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BancorpSouth Announces Third Quarter 2021 Results

TUPELO, Miss., October 25, 2021/PRNewswire – BancorpSouth Bank (NYSE: BXS) (the Company) today announced financial results for the quarter ended September 30, 2021.

Highlights for the third quarter of 2021 included:

- Achieved quarterly net income available to common shareholders of \$70.4 million, or \$0.65 per diluted common share, and net operating income available to common shareholders – excluding MSR – of \$73.3 million, or \$0.68 per diluted common share.
- Generated \$90.1 million in pre-tax pre-provision net revenue (PPNR), or 1.29 percent of average assets on an annualized basis.
- Generated organic total deposit and customer repo growth of \$722.2 million for the quarter, or 12.2 percent on an annualized basis, and total organic net loan growth of approximately \$121.6 million, or 3.3 percent on an annualized basis, excluding Paycheck Protection Program (PPP) activity.
- Fee income businesses continue to perform at a high level as mortgage origination volume totaled \$788.9 million for the quarter while insurance commission revenue grew over 9 percent compared to the third quarter of 2020.
- Continued stability in credit quality metrics including net recoveries of \$2.1 million for the quarter; recorded negative provision for credit losses of \$7.0 million for the quarter.
- Repurchased 1,742,474 shares of outstanding common stock at a weighted average price of \$28.69 per share.
- Maintained strong regulatory capital metrics; estimated total risk-based capital of 14.27 percent at September 30, 2021 compared to 14.50 percent at June 30, 2021.
- Recorded a charge of \$2.4 million in accordance with Accounting Standards Codification (ASC) 715 “Compensation – Retirement Benefits” to reflect the settlement accounting impact of elevated lump sum retirement payments that have occurred in 2021.

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- Recently received shareholder and regulatory approval to complete merger with Cadence Bancorporation, the parent company of Cadence Bank N.A., which is expected to close effective October 29, 2021, and create an approximately \$48 billion institution on a pro forma basis that will be the 6th largest bank headquartered in the Company's nine-state footprint.

“Our third quarter financial results reflect many key successes despite certain continued industry headwinds, particularly related to the net interest margin dynamics,” remarked Dan Rollins, Chairman and Chief Executive Officer. “While our back office and support teams have been focused on preparing for the closing and operational integration of the Cadence transaction, our customer facing teammates are continuing to generate growth. We reported deposit and customer repo growth of over \$722 million for the quarter while net organic loan growth totaled approximately \$122 million, which marks the second consecutive quarter of net organic loan growth. We are obviously pleased to see continued economic stability across our footprint as well as improved loan demand. We are also proud of the results reported by our fee income businesses. Our mortgage team generated \$789 million in production volume for the quarter while our insurance commission revenue totaled \$35.8 million, representing growth of just over nine percent compared to the third quarter of 2020.”

“As we look at other highlights for the quarter, our credit quality metrics continue to remain very strong. We had a negative provision for credit losses of \$7.0 million for the quarter, which was driven by net recoveries of \$2.1 million for the quarter combined with stability in our other credit quality metrics. From a capital management standpoint, we were active in our share repurchase program as we repurchased approximately 1.7 million shares of common stock during the third quarter, which is the first activity in our repurchase program since prior to the pandemic. We still have approximately 4.3 million shares available for repurchase this year under our authorized repurchase plan.”

Earnings Summary

The Company reported net income available to common shareholders of \$70.4 million, or \$0.65 per diluted common share, for the third quarter of 2021, compared with net income available to common shareholders of \$71.5 million, or \$0.69 per diluted common share, for the third quarter of 2020 and net income available to common shareholders of \$73.2 million, or \$0.69 per diluted common share, for the second quarter of 2021. The Company reported net operating income available to common shareholders – excluding MSR – of \$73.3 million, or \$0.68 per diluted common share, for the third quarter of 2021, compared with \$71.2 million, or \$0.69 per diluted common share, for the third quarter of 2020 and \$90.6 million, or \$0.86 per diluted common share, for the second quarter of 2021.

The Company reported PPNR of \$90.1 million, or 1.29 percent of average assets on an annualized basis, for the third quarter of 2021 compared to \$111.0 million, or 1.89 percent of average assets on an annualized basis, for the third quarter of 2020 and \$119.9 million, or 1.80 percent of average assets on an annualized basis, for the second quarter of 2021.

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Net Interest Revenue

Net interest revenue was \$181.5 million for the third quarter of 2021, an increase of 3.2 percent from \$175.9 million for the third quarter of 2020 and an increase of 0.7 percent from \$180.2 million for the second quarter of 2021. The fully taxable equivalent net interest margin was 2.86 percent for the third quarter of 2021, compared with 3.31 percent for the third quarter of 2020 and 2.99 percent for the second quarter of 2021. Yields on net loans and leases were 4.46 percent for the third quarter of 2021, compared with 4.54 percent for the third quarter of 2020 and 4.43 percent for the second quarter of 2021, while yields on total interest earning assets were 3.15 percent for the third quarter of 2021, compared with 3.77 percent for the third quarter of 2020 and 3.31 percent for the second quarter of 2021.

The net interest margin, excluding accretable yield, was 2.81 percent for the third quarter of 2021, compared with 3.23 percent for the third quarter of 2020 and 2.94 percent for the second quarter of 2021, while yields on net loans and leases, excluding accretable yield, were 4.38 percent for the third quarter of 2021, compared with 4.44 percent for the third quarter of 2020 and 4.35 percent for the second quarter of 2021. Net interest income for the third quarter of 2021 included approximately \$1.0 million of accelerated PPP fee income recognition resulting from the payoff of loans that were forgiven by the Small Business Administration (SBA) during the quarter. The average cost of deposits was 0.24 percent for the third quarter of 2021, compared with 0.44 percent for the third quarter of 2020 and 0.27 percent for the second quarter of 2021.

Balance Sheet Activity

Loans and leases, net of unearned income, decreased \$12.8 million during the third quarter of 2021 while deposits and customer repos increased \$722.2 million. Forgiveness payments were received on PPP loans during the quarter totaling approximately \$135.0 million. Excluding the impact of PPP activity, total organic loan growth totaled approximately \$121.6 million, or 3.3 percent annualized compared to June 30, 2021. There were no acquisitions closed during the third quarter of 2021.

Provision for Credit Losses and Allowance for Credit Losses

Earnings for the third quarter of 2021 reflect a negative provision for credit losses of \$7.0 million, compared with a provision for credit losses of \$16.0 million for the third quarter of 2020 and a provision for credit losses of \$11.5 million for the second quarter of 2021. The negative provision for credit losses recorded during the third quarter of 2021 is primarily attributed to improvement in overall credit quality and a reduction in the level of classified loan balances. Net recoveries for the third quarter of 2021 were \$2.1 million, or 0.05 percent of net loans and leases on an annualized basis, compared with net charge-offs of \$1.4 million for the third quarter of 2020 and net recoveries of \$1.8 million for the second quarter of 2021. The allowance for credit losses was \$260.3 million, or 1.74 percent of net loans and leases, at September 30, 2021, compared with \$250.6 million, or 1.64 percent of net loans and leases, at September 30, 2020, and \$265.7 million, or 1.77 percent of net loans and leases, at June 30, 2021. The allowance for credit losses coverage, excluding the

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impact of PPP loans, was 1.74 percent of net loans and leases at September 30, 2021, compared with 1.78 percent at September 30, 2020 and 1.79 percent at June 30, 2021.

Total non-performing assets were \$100.3 million, or 0.36 percent of total assets, at September 30, 2021, compared with \$157.3 million, or 0.67 percent of total assets, at September 30, 2020, and \$101.8 million, or 0.37 percent of total assets, at June 30, 2021. Other real estate owned was \$16.5 million at September 30, 2021, compared with \$6.4 million at September 30, 2020 and \$17.3 million at June 30, 2021.

Noninterest Revenue

Noninterest revenue was \$84.4 million for the third quarter of 2021, compared with \$89.9 million for the third quarter of 2020 and \$101.9 million for the second quarter of 2021. These results include a positive mortgage servicing rights (MSR) valuation adjustment of \$2.0 million for the third quarter of 2021, compared with a positive MSR valuation adjustment of \$0.4 million for the third quarter of 2020 and a negative MSR valuation adjustment of \$1.9 million for the second quarter of 2021. Valuation adjustments in the MSR asset are driven primarily by fluctuations in interest rates period over period.

Mortgage production and servicing revenue was \$11.0 million for the third quarter of 2021, compared with \$26.7 million for the third quarter of 2020 and \$11.0 million for the second quarter of 2021. Mortgage origination volume for the third quarter of 2021 was \$788.9 million, compared with \$937.7 million for the third quarter of 2020 and \$906.4 million for the second quarter of 2021. Home purchase money volume was \$511.1 million for the third quarter of 2021, compared with \$568.4 million for the third quarter of 2020 and \$619.0 million for the second quarter of 2021. Of the total mortgage origination volume for the third quarter of 2021, \$257.8 million was portfolio loans, compared with \$218.0 million for the third quarter of 2020 and \$344.1 million for the second quarter of 2021.

Credit card, debit card, and merchant fee revenue was \$11.4 million for the third quarter of 2021, compared with \$9.9 million for the third quarter of 2020 and \$11.6 million for the second quarter of 2021. Deposit service charge revenue was \$10.3 million for the third quarter of 2021, compared with \$8.9 million for the third quarter of 2020 and \$8.8 million for the second quarter of 2021. Wealth management revenue was \$7.1 million for the third quarter of 2021, compared with \$6.5 million for the third quarter of 2020 and \$7.5 million for the second quarter of 2021. Insurance commission revenue was \$35.8 million for the third quarter of 2021, compared with \$32.8 million for the third quarter of 2020 and \$36.1 million for the second quarter of 2021. Other noninterest revenue was \$6.9 million for the third quarter of 2021, compared with \$4.8 million for the third quarter of 2020 and \$7.1 million for the second quarter of 2021. Additionally, second quarter 2021 results included a \$21.6 million gain on the sale of PPP loans.

Noninterest Expense

Noninterest expense for the third quarter of 2021 was \$179.9 million, compared with \$154.5 million for the third quarter of 2020 and \$174.0 million for the second quarter of 2021. Salaries

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and employee benefits expense was \$113.0 million for the third quarter of 2021, compared with \$104.2 million for the third quarter of 2020 and \$108.2 million for the second quarter of 2021. Occupancy expense was \$13.4 million for the third quarter of 2021, compared with \$13.1 million for the third quarter of 2020 and \$13.2 million for the second quarter of 2021. Other noninterest expense was \$43.2 million for the third quarter of 2021, compared with \$31.2 million for the third quarter of 2020 and \$46.0 million for the second quarter of 2021. Merger-related expense, which is included as a component of other noninterest expense, was \$3.4 million for the third quarter of 2021, compared with merger-related expense of \$0.1 million for the third quarter of 2020 and \$10.0 million for the second quarter of 2021. Noninterest expense for the third quarter of 2021 included a charge of \$2.4 million in accordance with ASC 715 “Compensation – Retirement Benefits” to reflect the settlement accounting impact of elevated lump sum retirement pension payouts in 2021.

