

Edgar Filing: POCAHONTAS BANCORP INC - Form 425

POCAHONTAS BANCORP INC

Form 425

August 09, 2006

Filed by IBERIABANK Corporation Pursuant to Rule 425 under the Securities Act of 1933, as amended and deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934, as amended

Subject Companies: Pulaski Investment Corporation  
Pocahontas Bancorp, Inc.

Commission File No: 000-25756  
000-23969

IBERIABANK Corporation  
Acquisition of  
Pulaski Investment Corporation  
August 9, 2006

2  
Forward Looking Statements  
Forward Looking Statements  
Safe Harbor and 425 Language  
Safe Harbor and 425 Language  
Statements  
contained

in  
this  
presentation  
which  
are  
not  
historical  
facts  
and  
which  
pertain  
to  
future  
operating  
results  
of  
IBERIABANK  
Corporation  
and  
its  
subsidiaries  
constitute  
forward-looking  
statements  
within  
the  
meaning  
of  
the  
Private  
Securities  
Litigation  
Reform  
Act  
of  
1995.  
These  
forward-looking  
statements  
involve  
significant  
risks  
and  
uncertainties.  
Actual  
results  
may  
differ  
materially  
from

the  
results  
discussed  
in  
these  
forward-looking  
statements.

Factors  
that  
might  
cause  
such  
a  
difference  
include,  
but  
are  
not  
limited

to,  
those  
discussed  
in  
the  
Company's  
periodic  
filings  
with  
the  
SEC.

In  
connection  
with  
the  
proposed  
merger,  
IBERIABANK  
Corporation  
will  
file  
a  
Registration  
Statement  
on  
Form  
S-4  
that  
will  
contain  
a

proxy  
statement/prospectus.  
INVESTORS  
AND  
SECURITY  
HOLDERS  
ARE  
URGED  
TO  
CAREFULLY  
READ  
THE  
PROXY  
STATEMENT/PROSPECTUS  
REGARDING  
THE  
PROPOSED  
TRANSACTION  
WHEN  
IT  
BECOMES  
AVAILABLE,  
BECAUSE  
IT  
WILL  
CONTAIN  
IMPORTANT  
INFORMATION.

Investors  
and  
security  
holders  
may  
obtain  
a  
free  
copy  
of  
the  
proxy  
statement/prospectus  
(when  
it  
is  
available)  
and  
other  
documents  
containing  
information

about  
IBERIABANK  
Corporation  
and  
Pulaski,  
without  
charge,  
at  
the  
SEC's  
web  
site  
at  
[HTTP://www.sec.gov](http://www.sec.gov).  
Copies  
of  
the  
proxy  
statement/prospectus  
and  
the  
SEC  
filings  
that  
will  
be  
incorporated  
by  
reference  
in  
the  
proxy  
statement/prospectus  
may  
also  
be  
obtained  
for  
free  
by  
directing  
a  
request  
to:  
Investor  
Relations-12  
th-  
Floor,  
IBERIABANK  
Corporation,

200  
West  
Congress  
Street,  
Lafayette,  
LA,  
70501,  
Phone:  
(337)  
521-4788,  
Fax:  
(337)  
521-4021.

This  
communication  
is  
not  
an  
offer  
to  
purchase  
shares  
of  
Pulaski  
common  
stock,  
nor  
is  
it  
an  
offer  
to  
sell  
shares  
of  
IBERIABANK  
Corporation  
common  
stock  
which  
may  
be  
issued  
in  
any  
proposed  
merger  
with  
Pulaski.  
Any

issuance  
of  
IBERIABANK  
Corporation  
common  
stock  
in  
any  
proposed  
merger  
with  
Pulaski  
would  
have  
to  
be  
registered  
under  
the  
Securities  
Act  
of  
1933,  
as  
amended,  
and  
such  
IBERIABANK  
Corporation  
common  
stock  
would  
be  
offered  
only  
by  
means  
of  
a  
prospectus  
complying  
with  
the  
Act.

3  
Presentation Outline  
Presentation Outline  
Our Stated Strategic Focus  
Our Stated Strategic Focus  
Pulaski Background  
Pulaski Background

Arkansas

Arkansas

Pulaski Offices & Markets Served

Pulaski Offices & Markets Served

Summary Of Pulaski Businesses

Summary Of Pulaski Businesses

Merger Proposal

Merger Proposal

Strategic & Financial Implications

Strategic & Financial Implications

4

IBERIABANK Corporation

IBERIABANK Corporation

Our Stated Strategic Focus

Our Stated Strategic Focus

Organic Growth, Supplemented With Acquisitions

Organic Growth, Supplemented With Acquisitions

Focus On Markets With Competitive Advantage;  
Focus On Markets With Competitive Advantage;  
Primarily Louisiana, But Consider AR And MS  
Primarily Louisiana, But Consider AR And MS  
Basic Blocking & Tackling  
Basic Blocking & Tackling  
Banking  
Banking  
Balanced And Conservative Approach  
Balanced And Conservative Approach  
Operate Close To Our Clients & Hire Great People  
Operate Close To Our Clients & Hire Great People  
Relationships & People / Not Facilities & Products  
Relationships & People / Not Facilities & Products  
Partner When Fits --  
Partner When Fits --  
Strategic, Cultural & Financial  
Strategic, Cultural & Financial  
Shareholder-Focused And Opportunistic  
Shareholder-Focused And Opportunistic

5  
Pulaski Investment Corp.  
Pulaski Investment Corp.  
Background  
Background

6

Pulaski

Pulaski

Background

Background

Pulaski Investment Corp. (AR Holding Company); Primary

Pulaski Investment Corp. (AR Holding Company); Primary

Sub Is Pulaski Bank & Trust (AR Bank) And 6 Bank Subs:

Sub Is Pulaski Bank & Trust (AR Bank) And 6 Bank Subs:

Pulaski Mortgage Company

Pulaski Mortgage Company

Lenders Title Company

Lenders Title Company

Pulaski Insurance Agency, Inc.

