

## TRANSACTION PROFILE: PREMIER/BXS

Hovde Financial is pleased to announce our seventh Southeast community bank transaction in 2004 with the announced signing of a merger agreement between Brentwood-based Premier Bancorp, Inc., and Tupelo, MS-based BancorpSouth, Inc. (NYSE: BXS) on Friday, September 17. Hovde Financial both initiated the transaction and served as exclusive financial advisor to Premier Bancorp, Inc.

The terms of the agreement call for Premier shareholders to receive \$37.2 million in total consideration comprised of a mixture of cash and BancorpSouth's common stock. Notably, each individual Premier shareholder will have the option of electing their consideration preference (e.g., 100% cash, 100% stock, or a mixture thereof). This election is ultimately subject to the total aggregate consideration being comprised of 51% in stock and 49% in cash. All existing, unexercised Premier stock options are to be converted into BancorpSouth options.

The total transaction consideration of \$37.2 million equates to 4.0 times Premier's book value and 34 times trailing twelve months' earnings. In fact, the total consideration reflects the fourth highest price ever received by a Tennessee institution on a book-multiple basis and the ninth highest on an earnings basis. This record price reflects both the attractive demographics and growth characteristics in the state of Tennessee, particularly in the Nashville MSA, as well as the strong demand from more than a dozen aggressive community bank acquirers, both in-state and out-of-state. Tennessee is certainly one of the most sought-after markets in the Southeast, if not the entire country.

This transaction is BancorpSouth's fourth in the state of Tennessee, but its first in the Nashville area and its first transaction announced since November of 2001\*. In so doing, BancorpSouth will move up to eighth in the state of Tennessee deposit market share ranking, with a total of 35 Tennessee branches. Their existing LPO branch in the Maryland Farms area will be combined with Premier's operations. Premier Chairman and CEO Jim Harris will become BancorpSouth's Nashville-area market president and a portion of Premier's current Board of Directors will comprise BancorpSouth's Nashville market advisory board.

*\* On September 17, BancorpSouth also announced a signing of an agreement to acquire Business Holding Corporation in Baton Rouge, LA.*

### About Hovde Financial LLC

Hovde Financial LLC 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 200 merger and acquisition transactions for an aggregate deal value of over \$14 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

