

**FDIC-Assisted Acquisition**

**Wakulla Bank**

**October 1, 2010**



**NASDAQ: HOMB**

**[www.homebancshares.com](http://www.homebancshares.com)**

# Forward Looking Statements

This presentation contains forward-looking statements that relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements contained herein reflect our current views about future events and financial performance and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause our actual results to differ significantly from historical results and those expressed in any forward-looking statement. Some factors that could cause actual results to differ materially from historical or expected results include: factors listed in the Company's 10-K as filed with the Securities and Exchange Commission; changes in general economic conditions, either nationally or locally in the areas in which we conduct or will conduct our business; inflation, interest rate, market and monetary fluctuations; increases in competitive pressures among financial institutions and businesses offering similar products and services; higher defaults on our loan portfolio than we expect; changes in management's estimate of the adequacy of the allowance for loan losses; legislative or regulatory changes or changes in accounting principles, policies or guidelines; management's estimates and projections of interest rates and interest rate policy; the execution of our business plan; and other factors affecting the financial services industry generally or the banking industry in particular.

We do not intend and disclaim any duty or obligation to update or revise any industry information or forward-looking statements set forth in this presentation to reflect new information, future events or otherwise.



# Transaction Overview

- Purchased and assumed select assets and liabilities from the FDIC of Wakulla Bank
  - All non-performing loans and OREO are excluded from the transaction; certain securities are also excluded
  - Certain brokered deposits and all FHLB borrowings are also excluded from the transaction
- Acquired approximately \$353 million in assets & assumed approximately \$355 million in deposits
- Loss share protection on approximately \$222 million of covered loans
- Acquired branches will operate as Centennial Bank, a wholly-owned subsidiary of Home BancShares, Inc.
- Branches normally open on Saturday will be open under regular business hours on Saturday, October 2



# Strategic Opportunity

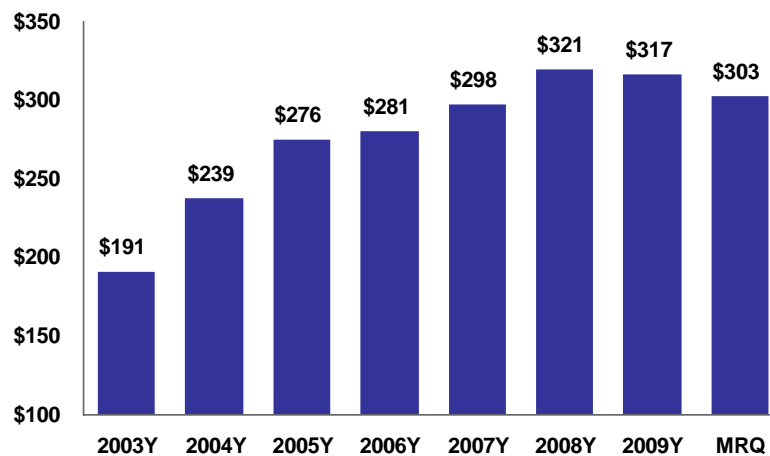
- Natural extension of current Florida footprint
  - Complements recent Panhandle transactions (Coastal Community / Bayside Savings)
  - Expands existing Florida branch network by 12 branches
  - Popular long-time vacation destination for many Arkansans
  - Entry into Tallahassee market - greater economic stability
- Financially compelling transaction – immediately accretive to:
  - Net income
  - Earnings per share
  - Book value
  - Tangible book value
- Leverages a portion of our excess capital



