

SIMMONS FIRST NATIONAL CORP

Form 8-K

April 21, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Exchange Act of 1934

Date of Report (Date of earliest event reported) April 21, 2005

SIMMONS FIRST NATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Arkansas
(State or other jurisdiction
of incorporation)

0-6253
(Commission
File Number)

71-0407808
(I.R.S. Employer
Identification No.)

501 Main Street, Pine Bluff, Arkansas
(Address of principal executive offices)

71601
(Zip Code)

(870) 541-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM: 2.02

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following is the text of a press release issued by the registrant at 8:20 A.M. Central Standard Time on April 21, 2005.

SIMMONS FIRST ANNOUNCES RECORD FIRST QUARTER EARNINGS

Pine Bluff, AR Simmons First National Corporation (NASDAQ NM: SFNC) today announced record first quarter earnings for the period ended March 31, 2005. Net income for the quarter was \$5,860,000, a \$449,000, or 8.3% increase over net income of \$5,411,000 for the first quarter of 2004. Diluted earnings per share were \$0.40 for the first quarter of 2005 compared to \$0.37 per share for the same period in 2004, an increase of 8.1%.

With first quarter earnings at a record level, we are obviously pleased with the results. More importantly, we are pleased with the positive trend that we are seeing in increased demand in our loan pipeline, said J. Thomas May, Chairman and Chief Executive Officer. The increase in earnings over the same quarter last year is primarily attributable to an improvement in the Company's net interest margin, achieved through growth in loans and from the reduction in interest expense associated with the prepayment of \$17.3 million of trust preferred securities on December 31, 2004.

The Company's loan portfolio totaled \$1.6 billion at March 31, 2005, an increase of \$82 million, or 5.5% over the same period last year. The growth was attributable to increased demand the Company experienced in its construction, residential and commercial real estate loan portfolios. Deposits were \$2.0 billion at March 31, 2005, an \$84 million, or 4.3% increase from March 31, 2004.

Total assets were \$2.4 billion at March 31, 2005, an increase of \$48 million over the quarter ended March 31, 2004. Stockholders' equity at March 31, 2005 was \$232 million, a \$2.6 million increase from March 31, 2004.

Asset quality for the first quarter continued to strengthen as non-performing assets decreased by \$5.1 million from the same period last year, a 28% decrease. Non-performing loans to total loans improved to 0.75% from 1.05% from the same period last year, while the allowance for loan losses improved to 223% of non-performing loans as of March 31, 2005 compared to 170% as of March 31, 2004. At quarter end, the allowance for loan losses equaled 1.67% of total loans.

Net interest income for the first quarter of 2005 increased 9.8% to \$22,093,000 compared to \$20,115,000 for the first quarter of 2004. Net interest margin, on a fully taxable equivalent basis, was 4.17% in the first quarter of 2005 compared to 4.03% in the first quarter of 2004, an increase of 14 basis points.

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Simmons First National Corporation is an Arkansas based, Arkansas committed financial holding company with eight community banks in Pine Bluff, Lake Village, Jonesboro, Rogers, Searcy, Russellville, El Dorado and Hot Springs, Arkansas. The Company's eight banks conduct financial operations from 77 offices, of which 75 are financial centers, in 44 communities.

CONFERENCE CALL

Management will conduct a conference call to review this information at 3:00 p.m. CDT (4:00 p.m. EDT) on Thursday, April 21, 2005. Interested parties can listen to this call by calling 1-800-854-4175 (United States and Canada only) and ask for the Simmons First National Corporation conference call. A recorded playback of the call will be available the next morning by calling 1-800-642-1687. The passcode for this playback is 4977640 and the recording will be available through the end of business May 20, 2005. In addition, the call will also be available live or in recorded version on the Company's website at www.simmonsfirst.com under the "webcast" icon.

GENERAL

Statements in this press release that are not historical facts should be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements of this type speak only as of the date of this news release. By nature, forward-looking statements involve inherent risk and uncertainties. Various factors, including, but not limited to, economic conditions, credit quality, interest rates, loan demand and changes in the assumptions used in making the forward-looking statements, could cause actual results to differ materially from those contemplated by the forward-looking statements. Additional information on factors that might affect Simmons First National Corporation's financial results is included in its Form 10-K filing with the Securities and Exchange Commission.