Pulaski Insurance Agency, Inc.

Three Other Small Subsidiaries

Three Other Small Subsidiaries

Commenced Operations In 1956 In Little Rock, AR

Commenced Operations In 1956 In Little Rock, AR

Started Title Business In 1987; Acquisition Expansion

Started Title Business In 1987; Acquisition Expansion

Acquired Trust Powers In 1974; New HQ Building In 1978

Acquired Trust Powers In 1974; New HQ Building In 1978

11 AR Offices: Little Rock (8), North Little Rock (2), and

11 AR Offices: Little Rock (8), North Little Rock (2), and

Bryant (Suburb of LR); 2 Offices Near Memphis (Cordova

Bryant (Suburb of LR); 2 Offices Near Memphis (Cordova

And Germantown-Opening In Late 2006).

And Germantown-Opening In Late 2006).

LPOs In Fayetteville, AR And Southaven, MS

LPOs In Fayetteville, AR And Southaven, MS

7

Pulaski

Pulaski

Background (Continued)

Background (Continued)

Jim East Acquired Controlling Interest In 1973

Jim East Acquired Controlling Interest In 1973

East Family Controls 92% Of Outstanding Shares \$491  
East Family Controls 92% Of Outstanding Shares \$491  
Million In Assets And \$393 Million In Deposits  
Million In Assets And \$393 Million In Deposits  
2005 Net Income Of \$6.3 Million; \$2.0 Million YTD 2006  
2005 Net Income Of \$6.3 Million; \$2.0 Million YTD 2006  
523 Employees  
523 Employees  
\$6 Million Trust Preferred At Average Cost Of 10.875%  
\$6 Million Trust Preferred At Average Cost Of 10.875%  
Exceptional Asset Quality  
Exceptional Asset Quality  
Generally Balanced Interest Rate Risk Position  
Generally Balanced Interest Rate Risk Position

8  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Balance Sheet  
Balance Sheet

At December 31,

Assets

2001

2002

2003

2004

2005

6/30/06

Cash and deposits

14,970

\$

23,095

\$

15,610

\$

18,115

\$

28,118

\$

19,108

\$

Investment Securities

27,888

62,052

68,663

44,106

76,476

60,399

Cash and investments

42,858

85,147

84,273

62,221

104,594

79,507

Construction and land loans

36,788

31,854

31,726

48,892

77,293

n.a.

1-4 family mortgage loans

86,790

100,123

71,247

99,935

101,924

n.a.

Multi-family mortgage loans

3,000

2,737

5,871

4,968

9,408

n.a.

Non-residential RE loans

31,039

47,138

64,252

76,241

72,500

n.a.

Commercial business loans

35,934

33,421

31,667

29,555

25,465

n.a.

Consumer loans

74,826

45,487

51,952

61,937

39,724

n.a.

Other adjustments

1,214

1,560

1,194

2,021

6,361

n.a.

Loan loss reserves

(3,009)

(2,890)

(3,041)

(3,359)

(4,345)

n.a.

Loans receivable, net

266,582

259,430

254,868

320,190

328,330

373,930

Premises and equipment

8,887

10,227

12,634

21,918

23,841

23,319

Real estate owned

793

1,059

979

24

323

71

Investment in subsidiaries

-

-

-

-

-

186

Mortgage servicing rights

5

3

5

71

46

46

Goodwill and intangibles

1,191

967

1,132

1,074

1,135

1,129

Other assets

12,497

11,681

13,496

13,602

13,362

14,523

Total assets

332,813

\$

368,514

\$

367,387

\$

419,100

\$

471,631

\$

492,711

\$

Liabilities and Equity

Deposits

281,309

\$  
310,521  
\$  
308,213  
\$  
318,305  
\$  
395,771  
\$  
393,041  
\$  
Other borrowed money  
19,015  
  
17,500  
  
12,191  
  
44,289  
  
20,494  
  
53,029  
  
Other liabilities  
5,187  
  
6,256  
  
8,830  
  
21,124  
  
15,345  
  
6,007  
  
Total liabilities  
305,511  
  
334,277  
  
329,234  
  
383,718  
  
431,610  
  
452,077

Preferred stock

-

-

-

-

-

-

Common stock

1,009

1,009

1,009

1,309

1,309

1,309

Retained earnings

20,048

26,424

31,076

34,308

39,132

40,372

Unrealized G/(L) on securities

245

804

68

(235)

(420)

(1,047)

Total equity  
21,302

28,237

32,153

35,382

40,021

40,634

Total liabilities and equity

332,813

\$

368,514

\$

367,387

\$

419,100

\$

471,631

\$

492,711

\$

Memo Items

Tangible equity

20,111

27,270

31,021

34,308

38,886

39,505

Loans serviced for others

0

1,397

2,648

19,176

19,355

n.a.

