Meaningful Operating Leverage



## Improved Efficiency Ratio and Revenue Growth

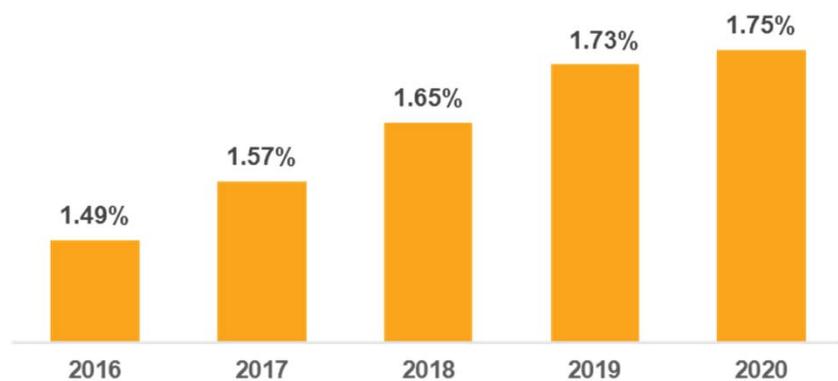


Note: Certain prior period amounts reclassified to conform with current year presentation.  
 \*Operating efficiency ratio excludes expense items otherwise disclosed as non-operating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.

# Strong Profitability Metrics



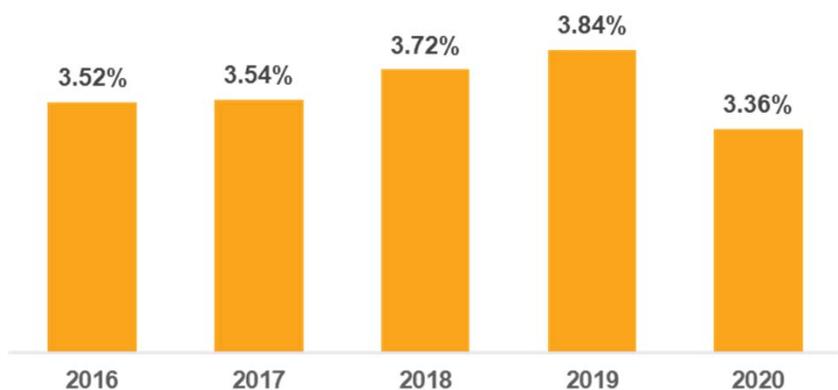
Pre-tax Pre-provision Net Revenue / Avg. Assets<sup>(1)(4)</sup> (%)



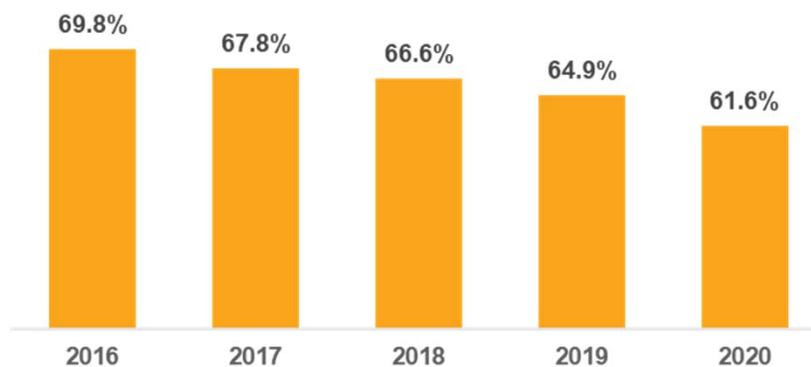
Operating Return on Avg. TCE<sup>(2)(4)</sup> (%)



Net Interest Margin – Fully Taxable Equivalent (%)



Operating Efficiency Ratio<sup>(3)(4)</sup> (%)