Capital Management

The Company’s ratio of shareholders’ equity to assets was 10.77 percent at September 30, 2021, compared with 11.81 percent at September 30, 2020 and 11.12 percent at June 30, 2021. The ratio of tangible common shareholders’ equity to tangible assets was 6.82 percent at September 30, 2021, compared with 7.56 percent at September 30, 2020 and 7.11 percent at June 30, 2021.

During the third quarter of 2021, the Company repurchased 1,742,474 shares of its common stock at a weighted average price of \$28.69 pursuant to its share repurchase program. The Company has 4,257,526 shares remaining on its current share repurchase authorization, which will expire on December 31, 2021.

Estimated regulatory capital ratios at September 30, 2021 were calculated in accordance with the Basel III capital framework as well as the interagency final rule published on September 30, 2020 entitled “Revised Transition of the Current Expected Credit Losses Methodology for Allowances”. The Company is a “well capitalized” bank, as defined by federal regulations, at September 30, 2021, with Tier 1 risk-based capital of 11.63 percent and total risk-based capital of 14.27 percent, compared with required minimum levels of 8 percent and 10 percent, respectively, in order to qualify for “well capitalized” classification.

Summary

Rollins concluded, “As we move into the fourth quarter, our team is looking forward to the opportunity to finish the year strong. With PPP being mostly behind us, the renewed focus of our bankers on getting out and taking care of customers is evident in our loan and deposit growth success. The economies across our footprint are open and performing quite well with minimal lingering impact from the pandemic. Our mortgage team continues to produce at strong levels despite the expected headwinds on refinance activity while our insurance team is winning new customers and taking advantage of a firmer premium market. Finally, we recently received shareholder and regulatory approval to complete our merger with Cadence and we look forward to the opportunity to close the transaction before the end of this month. The optimism around our

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Company regarding the impact the transaction will have for our teammates, customers, communities, and shareholders is at an all-time high.”

TRANSACTIONS

Cadence Bancorporation (NYSE: CADE)

On April 12, 2021, the Company announced the signing of a definitive merger agreement (the Cadence Merger Agreement) with Cadence Bancorporation, the parent company of Cadence Bank N.A., (collectively referred to as Cadence), pursuant to which Cadence will be merged with and into the Company (the Cadence Merger). Cadence operates 99 full-service banking offices in the southeast. As of September 30, 2021, Cadence collectively reported total assets of \$19.8 billion, total loans of \$11.5 billion and total deposits of \$17.1 billion. Under the terms of the Cadence Merger Agreement, each Cadence shareholder will receive 0.70 shares of the Company’s common stock in exchange for each share of Cadence common stock they hold. In addition, Cadence will pay a one-time special dividend of \$1.25 per share on October 28, 2021. For more information regarding the Cadence Merger, see our Current Report on Form 8-K that was filed with the Federal Deposit Insurance Corporation (FDIC) on April 12, 2021. The Cadence Merger Agreement has been unanimously approved by the Boards of Directors and shareholders of the Company and Cadence. The Company recently received all required regulatory approvals to complete the merger with Cadence. Subject to the satisfaction of all closing conditions, the Cadence Merger is expected to close effective October 29, 2021, although the Company can provide no assurance that the Cadence Merger will close on that date. The target closing date of October 29, 2021 has been accelerated from the previously announced date of October 31, 2021. The Company will begin trading on the NYSE under the ticker symbol CADE on that date.

FNS Bancshares, Inc.

On May 1, 2021, the Company completed the merger with FNS Bancshares, Inc., the parent company of FNB Bank, (collectively referred to as FNS), pursuant to which FNS was merged with and into the Company. FNS operated 17 full-service banking offices in Alabama, Georgia and Tennessee. The merger expanded the Company’s presence in Jackson, DeKalb and Marshall counties in Alabama and the Chattanooga, Tennessee-Georgia and Nashville-Davidson-Murfreesboro-Franklin, Tennessee metropolitan statistical areas. As of May 1, 2021, FNS collectively reported total assets of \$826.6 million, total loans of \$464.7 million and total deposits of \$720.7 million. Under the terms of the definitive merger agreement, the Company issued approximately 2,975,000 shares of the Company’s common stock plus \$18.0 million in cash for all outstanding shares of FNS. For more information regarding this transaction, see our Current Report on Form 8-K that was filed with the FDIC on May 3, 2021. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

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National United Bancshares, Inc.

On May 1, 2021, the Company completed the merger with National United Bancshares, Inc., the parent company of National United, (collectively referred to as National United), pursuant to which National United was merged with and into the Company. National United operated 6 full-service banking offices in the Killeen-Temple, Texas; Waco, Texas; and Austin-Round Rock-Georgetown, Texas metropolitan statistical areas. As of May 1, 2021, National United collectively reported total assets of \$817.3 million, total loans of \$434.6 million and total deposits of \$742.9 million. Under the terms of the definitive merger agreement, the Company issued approximately 3,110,000 shares of the Company's common stock plus \$33.25 million in cash for all outstanding shares of National United. For more information regarding this transaction, see our Current Report on Form 8-K that was filed with the FDIC on May 3, 2021. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

Non-GAAP Measures and Ratios

This news release presents certain financial measures and ratios that are not calculated in accordance with U.S. generally accepted accounting principles (GAAP). A discussion regarding these non-GAAP measures and ratios, including reconciliations of non-GAAP measures to the most directly comparable GAAP measures and definitions for non-GAAP ratios, appears under the caption "Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions" beginning on page 24 of this news release.

Statement Regarding Impact of COVID-19 Pandemic

The Company prioritizes the health and safety of its teammates and customers, and it will continue to do so throughout the duration of the COVID-19 pandemic. At the same time, the Company remains focused on improving shareholder value, managing credit exposure, challenging expenses, enhancing the customer experience and supporting the communities it serves. Lastly, as a SBA Preferred Lender, the Company participated in the SBA's PPP for the betterment of its customers and the communities that it serves.

In the presentation that accompanies this news release and in its earnings conference call, the Company has sought and will seek to describe the historical and future impact of the COVID-19 pandemic (including any variant of the COVID-19 virus) on the Company's assets, business, cash flows, financial condition, liquidity, prospects and results of operations, including the information and discussions regarding negative pressure on its net interest margin and loan demand. Although the Company believes that the statements that pertain to future events, results and trends and their impact on the Company's business are reasonable at the present time, those statements are not historical facts and are based upon current assumptions, expectations, estimates and projections, many of which, by their nature, are beyond the Company's control. Accordingly, all discussions regarding future events, results and trends and their impact on the Company's business, even in the near term, are necessarily uncertain given the fluid and evolving nature of the pandemic.

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If the health, logistical or economic effects of the pandemic worsen, or if the assumptions, expectations, estimates or projections that underlie the Company's statements regarding future effects or trends prove to be incorrect, then the Company's actual assets, business, cash flows, financial condition, liquidity, prospects and results of operations and the trading prices of its capital stock may be materially and adversely impacted in ways that the Company cannot reasonably forecast.

Accordingly, when reading this news release and the accompanying presentation and when listening to the earnings conference call, undue reliance should not be placed upon any statement pertaining to future events, results and trends and their impact on the Company's business in future periods.

Conference Call and Webcast

The Company will conduct a conference call to discuss its third quarter 2021 financial results on October 26, 2021, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. Interested parties may listen to this live conference call via Internet webcast by accessing www.bancorpsouth.investorroom.com/webcasts. The webcast will also be available in archived format at the same address.

About BancorpSouth Bank

BancorpSouth Bank (NYSE: BXS) is headquartered in Tupelo, Mississippi, with approximately \$28 billion in assets. BancorpSouth operates approximately 315 full service branch locations as well as additional mortgage, insurance, and loan production offices in Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Missouri, Tennessee and Texas, including an insurance location in Illinois. BancorpSouth is committed to a culture of respect, diversity, and inclusion in both its workplace and communities. To learn more, visit our Community Commitment page at www.bancorpsouth.com. Like us on Facebook; follow us on Twitter and Instagram: @MyBXS; or connect with us through LinkedIn.

Forward-Looking Statements

Certain statements made in this news release are not statements of historical fact and constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (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 (including any variant of the COVID-19 virus) on the Company's business; the Company's 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; 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, natural disasters and other force majeure events; adoption and use of critical accounting policies; adoption and implementation of new accounting standards and their effect on the Company's financial results and the Company's financial reporting; utilization of non-GAAP financial metrics; declaration and payment of dividends; ability to pay dividends or coupons on the Company's 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

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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 the Company's 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, the Company's 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 the Company's 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 the Company's 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 the Company's 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 the Company's 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; FDIC special assessments or changes to regular assessments; the enforcement efforts of federal and state bank regulators; 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 the Company's 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, the Company's operational or security systems or infrastructure, or those of third parties with whom the Company does 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 the Company or the Company's 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 effect of actions taken to mitigate the impact of the COVID-19 pandemic on the Company, the Company's employees, the Company's customers, the global economy and the financial markets; international or political instability; impairment of the Company's 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; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the Cadence Merger Agreement; the outcome of any legal proceedings that have been or may be instituted against the Company or Cadence in respect of the Cadence Merger; the possibility that the Cadence Merger will not close when expected or at all because required approvals are not received or other conditions to the closing are not satisfied on a timely basis or at all, or are obtained subject to conditions that are not anticipated; the ability of the Company and Cadence to meet expectations regarding the timing, completion and accounting and tax treatments of the Cadence Merger; the risk that any announcements relating to the Cadence Merger could have adverse effects on the market price of the common stock of either or both parties to the Cadence Merger; the possibility that the anticipated benefits of the Cadence Merger will not be realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where the Company and Cadence do business; certain restrictions during the pendency of the Cadence Merger that may impact the parties' ability to pursue certain business opportunities or strategic transactions; the possibility that the Cadence Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the Cadence Merger within the expected timeframes or at all and to successfully integrate Cadence's operations and those of the Company; such integration may be more difficult, time consuming or costly than expected; revenues following the Cadence Merger may be lower than expected; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the Cadence Merger; the Company and Cadence's success in executing their respective business plans and strategies and managing the risks involved in the foregoing; the dilution caused by the Company's issuance of additional shares of its capital stock in connection with the Cadence Merger and other factors as detailed from time to time in the Company's press and news releases, periodic and current reports and other filings the Company files 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 the Company's periodic and current reports filed with the FDIC, including those factors included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 under the heading "Item 1A. Risk Factors," in the Company's Quarterly Reports on Form 10-Q under the heading "Part II-Item 1A. Risk Factors" and in the Company's Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, if one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may 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 news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. All written or oral forward-looking statements attributable to the Company are expressly qualified in their entirety by this section.