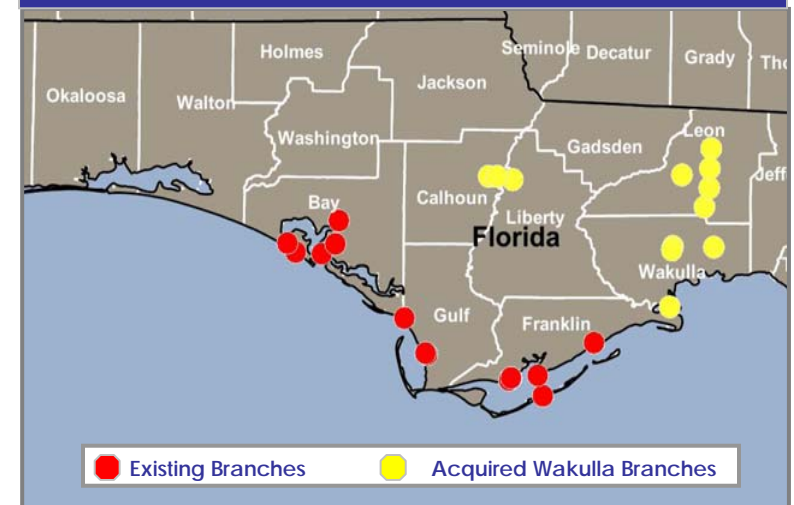
# Overview of Wakulla Bank

- Established on October 1, 1974 as Wakulla County State Bank, changing its name to Wakulla Bank on February 1, 1994
- 12 full service locations across four Florida counties – Calhoun, Leon, Liberty, and Wakulla counties
- Core funded franchise with top 5 aggregate market share across its counties of operations

Core Deposits (\$mm)



Pro Forma Panhandle Branch Network



Source: Core deposits defined as total deposits less jumbo time deposits  
MRQ as of 6/30/10



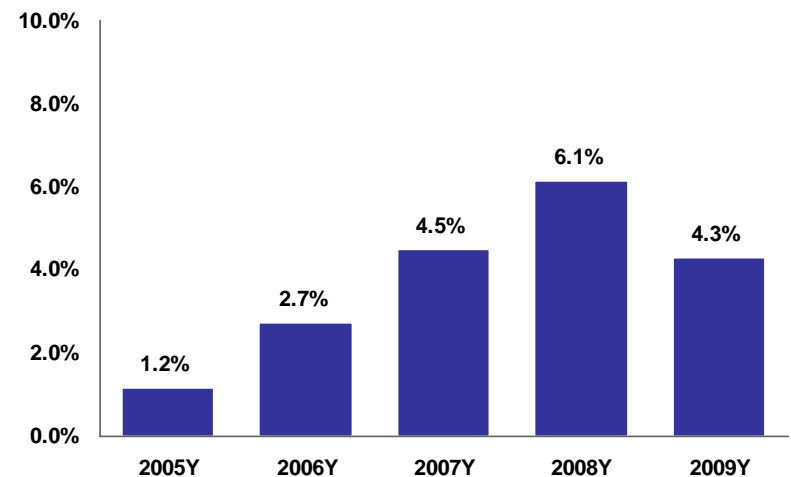
# Deposit Market Share

- Ranked 5th with aggregate market share of 8.4% for all four counties<sup>(1)</sup>
  - Ranked 1 or 2 in Wakulla, Calhoun, and Liberty counties; ranked top 10 in Leon county
- Steady increase in market share over the past five years
- Top 2 deposit market share among community banks in combined counties of operation

## Deposit Market Share <sup>(1)</sup>

Rank	Institution	Branches	Deposits (\$mm)	Market Share
1	Capital City Bank	18	\$768	14.8%
2	SunTrust Banks	10	640	12.3
3	Wells Fargo	9	599	11.5
4	Bank of America	8	447	8.6
<b>5</b>	<b>Wakulla Bancorp</b>	<b>12</b>	<b>438</b>	<b>8.4</b>
6	Hancock Holding	7	402	7.7
7	Regions Financial	6	361	6.9
8	Synovus Financial	4	330	6.3
9	Premier Bank	6	290	5.6
10	FMB Banking	6	202	3.9

## Deposit Market Share <sup>(1)</sup> Growth



Source: SNL Financial

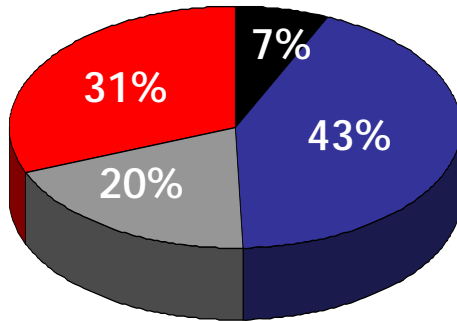
(1) Deposit market share for Wakulla counties of operation as of 6/30/09