9  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Income Statement  
Income Statement

Calendar Year Ended December 31,

Quarter Ended

2001

2002

2003

2004

2005

6/30/05

9/30/05

12/31/05

3/31/06

6/30/06

Interest income

25,662

\$23,371

\$23,542

\$21,846

\$27,619

\$6,771

\$7,384

\$7,493

\$7,346

\$8,207

Interest expense

9,183

5,971

4,433

4,229

7,820

1,912

2,197

2,323

2,577

3,128

Net interest income

16,479

17,400

19,109

17,617

19,799

4,859

5,187

5,170

4,769

5,079

Loan loss provision

1,310

400

720

838

1,783  
291  
372  
880  
0  
0  
Net int income after prov  
15,169  
17,000  
18,389  
16,779  
18,016  
4,568  
4,815  
4,290  
4,769  
5,079  
Total non-interest income  
24,470  
34,391  
37,437  
30,941  
39,165  
8,394  
9,100  
14,444  
7,189  
8,767  
Operating expenses:  
  Compensation & benefits  
20,693  
24,208  
30,031  
26,461  
29,055  
6,977  
7,443  
8,048  
7,022  
7,289  
  Occupancy expense  
4,490  
4,253  
4,483  
4,806  
5,954  
1,445  
1,647  
1,457  
1,621

1,556  
Goodwill amortization  
122  
166  
6  
3  
3  
1  
0  
1  
1  
1  
Other expenses  
6,625  
8,501  
9,054  
8,613  
11,973  
2,795  
3,199  
3,417  
2,265  
2,798  
Total operating expenses  
31,930  
37,128  
43,574  
39,883  
46,985  
11,218  
12,289  
12,923  
10,909  
11,644  
Income before taxes  
7,709  
14,263  
12,636  
7,837  
10,196  
1,744  
1,626  
5,811  
1,049  
2,202  
Taxes  
2,758  
5,217  
4,515  
3,101

3,867

703

628

2,122

414

846

Reported net income

\$4,951

\$9,046

\$8,121

\$4,736

\$6,329

\$1,041

\$998

\$3,689

\$635

\$1,356

10  
Pulaski Background  
Pulaski Background  
Financials -  
Financials -  
Ratios  
Ratios

Calendar Year

Quarter Ended

2001

2002

2003

2004

2005

12/31/04

3/31/05

6/30/05

9/30/05

12/31/05

Average assets

308,785

\$

345,358

\$

381,027

\$

385,116

\$

450,129

\$

419,842

\$

424,883

\$

441,349

\$

465,558

\$

468,724

\$

Average equity

20,161

26,141

31,698

33,511

36,191

35,335

35,448

34,416

36,513

38,387

Return on assets (ROA)

1.60%

2.62%

2.13%

1.23%

1.41%

0.85%

0.57%

0.94%

0.86%

3.15%

Return on equity (ROE)

24.56%

34.60%

25.62%

14.13%

17.49%

10.06%

6.78%

12.10%

10.93%

38.44%

Interest-rate spread

5.27%

5.15%

5.11%

4.80%

4.74%

4.74%

4.68%

5.00%

4.51%

4.67%

Net interest margin

6.01%

5.63%

5.45%

5.12%

5.01%

5.06%

5.00%

4.94%

4.99%

5.11%

Efficiency ratio

77.7%

71.4%

77.6%

82.1%

79.7%

85.5%

89.4%

84.6%

86.0%

65.9%

Effective tax rate

35.8%

36.6%

35.7%

39.6%

37.9%

39.9%

40.8%

40.3%

38.6%

36.5%

Net charge-offs/avg. loans

0.30%

0.23%

0.22%

0.18%

0.23%

0.24%

0.17%

0.22%

0.17%

0.36%

Loans 90+ days/gross loans

0.03%

0.02%

0.03%

0.03%

0.04%

0.03%

0.03%

0.02%

0.03%

0.04%

Non-performing assets/assets

0.87%

0.39%

0.35%

0.12%

0.39%

0.12%

0.13%

0.12%

0.21%

0.39%

Loan loss reserves/loans

1.12%

1.10%

1.18%

1.04%

1.31%

1.04%

1.03%

0.99%

1.02%

1.31%

GAAP capital/total assets

6.40%

7.66%

8.75%

8.44%

8.49%

8.44%

8.29%

7.93%

7.89%

8.49%

GAAP tangible capital/assets

6.04%

7.40%

8.44%

8.19%

8.25%

8.19%

8.05%

7.70%

7.66%

8.25%

Leverage ratio

8.10%

8.72%

9.98%

9.68%

9.69%

9.68%

9.62%

9.40%

9.05%

9.69%

Total risk-based capital ratio

11.60%

14.59%

15.25%  
13.91%  
14.84%  
13.91%  
13.70%  
12.96%  
13.05%  
14.84%

11  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Balance Sheet Trends  
Balance Sheet Trends

12  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Income Trends  
Income Trends

13  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Yield/Margin Trends  
Yield/Margin Trends

14  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Asset Quality Trends  
Asset Quality Trends

15  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Loan Composition  
Loan Composition

16  
Pulaski Background  
Pulaski Background  
Financials  
Financials  
Funding Composition  
Funding Composition

17  
Pulaski Background  
Pulaski Background  
Leadership And Ownership  
Leadership And Ownership  
Ownership  
Class A

Class B  
Total  
%Total  
%Total  
(Voting)  
(Nonvoting)  
(Combined)  
(Voting)  
(Combined)  
Jim East & FLP  
107,388  
  
1,724,794  
  
1,832,182  
  
88.4%  
75.1%  
Hunter East  
-  
  
315,577  
  
315,577  
  
0.0%  
12.9%  
Mark Williamson & FL  
6,530  
  
124,070  
  
130,600  
  
5.4%  
5.4%  
East Family Trust  
4,556  
  
86,565  
  
91,121  
  
3.8%  
3.7%  
All Others  
2,940  
  
66,936

69,876

2.4%

2.9%

Total Shares

121,414

2,317,942

2,439,356

100.0%

100.0%

Officers

Current

Officer

Age

Title

Started

Role

Jim East

67

Chairman

1962

1973

Hunter East

42

CEO

1986

2000

Bob Magee

55

President & CFO

1976

2000

Charles Quick

55

Mtg President

1971

1996

Michael Pryor

52

Title Pres. & CEO

1995

1999

18  
Arkansas

19  
A  
Little Rock  
B  
NW Arkansas  
C  
Jonesboro

D  
Ft. Smith  
E  
Texarkana  
F  
Pine Bluff  
G  
Hot Springs  
F  
E  
D  
C  
B  
A  
G  
Searcy  
W. Memphis  
Batesville  
Mountain Home  
Arkadelphia  
El Dorado  
Conway  
Russellville  
Helena