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FOR MORE INFORMATION CONTACT:

ROBERT A. FEHLMAN

Senior Vice President and Chief Financial Officer

Simmons First National Corporation

(870) 541-1231

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Simmons First National Corporation
Consolidated End of Period Balance Sheets
For the Quarters Ended
(In thousands)

SFNC

	<u>Mar 31</u> <u>2005</u>	<u>Dec 31</u> <u>2004</u>	<u>Sep 30</u> <u>2004</u>	<u>Jun 30</u> <u>2004</u>	<u>Mar 31</u> <u>2004</u>
ASSETS					
Cash and non-interest bearing balances due from banks	\$ 67,615	\$ 72,032	\$ 77,944	\$ 79,555	\$ 69,234
Interest bearing balances due from banks	22,030	36,249	11,273	12,660	51,747
Federal funds sold	56,580	45,450	17,300	41,555	83,660
Cash and cash equivalents	146,225	153,731	106,517	133,770	204,641
Investment securities	558,984	542,058	563,581	555,414	544,723
Mortgage loans held for sale	11,641	9,246	11,153	9,094	13,327
Assets held in trading accounts	4,718	4,916	2,149	389	205
Loans	1,586,483	1,571,376	1,602,127	1,543,163	1,504,173
Allowance for loan losses	(26,422)	(26,508)	(27,602)	(27,268)	(26,764)
Net loans	1,560,061	1,544,868	1,574,525	1,515,895	1,477,409
Premises and equipment	57,685	57,211	55,027	51,614	51,306
Foreclosed assets held for sale, net	1,340	1,839	1,789	1,641	2,509
Interest receivable	15,276	14,248	15,361	12,797	13,683
Goodwill	60,454	60,454	60,454	60,432	59,454
Core deposit premiums	5,621	5,829	6,035	6,243	6,330
Other assets	20,505	19,544	21,692	23,224	21,275
TOTAL ASSETS	\$ 2,442,510	\$ 2,413,944	\$ 2,418,283	\$ 2,370,513	\$ 2,394,862
LIABILITIES					
Non-interest bearing transaction accounts	\$ 296,347	\$ 293,137	\$ 287,632	\$ 298,556	\$ 291,594
Interest bearing transaction accounts and savings deposits	773,365	769,296	749,492	746,595	727,258
Time deposits less than \$100,000	562,171	539,836	547,510	545,551	552,606
Time deposits greater than \$100,000	376,478	356,926	357,566	340,368	353,344
Total deposits	2,008,361	1,959,195	1,942,200	1,931,070	1,924,802
Federal funds purchased and securities sold under agreements to repurchase	89,991	104,785	96,384	70,656	88,491
Short-term debt	907	2,373	13,763	11,665	6,257
Long-term debt - parent company	6,000	6,000	6,000	8,000	8,000
Long-term FHLB debt - affiliate banks	55,583	57,733	59,775	56,077	58,543
Subordinated debt issued to capital trusts	30,930	30,930	48,714	48,714	48,714
Accrued interest and other liabilities	18,466	14,706	15,993	16,721	30,440
TOTAL LIABILITIES	2,210,238	2,175,722	2,182,829	2,142,903	2,165,247
STOCKHOLDERS EQUITY					
Capital stock	144	146	146	146	147
Surplus	56,315	62,826	62,659	63,044	64,399
Undivided profits	180,075	176,374	172,726	167,864	163,625
Accumulated other comprehensive (loss) income					
Unrealized (depreciation) appreciation on AFS securities	(4,262)	(1,124)	(77)	(3,444)	1,444

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TOTAL STOCKHOLDERS EQUITY	<u>232,272</u>	<u>238,222</u>	<u>235,454</u>	<u>227,610</u>	<u>229,615</u>
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	<u>\$ 2,442,510</u>	<u>\$ 2,413,944</u>	<u>\$ 2,418,283</u>	<u>\$ 2,370,513</u>	<u>\$ 2,394,862</u>

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Simmons First National Corporation
Consolidated Average Quarter-to-Date Balance
Sheets
For the Quarters Ended
(In thousands)

SFNC

	Mar 31 2005	Dec 31 2004	Sep 30 2004	Jun 30 2004	Mar 31 2004
ASSETS					
Cash and non-interest bearing balances due from banks	\$ 77,862	\$ 85,375	\$ 77,139	\$ 75,206	\$ 73,961
Interest bearing balances due from banks	35,027	38,498	13,817	33,677	60,587
Federal funds sold	52,022	60,033	36,389	46,206	83,915
Cash and cash equivalents	164,911	183,906	127,345	155,089	218,463
Investment securities - held-to-maturity	149,986	171,402	178,537	180,143	176,139
Investment securities - available-for-sale	404,127	383,325	378,591	374,576	321,009
Mortgage loans held for sale	8,532	9,682	10,211	12,512	7,946
Assets held in trading accounts	4,234	5,510	236	734	622
Loans	1,575,329	1,570,724	1,577,821	1,529,321	1,434,915
Allowance for loan losses	(27,004)	(27,823)	(27,648)	(27,325)	(25,936)
Net loans	1,548,325	1,542,901	1,550,173	1,501,996	1,408,979
Premises and equipment	57,538	56,128	52,508	51,287	49,892
Foreclosed assets held for sale, net	1,468	1,728	1,798	1,841	2,597
Interest receivable	14,398	14,854	13,852	13,349	12,433
Goodwill and core deposit premiums	66,199	66,401	66,603	65,859	52,401
Other assets	19,147	21,719	22,734	22,439	20,597