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BancorpSouth Bank

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

	Quarter Ended 9/30/2021	Quarter Ended 6/30/2021	Quarter Ended 3/31/2021	Quarter Ended 12/31/2020	Quarter Ended 9/30/2020	Year to Date 9/30/2021	Year to Date 9/30/2020
Earnings Summary:							
Interest revenue	\$ 199,511	\$ 199,129	\$ 192,783	\$ 199,287	\$ 200,670	\$ 591,423	\$ 600,206
Interest expense	17,967	18,947	19,994	22,351	24,739	56,908	86,175
Net interest revenue	181,544	180,182	172,789	176,936	175,931	534,515	514,031
Provision for credit losses	(7,000)	11,500	-	5,794	16,000	4,500	83,250
Net interest revenue, after provision for credit losses	188,544	168,682	172,789	171,142	159,931	530,015	430,781
Noninterest revenue	84,420	101,943	87,936	78,826	89,924	274,299	257,678
Noninterest expense	179,889	173,984	155,823	167,117	154,505	509,696	483,765
Income before income taxes	93,075	96,641	104,902	82,851	95,350	294,618	204,694
Income tax expense	20,350	21,102	23,347	14,046	21,525	64,799	45,448
Net income	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 73,825	\$ 229,819	\$ 159,246
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Net income available to common shareholders	\$ 70,353	\$ 73,167	\$ 79,183	\$ 66,433	\$ 71,453	\$ 222,703	\$ 152,130

Balance Sheet - Period End Balances							
Total assets	\$ 28,060,496	\$ 27,612,365	\$ 25,802,497	\$ 24,081,194	\$ 23,555,422	\$ 28,060,496	\$ 23,555,422
Total earning assets	25,572,354	25,129,873	23,542,657	21,792,725	21,340,371	25,572,354	21,340,371
Total securities	10,053,372	9,084,111	7,640,268	6,231,006	5,659,785	10,053,372	5,659,785
Loans and leases, net of unearned income	14,991,245	15,004,039	15,038,808	15,022,479	15,327,735	14,991,245	15,327,735
Allowance for credit losses	260,276	265,720	241,117	244,422	250,624	260,276	250,624
Net book value of acquired loans (included in loans and leases above)	1,426,266	1,646,031	1,023,252	1,160,267	1,320,671	1,426,266	1,320,671
Paycheck protection program (PPP) loans (included in loans and leases above)	32,771	167,144	1,146,000	975,421	1,212,246	32,771	1,212,246
Remaining loan mark on acquired loans	9,863	13,037	10,069	13,886	16,198	9,863	16,198
Total deposits	23,538,711	22,838,486	21,173,186	19,846,441	19,412,979	23,538,711	19,412,979
Total deposits and securities sold under agreement to repurchase	24,243,834	23,521,621	21,833,671	20,484,156	20,024,434	24,243,834	20,024,434
Long-term debt	4,082	4,189	4,295	4,402	4,508	4,082	4,508
Junior subordinated debt securities	307,776	307,601	297,425	297,250	297,074	307,776	297,074
Total shareholders' equity	3,023,257	3,069,574	2,825,198	2,822,477	2,782,539	3,023,257	2,782,539
Common shareholders' equity	2,856,264	2,902,581	2,658,205	2,655,484	2,615,546	2,856,264	2,615,546

Balance Sheet - Average Balances							
Total assets	\$ 27,616,585	\$ 26,666,296	\$ 24,545,560	\$ 23,660,503	\$ 23,318,877	\$ 26,287,396	\$ 22,408,734
Total earning assets	25,220,602	24,211,759	22,346,075	21,497,938	21,241,896	23,936,675	20,320,121
Total securities	9,539,814	8,067,109	6,606,027	5,820,425	5,309,982	8,081,730	4,738,392
Loans and leases, net of unearned income	14,915,728	15,470,539	15,029,076	15,219,402	15,369,684	15,138,032	14,905,435
PPP loans (included in loans and leases above)	73,783	973,036	1,062,423	1,139,959	1,207,097	699,459	729,126
Total deposits	23,162,450	22,385,883	20,472,080	19,600,863	19,258,930	22,016,659	18,210,053
Total deposits and securities sold under agreement to repurchase	23,914,986	23,092,969	21,123,774	20,272,881	19,940,330	22,720,800	18,832,679
Long-term debt	4,168	4,714	4,378	4,488	4,592	4,419	4,697
Junior subordinated debt securities	307,671	304,056	297,318	297,145	296,969	303,053	296,794
Total shareholders' equity	3,058,307	2,954,834	2,813,001	2,774,589	2,729,870	2,942,946	2,709,077
Common shareholders' equity	2,891,314	2,787,841	2,646,008	2,607,596	2,562,877	2,775,952	2,542,075

Nonperforming Assets:							
Non-accrual loans and leases	\$ 59,622	\$ 61,664	\$ 73,142	\$ 96,378	\$ 122,108	\$ 59,622	\$ 122,108
Loans and leases 90+ days past due, still accruing	17,012	15,386	21,208	14,320	17,641	17,012	17,641
Restructured loans and leases, still accruing	7,165	7,368	6,971	10,475	11,154	7,165	11,154
Non-performing loans (NPLs)	83,799	84,418	101,321	121,173	150,903	83,799	150,903
Other real estate owned	16,515	17,333	9,351	11,395	6,397	16,515	6,397
Non-performing assets (NPAs)	\$ 100,314	\$ 101,751	\$ 110,672	\$ 132,568	\$ 157,300	\$ 100,314	\$ 157,300

Financial Ratios and Other Data:							
Return on average assets	1.04%	1.14%	1.35%	1.16%	1.26%	1.17%	0.95%
Operating return on average assets-excluding MSR*	1.09%	1.40%	1.28%	1.23%	1.26%	1.25%	1.03%
Return on average shareholders' equity	9.43%	10.25%	11.76%	9.87%	10.76%	10.44%	7.85%
Operating return on average shareholders' equity-excluding MSR*	9.82%	12.62%	11.13%	10.49%	10.72%	11.17%	8.56%
Return on average common shareholders' equity	9.65%	10.53%	12.14%	10.14%	11.09%	10.73%	7.99%
Operating return on average common shareholders' equity-excluding MSR*	10.06%	13.04%	11.47%	10.80%	11.05%	11.50%	8.75%
Return on average tangible equity*	14.10%	15.21%	17.35%	14.66%	16.08%	15.50%	11.79%
Operating return on average tangible equity-excluding MSR*	14.68%	18.73%	16.42%	15.58%	16.03%	16.59%	12.85%
Return on average tangible common equity*	14.85%	16.08%	18.46%	15.54%	17.13%	16.40%	12.41%
Operating return on average tangible common equity-excluding MSR*	15.48%	19.92%	17.44%	16.56%	17.08%	17.59%	13.58%
Pre-tax pre-provision net revenue to total average assets*	1.29%	1.80%	1.64%	1.59%	1.89%	1.57%	1.82%
Noninterest income to average assets	1.21%	1.53%	1.45%	1.33%	1.53%	1.40%	1.54%
Noninterest expense to average assets	2.58%	2.62%	2.57%	2.81%	2.64%	2.59%	2.88%
Net interest margin-fully taxable equivalent	2.86%	2.99%	3.15%	3.29%	3.31%	2.99%	3.39%
Net interest margin-fully taxable equivalent, excluding net accretion on acquired loans and leases	2.81%	2.94%	3.08%	3.24%	3.23%	2.94%	3.33%
Net interest rate spread	2.72%	2.83%	2.97%	3.07%	3.06%	2.83%	3.12%
Efficiency ratio (tax equivalent)*	67.52%	61.55%	59.64%	65.16%	57.98%	62.90%	62.52%
Operating efficiency ratio-excluding MSR (tax equivalent)*	65.79%	57.66%	60.74%	62.87%	58.03%	61.31%	60.83%
Loan/deposit ratio	63.69%	65.70%	71.03%	75.69%	78.96%	63.69%	78.96%
Price to earnings multiple (close)	10.79	10.08	12.07	12.88	9.18	10.79	9.18
Market value to common book value	111.41%	106.01%	125.39%	105.98%	75.99%	111.41%	75.99%
Market value to common book value (avg)	104.34%	113.49%	119.10%	97.56%	83.75%	111.00%	90.07%
Market value to common tangible book value	172.40%	162.77%	190.14%	161.00%	116.01%	172.40%	116.01%
Market value to common tangible book value (avg)	161.46%	174.26%	180.60%	148.21%	127.86%	171.77%	137.50%
Employee FTE	4,770	4,835	4,546	4,596	4,691	4,770	4,691

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 24 and 25.