20  
AR Metropolitan Markets

21  
AR & LA Markets -  
Deposits  
\$17.4  
\$10.9  
\$9.3  
\$6.3

\$4.4  
\$4.0  
\$3.8  
\$3.7  
\$2.5  
\$2.1  
\$2.1  
\$2.0  
\$1.6  
\$-  
\$2.0  
\$4.0  
\$6.0  
\$8.0  
\$10.0  
\$12.0  
\$14.0  
\$16.0  
\$18.0  
\$ Billion Deposits  
New Orleans  
Little Rock, AR  
Baton Rouge  
NW Arkansas  
Lafayette  
Shreveport  
Northshore  
Ft. Smith, AR  
Houma-Thibodaux  
Lake Charles  
Monroe  
Jonesboro, AR  
Alexandria

22  
AR MSA Population  
MSA Population  
1.3%  
-0.2%  
0.9%  
0.6%

0.6%

3.1%

1.1%

0

50,000

100,000

150,000

200,000

250,000

300,000

350,000

400,000

450,000

500,000

550,000

600,000

650,000

700,000

Little Rock

NW Ark

Ft. Smith

Texarkana

Jonesboro

Pine Bluff

Hot Springs

2002

2003

23  
AR Metro Market Comparison  
Summary Demographic Data  
MSAs With Populations Greater  
Than 100,000  
State  
Total

Population  
 2005  
 Pop.  
 Change  
 2000-05 (%)  
 Proj.  
 Change  
 2005-10 (%)  
 Median  
 HH Income  
 2005  
 HH Inc.  
 Chg 2000-05  
 (%)  
 Proj. HH  
 Inc. Change  
 2005-10 (%)  
 1  
 New Orleans, LA  
 LA

1,346,180  
 2.3  
 2.7  
 \$ 40,716  
 15.3  
 15.4

2  
 Memphis, TN-MS-AR  
 MS

1,285,063  
 6.6  
 7.0  
 45,866  
 15.8  
 15.8

3  
 Oklahoma City, OK  
 OK

1,156,464  
 5.6  
 5.4  
 43,940  
 19.4  
 18.1

4  
 Tulsa, OK  
 OK

901,400  
 4.9  
 4.3

45,008

19.7

18.2

5

Baton Rouge, LA

LA

745,951

5.7

6.1

42,812

14.4

15.1

6

Little Rock-North Little Rock, AR

AR

653,153

7.0

7.5

47,104

21.0

22.6

7

Jackson, MS

MS

521,356

4.9

5.3

42,500

13.8

14.7

8

Fayetteville-Springdale-Rogers, AR

AR

402,550

16.0

15.7

43,503

20.0

20.8

9

Shreveport-Bossier City, LA

LA

385,145

2.4

2.5

37,838

14.0

13.7

10

Fort Smith, AR-OK

AR  
 282,362  
     3.4  
     2.4  
    37,557  
     19.1  
     19.0

11  
 Gulfport-Biloxi, MS  
 MS  
 259,348  
     5.3  
     5.0  
    39,168  
     10.8  
     11.3

12  
 Lafayette, LA  
 LA  
 250,607  
     4.8  
     5.0  
    40,338  
     13.7  
     13.5

13  
 Lake Charles, LA  
 LA  
 200,064  
     3.4  
     3.4  
    40,132  
     13.7  
     12.9

14  
 Houma-Thibodaux, LA  
 LA  
 199,943  
     2.8  
     2.1  
    39,588  
     12.8  
     11.5

15  
 Monroe, LA  
 LA  
 172,452  
     1.4  
     1.7  
    36,036

13.6  
 14.0  
 16  
 Pascagoula, MS  
 MS  
 158,977  
 5.6  
 5.0  
 42,790  
 11.3  
 11.2  
 17  
 Alexandria, LA  
 LA  
 147,988  
 2.0  
 0.5  
 33,511  
 12.4  
 13.0  
 18  
 Texarkana, TX-Texarkana, AR  
 AR  
 133,498  
 2.9  
 1.7  
 38,691  
 19.8  
 19.2  
 19  
 Hattiesburg, MS  
 MS  
 129,129  
 4.3  
 4.3  
 34,416  
 12.1  
 12.6  
 20  
 Tupelo, MS  
 MS  
 128,479  
 2.6  
 1.8  
 38,292  
 11.4  
 11.2  
 21  
 Lawton, OK  
 OK

113,783  
    (1.1)  
    (0.9)  
    39,464

16.2  
16.6  
22  
Jonesboro, AR  
AR  
113,249

    5.1  
    5.4  
    37,884  
    21.8  
    22.3

23  
Pine Bluff, AR  
AR  
106,804

    (0.5)  
    (1.1)  
    38,099  
    21.7  
    22.2

24  
Meridian, MS  
MS  
105,940

    (0.6)  
    (0.5)  
    32,713  
    10.8  
    12.4

25  
Hammond, LA  
LA  
105,107

    4.5  
    3.5  
    32,939  
    12.3  
    12.9

Source: ESRI

24  
Arkansas  
Arkansas  
Large Construction Projects  
Large Construction Projects  
20 Largest Commercial Projects In Arkansas  
Source: Arkansas Business, February 13, 2006

Rank

Project

Location

Region

Valuation

1.

St. Mary's Health of NW Arkansas

Rogers

NW

89.0

\$

2.

Tyson Food Discovery Center

Springdale

NW

50.0

3.

Richard Sheppard Arnold US Courthouse

Little Rock

Central

49.1

4.

Pinnacle Hills Promenade

Rogers

NW

42.0

5.

Mount Magazine Lodge

Logan County

West

32.0

6.

Turtle Creek Mall

Jonesboro

NE

30.5

7.