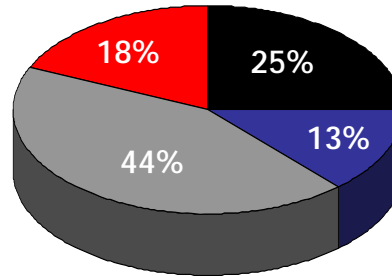
# Deposit Composition

(Dollars in Millions)

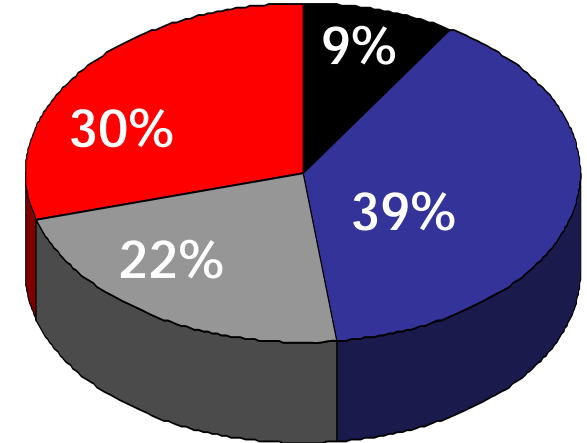
HOMB<sup>(1)</sup>



Wakulla



HOMB – Pro Forma



- Transaction Accounts
- Jumbo Time Deposits
- Money Market & Savings
- Retail Time Deposits

	HOMB <sup>(1)</sup>	Acquired Deposits	HOMB Pro Forma
Transaction Accounts	\$ 174	\$ 89	\$ 263
Money Market & Savings	1,109	47	1,156
Retail Time Deposits	510	154	664
Jumbo Time Deposits	808	65	873
	<b>\$ 2,601</b>	<b>\$ 355</b>	<b>\$ 2,956</b>

(1) HOMB pro forma for previously announced acquisitions of Coastal Community and Bayside Savings Bank



# Loan Composition

(Dollars in Millions)

Loan Type	HOMB <sup>(2)</sup> (6/30/10)	Acquired Amount <sup>(3)</sup> (6/30/10)	HOMB Pro-forma Total	% of Pro-forma Total Loans
<b>Commercial RE</b> (Non-farm/non-residential & agri.)	\$1,022	\$56	\$1,078	39%
<b>Construction/Land Development</b>	532	55	587	21%
<b>Residential Real Estate</b>	603	64	667	24%
<b>Commercial &amp; Industrial <sup>(1)</sup></b>	286	45	331	12%
<b>Consumer</b>	42	21	63	2%
<b>Other</b>	29	3	32	1%
<b>Total</b>	<b>\$2,514</b>	<b>\$244</b>	<b>\$2,758</b>	<b>100%</b>