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

	Quarter Ended 9/30/2021	Quarter Ended 6/30/2021	Quarter Ended 3/31/2021	Quarter Ended 12/31/2020	Quarter Ended 9/30/2020	Year to Date 9/30/2021	Year to Date 9/30/2020
Credit Quality Ratios:							
Net (recoveries)charge-offs to average loans and leases (annualized)	(0.05%)	(0.05%)	0.09%	0.29%	0.04%	0.00%	0.15%
Provision for credit losses to average loans and leases (annualized)	(0.19%)	0.30%	0.00%	0.15%	0.42%	0.04%	0.75%
Allowance for credit losses to net loans and leases	1.74%	1.77%	1.60%	1.63%	1.64%	1.74%	1.64%
Allowance for credit losses to net loans and leases, excluding PPP loans	1.74%	1.79%	1.74%	1.74%	1.78%	1.74%	1.78%
Allowance for credit losses to non-performing loans and leases	310.60%	314.77%	237.97%	201.71%	166.08%	310.60%	166.08%
Allowance for credit losses to non-performing assets	259.46%	261.15%	217.87%	184.37%	159.33%	259.46%	159.33%
Non-performing loans and leases to net loans and leases	0.56%	0.56%	0.67%	0.81%	0.98%	0.56%	0.98%
Non-performing loans and leases to net loans and leases, excluding acquired loans and leases	0.50%	0.49%	0.54%	0.62%	0.74%	0.50%	0.74%
Non-performing assets to total assets	0.36%	0.37%	0.43%	0.55%	0.67%	0.36%	0.67%
Non-performing assets to total assets, excluding acquired loans and leases	0.31%	0.31%	0.34%	0.42%	0.49%	0.31%	0.49%
Equity Ratios:							
Total shareholders' equity to total assets	10.77%	11.12%	10.95%	11.72%	11.81%	10.77%	11.81%
Total common shareholders' equity to total assets	10.18%	10.51%	10.30%	11.03%	11.10%	10.18%	11.10%
Tangible shareholders' equity to tangible assets*	7.44%	7.73%	7.71%	8.26%	8.30%	7.44%	8.30%
Tangible shareholders' equity to tangible assets-excluding PPP loans*	7.45%	7.78%	8.08%	8.63%	8.77%	7.45%	8.77%
Tangible common shareholders' equity to tangible assets*	6.82%	7.11%	7.04%	7.54%	7.56%	6.82%	7.56%
Tangible common shareholders' equity to tangible assets-excluding PPP loans*	6.83%	7.15%	7.38%	7.87%	7.99%	6.83%	7.99%
Capital Adequacy:							
Common Equity Tier 1 capital	10.73%	10.89%	10.97%	10.74%	10.64%	10.73%	10.64%
Tier 1 capital	11.63%	11.80%	11.95%	11.74%	11.65%	11.63%	11.65%
Total capital	14.27%	14.50%	14.65%	14.48%	14.20%	14.27%	14.20%
Tier 1 leverage capital	8.13%	8.25%	8.59%	8.67%	8.59%	8.13%	8.59%
Estimated for current quarter							
Common Share Data:							
Basic earnings per share	\$ 0.65	\$ 0.69	\$ 0.77	\$ 0.65	\$ 0.70	\$ 2.11	\$ 1.47
Diluted earnings per share	0.65	0.69	0.77	0.65	0.69	2.11	1.47
Operating earnings per share*	0.69	0.84	0.78	0.69	0.70	2.31	1.51
Operating earnings per share- excluding MSR*	0.68	0.86	0.73	0.69	0.69	2.26	1.61
Cash dividends per share	0.200	0.190	0.190	0.190	0.185	0.580	0.555
Book value per share	26.73	26.72	25.90	25.89	25.50	26.73	25.50
Tangible book value per share*	17.27	17.41	17.08	17.04	16.71	17.27	16.71
Market value per share (last)	29.78	28.33	32.48	27.44	19.38	29.78	19.38
Market value per share (high)	30.55	33.18	35.59	28.54	24.29	35.59	31.61
Market value per share (low)	24.87	27.59	26.95	18.77	18.11	24.87	17.21
Market value per share (avg)	27.89	30.33	30.85	25.26	21.36	29.67	22.97
Dividend payout ratio	30.71%	27.43%	24.62%	29.34%	26.56%	27.46%	37.64%
Total shares outstanding	106,853,316	108,614,595	102,624,818	102,561,480	102,558,459	106,853,316	102,558,459
Average shares outstanding - basic	108,028,577	105,626,612	102,622,111	102,569,547	102,564,466	105,425,767	103,174,106
Average shares outstanding - diluted	108,250,102	105,838,056	102,711,584	102,817,409	102,839,749	105,599,914	103,466,957
Yield/Rate:							
(Taxable equivalent basis)							
Loans, loans held for sale, and leases net of unearned income	4.46%	4.43%	4.53%	4.55%	4.54%	4.47%	4.70%
Loans, loans held for sale, and leases net of unearned income, excluding net accretion on acquired loans and leases	4.38%	4.35%	4.43%	4.49%	4.44%	4.39%	4.62%
Loans, loans held for sale, and leases net of unearned income, excluding net accretion on acquired loans and leases - excluding PPP loans	4.36%	4.39%	4.49%	4.53%	4.55%	4.42%	4.72%
PPP loans	8.79%	3.80%	3.69%	3.99%	3.11%	3.92%	2.84%
Available-for-sale securities:							
Taxable	1.20%	1.21%	1.32%	1.53%	1.64%	1.24%	1.85%
Tax-exempt	2.88%	2.77%	3.52%	3.40%	3.67%	3.04%	3.97%
Short-term, FHLB and other equity investments	0.20%	0.16%	0.11%	0.13%	0.19%	0.16%	0.47%
Total interest earning assets and revenue	3.15%	3.31%	3.51%	3.70%	3.77%	3.31%	3.96%
Deposits	0.24%	0.27%	0.33%	0.38%	0.44%	0.28%	0.53%
Demand - interest bearing	0.31%	0.34%	0.40%	0.47%	0.53%	0.35%	0.66%
Savings	0.09%	0.09%	0.11%	0.15%	0.18%	0.10%	0.20%
Other time	0.91%	1.00%	1.14%	1.28%	1.41%	1.02%	1.53%
Total interest bearing deposits	0.36%	0.41%	0.48%	0.57%	0.65%	0.41%	0.77%
Short-term borrowings	0.10%	0.12%	0.13%	0.26%	0.25%	0.12%	0.63%
Total interest bearing deposits and short-term borrowings	0.35%	0.40%	0.46%	0.55%	0.63%	0.40%	0.76%
Junior subordinated debt	4.47%	4.47%	4.46%	4.05%	4.24%	4.46%	4.44%
Long-term debt	4.81%	4.46%	4.88%	4.84%	4.85%	4.71%	4.87%
Total interest bearing liabilities and expense	0.43%	0.47%	0.54%	0.63%	0.71%	0.48%	0.84%
Interest bearing liabilities to interest earning assets	66.04%	66.24%	66.87%	65.99%	65.61%	66.36%	67.58%
Net interest tax equivalent adjustment	\$ 446	\$ 550	\$ 569	\$ 709	\$ 618	\$ 1,564	\$ 2,057

*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 24 and 25.

BancorpSouth Bank
Consolidated Balance Sheets
(Unaudited)

	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
(Dollars in thousands)					
<u>Assets</u>					
Cash and due from banks	\$ 301,246	\$ 331,873	\$ 263,289	\$ 284,095	\$ 306,164
Interest bearing deposits with other banks and Federal funds sold	150,778	629,390	336,253	133,273	39,782
Available-for-sale securities, at fair value	10,053,372	9,084,111	7,640,268	6,231,006	5,659,785
Loans and leases*	15,011,588	15,023,228	15,056,559	15,039,239	15,344,006
Less: Unearned income	20,343	19,189	17,751	16,760	16,271
Allowance for credit losses	260,276	265,720	241,117	244,422	250,624
Net loans and leases	14,730,969	14,738,319	14,797,691	14,778,057	15,077,111
Loans held for sale	342,871	403,046	518,352	397,076	304,215
Premises and equipment, net	533,999	533,276	508,508	508,147	508,149
Accrued interest receivable	97,630	98,575	106,355	106,318	110,185
Goodwill	958,304	957,474	851,612	851,612	847,531
Other identifiable intangibles	52,235	54,659	53,581	55,899	54,757
Bank owned life insurance	359,740	355,660	335,707	333,264	331,799
Other real estate owned	16,515	17,333	9,351	11,395	6,397
Other assets	462,837	408,649	381,530	391,052	309,547
Total Assets	<u>\$ 28,060,496</u>	<u>\$ 27,612,365</u>	<u>\$ 25,802,497</u>	<u>\$ 24,081,194</u>	<u>\$ 23,555,422</u>
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 7,700,216	\$ 7,619,308	\$ 6,990,880	\$ 6,341,457	\$ 6,336,792
Interest bearing	10,285,371	9,671,662	9,067,373	8,524,010	8,170,402
Savings	3,054,756	2,939,958	2,678,276	2,452,059	2,325,980
Other time	2,498,368	2,607,558	2,436,657	2,528,915	2,579,805
Total deposits	23,538,711	22,838,486	21,173,186	19,846,441	19,412,979
Securities sold under agreement to repurchase	705,123	683,135	660,485	637,715	611,455
Federal funds purchased and other short-term borrowing	-	-	-	-	95,217
Accrued interest payable	11,334	8,718	11,879	10,885	15,286
Junior subordinated debt securities	307,776	307,601	297,425	297,250	297,074
Long-term debt	4,082	4,189	4,295	4,402	4,508
Other liabilities	470,213	700,662	830,029	462,024	336,364
Total Liabilities	25,037,239	24,542,791	22,977,299	21,258,717	20,772,883
<u>Shareholders' Equity</u>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	267,133	271,536	256,562	256,404	256,396
Capital surplus	688,637	730,294	563,481	565,187	565,635
Accumulated other comprehensive (loss) income	(82,627)	(34,575)	(43,459)	11,923	18,490
Retained earnings	1,983,121	1,935,326	1,881,621	1,821,970	1,775,025
Total Shareholders' Equity	3,023,257	3,069,574	2,825,198	2,822,477	2,782,539
Total Liabilities & Shareholders' Equity	<u>\$ 28,060,496</u>	<u>\$ 27,612,365</u>	<u>\$ 25,802,497</u>	<u>\$ 24,081,194</u>	<u>\$ 23,555,422</u>

*Includes \$32.8 million, \$167.1 million, \$1.146 billion, \$975.4 million and \$1.212 billion in PPP loans at September 30, 2021, June 30, 2021, March 31, 2021, December 31, 2020 and September 30, 2020, respectively.

BancorpSouth Bank
Consolidated Average Balance Sheets
(Unaudited)

	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 288,199	\$ 365,647	\$ 261,519	\$ 247,799	\$ 232,421
Interest bearing deposits with other banks and Federal funds sold	495,982	302,845	412,313	171,650	257,057
Available-for-sale securities, at fair value	9,539,814	8,067,109	6,606,027	5,820,425	5,309,982
Loans and leases*	14,935,392	15,488,980	15,045,837	15,235,827	15,386,721
Less: Unearned income	19,664	18,441	16,761	16,425	17,037
Allowance for credit losses	264,067	245,095	242,935	247,049	236,536
Net loans and leases	14,651,661	15,225,444	14,786,141	14,972,353	15,133,148
Loans held for sale	242,422	361,999	289,755	277,600	296,352
Premises and equipment, net	534,071	526,960	508,551	508,053	507,190
Accrued interest receivable	93,248	100,357	102,190	105,513	104,435
Goodwill	957,899	910,448	851,612	852,472	847,744
Other identifiable intangibles	53,567	52,564	54,876	54,858	56,045
Bank owned life insurance	357,429	348,378	333,837	332,543	330,642
Other real estate owned	16,939	12,293	11,043	14,872	7,754
Other assets	385,354	392,252	327,696	302,365	236,107
Total Assets	\$ 27,616,585	\$ 26,666,296	\$ 24,545,560	\$ 23,660,503	\$ 23,318,877
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 7,579,513	\$ 7,367,832	\$ 6,484,703	\$ 6,391,006	\$ 6,340,942
Interest bearing	10,027,346	9,598,550	8,956,420	8,268,528	8,022,755
Savings	3,001,406	2,851,113	2,550,095	2,386,034	2,280,860
Other time	2,554,185	2,568,388	2,480,862	2,555,295	2,614,373
Total deposits	23,162,450	22,385,883	20,472,080	19,600,863	19,258,930
Securities sold under agreement to repurchase	752,536	707,086	651,694	672,018	681,400
Federal funds purchased and other short-term borrowing	8,706	3,901	1,500	3,893	36,696
Accrued interest payable	10,801	11,169	11,607	14,175	15,589
Junior subordinated debt securities	307,671	304,056	297,318	297,145	296,969
Long-term debt	4,168	4,714	4,378	4,488	4,592
Other liabilities	311,946	294,653	293,982	293,332	294,831
Total Liabilities	24,558,278	23,711,462	21,732,559	20,885,914	20,589,007
<u>Shareholders' Equity</u>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	270,098	266,676	256,536	256,422	256,412
Capital surplus	717,022	674,949	563,529	568,343	563,267
Accumulated other comprehensive (loss) income	(35,408)	(30,614)	(5,090)	12,432	24,758
Retained earnings	1,939,602	1,876,830	1,831,033	1,770,399	1,718,440
Total Shareholders' Equity	3,058,307	2,954,834	2,813,001	2,774,589	2,729,870
Total Liabilities & Shareholders' Equity	\$ 27,616,585	\$ 26,666,296	\$ 24,545,560	\$ 23,660,503	\$ 23,318,877

*Includes \$73.8 million, \$973.0 million, \$1.062 billion, \$1.140 billion and \$1.207 billion in PPP loans for the quarter ended September 30, 2021, June 30, 2021, March 31, 2021, December 31, 2020 and September 30, 2020, respectively.