Aviation Support Facility, AR Nat Guard

N. Little Rock

Central

30.0

8.

ASU Student Union Building

Jonesboro

NE  
29.0

9.  
300 Third Condominium  
Little Rock  
Central  
29.0

10.  
Church at Pinnacle Hills  
Rogers  
NW  
26.0

11.  
Medium Security Prison Phase 3  
Malvern  
Central  
26.0

12.  
North AR Regional Medical Center Patient Tower  
Harrison  
NW  
25.0

13.  
U of A Center For Academic Excellence  
Fayetteville  
NW  
25.0

14.  
Van Buren School Addition  
Van Buren  
West  
24.3

15.  
Dickey-Stephens Field  
N. Little Rock  
Central  
23.0

16.  
Alcoa Exchange Shopping Center  
Bryant  
Central  
22.0

17.  
ASU Residential Housing  
Jonesboro  
NE  
20.5

18.  
Bentonville High School Phase 2  
Bentonville  
NW  
20.0

19.  
NW AR Community College Student Center  
Rogers  
NW  
20.0

20.  
Pleasant Grove Apartments  
Rogers  
NW  
20.0

Pulaski Investment Corp.  
Pulaski Investment Corp.  
Markets & Office Locations  
Markets & Office Locations

26  
DALLAS  
FAYETTEVILLE  
ST LOUIS  
JONESBORO  
LITTLE ROCK  
SHREVEPORT  
ACADIANA

NEW ORLEANS  
BATON ROUGE  
MEMPHIS  
MONROE  
PULASKI  
MARKETS  
AND OFFICES

Legend

Pulaski Branches

PMC Branches

Lenders Title Branches

First Community Branches

IBERIABANK Branches Under Construction

IBERIABANK Branches

IBERIABANK LPO

27  
Saint Louis Metro Area  
Kansas City  
Memphis  
Memphis  
Tulsa  
Tulsa

Little Rock

Little Rock

Fort Smith

Fort Smith

Springfield

Springfield

Legend

Pulaski Branches

PMC Branches

Lenders Title Branches

First Community Branches

Pocahontas

PULASKI AND POCAHONTAS MARKETS

Little Rock, AR

29

Little Rock, Arkansas

Little Rock, Arkansas

Population: 650,000

Median HH Income: \$47,000

MSA Population Grew 7% From  
2000 To 2005 And Expected To  
Grow 7.5% Through 2010

2  
nd  
Most Diverse Economy In U.S.  
(Moody's)

22  
nd  
Of 200 Best Places in  
America for Business and Careers  
(Forbes)

One Of  
50 Hottest Cities Of 2005  
For Business Expansion  
(Expansion Magazine)

MSA Counties:

Pulaski

Faulkner

Grant

Lonoke

Perry

Saline

HQs: Alltel, Acxiom,  
Dillard's, Stephens, Nuvel  
Financial Services

University Of Arkansas  
Medical School And  
Affiliates Have Annual  
Economic Impact Of \$4.1  
Billion

Little Rock National Airport  
(LIT) -  
Arkansas' Largest  
Airport, Serving 2.1 million  
Passengers Annually.

30  
Little Rock Largest Employers  
Employer  
Product  
Employees  
1.  
State of Arkansas

Government  
28,100  
2.  
Federal Government  
Government  
9,400  
3.  
University of Arkansas for Medical Sciences  
Education/Medical Services  
8,500  
4.  
Pulaski County Public School Districts  
Education  
7,868  
5.  
Baptist Health  
Medical Services  
7,571  
6.  
Little Rock Air Force Base  
Government  
4,500  
7.  
Acxiom  
Data Processing  
4,388  
8.  
St. Vincent Infirmiry Medical Center  
Medical Services  
3,500  
9.  
Entergy Arkansas  
Utility (Electric)  
2,881  
10.  
Central Arkansas Veterans Healthcare System  
Medical Services  
2,785  
11.  
Alltel Corp.  
Telecommunications  
2,734  
12.  
Arkansas Children s Hospital  
Medical Services  
2,503  
13.  
Dillard s  
Department Store  
2,400

- 14.  
Arkansas Blue Cross Blue Shield  
Insurance  
2,163
- 15.  
University of Arkansas at Little Rock  
Education  
2,150
- 16.  
AT&T  
Utility (Telephone)  
1,600
- 17.  
Union Pacific Railroad  
Transportation  
1,227
- 18.  
Fidelity Information Services  
Data Processing  
1,000

31  
Conway  
Conway  
Russellville  
Russellville  
Ward  
Ward

Beebe  
Beebe  
Maumelle  
Maumelle  
Morrilton  
Morrilton  
Hot Springs Village  
Hot Springs Village  
Lonoke  
Lonoke  
England  
England  
Hot Springs  
Little Rock  
Legend  
Pulaski Branches  
PMC Branches  
Lenders Title Branches  
LITTLE ROCK: PULASKI OFFICES

32  
LITTLE ROCK (2004 MEDIAN HOUSEHOLD INCOME)

33  
Little Rock  
Little Rock  
Area  
Area  
Deposit  
Deposit

Market Share

Market Share

Source: FDIC Data at June 30, 2005

Source: FDIC Data at June 30, 2005

Rank

Institution

Type

Offices

2005 Deps

(\$000)

2005 Mkt

Share

2004 Deps

(\$000)

2004 Mkt

Share

Pulaski, AR

1

Bank of America Corp. (NC)

Bank

17

1,358,812

19.7

1,300,958

20.0

2

Regions Financial Corp. (AL)

Bank

21

1,225,131

17.8

1,185,752

18.3

3

Rogers Bancshares Inc. (AR)

Bank

28

828,628

12.0

733,181

11.3

4

Bank of the Ozarks Inc. (AR)

Bank

14

562,598

8.2

508,677

7.8

5

Home Bancshares Inc. (AR)