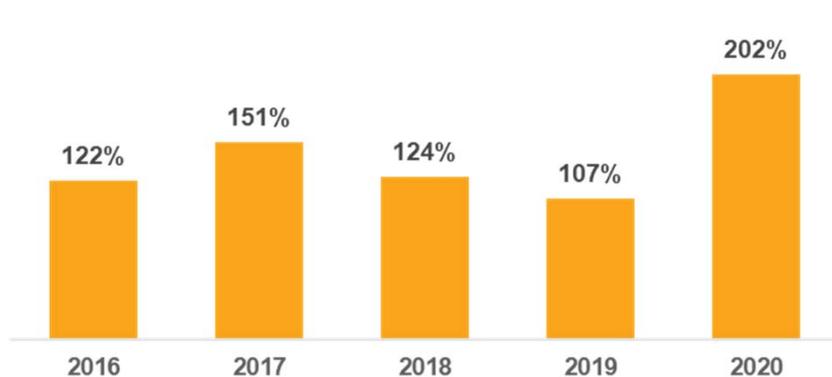


- (1) Pre-tax pre-provision net revenue on average assets is annualized pre-tax pre-provision net revenue divided by total average assets.
- (2) Operating return on average tangible common equity is annualized net operating income available to common shareholders (ex. MSR) divided by average tangible common shareholders' equity.
- (3) Operating efficiency ratio 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.
- (4) Please refer to the non-GAAP reconciliation on Slides 27-28.

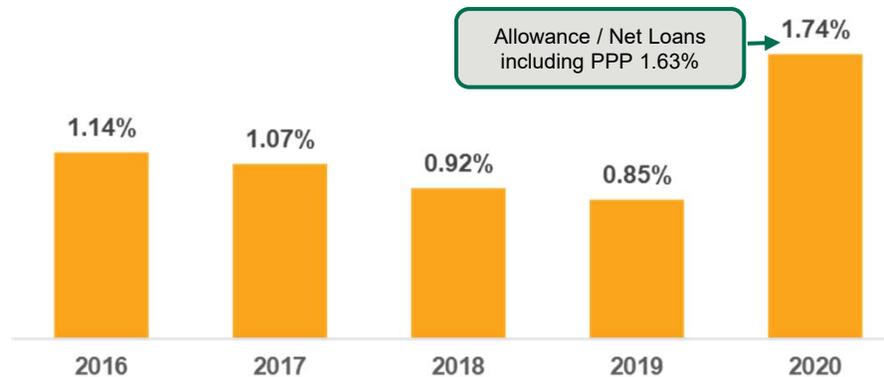
# Credit Quality Highlights



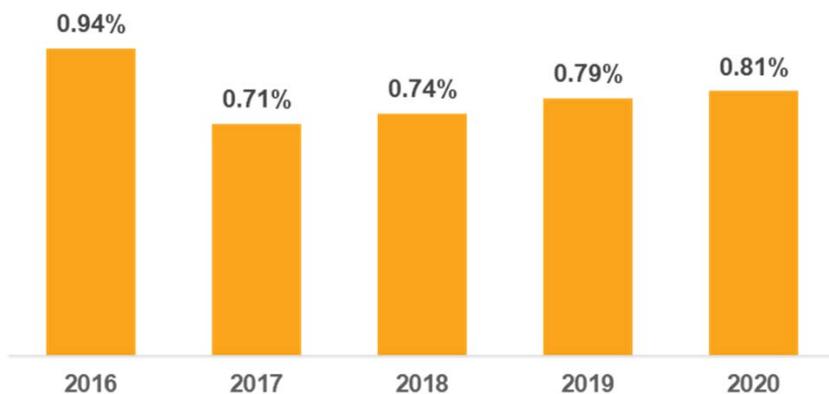
## Allowance / Nonperforming Loans



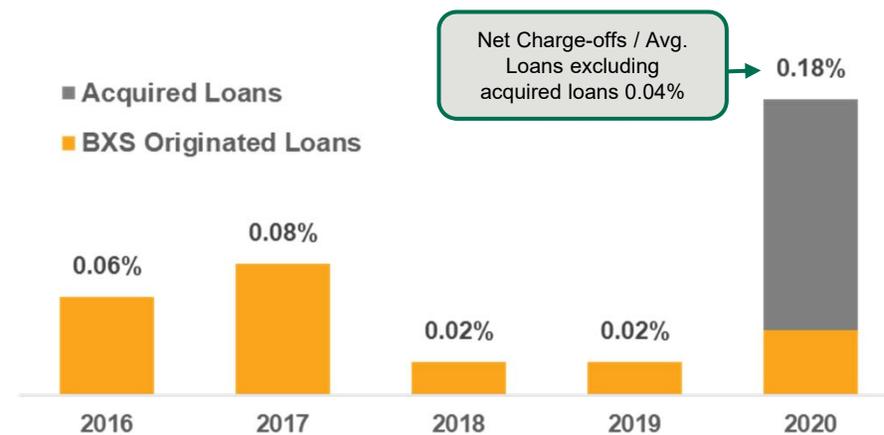
## Allowance / Net Loans and Leases (Excluding PPP)



