

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>Home BancShares, Inc.</b>		2 Issuer's employer identification number (EIN) <b>71-0682831</b>	
3 Name of contact for additional information <b>Randy Mayor, Chief Financial Officer</b>		4 Telephone No. of contact <b>(501) 328-4657</b>	
5 Email address of contact <b>rmayor@homebancshares.com</b>		6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>719 Harkrider, Suite 100</b>	
7 City, town, or post office, state, and Zip code of contact <b>Conway, AR 72032</b>		8 Date of action <b>10-24-2013</b>	
9 Classification and description <b>Exchange of Liberty Bancshares, Inc. stock for Home BancShares, Inc. stock in merger</b>			
10 CUSIP number <b>436893200</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>HOMB</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On October 24, 2013, Home BancShares, Inc. ("Home"), parent company of Centennial Bank ("Centennial"), completed its acquisition of Liberty Bancshares, Inc. ("Liberty"), parent company of Liberty Bank of Arkansas ("Liberty Bank"), pursuant to an agreement and plan of merger whereby a wholly-owned acquisition subsidiary ("Acquisition Sub") of Home merged with and into Liberty, resulting in Liberty becoming a wholly-owned subsidiary of Home. Immediately thereafter, Liberty Bank was merged into Centennial. Under the terms of the Agreement and Plan of Merger dated June 25, 2013 by and among Home, Centennial, Liberty, Liberty Bank and Acquisition Sub, Home issued approximately 8,764,242 shares of its common stock valued at approximately \$290.1 million, plus \$30.0 million in cash in exchange for all of the outstanding shares of Liberty common stock.

Pursuant to the merger, each Liberty shareholder received 7.4591 shares of Home common stock, plus \$25.53 cash, for each share of Liberty owned at the time of the merger. Cash was paid in lieu of fractional shares. The closing date of October 24, 2013, is the relevant date for measuring each Liberty shareholder's interest and the value of the Home stock was based on the volume-weighted average closing price of the Home stock as reported on NASDAQ for the 20 trading days immediately prior to the closing date (the "Average Closing Price").

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ \_\_\_\_\_

The aggregate basis in the Home share(s) received in the exchange generally will equal the aggregate basis in the corresponding Liberty share(s) that were surrendered in the exchange, reduced by the basis allocated to the fractional shares, if any, decreased by the amount of cash received in the merger and increased by the amount of gain recognized in the merger.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ As of the closing date, the Average Closing Price of each share of Home common stock was \$30.96. For each share of Liberty stock owned on the closing date, a former Liberty shareholder received 7.4591 shares of Home common stock, plus \$25.53 cash. A Liberty shareholder's aggregate basis in the Home shares received equals that shareholder's aggregate basis in the Liberty stock surrendered in the merger. To compute the basis in the share(s) of Home stock received in the merger, a former Liberty shareholder would divide the basis in the corresponding Liberty share(s) surrendered by 7.4591 (the number of Home shares received in the merger for each share of Liberty). This amount is then reduced by the amount of basis allocated to the fractional shares received by the former Liberty shareholders. The adjusted basis amount is further reduced by the amount of cash received by the former Liberty shareholders (\$25.53 per share of Liberty stock owned by such shareholder) and increased by any gain recognized on the transaction.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 354(a), 356, 368(a), 358 and 1223(1) of the Internal Revenue Code provide for the results described on Lines 15 and 16 above.

**18** Can any resulting loss be recognized? ▶ Loss will generally not be recognized by any Liberty shareholder.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The relevant date for purposes of determining tax basis and related information is October 24, 2013, the date on which the merger become effective. The corresponding tax year is the relevant tax year for such determinations.

If the shareholders have differing bases with respect to the Liberty common stock exchanged, the shareholders should consult with their tax advisor in order to correctly compute the tax basis of the Home common stock received pursuant to the merger.

Any information disclosed in this return should not be considered, used or relied upon as tax advice on the tax treatment of the transaction, and each shareholder of Home common stock should consult their tax advisor as to the resulting tax consequences of the transaction.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶  Date ▶ 12/3/13  
 Print your name ▶ **Randy Mayor** Title ▶ **Chief Financial Officer**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Jennifer R. Pierce	<u></u>	12-2-13		P00962611
Firm's name ▶	Firm's EIN ▶		Phone no.	
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.	71-0261429		(501) 688-8800	
Firm's address ▶ 425 W. Capitol Ave., Suite 1800, Little Rock, AR 72201				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054