BXS Announces Third Quarter 2021 Financial Results

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October 25, 2021

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

	Quarter Ended					Year to Date	
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Sep-21	Sep-20
INTEREST REVENUE:							
Loans and leases	\$ 168,066	\$ 171,305	\$ 169,195	\$ 174,072	\$ 175,810	\$ 508,566	\$ 525,993
Deposits with other banks	195	97	108	50	74	400	1,020
Federal funds sold, securities purchased under agreement to resell, FHLB and other equity investments	67	28	6	6	52	101	545
Available-for-sale securities:							
Taxable	28,617	23,983	21,192	21,895	21,280	73,792	63,571
Tax-exempt	490	676	687	760	986	1,853	3,224
Loans held for sale	2,076	3,040	1,595	2,504	2,468	6,711	5,853
Total interest revenue	<u>199,511</u>	<u>199,129</u>	<u>192,783</u>	<u>199,287</u>	<u>200,670</u>	<u>591,423</u>	<u>600,206</u>
INTEREST EXPENSE:							
Interest bearing demand	7,723	8,247	8,796	9,766	10,773	24,766	37,926
Savings	672	626	700	872	1,012	1,998	3,245
Other time	5,861	6,428	6,966	8,189	9,287	19,255	30,751
Federal funds purchased and securities sold under agreement to repurchase	204	206	203	276	279	613	2,006
Short-term and long-term debt	42	44	45	47	49	131	2,383
Junior subordinated debt	3,463	3,387	3,269	3,201	3,338	10,119	9,862
Other	2	9	15	-	1	26	2
Total interest expense	<u>17,967</u>	<u>18,947</u>	<u>19,994</u>	<u>22,351</u>	<u>24,739</u>	<u>56,908</u>	<u>86,175</u>
Net interest revenue	181,544	180,182	172,789	176,936	175,931	534,515	514,031
Provision for credit losses	(7,000)	11,500	-	5,794	16,000	4,500	83,250
Net interest revenue, after provision for credit losses	<u>188,544</u>	<u>168,682</u>	<u>172,789</u>	<u>171,142</u>	<u>159,931</u>	<u>530,015</u>	<u>430,781</u>
NONINTEREST REVENUE:							
Mortgage banking	13,058	9,105	25,310	20,129	27,097	47,473	66,124
Credit card, debit card and merchant fees	11,428	11,589	9,659	10,053	9,938	32,676	28,194
Deposit service charges	10,324	8,849	8,477	9,708	8,892	27,650	28,221
Security (losses)gains, net	(195)	96	82	63	18	(17)	(5)
Insurance commissions	35,773	36,106	30,667	29,815	32,750	102,546	95,471
Wealth management	7,147	7,543	8,465	6,751	6,471	23,155	19,462
Gain on sale of PPP loans	-	21,572	-	-	-	21,572	-
Other	6,885	7,083	5,276	2,307	4,758	19,244	20,211
Total noninterest revenue	<u>84,420</u>	<u>101,943</u>	<u>87,936</u>	<u>78,826</u>	<u>89,924</u>	<u>274,299</u>	<u>257,678</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	112,968	108,188	101,060	97,215	104,219	322,216	320,594
Occupancy, net of rental income	13,443	13,187	12,814	13,004	13,053	39,444	38,651
Equipment	5,534	4,967	4,564	4,756	4,519	15,065	13,930
Deposit insurance assessments	2,330	1,638	1,455	1,696	1,522	5,423	5,030
Pension settlement expense	2,400	-	-	5,846	-	2,400	-
Other	43,214	46,004	35,930	44,600	31,192	125,148	105,560
Total noninterest expense	<u>179,889</u>	<u>173,984</u>	<u>155,823</u>	<u>167,117</u>	<u>154,505</u>	<u>509,696</u>	<u>483,765</u>
Income before income taxes	93,075	96,641	104,902	82,851	95,350	294,618	204,694
Income tax expense	20,350	21,102	23,347	14,046	21,525	64,799	45,448
Net income	<u>\$ 72,725</u>	<u>\$ 75,539</u>	<u>\$ 81,555</u>	<u>\$ 68,805</u>	<u>\$ 73,825</u>	<u>\$ 229,819</u>	<u>\$ 159,246</u>
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Net income available to common shareholders	<u>\$ 70,353</u>	<u>\$ 73,167</u>	<u>\$ 79,183</u>	<u>\$ 66,433</u>	<u>\$ 71,453</u>	<u>\$ 222,703</u>	<u>\$ 152,130</u>
Net income per common share: Basic	<u>\$ 0.65</u>	<u>\$ 0.69</u>	<u>\$ 0.77</u>	<u>\$ 0.65</u>	<u>\$ 0.70</u>	<u>\$ 2.11</u>	<u>\$ 1.47</u>
Diluted	<u>\$ 0.65</u>	<u>\$ 0.69</u>	<u>\$ 0.77</u>	<u>\$ 0.65</u>	<u>\$ 0.69</u>	<u>\$ 2.11</u>	<u>\$ 1.47</u>

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
LOAN AND LEASE PORTFOLIO:					
Commercial and industrial					
Commercial and industrial-non real estate	2,005,206	2,056,034	2,865,706	2,673,429	2,937,608
Commercial and industrial-owner occupied	2,241,310	2,273,433	2,260,456	2,281,127	2,297,008
Total commercial and industrial	4,246,516	4,329,467	5,126,162	4,954,556	5,234,616
Commercial real estate					
Agricultural	370,467	350,067	337,710	317,994	333,839
Construction, acquisition and development	1,797,559	1,926,421	1,707,800	1,728,682	1,700,030
Commercial real estate	3,443,967	3,323,883	3,127,510	3,211,434	3,229,959
Total commercial real estate	5,611,993	5,600,371	5,173,020	5,258,110	5,263,828
Consumer					
Consumer mortgages	4,078,787	3,991,790	3,700,076	3,726,241	3,704,490
Home equity	619,541	625,365	608,924	630,097	658,708
Credit cards	83,764	84,699	81,499	89,077	85,760
Total consumer	4,782,092	4,701,854	4,390,499	4,445,415	4,448,958
All other	350,644	372,347	349,127	364,398	380,333
Total loans	\$ 14,991,245	\$ 15,004,039	\$ 15,038,808	\$ 15,022,479	\$ 15,327,735
ALLOWANCE FOR CREDIT LOSSES:					
Balance, beginning of period	\$ 265,720	\$ 241,117	\$ 244,422	\$ 250,624	\$ 237,025
Loans and leases charged-off:					
Commercial and industrial	(1,488)	(1,882)	(2,946)	(5,511)	(1,001)
Commercial real estate	(131)	(623)	(1,383)	(5,062)	(738)
Consumer	(831)	(961)	(1,076)	(1,584)	(804)
All other	(863)	(396)	(501)	(875)	(599)
Total loans charged-off	(3,313)	(3,862)	(5,906)	(13,032)	(3,142)
Recoveries:					
Commercial and industrial	3,635	3,053	1,093	816	457
Commercial real estate	797	1,299	195	142	267
Consumer	585	965	920	592	754
All other	352	345	393	280	263
Total recoveries	5,369	5,662	2,601	1,830	1,741
Net recoveries(charge-offs)	2,056	1,800	(3,305)	(11,202)	(1,401)
Initial allowance on loans purchased with credit deterioration	-	12,803	-	-	-
Provision:					
Initial provision for loans acquired during the quarter	-	11,500	-	-	-
Provision for credit losses related to loans and leases	(7,500)	(1,500)	-	5,000	15,000
Total provision for loans and leases	(7,500)	10,000	-	5,000	15,000
Balance, end of period	\$ 260,276	\$ 265,720	\$ 241,117	\$ 244,422	\$ 250,624
Average loans for period	\$ 14,915,728	\$ 15,470,539	\$ 15,029,076	\$ 15,219,402	\$ 15,369,684
Ratio:					
Net (recoveries)charge-offs to average loans (annualized)	(0.05%)	(0.05%)	0.09%	0.29%	0.04%
RESERVE FOR UNFUNDED COMMITMENTS*					
Balance, beginning of period	\$ 8,544	\$ 7,044	\$ 7,044	\$ 6,250	\$ 5,250
Provision for credit losses for unfunded commitments	500	1,500	-	794	1,000
Balance, end of period	\$ 9,044	\$ 8,544	\$ 7,044	\$ 7,044	\$ 6,250

*The Reserve for Unfunded Commitments is classified in other liabilities on the balance sheet.

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
BXS ORIGINATED LOANS AND LEASES:					
Loans and leases charged off:					
Commercial and industrial					
Commercial and industrial-non real estate	\$ (901)	\$ (1,108)	\$ (1,971)	\$ (1,991)	\$ (490)
Commercial and industrial-owner occupied	(331)	(471)	(187)	(303)	(434)
Total commercial and industrial	<u>(1,232)</u>	<u>(1,579)</u>	<u>(2,158)</u>	<u>(2,294)</u>	<u>(924)</u>
Commercial real estate					
Agricultural	-	-	(94)	(124)	-
Construction, acquisition and development	-	(113)	(344)	(1,709)	-
Commercial real estate	(3)	(110)	(27)	(1,704)	(155)
Total real estate	<u>(3)</u>	<u>(223)</u>	<u>(465)</u>	<u>(3,537)</u>	<u>(155)</u>
Consumer					
Consumer mortgages	(243)	(398)	(181)	(537)	(70)
Home equity	(112)	(64)	(50)	(395)	(41)
Credit cards	(435)	(476)	(733)	(458)	(682)
Total consumer	<u>(790)</u>	<u>(938)</u>	<u>(964)</u>	<u>(1,390)</u>	<u>(793)</u>
All other	(723)	(315)	(399)	(698)	(459)
Total loans charged off	<u>(2,748)</u>	<u>(3,055)</u>	<u>(3,986)</u>	<u>(7,919)</u>	<u>(2,331)</u>
Recoveries:					
Commercial and industrial					
Commercial and industrial-non real estate	305	1,014	387	645	231
Commercial and industrial-owner occupied	673	325	61	27	163
Total commercial and industrial	<u>978</u>	<u>1,339</u>	<u>448</u>	<u>672</u>	<u>394</u>
Commercial real estate					
Agricultural	3	(65)	5	23	3
Construction, acquisition and development	87	1,184	51	73	55
Commercial real estate	19	(403)	36	45	208
Total real estate	<u>109</u>	<u>716</u>	<u>92</u>	<u>141</u>	<u>266</u>
Consumer					
Consumer mortgages	200	359	392	221	350
Home equity	75	199	219	149	130
Credit cards	271	254	297	211	270
Total consumer	<u>546</u>	<u>812</u>	<u>908</u>	<u>581</u>	<u>750</u>
All other	310	287	325	249	235
Total recoveries	<u>1,943</u>	<u>3,154</u>	<u>1,773</u>	<u>1,643</u>	<u>1,645</u>
Net (charge-offs)/recoveries	<u>\$ (805)</u>	<u>\$ 99</u>	<u>\$ (2,213)</u>	<u>\$ (6,276)</u>	<u>\$ (686)</u>

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BXS Announces Third Quarter 2021 Financial Results

