

## TRANSACTION PROFILE: CAPITAL/RENASANT

Hovde Financial is pleased to announce its fifth Tennessee transaction in recent years with the February 5<sup>th</sup> announced merger between Nashville, TN-based Capital Bancorp, Inc. (NSADAQ: CPBB) and Tupelo, MS-based Renasant Corporation (NASDAQ: RNST). Leveraging proprietary, industry-leading market intelligence, Hovde introduced the principals of the two parties almost a year ago, subsequently initiated merger discussions, and negotiated the terms of the transaction. Hovde served as exclusive financial advisor to Capital Bank and delivered a Fairness Opinion to Capital Bancorp's Board of Directors.

The terms of the merger agreement call for Capital shareholders to receive 1.2306 shares of Renasant common stock, cash consideration in the amount of \$38.00 per Capital share, or a combination of the two, subject to a limitation that no more than 65% and no less than 60% of the aggregate consideration be in the form of Renasant stock. Prior to closing, each Capital shareholder will be allowed to individually elect their consideration preference subject to the limitations on stock consideration. If not already vested, all outstanding Capital options will vest and any unexercised options will be converted into Renasant common stock options at an equivalent value. It is anticipated that the transaction will close in the third quarter of 2007.

Based on Renasant's closing price prior to the announcement, the total consideration is valued at \$134.9 million. Based on Capital Bancorp's consolidated financial information as of December 31, 2006, the aggregate transaction consideration is equivalent to 3.9x book and tangible book value, 32.9x trailing-twelve-months earnings, a core deposit premium of 36.6%, and 23.9% of assets. *(Notably, transaction terms were actually accepted and the exchange ratio was set on December 20, 2006. As such, at the time terms were accepted, the total consideration was equivalent to **4.4x** tangible book value and **36.7x** trailing earnings).* The deal price represents a 39.1% one-day premium to Capital Bancorp's February 2nd stock price of \$25.75 and represents a 41.8% one-month premium to the bank's January 5th stock price of \$25.25.

Following the consummation of the transaction, Capital's CEO R. Rick Hart and COO John Gregory will become executives with Renasant Corporation. Hart will become President of Renasant's Tennessee operations while Gregory will become an Executive Vice President. At closing, Renasant will honor all terms of Hart and Gregory's existing employment agreements and will enter new, five-year employment agreements. Three Capital directors will join the Renasant Corporation holding company board.

### About Hovde Financial

Hovde Financial is a nationwide investment bank focused exclusively on the financial services industry, specializing in providing a variety of investment banking and financial advisory services to community banks and thrifts. Founded in 1987, the firm has been a financial advisor in 230 merger and acquisition transactions for an aggregate deal value of over \$19 billion. In addition, Hovde has advised on approximately \$5.5 billion in branch transactions. Client-driven and results-oriented, the firm's experienced principals and bankers are committed to providing superior, value-added advice.

## TRANSACTION PROFILE

HOVDE FINANCIAL IS PLEASED TO ANNOUNCE

**Capital Bancorp, Inc. - Nashville, TN**  
has agreed to merge with  
**Renasant Corporation - Tupelo, MS**

*Hovde Financial both initiated this transaction and served as exclusive financial advisor to Capital Bancorp, Inc.*

### Overview of the Deal

- Nashville, TN-based Capital Bancorp, Inc. (OTC: "CPBB") and its wholly-owned subsidiary, Capital Bank & Trust Company have announced an agreement to merge with Tupelo, MS-based Renasant Corporation (NASDAQ: "RNST") in a 60% stock / 40% cash transaction valued at \$134.9 million.
- Based on the total deal value of \$134.9 million, this price represents approximately 33x Capital's trailing twelve months earnings and 3.9x tangible book value.
- This transaction comes two years after Renasant first expanded into Middle Tennessee with a loan office in Brentwood. It now will add seven bank branches that Capital Bank & Trust operates in the affluent, high-growth counties of Williamson, Sumner and Davidson, all within the Nashville MSA.
- This transaction is the fifth Tennessee deal Hovde has announced in recent years and the 37th U.S. deal Hovde has announced since January 2006.