Bank

19

534,525

7.8

403,411

6.2

6

U.S. Bancorp (MN)

Bank

18

412,019

6.0

464,427

7.2

7

Arvest Bank Group Inc. (AR)

Bank

17

376,963

5.5

408,976

6.3

8  
Pulaski Investment Corp. (AR)  
Bank  
10  
328,404

4.8

305,939

4.7

9  
OneFinancial Corporation (AR)  
Bank  
9  
251,606

3.7

221,985

3.4

10  
First Arkansas Bancshares Inc. (AR)  
Bank  
8  
149,941

2.2

145,567

2.2

11  
Arkansas Bankers' Bancorp (AR)  
Bank  
1  
123,507

1.8

177,845

2.7

12

Little Rock Bankshares Inc. (AR)

Bank

4

114,948

1.7

88,846

1.4

13

National Banking Corp. (AR)

Bank

6

106,217

1.5

106,401

1.6

14

Capital Bancshares Inc. (AR)

Bank

2

98,147

1.4

90,192

1.4

15

BancorpSouth Inc. (MS)

Bank

3

96,879

1.4

105,713

1.6

16

Delta Trust and Banking Corp (AR)

Bank

3  
81,586

1.2  
80,899

1.3  
17  
State Holding Company (AR)  
Bank  
7  
80,853

1.2  
71,594

1.1  
18  
Simmons First National Corp. (AR)  
Bank  
7  
76,289

1.1  
77,024

1.2  
19  
Centennial Bancshares Inc (AR)  
Bank  
2  
46,576

0.7  
-

-

20  
First Security Bancorp (AR)  
Bank  
4  
25,280

0.4

NA

NA

21

Acme Holding Company Inc. (AR)

Bank

2

12,646

0.2

13,958

0.2

22

MHBC Investments Lmted (AR)

Bank

1

7,179

0.1

3,251

0.1

23

Summit Bancorp Inc. (AR)

Bank

2

2,669

0.0

-

-

24

Peoples Home Holding Inc (AR)

Bank

1

-

-

NA

NA

Total For Institutions In Market

206

6,901,403

100.0

6,496,114

100.0

Saline, AR

1

Regions Financial Corp. (AL)

Bank

4

214,175

29.9

232,089

32.6

2

Union Bcschs of Benton Inc. (AR)

Bank

6

171,508

24.0

179,068

25.2

3

Rogers Bancshares Inc. (AR)

Bank

3

73,424

10.3

63,340

8.9

4

Arvest Bank Group Inc. (AR)

Bank

2

69,808

9.8

71,310

10.0

5

MNB Bancshares Inc. (AR)

Bank

3

64,350

9.0

69,223

9.7

6

Bank of the Ozarks Inc. (AR)

Bank

3

46,592

6.5

30,584

4.3

7

Summit Bancorp Inc. (AR)

Bank

2

41,927

5.9

38,456

5.4

8

Rock Bancshares Inc. (AR)

Thrift

1

11,562

1.6

12,465

1.8

9

U.S. Bancorp (MN)

Bank

1

10,201

1.4

8,309

1.2

10

Pulaski Investment Corp. (AR)

Bank

1

9,124

1.3

6,189

0.9

11

Southern State Bancshares Inc (AR)

Bank

1

3,075

0.4

-

-

12

OneFinancial Corporation (AR)

Bank

1

310

0.0

580

0.1

Total For Institutions In Market

28

716,056

100.0

711,613

100.0

34  
Northwest, AR  
(Fayetteville-Springdale-Rogers)

35

Northwest Arkansas

Population: Over 350,000

The 6th Fastest Growing  
Region In U.S.

47% Population Increase  
In The 1990s

60% Employment Growth  
In The Last Decade

Unemployment Rate  
Among Lowest In U.S.

Cities Include:

Bentonville

Fayetteville

Rogers-Lowell

Siloam Springs

Springdale  
[www.nwark.org](http://www.nwark.org)

Medium HH Inc: \$41,037

Unemployment Rate 2.6%

Home of University of Arkansas

The Presence Of Major  
Corporate Leaders Like Wal-  
Mart, Tyson Foods, And J.B.  
Hunt Attracts Satellite Offices  
For Other Large Corporations,  
Including IBM And Proctor &  
Gamble

36

Best Places For Business &  
Careers #9 (*Forbes*, 2006)

#8 Hottest Places For Job  
Creation (Milken's, 2005)

Featured In "Lifestyle Magazine", "Southern Living" and "The Best Towns in America" - A Where-To-Go Guide For A Better Life

The Presence Of Major Corporate Leaders Like Wal-Mart, Tyson Foods, And J.B. Hunt Attracts Satellite Offices For Other Large Corporations, Including IBM And Proctor & Gamble

Best Places 2005 (Ranked 7th)

Top MSA In Income Growth

4th  
Fastest Job Growth  
(Forbes)

CNN/Money Magazine  
Ranked Best Places To Live  
in 2006

#3 Best Cities for Doing  
Business (*Inc. Magazine*,  
2006)

#9 Best Places for Business  
(Forbes Magazine, 2006)  
Northwest Arkansas  
(Continued)

37  
Rogers  
Harrison  
Yellville  
Springdale  
Greenbrier  
Prairie Grove

Mountain Home

Conway

Bentonville

Russellville

Fayetteville

Legend

PMC Branches

Lenders Title Branches

NW ARKANSAS: PULASKI OFFICES

38  
§  
:  
:  
540  
§  
:

|

540

§

..

|

540

Fayetteville

Rogers

Springdale

Bentonville

Bella Vista

NW ARKANSAS (2004 MEDIAN HOUSEHOLD INCOME)

Legend

Pulaski Branches

PMC Branches

Lenders Title Branches

2004 Median Household Income

\$80,001 - \$250,000

\$60,001 - \$80,000

\$40,001 - \$60,000

\$25,001 - \$40,000

\$0 - \$25,000

39  
Memphis, TN  
(Memphis-Germantown-Cordova, TN;  
Southaven-Olive Branch-Hernando, MS;  
W. Memphis, AR)

40

Memphis, Tennessee

County Seat Of Shelby County

Population: 680,000

Largest City In The State

17th

Largest City In The Nation

2nd

Largest City In The Southeast

\$2.3 Billion Tourism Industry

3rd

Largest Casino Cluster In U.S.