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October 25, 2021

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
ACQUIRED LOANS AND LEASES:					
Loans and leases charged off:					
Commercial and industrial					
Commercial and industrial-non real estate	\$ (255)	\$ (303)	\$ (298)	\$ (2,352)	\$ (70)
Commercial and industrial-owner occupied	(1)	-	(490)	(865)	(7)
Total commercial and industrial	(256)	(303)	(788)	(3,217)	(77)
Commercial real estate					
Agricultural	-	-	(4)	(31)	-
Construction, acquisition and development	-	(12)	(463)	(64)	-
Commercial real estate	(128)	(388)	(451)	(1,430)	(583)
Total real estate	(128)	(400)	(918)	(1,525)	(583)
Consumer					
Consumer mortgages	(21)	(23)	(112)	(194)	(11)
Home equity	(20)	-	-	-	-
Credit cards	-	-	-	-	-
Total consumer	(41)	(23)	(112)	(194)	(11)
All other	(140)	(81)	(102)	(177)	(140)
Total loans charged off	(565)	(807)	(1,920)	(5,113)	(811)
Recoveries:					
Commercial and industrial					
Commercial and industrial-non real estate	328	1,304	644	134	63
Commercial and industrial-owner occupied	2,329	410	1	10	-
Total commercial and industrial	2,657	1,714	645	144	63
Commercial real estate					
Agricultural	148	73	81	1	-
Construction, acquisition and development	-	81	2	-	-
Commercial real estate	540	429	20	-	1
Total real estate	688	583	103	1	1
Consumer					
Consumer mortgages	38	151	11	9	2
Home equity	1	2	1	2	2
Credit cards	-	-	-	-	-
Total consumer	39	153	12	11	4
All other	42	58	68	31	28
Total recoveries	3,426	2,508	828	187	96
Net recoveries/(charge-offs)	\$ 2,861	\$ 1,701	\$ (1,092)	\$ (4,926)	\$ (715)

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
NON-PERFORMING ASSETS					
NON-PERFORMING LOANS AND LEASES:					
Nonaccrual Loans and Leases					
Commercial and industrial					
Commercial and industrial-non real estate	\$ 13,170	\$ 10,485	\$ 9,703	\$ 12,768	\$ 17,936
Commercial and industrial-owner occupied	11,382	11,872	15,019	15,783	18,343
Total commercial and industrial	24,552	22,357	24,722	28,551	36,279
Commercial real estate					
Agricultural	2,356	1,284	2,293	5,013	5,907
Construction, acquisition and development	3,292	2,582	8,494	9,738	10,434
Commercial real estate	8,403	13,483	12,838	16,249	32,554
Total commercial real estate	14,051	17,349	23,625	31,000	48,895
Consumer					
Consumer mortgages	20,035	20,532	23,535	32,951	32,872
Home equity	786	686	847	2,657	3,325
Credit cards	74	122	131	173	144
Total consumer	20,895	21,340	24,513	35,781	36,341
All other	124	618	282	1,046	593
Total nonaccrual loans and leases	\$ 59,622	\$ 61,664	\$ 73,142	\$ 96,378	\$ 122,108
Loans and Leases 90+ Days Past Due, Still Accruing:	17,012	15,386	21,208	14,320	17,641
Restructured Loans and Leases, Still Accruing	7,165	7,368	6,971	10,475	11,154
Total non-performing loans and leases	\$ 83,799	\$ 84,418	\$ 101,321	\$ 121,173	\$ 150,903
OTHER REAL ESTATE OWNED:	16,515	17,333	9,351	11,395	6,397
Total Non-performing Assets	\$ 100,314	\$ 101,751	\$ 110,672	\$ 132,568	\$ 157,300
BXS originated assets	\$ 83,420	\$ 81,039	\$ 85,266	\$ 97,025	\$ 109,418
Acquired assets	16,894	20,712	25,406	35,543	47,882
Total Non-performing Assets	\$ 100,314	\$ 101,751	\$ 110,672	\$ 132,568	\$ 157,300
Additions to Nonaccrual Loans and Leases During the Quarter	\$ 19,858	\$ 16,005	\$ 10,029	\$ 11,087	\$ 19,973
Loans and Leases 30-89 Days Past Due, Still Accruing:					
BXS originated loans	\$ 33,476	\$ 36,748	\$ 34,929	\$ 40,424	\$ 42,978
Acquired loans	7,452	10,701	2,798	6,048	5,694
Total Loans and Leases 30-89 days past due, still accruing	\$ 40,928	\$ 47,449	\$ 37,727	\$ 46,472	\$ 48,672

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

		September 30, 2021							
		Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Deteriorated (Loss)	Total
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:									
Commercial and industrial									
Commercial and industrial-non real estate	\$	1,959,590	\$ 1,691	\$ 31,373	\$ 161	\$ -	\$ 5,150	\$ 7,241	\$ 2,005,206
Commercial and industrial-owner occupied		2,178,251	-	50,892	-	-	9,582	2,585	2,241,310
Total commercial and industrial		4,137,841	1,691	82,265	161	-	14,732	9,826	4,246,516
Commercial real estate									
Agricultural		363,182	-	4,982	-	-	-	2,303	370,467
Construction, acquisition and development		1,752,717	-	36,992	-	-	1,209	6,641	1,797,559
Commercial real estate		3,280,770	-	154,459	-	-	4,934	3,804	3,443,967
Total commercial real estate		5,396,669	-	196,433	-	-	6,143	12,748	5,611,993
Consumer									
Consumer mortgages		4,013,294	-	63,495	-	-	1,817	181	4,078,787
Home equity		613,923	-	5,618	-	-	-	-	619,541
Credit cards		83,764	-	-	-	-	-	-	83,764
Total consumer		4,710,981	-	69,113	-	-	1,817	181	4,782,092
All other									
Total loans	\$	14,586,955	\$ 1,691	\$ 356,929	\$ 161	\$ -	\$ 22,692	\$ 22,817	\$ 14,991,245
BXS originated loans									
	\$	13,242,424	\$ 947	\$ 191,135	\$ 161	\$ -	\$ 20,756	\$ -	\$ 13,455,423
Acquired loans*									
		1,344,531	744	165,794	-	-	1,936	22,817	1,535,822
Total Loans	\$	14,586,955	\$ 1,691	\$ 356,929	\$ 161	\$ -	\$ 22,692	\$ 22,817	\$ 14,991,245

		June 30, 2021							
		Pass	Special Mention	Substandard	Doubtful	Loss	Impaired	Purchased Credit Deteriorated (Loss)	Total
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:									
Commercial and industrial									
Commercial and industrial-non real estate	\$	2,005,765	\$ -	\$ 40,286	\$ 171	\$ -	\$ 1,885	\$ 7,927	\$ 2,056,034
Commercial and industrial-owner occupied		2,193,141	4,000	63,638	-	-	7,452	5,202	2,273,433
Total commercial and industrial		4,198,906	4,000	103,924	171	-	9,337	13,129	4,329,467
Commercial real estate									
Agricultural		341,430	-	6,326	-	-	-	2,311	350,067
Construction, acquisition and development		1,879,040	-	40,498	-	-	714	6,169	1,926,421
Commercial real estate		3,150,789	-	159,066	-	-	9,316	4,712	3,323,883
Total commercial real estate		5,371,259	-	205,890	-	-	10,030	13,192	5,600,371
Consumer									
Consumer mortgages		3,926,705	-	63,645	-	-	1,256	184	3,991,790
Home equity		619,269	-	6,096	-	-	-	-	625,365
Credit cards		84,699	-	-	-	-	-	-	84,699
Total consumer		4,630,673	-	69,741	-	-	1,256	184	4,701,854
All other									
Total loans	\$	14,563,394	\$ 4,000	\$ 389,281	\$ 171	\$ -	\$ 20,623	\$ 26,570	\$ 15,004,039
BXS originated loans									
	\$	13,007,886	\$ 4,000	\$ 219,242	\$ 171	\$ -	\$ 13,989	\$ -	\$ 13,245,288
Acquired loans*									
		1,555,508	-	170,039	-	-	6,634	26,570	1,758,751
Total Loans	\$	14,563,394	\$ 4,000	\$ 389,281	\$ 171	\$ -	\$ 20,623	\$ 26,570	\$ 15,004,039

*Includes certain loans that are no longer included in the "Net book value of acquired loans" on page 10 as a result of maturity, refinance, or other triggering event.

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:					
Pass	\$ 14,586,955	\$ 14,563,394	\$ 14,646,582	\$ 14,602,079	\$ 14,877,943
Special Mention	1,691	4,000	5,005	8,736	-
Substandard	356,929	389,281	336,410	358,988	372,483
Doubtful	161	171	171	172	178
Loss	-	-	-	-	-
Impaired	22,692	20,623	28,615	29,545	49,818
Purchased Credit Deteriorated (Loss)	22,817	26,570	22,025	22,959	27,313
Total	<u>\$ 14,991,245</u>	<u>\$ 15,004,039</u>	<u>\$ 15,038,808</u>	<u>\$ 15,022,479</u>	<u>\$ 15,327,735</u>

**BXS ORIGINATED LOAN PORTFOLIO BY INTERNALLY
ASSIGNED GRADE:**

Pass	\$ 13,242,424	\$ 13,007,886	\$ 13,635,053	\$ 13,459,529	\$ 13,592,460
Special Mention	947	4,000	5,005	8,736	-
Substandard	191,135	219,242	252,140	259,682	252,875
Doubtful	161	171	171	172	178
Loss	-	-	-	-	-
Impaired	20,756	13,989	18,188	17,520	30,909
Purchased Credit Deteriorated (Loss)	-	-	-	-	-
Total	<u>\$ 13,455,423</u>	<u>\$ 13,245,288</u>	<u>\$ 13,910,557</u>	<u>\$ 13,745,639</u>	<u>\$ 13,876,422</u>

**ACQUIRED LOAN PORTFOLIO BY INTERNALLY
ASSIGNED GRADE:**

Pass	\$ 1,344,531	\$ 1,555,508	\$ 1,011,529	\$ 1,142,550	\$ 1,285,483
Special Mention	744	-	-	-	-
Substandard	165,794	170,039	84,270	99,306	119,608
Doubtful	-	-	-	-	-
Loss	-	-	-	-	-
Impaired	1,936	6,634	10,427	12,025	18,909
Purchased Credit Deteriorated (Loss)	22,817	26,570	22,025	22,959	27,313
Total	<u>\$ 1,535,822</u>	<u>\$ 1,758,751</u>	<u>\$ 1,128,251</u>	<u>\$ 1,276,840</u>	<u>\$ 1,451,313</u>