## Nonperforming Loans / Net Loans and Leases



## Net Charge-offs / Average Loans



# COVID-19 Pandemic Update

# COVID-19 Borrower Accommodations



- Approximately 0.1 percent of loan portfolio (by outstanding balance) in deferral as of December 31, 2020\*
- In addition to the deferral programs, the Company has also converted certain qualifying loans to interest only for a limited time period. As of December 31, 2020 approximately \$177.5 million have been temporarily converted to interest only

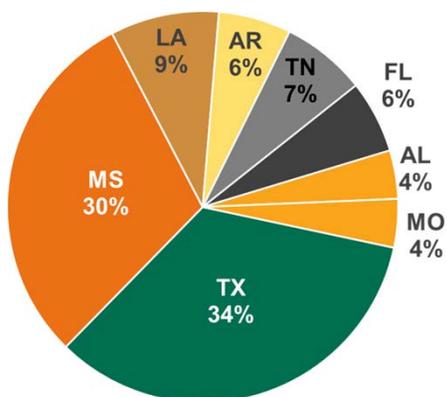
## COVID-19 High Risk Portfolios

|                        | As of 12/31/2020     |                         |                   |   |                                      |                                     |                  |             |
|------------------------|----------------------|-------------------------|-------------------|---|--------------------------------------|-------------------------------------|------------------|-------------|
|                        | Outstanding Balance  | Total Committed Balance | Average Loan Size | % of Portfolio (based on committed balance) | \$ Loans Converted to Interest Only* | % Loans Converted to Interest Only* | \$ Deferred*     | % Deferred* |
| Hotels & Accommodation | 710,033              | 787,887                 | 2,407             | 4.2%  | 138,195                              | 19.5%                               | -                | 0.0%        |
| Retail CRE             | 1,067,563            | 1,164,497               | 931               | 6.3%  | 705                                  | 0.1%                                | -                | 0.0%        |
| Food Services          | 264,177              | 292,858                 | 365               | 1.6%  | 6,810                                | 2.6%                                | -                | 0.0%        |
| High Risk Portfolios   | 2,041,773            | 2,245,242               |                   |   | 145,710                              | 7.1%                                | -                | 0.0%        |
| All Other Portfolios   | 12,980,706           | 16,364,953              |                   |   | 31,765                               | 0.3%                                | 20,585           | 0.2%        |
| <b>Total</b>           | <b>\$ 15,022,479</b> | <b>\$ 18,610,195</b>    |                   |   | <b>\$ 177,475</b>                    | <b>1.3%</b>                         | <b>\$ 20,585</b> | <b>0.1%</b> |

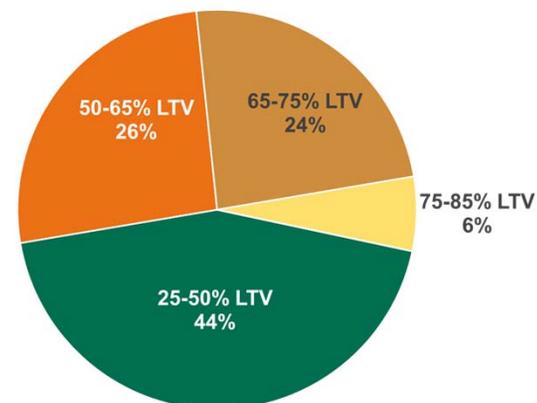
# Hotels & Accommodation Portfolio



## Outstanding Balance by State



## LTV



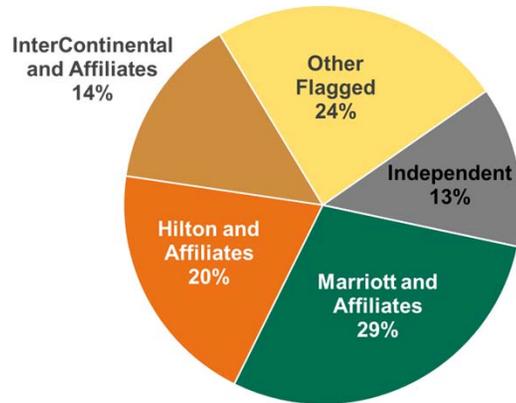
## Hotel Portfolio Stats

- \$710.0 million outstanding
- Average loan size of \$2.4 million
- Only 15 loans with outstanding balances in excess of \$10 million
- 19.5% temporarily converted to interest only
- Weighted average LTV of 54.4%