HQs: FedEx, AutoZone, Fred's Stores

153 Major Projects Announced In  
2005 Adding 9,500 New Jobs

Ranked 16th

Of 50 Hottest Cities

In

2005 For Relocating Or Expanding  
Companies

Memphis MSA Population 1,230,000

2nd

Largest MSA In Tenn. (41st  
In US)

Median HH Income: \$32,385

Tennessee Counties:

Shelby

Tipton

Fayette

Mississippi Counties:

DeSoto

Marshall

Tate

Tunica

Arkansas County:

Crittendon

41  
Hernando  
Hernando  
Memphis  
Cordova  
Germantown  
Memphis

Cordova  
Hernando  
Southaven  
Olive Branch  
West Memphis  
Legend  
Pulaski Branches  
PMC Branches  
Lenders Title Branches  
MEMPHIS; PULASKI OFFICES

42  
Memphis  
Olive Branch  
Southaven  
Bartlett  
Germantown  
Horn Lake

Collierville

§

..

|

40

§

..

|

55

§

..

|

240

§

..

|

55

§

..

|

40

Legend

Pulaski Branches

PMC Branches

Lenders Title Branches

2004 Median Household Income

\$80,001 - \$250,000

\$60,001 - \$80,000

\$40,001 - \$60,000

\$25,001 - \$40,000

\$0 - \$25,000

MEMPHIS (2004 MEDIAN HOUSEHOLD INCOME)

43  
Memphis  
Memphis  
Area  
Area  
Deposit  
Deposit

Market

Market

Share

Share

Source: FDIC Data at June 30, 2005

Source: FDIC Data at June 30, 2005

Rank

Institution

Type

Offices

2005 Deps

(\$000)

2005 Mkt

Share

2004 Deps

(\$000)

2004 Mkt

Share

Shelby, TN

1

First Horizon National Corp. (TN)

Bank

50

14,826,455

63.8

9,650,893

42.2

2

Regions Financial Corp. (AL)

Bank

62

3,103,742

13.4

4,622,745

20.2

3

SunTrust Banks Inc. (GA)

Bank

37

1,035,162

4.5

4,611,223

20.2

4

Bank of America Corp. (NC)

Bank

17

762,375

3.3

603,007

2.6

5

Independent Holdings Inc (TN)

Bank

5

400,044

1.7

374,188

1.6

6

West Tennessee Bancshares (TN)

Bank

8

367,595

1.6

339,836

1.5

7

Synovus Financial Corp. (GA)

Bank

7

351,081

1.5

334,533

1.5

8

Trustmark Corp. (MS)

Bank

12

270,316

1.2

267,450

1.2

9

BancorpSouth Inc. (MS)

Bank

8

268,923

1.2

283,743

1.2

10

Cadence Financial Corp. (MS)

Bank

4

220,877

1.0

238,840

1.0

11

Renasant Corp. (MS)

Bank

4

213,732

0.9

185,493

0.8

12

Financial Fedcorp Inc. (TN)

Thrift

1

204,982

0.9

213,669

0.9

13

First Trust Bk for Svgs FSB (TN)

Thrift

2

159,985

0.7

128,259

0.6

14

CIVITAS BankGroup (TN)

Bank

4

136,634

0.6

136,843

0.6

15

Wachovia Corp. (NC)

Bank

6

112,265

0.5

239,346

1.1

16

Tri State Bank of Memphis (TN)

Bank

5

105,083

0.5

118,216

0.5

17

Commercial Holding Co. (TN)

Bank

3

100,833

0.4

109,909

0.5

18

Independent Southern (TN)

Bank

3

98,768

0.4

110,898

0.5

19

First Citizens Bancshares Inc. (TN)

Bank

4

96,129

0.4

72,166

0.3

20

First Alliance Bank (TN)

Bank

2

82,142

0.4

66,458

0.3

21

Security Bncp of TN Inc. (TN)

Bank

2

78,711

0.3

67,477

0.3

22

First Capital Bank (TN)

Bank

1

62,847

0.3

35,123

0.2

23

Paragon National Bank (TN)

Bank

3

51,863

0.2

NA

NA

24

Pulaski Investment Corp. (AR)

Bank

1

44,395

0.2

109

-

25

MemphisFirst Corporation (TN)

Bank

1

23,572

0.1

23,292

0.1

26

Oakland Fincl Services Inc. (TN)

Bank

1

19,902

0.1

19,368

0.1

27

Community Bancshares of MS (MS)

Bank

1

16,619

0.1

NA

NA

28

First South Bancorp Inc. (TN)

Bank

2

14,231

0.1

14,560

0.1

29

Brighton Bancorp Inc. (TN)

Bank

1  
12,376  
0.1

10,649  
0.1

30  
Community First Bshrs Inc. (TN)  
Bank  
1  
5,537  
0.0

0  
-

31  
First M & F Corp. (MS)  
Bank  
3  
0  
-

NA  
NA  
Total For Institutions In Market  
261  
23,247,176  
100.0

22,878,293  
100.0

44  
Dallas, TX

45  
Dallas,  
Texas

2004 Population: 1,210,390

9th

Largest City In U.S.

3rd  
Largest City In Texas

Among Nation's 100 Most  
Ethnically Diverse  
Communities

10 Largest Municipalities In  
The Nation

Least Densely Populated  
Major Metropolitan Area In  
The World.