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

September 30, 2021

	Alabama and Florida Panhandle	Arkansas	Louisiana	Mississippi	Missouri	Tennessee and Georgia	Texas	Other	Total
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 182,165	\$ 147,774	\$ 164,144	\$ 358,266	\$ 46,722	\$ 119,220	\$ 980,483	\$ 6,432	\$ 2,005,206
Commercial and industrial-owner occupied	296,901	150,397	212,613	568,629	64,155	125,754	822,219	642	2,241,310
Total commercial and industrial	479,066	298,171	376,757	926,895	110,877	244,974	1,802,702	7,074	4,246,516
Commercial real estate									
Agricultural	31,474	66,918	19,761	68,667	7,740	12,433	161,840	1,634	370,467
Construction, acquisition and development	218,553	62,127	49,126	268,816	25,166	112,315	1,061,430	26	1,797,559
Commercial real estate	480,620	288,383	235,542	712,747	200,883	230,962	1,290,255	4,575	3,443,967
Total commercial real estate	730,647	417,428	304,429	1,050,230	233,789	355,710	2,513,525	6,235	5,611,993
Consumer									
Consumer mortgages	718,510	323,108	344,606	799,621	117,138	366,822	1,371,961	37,021	4,078,787
Home equity	125,707	43,229	68,332	197,630	15,971	119,929	48,554	189	619,541
Credit cards	-	-	-	-	-	-	-	83,764	83,764
Total consumer	844,217	366,337	412,938	997,251	133,109	486,751	1,420,515	120,974	4,782,092
All other	60,220	27,091	31,581	118,815	1,391	20,895	89,544	1,107	350,644
Total loans	\$ 2,114,150	\$ 1,109,027	\$ 1,125,705	\$ 3,093,191	\$ 479,166	\$ 1,108,330	\$ 5,826,286	\$ 135,390	\$ 14,991,245
Loan growth, excluding loans acquired during the quarter (annualized)	(6.76%)	(9.79%)	(19.52%)	(15.13%)	(9.53%)	9.61%	15.15%	12.31%	(0.34%)
Loan growth, excluding PPP loans (annualized)	(3.90%)	(6.78%)	(14.13%)	(12.34%)	(5.13%)	17.14%	17.98%	28.99%	3.21%
NON-PERFORMING LOANS AND LEASES:									
Commercial and industrial									
Commercial and industrial-non real estate	\$ 447	\$ 721	\$ 2,233	\$ 4,090	\$ 938	\$ 314	\$ 5,243	\$ 187	\$ 14,173
Commercial and industrial-owner occupied	361	554	923	1,986	161	-	9,023	-	13,008
Total commercial and industrial	808	1,275	3,156	6,076	1,099	314	14,266	187	27,181
Commercial real estate									
Agricultural	63	218	-	1,521	-	-	612	-	2,414
Construction, acquisition and development	1,094	629	128	25	-	193	1,351	-	3,420
Commercial real estate	1,807	169	2,460	845	-	-	4,375	-	9,656
Total commercial real estate	2,964	1,016	2,588	2,391	-	193	6,338	-	15,490
Consumer									
Consumer mortgages	8,955	4,071	3,234	9,961	1,204	3,349	5,752	2,197	38,723
Home equity	111	39	250	357	73	506	-	-	1,336
Credit cards	-	-	-	-	-	-	-	673	673
Total consumer	9,066	4,110	3,484	10,318	1,277	3,855	5,752	2,870	40,732
All other	47	2	43	151	-	6	141	6	396
Total loans	\$ 12,885	\$ 6,403	\$ 9,271	\$ 18,936	\$ 2,376	\$ 4,368	\$ 26,497	\$ 3,063	\$ 83,799
NON-PERFORMING LOANS AND LEASES AS A PERCENTAGE OF OUTSTANDING:									
Commercial and industrial									
Commercial and industrial-non real estate	0.25%	0.49%	1.36%	1.14%	2.01%	0.26%	0.53%	2.91%	0.71%
Commercial and industrial-owner occupied	0.12%	0.37%	0.43%	0.35%	0.25%	0.00%	1.10%	0.00%	0.58%
Total commercial and industrial	0.17%	0.43%	0.84%	0.66%	0.99%	0.13%	0.79%	2.64%	0.64%
Commercial real estate									
Agricultural	0.20%	0.33%	0.00%	2.22%	0.00%	0.00%	0.38%	0.00%	0.65%
Construction, acquisition and development	0.50%	1.01%	0.26%	0.01%	0.00%	0.17%	0.13%	0.00%	0.19%
Commercial real estate	0.38%	0.06%	1.04%	0.12%	0.00%	0.00%	0.34%	0.00%	0.28%
Total commercial real estate	0.41%	0.24%	0.85%	0.23%	0.00%	0.05%	0.25%	0.00%	0.28%
Consumer									
Consumer mortgages	1.25%	1.26%	0.94%	1.25%	1.03%	0.91%	0.42%	5.93%	0.95%
Home equity	0.09%	0.09%	0.37%	0.18%	0.46%	0.42%	0.00%	0.00%	0.22%
Credit cards	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.80%	0.80%
Total consumer	1.07%	1.12%	0.84%	1.03%	0.96%	0.79%	0.40%	2.37%	0.85%
All other	0.08%	0.01%	0.14%	0.13%	0.00%	0.03%	0.16%	0.54%	0.11%
Total loans	0.61%	0.58%	0.82%	0.61%	0.50%	0.39%	0.45%	2.26%	0.56%

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

	Quarter Ended					Year to Date	
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Sep-21	Sep-20
NONINTEREST REVENUE:							
Mortgage banking excl. MSR and MSR Hedge market value adj	\$ 11,009	\$ 11,013	\$ 17,929	\$ 19,917	\$ 26,667	\$ 39,951	\$ 79,150
MSR and MSR Hedge market value adjustment	2,049	(1,908)	7,381	212	430	7,522	(13,026)
Credit card, debit card and merchant fees	11,428	11,589	9,659	10,053	9,938	32,676	28,194
Deposit service charges	10,324	8,849	8,477	9,708	8,892	27,650	28,221
Securities (losses)gains, net	(195)	96	82	63	18	(17)	(5)
Insurance commissions	35,773	36,106	30,667	29,815	32,750	102,546	95,471
Trust income	4,735	4,434	5,129	4,046	3,902	14,298	11,979
Annuity fees	50	50	51	53	53	151	162
Brokerage commissions and fees	2,362	3,059	3,285	2,652	2,516	8,706	7,321
Gain on sale of PPP loans	-	21,572	-	-	-	21,572	-
Bank-owned life insurance	4,217	1,845	2,020	2,425	1,902	8,082	5,756
Other miscellaneous income	2,668	5,238	3,256	(118)	2,856	11,162	14,455
Total noninterest revenue	<u>\$ 84,420</u>	<u>\$ 101,943</u>	<u>\$ 87,936</u>	<u>\$ 78,826</u>	<u>\$ 89,924</u>	<u>\$ 274,299</u>	<u>\$ 257,678</u>
NONINTEREST EXPENSE:							
Salaries and employee benefits	\$ 112,968	\$ 108,188	\$ 101,060	\$ 97,215	\$ 104,219	\$ 322,216	\$ 320,594
Occupancy, net of rental income	13,443	13,187	12,814	13,004	13,053	39,444	38,651
Equipment	5,534	4,967	4,564	4,756	4,519	15,065	13,930
Deposit insurance assessments	2,330	1,638	1,455	1,696	1,522	5,423	5,030
Pension settlement expense	2,400	-	-	5,846	-	2,400	-
Advertising	988	783	1,004	899	826	2,775	2,843
Foreclosed property expense	2,189	649	1,021	2,122	(278)	3,859	1,952
Telecommunications	1,600	1,517	1,398	1,448	1,462	4,515	4,435
Public relations	1,166	1,012	741	897	1,130	2,919	2,269
Data processing	11,297	11,024	10,424	9,980	9,477	32,745	28,816
Computer software	5,502	4,887	5,113	5,301	4,779	15,502	14,073
Amortization of intangibles	2,424	2,401	2,318	2,499	2,357	7,143	7,106
Legal	814	774	1,166	1,474	(316)	2,754	1,957
Merger expense	3,442	9,962	1,649	212	129	15,053	5,133
Postage and shipping	1,414	1,317	1,547	1,418	1,199	4,278	3,838
Other miscellaneous expense	12,378	11,678	9,549	18,350	10,427	33,605	33,138
Total noninterest expense	<u>\$ 179,889</u>	<u>\$ 173,984</u>	<u>\$ 155,823</u>	<u>\$ 167,117</u>	<u>\$ 154,505</u>	<u>\$ 509,696</u>	<u>\$ 483,765</u>
INSURANCE COMMISSIONS:							
Property and casualty commissions	\$ 26,413	\$ 26,040	\$ 21,949	\$ 21,304	\$ 24,060	\$ 74,402	\$ 68,950
Life and health commissions	6,543	7,130	6,494	5,915	6,072	20,167	19,018
Risk management income	676	611	613	829	609	1,900	1,681
Other	2,141	2,325	1,611	1,767	2,009	6,077	5,822
Total insurance commissions	<u>\$ 35,773</u>	<u>\$ 36,106</u>	<u>\$ 30,667</u>	<u>\$ 29,815</u>	<u>\$ 32,750</u>	<u>\$ 102,546</u>	<u>\$ 95,471</u>

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

	Quarter Ended				
	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
MORTGAGE SERVICING RIGHTS:					
Fair value, beginning of period	\$ 60,615	\$ 60,332	\$ 47,571	\$ 44,944	\$ 40,821
Additions to mortgage servicing rights:					
Originations of servicing assets	5,798	6,833	5,588	6,608	7,041
Changes in fair value:					
Due to payoffs/paydowns	(3,919)	(2,946)	(3,273)	(3,898)	(3,198)
Due to change in valuation inputs or assumptions used in the valuation model	2,190	(3,604)	10,446	(83)	280
Other changes in fair value	-	-	-	-	-
Fair value, end of period	<u>\$ 64,684</u>	<u>\$ 60,615</u>	<u>\$ 60,332</u>	<u>\$ 47,571</u>	<u>\$ 44,944</u>
MORTGAGE BANKING REVENUE:					
Production revenue:					
Origination	\$ 9,284	\$ 8,646	\$ 15,955	\$ 18,561	\$ 23,632
Servicing	5,644	5,313	5,247	5,254	6,233
Payoffs/Paydowns	(3,919)	(2,946)	(3,273)	(3,898)	(3,198)
Total production revenue	<u>11,009</u>	<u>11,013</u>	<u>17,929</u>	<u>19,917</u>	<u>26,667</u>
Market value adjustment on MSR	2,190	(3,604)	10,446	(83)	280
Market value adjustment on MSR Hedge	(141)	1,696	(3,065)	295	150
Total mortgage banking revenue	<u>\$ 13,058</u>	<u>\$ 9,105</u>	<u>\$ 25,310</u>	<u>\$ 20,129</u>	<u>\$ 27,097</u>
Mortgage loans serviced	\$ 7,455,113	\$ 7,407,690	\$ 7,259,808	\$ 7,330,293	\$ 7,218,090
MSR/mtg loans serviced	0.87%	0.82%	0.83%	0.65%	0.62%
AVAILABLE-FOR-SALE SECURITIES, at fair value					
U.S. Government agencies	2,575,564	2,758,412	2,642,646	\$ 2,871,408	\$ 3,116,458
U.S. Government agency issued residential mortgage-back securities	5,826,087	4,709,540	3,438,246	2,421,409	1,625,325
U.S. Government agency issued commercial mortgage-back securities	1,518,556	1,478,058	1,414,345	806,206	758,116
Obligations of states and political subdivisions	112,152	117,248	126,589	113,953	141,896
Corporate bonds	21,013	20,853	18,442	18,030	17,990
Total available-for-sale securities	<u>\$10,053,372</u>	<u>\$ 9,084,111</u>	<u>\$ 7,640,268</u>	<u>\$ 6,231,006</u>	<u>\$ 5,659,785</u>

BancorpSouth Bank
Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions
(Dollars in thousands, except per share amounts)
(Unaudited)

Management evaluates the Company's capital position and operating performance by utilizing certain financial measures not calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP), including net operating income, net operating income available to common shareholders, net operating income-excluding MSR, net operating income available to common shareholders-excluding MSR, pre-tax pre-provision net revenue, total operating expense, tangible shareholders' equity to tangible assets, tangible shareholders' equity to tangible assets-excluding PPP loans, tangible common shareholders' equity to tangible assets, tangible common shareholders' equity to tangible assets-excluding PPP loans, return on average tangible equity, return on average tangible common equity, operating return on average tangible equity-excluding MSR, operating return on average 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, average tangible book value per common share, operating earnings per common share, operating earnings per common share-excluding MSR, efficiency ratio (tax equivalent) and operating efficiency ratio-excluding MSR (tax equivalent). The Company has included these non-GAAP financial measures in this news release for the applicable periods presented. Management believes that the presentation of these non-GAAP financial measures (i) provides important supplemental information that contributes to a proper understanding of the Company's capital position and operating performance, (ii) enables a more complete understanding of factors and trends affecting the Company's business and (iii) allows investors to evaluate the Company's performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and the Company strongly encourages investors to review the GAAP financial measures included in this news release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this news release with other companies' non-GAAP financial measures having the same or similar names.