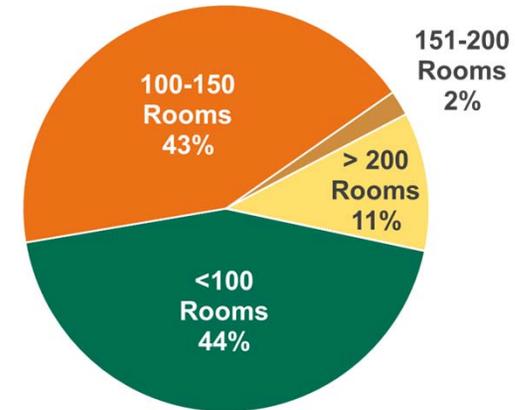
# Hotels & Accommodation Portfolio (cont.)



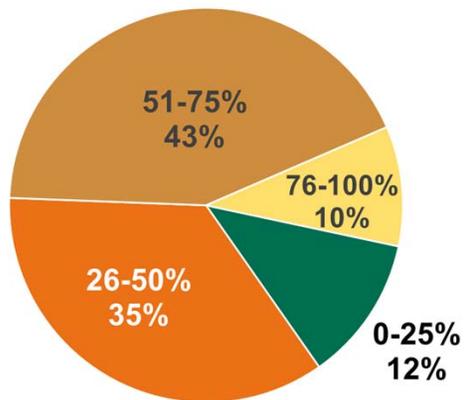
## Brand



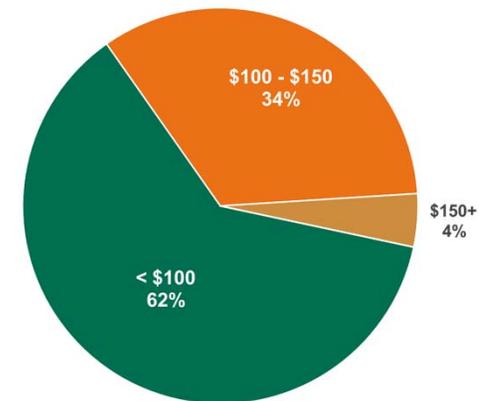
## Number of Rooms



## Current Occupancy Rate



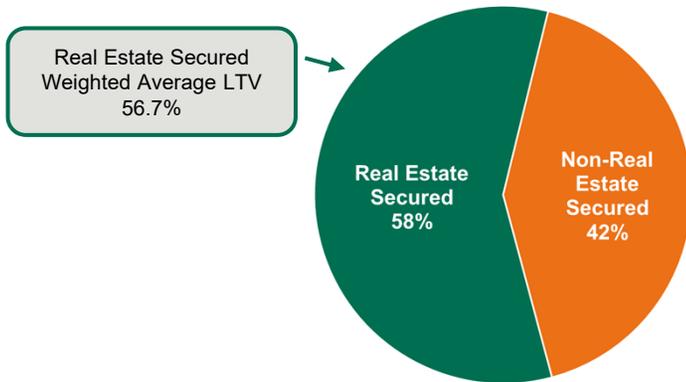
## Current Average Daily Room Rate



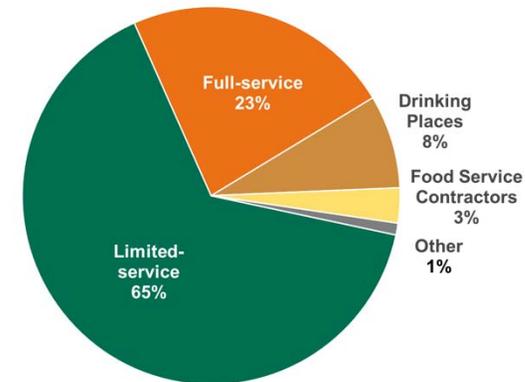
# Food Services Portfolio



## Total Food Services by Collateral Type



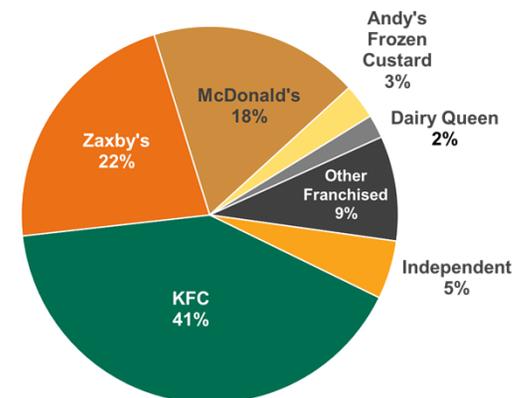
## Non-Real Estate Secured by Type of Service