(1) Includes Agricultural

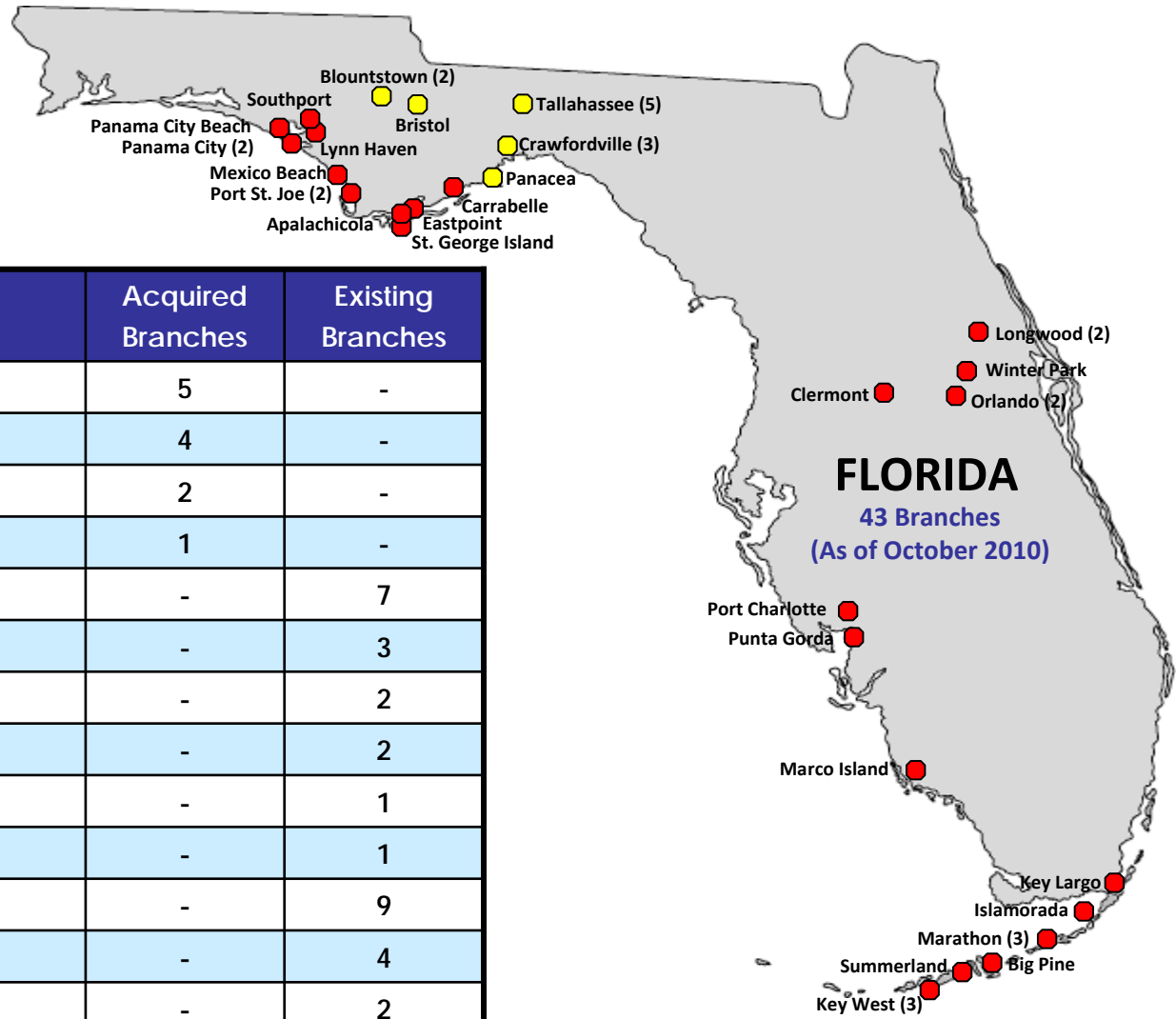
(2) HOMB pro forma for previously announced acquisitions of Coastal Community and Bayside Savings Bank before loan discounts and FDIC receivables

(3) Before loan discounts and FDIC receivables





# Florida Pro-Forma Footprint



Branch Locations	Acquired Branches	Existing Branches
Leon County, FL	5	-
Wakulla County, FL	4	-
Calhoun County, FL	2	-
Liberty County, FL	1	-
Bay County, FL	-	7
Franklin County, FL	-	3
Gulf County, FL	-	2
Charlotte County, FL	-	2
Collier County, FL	-	1
Lake County, FL	-	1
Monroe County, FL	-	9
Orange County, FL	-	4
Seminole County, FL	-	2
<b>Total</b>	<b>12</b>	<b>31</b>

● Existing Branch Locations    
 ● Acquired Branch Locations



# Florida Deposit Market Share

Home BancShares Inc. Pro-Forma

(Dollars in Millions)

Selected Markets	Branch Count	HOMB Pro-forma Deposits (6/30/09)	Total Deposits in Market	Deposit Market Share Rank	Deposit Market Share %
Wakulla County, FL	4	\$203	\$278	1	73.2%
Leon County, FL	5	194	4,754	10	4.1
Calhoun County, FL	2	26	129	2	20.1
Liberty County, FL	1	15	42	2	34.8
Bay County, FL	7	214	2,475	4	8.7
Franklin County, FL	4	117	260	1	45.1
Gulf County, FL	2	78	235	2	33.1
Key West-Marathon, FL MSA	9	206	2,226	3	9.3
Port Charlotte/Punta Gorda	2	15	2,499	11	0.6
Naples - Marco Island MSA	1	21	11,325	30	0.2
Lake County, FL	1	83	5,032	10	1.6
Orange County, FL	4	200	21,824	16	0.9
Seminole County, FL	2	88	6,258	15	1.4