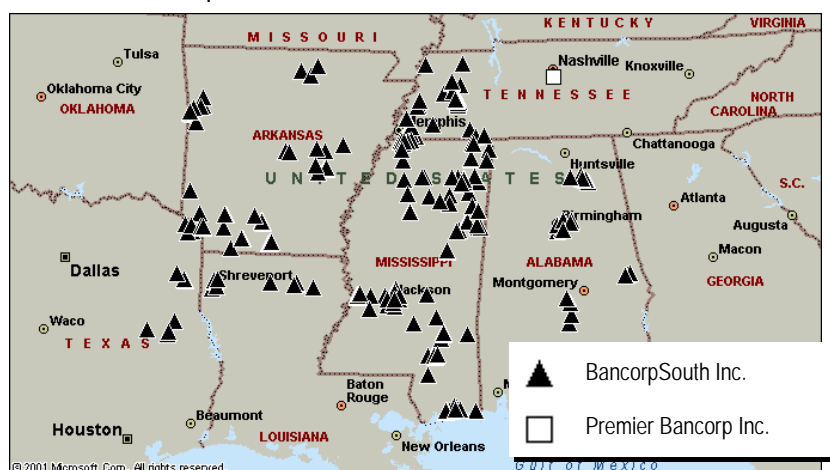
HOVDE FINANCIAL LLC IS PLEASSED TO ANNOUNCE

**Premier Bancorp, Inc. - Brentwood, TN**  
has agreed to merge with  
**BancorpSouth, Inc. - Tupelo, MS**

### Overview of the Deal

- Brentwood, TN-based Premier Bancorp, Inc. has announced the signing of a definitive agreement to merge with Tupelo, MS-based BancorpSouth, Inc. in a cash and stock transaction valued at \$37.2 million.
- Premier shareholders will be able to elect their choice of consideration (all stock, all cash, or a mixture thereof) subject to the total consideration mixture consisting of 51% in BancorpSouth's stock (NYSE: BXS) based on a fixed exchange ratio and the remaining 49% of the total consideration in cash. Existing Premier stock options are to be converted into BancorpSouth options upon closing.
- The transaction value of \$37.2 million (which equates to 4.0x Premier's book value and tangible book value, and more than 34x Premier's trailing twelve months earnings) represents the fourth highest price ever received by a Tennessee bank based on a price to book multiple, and the ninth highest on a price to earnings multiple.
- BancorpSouth will move up to 8th in overall TN deposit market share, with 35 branches in the state.
- BancorpSouth's LPO in Brentwood will be combined with Premier's operations.

### Pro Forma Branch Map



### Transaction Pricing

Aggregate Deal Price (\$million)	\$37.2
Announced Date	9/17/2004
Anticipated Closing Date	Q4 2004
Form of Consideration	51% Stock / 49% Cash
Consideration Structure	Fixed Exchange (Stock Portion)
Price-to-Tangible Book Value	4.0x
Price-to-Book Value	4.0x
Price-to-12 Months Trailing Earnings	34.3x
Premium-to-Core Deposits	31.9%
Price-to-Total Assets	24.6%

### Pro Forma - Market Share - Tennessee

Rank	Institution	Branch Count	Deposits in Market (\$000)	Market Share (%)
1	First Horizon National Corp. (TN)	175	15,222,299	17.6
2	SunTrust Banks Inc. (GA)	224	11,636,085	13.4
3	AmSouth Bancorp. (AL)	183	9,260,504	10.7
4	Regions Financial Corp. (AL)	217	8,495,133	9.8
5	Bank of America Corp. (NC)	91	5,945,462	6.9
6	U.S. Bancorp (MN)	55	1,720,531	2.0
7	Home Federal Bank of TN (TN)	21	1,264,703	1.5
<b>8</b>	<b>BancorpSouth Inc. (MS) - Pro Forma</b>	<b>35</b>	<b>1,234,931</b>	<b>1.4</b>
9	BB&T Corp. (NC)	49	1,127,771	1.3
10	Wachovia Corp. (NC)	14	910,997	1.1
11	Greene County Bancshares Inc. (TN)	38	860,996	1.0
12	First South Bancorp Inc. (TN)	29	855,751	1.0
13	Fifth Third Bancorp (OH)	12	802,417	0.9
14	First Farmers Merchants Corp. (TN)	21	753,160	0.9
15	Wilson Bank Holding Company (TN)	17	707,647	0.8
16	Synovus Financial Corp. (GA)	13	705,207	0.8
17	CIVITAS BankGroup (TN)	20	641,876	0.7
18	First Citizens Bancshares Inc. (TN)	20	555,945	0.6
19	Community First Bshrs Inc. (TN)	22	502,087	0.6
20	Independent Southern (TN)	9	476,299	0.6
21	Trustmark Corp. (MS)	16	451,802	0.5
22	First Citizens Bancorp (TN)	17	419,841	0.5
23	Cavalry Bancorp Inc. (TN)	10	416,031	0.5
24	First Volunteer Corporation (TN)	21	411,523	0.5
25	Security Bncp of TN Inc. (TN)	21	401,432	0.5

### Buyer and Seller Financial Information (as of 6/30/2004)

	<b>BancorpSouth</b>	<b>Premier</b>
Headquarters	Tupelo, MS	Brentwood, TN
Ticker	BXS	NA
States of Operation	MS(109),AR(46),TN(34),AL(20),TX(16),LA(12)	TN(1)
Total Branches	237	1
Total Assets (\$000)	10,670,323	150,997
Total Deposits (\$000)	8,789,246	130,219
Core Deposits (\$000)	6,986,086	87,194
Total Equity (\$000)	852,910	9,346
Tangible Equity (\$000)	767,869	9,346
LTM Net Income (\$000)	121,182	1,084
LTM ROAA (%)	1.17	0.88
LTM ROAE (%)	13.89	9.85
Efficiency Ratio (%)	64.58	60.37
Non-Interest Income /AA (%)	1.70	0.89
Non-Current Loans / Loans (%)	0.50	0.28
Equity Ratio (%)	0.06	7.25