## Food Services Portfolio Stats

- \$264.2 million outstanding
- Average loan size of \$365,000
- 2.6% temporarily converted to interest only

## Non-Real Estate Secured Limited Service by Brand



# Key Strategic Focus



- ❖ Continue striving to meet each customer's needs while monitoring the impact to the Company's credit quality resulting from the COVID-19 pandemic
- ❖ 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

# Non-GAAP Reconciliation



Management evaluates the Company's capital position and operating performance by utilizing certain financial measures not calculated in accordance with 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, pre-tax pre-provision net revenue, 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, pre-tax pre-provision net revenue to total average assets, 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 certain of these non-GAAP financial measures in this presentation. 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 certain 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 presentation 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 presentation with other companies' non-GAAP financial measures having the same or similar names.

|  | Year Ended          |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2016                | 2017                | 2018                | 2019                | 2020                |
| <b>Net Income</b>  | \$132,728           | \$153,033           | \$221,317           | \$234,261           | \$228,051           |
| Plus: Pension Settlement Expense, Net of Tax                                 | -                   | -                   | -                   | -                   | 4,388               |
| Merger Expense, Net of Tax   | 2                   | 427                 | 9,784               | 10,411              | 4,011               |
| Changes due to Tax Reform  | -                   | 623                 | -                   | -                   | -                   |
| Regulatory Related Charges, Net of Tax                                       | 9,412               | -                   | -                   | -                   | -                   |
| Initial Provision for Acquired Loans, Net of Tax                             | -                   | -                   | -                   | -                   | 751                 |
| Less: Security Gains/(Losses), Net of Tax                                    | 80                  | 1,006               | 100                 | 132                 | 44                  |
| Tax-Related Matters  | -                   | -                   | 11,288              | -                   | -                   |
| <b>Net Operating Income</b>  | <u>\$142,062</u>    | <u>\$153,077</u>    | <u>\$219,713</u>    | <u>\$244,540</u>    | <u>\$237,157</u>    |
| Less: MSR Market Value Adjustment, Net of Tax                                | 626                 | 1,091               | (946)               | (10,894)            | (9,617)             |
| <b>Net Operating Income - Excluding MSR</b>                                  | <u>\$141,436</u>    | <u>\$151,986</u>    | <u>\$220,659</u>    | <u>\$255,434</u>    | <u>\$246,774</u>    |
| Less: Preferred Dividends  | -                   | -                   | -                   | -                   | 9,488               |
| <b>Net Operating Income Available to Common Shareholders - Excluding MSR</b> | <u>\$141,436</u>    | <u>\$151,986</u>    | <u>\$220,659</u>    | <u>\$255,434</u>    | <u>\$237,286</u>    |
| Average Shares Outstanding - Diluted   | 94,455              | 91,755              | 99,135              | 101,811             | 103,305             |
| Operating Earnings per Share (ex. MSRs)                                      | \$1.50              | \$1.66              | \$2.23              | \$2.51              | \$2.30              |
| Net income   | 132,728             | 153,033             | 221,317             | 234,261             | 228,051             |
| Plus: Provision for Credit Losses  | 4,000               | 3,000               | 4,500               | 1,500               | 86,000              |
| Merger Expense   | 2                   | 688                 | 13,036              | 13,871              | 5,345               |
| Regulatory Related Charges, Net of Tax                                       | 13,777              | -                   | -                   | -                   | -                   |
| Pension Settlement Expense   | -                   | -                   | -                   | -                   | 5,846               |
| Income Tax Expense   | 63,716              | 78,590              | 43,808              | 65,257              | 59,494              |
| Less: Security Gains (Losses)  | 128                 | 1,622               | 133                 | 174                 | 58                  |
| MSR market value adjustment  | 1,568               | 1,757               | (1,260)             | (14,515)            | (12,814)            |
| <b>Pre-tax pre-provision net revenue</b>                                     | <u>\$212,527</u>    | <u>\$231,932</u>    | <u>\$283,788</u>    | <u>\$329,230</u>    | <u>\$397,492</u>    |
| <b>Tangible Assets</b>   |                     |                     |                     |                     |                     |
| Total Assets   | \$14,724,388        | \$15,298,518        | \$18,001,540        | \$21,052,576        | \$24,081,194        |
| Less: Goodwill   | 300,798             | 300,798             | 695,720             | 825,679             | 851,612             |
| Other Identifiable Intangible Assets   | 21,894              | 17,882              | 50,896              | 60,008              | 55,899              |
| <b>Total Tangible Assets</b>   | <u>\$14,401,696</u> | <u>\$14,979,838</u> | <u>\$17,254,924</u> | <u>\$20,166,889</u> | <u>\$23,173,683</u> |

Note: In thousands, except per share amounts.