Source: FDIC as of 6/30/09



# Historical Acquisitions

Year	Acquired Bank	Location	Assets (\$mm)
2003	Community Bank	Cabot, AR	\$326
2005	Twin City Bank	North Little Rock, AR	\$633
2005	Marine Bank	Marathon, FL	\$258
2005	Bank of Mountain View	Mountain View, AR	\$203
2008	Centennial Bank	Little Rock, AR	\$234
2010	Old Southern Bank	Orlando, FL	\$335
2010	Key West Bank	Key West, FL	\$97
2010	Coastal Community Bank	Panama City, FL	\$362
2010	Bayside Savings Bank	Port Saint Joe, FL	\$63

**FDIC**

**FDIC**

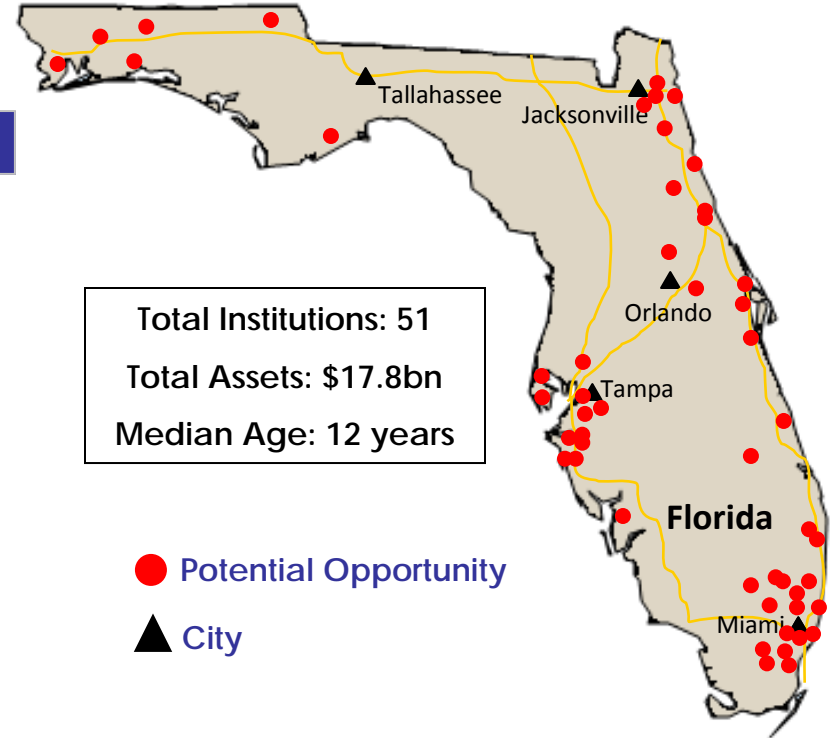
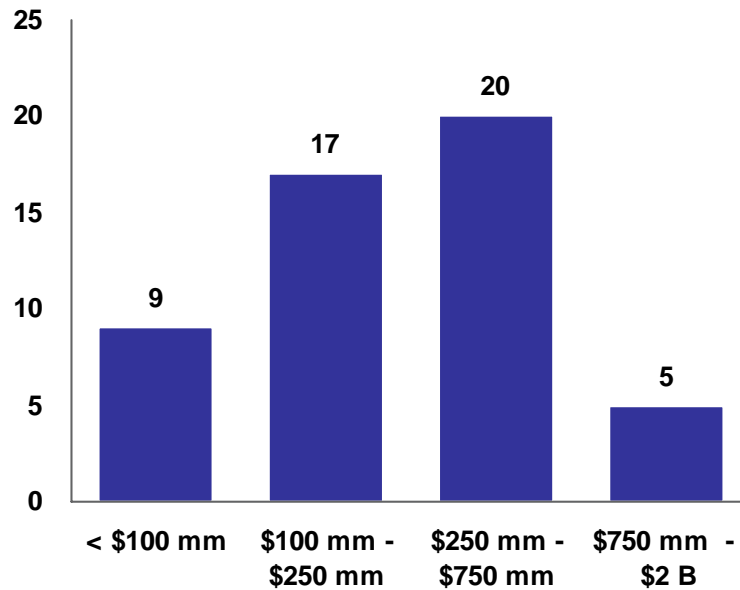
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# Potential Future Opportunities

