

M&A Transaction Announcement

First South Bank Agrees to be Acquired by Simmons Bank

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Transaction Profile



Has agreed to be acquired by



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Olsen Palmer LLC served as Exclusive Financial Advisor to Hardeman County Investment Company, Inc. and its subsidiary First South Bank

November 17, 2016

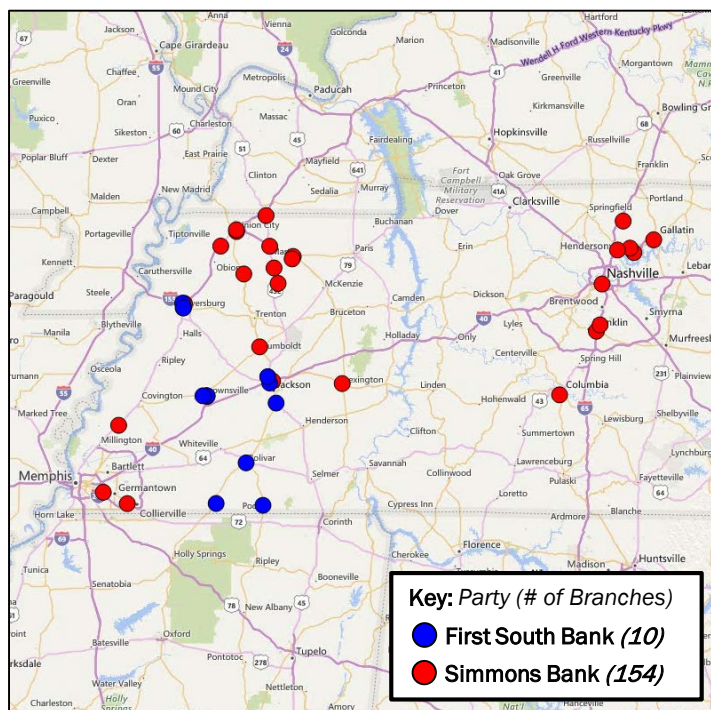
Olsen Palmer is pleased to announce that First South Bank ("FSB") and its parent Hardeman County Investment Company, Inc. ("HCIC") have agreed to be acquired by Simmons First National Corporation ("Simmons") for \$76.5 million to be paid in a combination of Simmons stock and cash.

Under the terms of the agreement, each share of HCIC stock will be exchanged for 4.8393 shares of Simmons stock and \$181.47 in cash. Completion of the transaction, which is subject to HCIC shareholder approval, regulatory approvals, and other customary closing conditions, is expected in the first quarter of 2017.

Founded in 1903, First South Bank has total assets of \$462 million and operates 10 branches across 4 Tennessee counties. Simmons (NASDAQ: SFNC) is a financial holding company, headquartered in Pine Bluff, Arkansas, with total assets of \$8.2 billion and locations in Arkansas, Kansas, Missouri and Tennessee.

Olsen Palmer LLC served as exclusive financial advisor and issued a Fairness Opinion to HCIC. This is the 11th whole-bank or branch M&A transaction announced or completed in the past 2 years in which Olsen Palmer has served as advisor.

Branch Footprint



Transaction Summary and Valuation Multiples

Transaction Date	November 17, 2016
Anticipated Closing Date	Q1 2017
Aggregate Consideration Value	\$76.5 million
Form of Consideration	~60% Stock/40% Cash
Price / Tangible Common Equity	1.84x
Price / LTM Net Income	18.8x
Price as % of Seller Assets	16.6%
Tangible Book Premium / Core Deposits	9.7%

Financial and Operating Summary

Location	Jackson, Tennessee
Year Established	1906
CEO	C. Hunter Simmons
Branches	10
FTE	126
Assets (\$mm)	\$461.9
ROAA (LTM)	0.91%
Efficiency Ratio (LTM)	67.9%
NPAs / Assets	0.49%

Note: Transaction value and valuation multiples reflect Simmons closing price on 11/17/16. Where applicable, HCIC and FSB data tax-effected to account for "S" tax election. Data as of Q3 2016; Source: SNL Financial

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Olsen Palmer LLC is a nationally-recognized investment banking firm that specializes in advising community banks across the full spectrum of Mergers & Acquisitions.

By design, we take an independent approach: nimble, high-touch, and conflict-free.

Specializing in buy-side M&A advisory, sell-side M&A advisory, valuations, fairness opinions, branch acquisitions and divestitures, and Board-level assessments of strategic options.

For more information, please visit www.OlsenPalmer.com.

Olsen Palmer M&A Expertise

Olsen Palmer LLC is a Leading M&A Advisor to Independent Banks

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Library of
Recent Bank M&A
Transactions

Advised Seller



Has agreed to be
acquired by



November 17, 2016

Advised Seller



Has agreed to be
acquired by



July 21, 2016

Advised Acquirer



Has acquired
3 Branches from



May 13, 2016

Advised Acquirer



Has acquired
4 Branches from



April 1, 2016

Advised Seller



Has been acquired by

F&M Bancorp, Inc.

November 6, 2015

Advised Acquirer



Has acquired



September 25, 2015

Advised Seller



Has been acquired by



September 11, 2015

Advised Acquirer



Has acquired



August 31, 2015

Advised Acquirer



Has acquired



April 30, 2015

Advised Seller



Has been acquired by



March 6, 2015

Advised Acquirer



Has acquired



October 1, 2014

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