Reconciliation of Net Operating Income, Net Operating Income Available to Common Shareholders, Net Operating Income-Excluding MSR, and Net Operating Income Available to Common Shareholders-excluding MSR to Net Income:

	Quarter ended				Year to Date		
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	9/30/2021	9/30/2020
Net income	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 73,825	\$ 229,819	\$ 159,246
Plus: Merger expense, net of tax	2,583	7,476	1,238	159	97	11,297	3,852
Initial provision for acquired loans, net of tax	-	8,631	-	-	-	8,631	751
Pension settlement expense, net of tax	1,801	-	-	4,388	-	1,801	-
Less: Security (losses)gains, net of tax	(147)	72	62	48	13	(13)	(4)
Net operating income	\$ 77,256	\$ 91,574	\$ 82,731	\$ 73,304	\$ 73,909	\$ 251,561	\$ 163,853
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Net operating income available to common shareholders	\$ 74,884	\$ 89,202	\$ 80,359	\$ 70,932	\$ 71,537	\$ 244,445	\$ 156,737
Net operating income	\$ 77,256	\$ 91,574	\$ 82,731	\$ 73,304	\$ 73,909	\$ 251,561	\$ 163,853
Less: MSR market value adjustment, net of tax	1,538	(1,432)	5,539	159	323	5,645	(9,776)
Net operating income-excluding MSR	\$ 75,718	\$ 93,006	\$ 77,192	\$ 73,145	\$ 73,586	\$ 245,916	\$ 173,629
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Net operating income available to common shareholders-excluding MSR	\$ 73,346	\$ 90,634	\$ 74,820	\$ 70,773	\$ 71,214	\$ 238,800	\$ 166,513

Reconciliation of Net Income to Pre-Tax Pre-Provision Net Revenue

Net income	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 73,825	\$ 229,819	\$ 159,246
Plus: Provision for credit losses	(7,000)	11,500	-	5,794	16,000	4,500	83,250
Merger expense	3,442	9,962	1,649	212	129	15,053	5,133
Pension settlement expense	2,400	-	-	5,846	-	2,400	-
Income tax expense	20,350	21,102	23,347	14,046	21,525	64,799	45,448
Less: Security (losses)gains	(195)	96	82	63	18	(17)	(5)
MSR market value adjustment	2,049	(1,908)	7,381	212	430	7,522	(13,026)
Pre-tax pre-provision net revenue	\$ 90,063	\$ 119,915	\$ 99,088	\$ 94,428	\$ 111,031	\$ 309,066	\$ 306,108

Reconciliation of Total Operating Expense to Total Noninterest Expense:

Total noninterest expense	\$ 179,889	\$ 173,984	\$ 155,823	\$ 167,117	\$ 154,505	\$ 509,696	\$ 483,765
Less: Merger expense	3,442	9,962	1,649	212	129	15,053	5,133
Pension settlement expense	2,400	-	-	5,846	-	2,400	-
Total operating expense	\$ 174,047	\$ 164,022	\$ 154,174	\$ 161,059	\$ 154,376	\$ 492,243	\$ 478,632

BancorpSouth Bank
Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions
(Dollars in thousands, except per share amounts)
(Unaudited)

Reconciliation of Tangible Assets and Tangible Shareholders' Equity to
Total Assets and Total Shareholders' Equity:

	Quarter ended				Year to Date		
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	9/30/2020	
Tangible assets							
Total assets	\$ 28,060,496	\$ 27,612,365	\$ 25,802,497	\$ 24,081,194	\$ 23,555,422	\$ 28,060,496	\$ 23,555,422
Less: Goodwill	958,304	957,474	851,612	851,612	847,531	958,304	847,531
Other identifiable intangible assets	52,235	54,659	53,581	55,899	54,757	52,235	54,757
Total tangible assets	\$ 27,049,957	\$ 26,600,232	\$ 24,897,304	\$ 23,173,683	\$ 22,653,134	\$ 27,049,957	\$ 22,653,134
Less: PPP loans	32,771	167,144	1,146,000	975,421	1,212,246	32,771	1,212,246
Total tangible assets-excluding PPP loans	\$ 27,017,186	\$ 26,433,088	\$ 23,751,304	\$ 22,198,262	\$ 21,440,888	\$ 27,017,186	\$ 21,440,888
PERIOD END BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 3,023,257	\$ 3,069,574	\$ 2,825,198	\$ 2,822,477	\$ 2,782,539	\$ 3,023,257	\$ 2,782,539
Less: Goodwill	958,304	957,474	851,612	851,612	847,531	958,304	847,531
Other identifiable intangible assets	52,235	54,659	53,581	55,899	54,757	52,235	54,757
Total tangible shareholders' equity	\$ 2,012,718	\$ 2,057,441	\$ 1,920,005	\$ 1,914,966	\$ 1,880,251	\$ 2,012,718	\$ 1,880,251
Less: Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	\$ 1,845,725	\$ 1,890,448	\$ 1,753,012	\$ 1,747,973	\$ 1,713,258	\$ 1,845,725	\$ 1,713,258
AVERAGE BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 3,058,307	\$ 2,954,834	\$ 2,813,001	\$ 2,774,589	\$ 2,729,870	\$ 2,942,946	\$ 2,709,077
Less: Goodwill	957,899	910,448	851,612	852,472	847,744	907,042	846,850
Other identifiable intangible assets	53,567	52,564	54,876	54,858	56,045	53,664	57,704
Total tangible shareholders' equity	\$ 2,046,841	\$ 1,991,822	\$ 1,906,513	\$ 1,867,259	\$ 1,826,081	\$ 1,982,240	\$ 1,804,523
Less: Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	167,002
Total tangible common shareholders' equity	\$ 1,879,848	\$ 1,824,829	\$ 1,739,520	\$ 1,700,266	\$ 1,659,088	\$ 1,815,247	\$ 1,637,521
Total average assets	\$ 27,616,585	\$ 26,666,296	\$ 24,545,560	\$ 23,660,503	\$ 23,318,877	\$ 26,287,396	\$ 22,408,734
Total shares of common stock outstanding	106,853,316	108,614,595	102,624,818	102,561,480	102,558,459	106,853,316	102,558,459
Average shares outstanding-diluted	108,250,102	105,838,056	102,711,584	102,817,409	102,839,749	105,599,914	103,466,957
Tangible shareholders' equity to tangible assets (1)	7.44%	7.73%	7.71%	8.26%	8.30%	7.44%	8.30%
Tangible shareholders' equity to tangible assets-excluding PPP loans (2)	7.45%	7.78%	8.08%	8.63%	8.77%	7.45%	8.77%
Tangible common shareholders' equity to tangible assets (3)	6.82%	7.11%	7.04%	7.54%	7.56%	6.82%	7.56%
Tangible common shareholders' equity to tangible assets-excluding PPP loans (4)	6.83%	7.15%	7.38%	7.87%	7.99%	6.83%	7.99%
Return on average tangible equity (5)	14.10%	15.21%	17.35%	14.66%	16.08%	15.50%	11.79%
Return on average tangible common equity (6)	14.85%	16.08%	18.46%	15.54%	17.13%	16.40%	12.41%
Operating return on average tangible equity-excluding MSR (7)	14.68%	18.73%	16.42%	15.58%	16.03%	16.59%	12.85%
Operating return on average tangible common equity-excluding MSR (8)	15.48%	19.92%	17.44%	16.56%	17.08%	17.59%	13.58%
Operating return on average assets-excluding MSR (9)	1.09%	1.40%	1.28%	1.23%	1.26%	1.25%	1.03%
Operating return on average shareholders' equity-excluding MSR (10)	9.82%	12.62%	11.13%	10.49%	10.72%	11.17%	8.56%
Operating return on average common shareholders' equity-excluding MSR (11)	10.06%	13.04%	11.47%	10.80%	11.05%	11.50%	8.75%
Pre-tax pre-provision net revenue to total average assets (12)	1.29%	1.80%	1.64%	1.59%	1.89%	1.57%	1.82%
Tangible book value per common share (13)	\$ 17.27	\$ 17.41	\$ 17.08	\$ 17.04	\$ 16.71	\$ 17.27	\$ 16.71
Operating earnings per common share (14)	\$ 0.69	\$ 0.84	\$ 0.78	\$ 0.69	\$ 0.70	\$ 2.31	\$ 1.51
Operating earnings per common share-excluding MSR (15)	\$ 0.68	\$ 0.86	\$ 0.73	\$ 0.69	\$ 0.69	\$ 2.26	\$ 1.61

- (1) Tangible shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (2) Tangible shareholders' equity to tangible assets-excluding PPP loans is defined by the Company as total shareholders' equity less goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill, other identifiable intangible assets, and PPP loans.
- (3) Tangible common shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less preferred stock, goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (4) Tangible common shareholders' equity to tangible assets-excluding PPP loans is defined by the Company as total shareholders' equity less preferred stock, goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill, other identifiable intangible assets, and PPP loans.
- (5) Return on average tangible equity is defined by the Company as annualized net income divided by average tangible shareholders' equity.
- (6) Return on average tangible common equity is defined by the Company as annualized net income available to common shareholders divided by average tangible common shareholders' equity.
- (7) Operating return on average tangible equity-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by average tangible shareholders' equity.
- (8) Operating return on average tangible common equity-excluding MSR is defined by the Company as annualized net operating income available to common shareholders-excluding MSR divided by average tangible common shareholders' equity.
- (9) Operating return on average assets-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by total average assets.
- (10) Operating return on average shareholders' equity-excluding MSR is defined by the Company as annualized net operating income-excluding MSR divided by average shareholders' equity.
- (11) Operating return on average common shareholders' equity-excluding MSR is defined by the Company as annualized net operating income available to common shareholders-excluding MSR divided by average common shareholders' equity.
- (12) Pre-tax pre-provision net revenue to total average assets is defined by the Company as annualized pre-tax pre-provision net revenue divided by total average assets adjusted for other non-operating items included in the definition and calculation of net operating income-excluding MSR.
- (13) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.
- (14) Operating earnings per common share is defined by the Company as net operating income available to common shareholders divided by average common shares outstanding-diluted.
- (15) Operating earnings per common share-excluding MSR is defined by the Company as net operating income available to common shareholders-excluding MSR divided by average common shares outstanding-diluted.

Efficiency Ratio (tax equivalent) and Operating Efficiency Ratio-excluding MSR (tax equivalent) Definitions

The efficiency ratio (tax equivalent) and the operating efficiency ratio-excluding MSR (tax equivalent) are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio (tax equivalent) is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment. The operating efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as non-operating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.