Note: Certain prior period amounts reclassified to conform with current year presentation

# Non-GAAP Reconciliation (cont.)



|   | Year Ended          |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 2016                | 2017                | 2018                | 2019                | 2020                |
| <b>PERIOD END BALANCES:</b>   |                     |                     |                     |                     |                     |
| <b>Tangible Shareholders' Equity</b>                                |                     |                     |                     |                     |                     |
| Total Shareholders' Equity  | \$1,723,883         | \$1,713,485         | \$2,205,737         | \$2,685,017         | \$2,822,477         |
| Less: Goodwill  | 300,798             | 300,798             | 695,720             | 825,679             | 851,612             |
| Other Identifiable Intangible Assets                                | 21,894              | 17,882              | 50,896              | 60,008              | 55,899              |
| <b>Total Tangible Shareholders' Equity</b>                          | <b>\$1,401,191</b>  | <b>\$1,394,805</b>  | <b>\$1,459,121</b>  | <b>\$1,799,330</b>  | <b>\$1,914,966</b>  |
| Less: Preferred stock   | -                   | -                   | -                   | 167,021             | 166,993             |
| <b>Total Tangible Common Shareholders' Equity</b>                   | <b>\$1,401,191</b>  | <b>\$1,394,805</b>  | <b>\$1,459,121</b>  | <b>\$1,632,309</b>  | <b>\$1,747,973</b>  |
| <b>AVERAGE BALANCES:</b>  |                     |                     |                     |                     |                     |
| <b>Tangible Shareholders' Equity</b>                                |                     |                     |                     |                     |                     |
| Total Shareholders' Equity  | \$1,701,052         | \$1,702,176         | \$2,086,922         | \$2,366,745         | \$2,725,545         |
| Less: Goodwill  | 293,987             | 300,798             | 596,655             | 754,426             | 848,263             |
| Other Identifiable Intangible Assets                                | 20,085              | 19,717              | 35,752              | 54,787              | 56,988              |
| <b>Total Tangible Shareholders' Equity</b>                          | <b>\$1,386,980</b>  | <b>\$1,381,661</b>  | <b>\$1,454,515</b>  | <b>\$1,557,532</b>  | <b>\$1,820,294</b>  |
| Less: Preferred stock   | -                   | -                   | -                   | 18,833              | 167,000             |
| <b>Total Tangible Common Shareholders' Equity</b>                   | <b>\$1,386,980</b>  | <b>\$1,381,661</b>  | <b>\$1,454,515</b>  | <b>\$1,538,699</b>  | <b>\$1,653,294</b>  |
| <b>Total Average Assets</b>   | <b>\$14,226,953</b> | <b>\$14,773,217</b> | <b>\$17,240,092</b> | <b>\$19,027,644</b> | <b>\$22,723,386</b> |
| <b>Operating Return on Average Assets (ex. MSR)</b>                 | 0.99%               | 1.03%               | 1.28%               | 1.34%               | 1.09%               |
| <b>Operating Return on Average Tangible Equity (ex. MSR)</b>        | 10.20%              | 11.00%              | 15.17%              | 16.40%              | 13.56%              |
| <b>Operating Return on Average Tangible Common Equity (ex. MSR)</b> | 10.20%              | 11.00%              | 15.17%              | 16.60%              | 14.35%              |
| <b>TCE / TA Ratio</b>   | 9.73%               | 9.31%               | 8.46%               | 8.09%               | 7.54%               |
| <b>Pre-tax Pre-provision Net Revenue on Average Assets</b>          | 1.49%               | 1.57%               | 1.65%               | 1.73%               | 1.75%               |

Note: In thousands, except per share amounts.

Note: Certain prior period amounts reclassified to conform with current year presentation

BancorpSouth's common stock is listed on the New York Stock Exchange under the symbol BXS and its Series A Preferred Stock is listed under the symbol BXS-PrA. Additional information can be found at [www.bancorpsouth.com](http://www.bancorpsouth.com).\* As a reminder, all of the Company's Securities Exchange Act filings are made with the Federal Deposit Insurance Corporation and can be found at <https://efr.fdic.gov/fcxweb/efr/index.html>.



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