### Pro Forma Branch Map



Transaction Pricing	At Agreement (12/20/06)*	Current
Aggregate Deal Price (\$million)	\$143.7	\$134.9
Announced Date	2/5/2007	
Anticipated Closing Date	Q3 2007	
Form of Consideration	60% Stock / 40% Cash	
Consideration Structure	Fixed Exchange	
Premium-to-Market	47.6%	39.1%
Price-to-Tangible Book Value	440.0%	393.2%
Price-to-Book Value	440.0%	393.2%
Price-to-12 Months Trailing Earnings	36.7x	32.9x
Premium-to-Core Deposits	41.1%	36.6%
Price-to-Total Assets	27.1%	23.9%

\*Terms, price, and exchange ratio were accepted and set on December 20, 2006

### Pro Forma Market Share - Nashville MSA

Rank	Institution	Branch Count	Deposits in Market (\$000)	Market Share (%)
1	Regions Financial Corporation (AL)	89	6,421,550	22.5
2	SunTrust Banks, Inc. (GA)	59	4,491,264	15.7
3	Bank of America Corporation (NC)	40	4,444,939	15.6
4	First Horizon National Corporation (TN)	44	1,639,615	5.8
5	Pinnacle Financial Partners, Inc. (TN)	16	1,523,298	5.3
6	Fifth Third Bancorp (OH)	24	1,127,806	4.0
7	U.S. Bancorp (MN)	41	945,331	3.3
8	Wilson Bank Holding Company (TN)	19	913,319	3.2
9	Greene County Bancshares, Inc. (TN)	24	897,184	3.1
10	Mid-America Bancshares, Inc. (TN)	14	758,964	2.7
11	Synovus Financial Corp. (GA)	8	503,081	1.8
12	Tennessee Commerce Bancorp, Inc. (TN)	1	462,018	1.6
<b>13</b>	<b>Renasant Corporation (MS) - Pro Forma</b>	<b>8</b>	<b>422,212</b>	<b>1.5</b>
14	First Farmers Bancshares, Inc. (TN)	9	319,905	1.1
15	First South Bancorp, Inc. (TN)	8	295,901	1.0
16	Southeastern Bancorp, Inc. (TN)	9	256,894	0.9
17	Citizens Bancorp Investment, Inc. (TN)	10	240,612	0.8
18	Citizens Bank (TN)	4	228,765	0.8
19	Wachovia Corporation (NC)	9	210,503	0.7
20	Volunteer State Bancshares, Inc. (TN)	6	210,322	0.7
21	Community First Bancshares, Inc. (TN)	7	209,188	0.7
22	Macon Bancrust, Inc. (TN)	6	196,599	0.7
23	MidSouth Bank (TN)	5	165,300	0.6
24	Community Trust, Inc. (TN)	5	142,414	0.5
25	Dickson Financial Corporation (TN)	4	139,713	0.5

### Buyer and Seller Financial Information (as of 12/31/2006)

	<u>Renasant</u>	<u>Capital</u>
Headquarters	Tupelo, MS	Nashville, TN
Ticker	RNST	CPBB
States of Operation	MS(45),AL(8),TN(5)	TN(7)
Total Branches	58	7
Total Assets (\$000)	2,611,356	564,442
Total Deposits (\$000)	2,108,965	464,952
Core Deposits (\$000)	1,639,298	271,299
Total Equity (\$000)	252,704	34,969
Tangible Equity (\$000)	154,408	34,969
LTM Net Income (\$000)	27,125	4,181
LTM ROAA (%)	1.08	0.82
LTM ROAE (%)	11.00	13.45
Efficiency Ratio (%)	65.93	62.89
Non-Interest Income /AA (%)	1.62	0.47
Non-Current Loans / Loans (%)	0.43	0.12
NCOs / Average Loans	0.07	NA