Potential Opportunities Asset Size Distribution



Source: SNL Financial

Includes regulated depositories headquartered in Florida with assets less than \$2.0 billion and Texas Ratio greater than 100% as of 6/30/2010.

# Conclusion

- Significantly enhances Florida franchise
  - Acquisition provides scale in Florida Panhandle
  - Logical extension of existing HOMB franchise
- Financially attractive transaction
  - Accretive to earnings, book value, tangible book value with conservative assumptions
  - Non performing loans, other real estate owned and FHLB borrowings excluded from the transaction
- Acquisition is consistent with HOMB's operating strategy
  - Stable core deposit base in Arkansas enhanced by higher-growth Florida markets
- Seamless integration expected
  - HOMB has formed a dedicated team to lead the integration process for its FDIC-Assisted transactions in Florida



# Contact Information

## Corporate Headquarters

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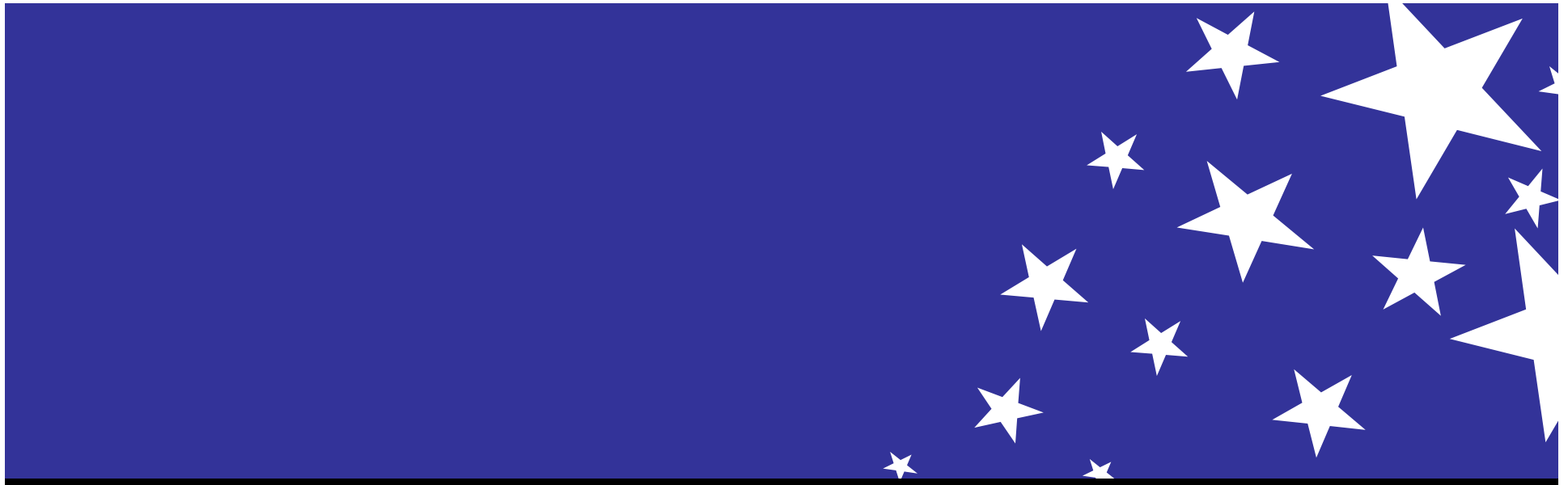
## Financial Information

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## Website

[www.homebancshares.com](http://www.homebancshares.com)





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