Ranked Among the 7 Most  
Livable Urban Complexes In  
The World

Fastest Growing Of The Top  
36 Most Livable

Named the Best City For  
Business  
By Fortune  
Magazine In 1999

Pulaski Mortgage Offices In  
Dallas Metro Area:

Dallas, Texas

Argyle, Texas

Median HH Income:  
\$91,161

Bedford, Texas

Ardmore, Oklahoma  
th  
th  
th

46  
Dallas  
Argyle  
Bedford  
Ardmore  
DALLAS, TX  
Legend

PMC Branches  
OKLAHOMA

47  
St. Louis, MO

48

St. Louis, Missouri

Total Population: More Than 2.7 Million In Greater St. Louis

St. Charles Population: 320,734, 2nd Largest County

Nation's 18th Largest Metropolitan Area With Annual Household Income Of \$47,370

Largest Employment Sector Is Manufacturing With Nearly 12% Of Population, Following Retail Trades

Forbes Magazine Ranked St. Louis 27th Out Of 200 Best Metropolitan Areas For Cost Of Doing Business In 2006

Eight St. Louis Companies Are Listed On The Fortune 500, 21 Are Listed On The Fortune 1000

Home To Many Of The Nation's Largest Privately Held Companies, Including Enterprise Rent

A  
Car, Edward  
Jones And UniGroup  
Pulaski has locations in Swansea,  
Illinois And St. Charles, Missouri

49  
Alton  
St. Louis  
Swansea  
Saint Charles  
ST. LOUIS AREA  
Legend

PMC Branches

50  
Pulaski Businesses

51  
Pulaski Businesses  
Pulaski Businesses  
Pulaski Bank  
Pulaski Bank  
Subsidiary Of Holding Company  
Subsidiary Of Holding Company

11 Offices In Little Rock (8), North Little Rock (2),  
11 Offices In Little Rock (8), North Little Rock (2),  
And Bryant, AR. Additionally, Offices In Cordova,  
And Bryant, AR. Additionally, Offices In Cordova,  
TN And Germantown (Opening in Late 2006); 5  
TN And Germantown (Opening in Late 2006); 5  
Offices Leased  
Offices Leased  
LPOs In Fayetteville, AR And Southaven, MS  
LPOs In Fayetteville, AR And Southaven, MS  
\$85 Million In Construction Loans Outstanding (42%  
\$85 Million In Construction Loans Outstanding (42%  
NW AR, 26% Memphis, 23% Little Rock, And 8%  
NW AR, 26% Memphis, 23% Little Rock, And 8%  
MS); Total Commitments Of \$125 Million  
MS); Total Commitments Of \$125 Million  
Approximately 180 Employees  
Approximately 180 Employees

52

Pulaski Businesses

Pulaski Businesses

Pulaski Mortgage Company

Pulaski Mortgage Company

Subsidiary Of Pulaski Bank & Trust

Subsidiary Of Pulaski Bank & Trust

PMC Has One Subsidiary Bankers Home Lending  
PMC Has One Subsidiary Bankers Home Lending  
Operates In The St. Louis Area (Name Conflict)  
Operates In The St. Louis Area (Name Conflict)  
22 Offices In Arkansas (12), Mississippi (3), Texas  
22 Offices In Arkansas (12), Mississippi (3), Texas  
(3), Tennessee (2), Missouri, Illinois, And Oklahoma  
(3), Tennessee (2), Missouri, Illinois, And Oklahoma  
Founded By Jim East s Father in 1944  
Founded By Jim East s Father in 1944  
Approximately 135 Employees  
Approximately 135 Employees  
Production Of \$685 Million And Revenues Of \$16  
Production Of \$685 Million And Revenues Of \$16  
Million In 2005  
Million In 2005  
Sell Nearly All Production Into Secondary Market  
Sell Nearly All Production Into Secondary Market  
2005 Efficiency Ratio Of 83%  
2005 Efficiency Ratio Of 83%

53

Pulaski Businesses

Pulaski Businesses

Lenders Title Company

Lenders Title Company

Subsidiary Of Pulaski Bank & Trust

Subsidiary Of Pulaski Bank & Trust

Lenders Has One Subsidiary Asset Exchange, Inc.

Lenders Has One Subsidiary Asset Exchange, Inc.

20 Offices, Including 10 In Central Arkansas

20 Offices, Including 10 In Central Arkansas

Founded in 1987

Founded in 1987

Approximately 200 Employees

Approximately 200 Employees

In 2005, Closed 16,400 With Revenues Of \$16 Million

In 2005, Closed 16,400 With Revenues Of \$16 Million

2005 Efficiency Ratio Of 86%

2005 Efficiency Ratio Of 86%

54

Pulaski Businesses

Pulaski Businesses

Credit Card Business

Credit Card Business

Division Within Pulaski Bank & Trust

Division Within Pulaski Bank & Trust

Entered Credit Card Business In 1994  
Entered Credit Card Business In 1994  
High Quality National Credit Card Focus;  
High Quality National Credit Card Focus;  
Processing Nearly 40,000 Applications Annually  
Processing Nearly 40,000 Applications Annually  
Three Portfolio Sales in 1997 (\$19 Million At 20%  
Three Portfolio Sales in 1997 (\$19 Million At 20%  
Premium), 2002 (\$34 Million At 19% Premium), And  
Premium), 2002 (\$34 Million At 19% Premium), And  
4Q05 (\$34 Million At 17% Premium)  
4Q05 (\$34 Million At 17% Premium)  
2005 Net Charge-Offs/Avg. Receivables Of 1.39%  
2005 Net Charge-Offs/Avg. Receivables Of 1.39%  
At June 30, 2006, \$31 Million In Outstanding  
At June 30, 2006, \$31 Million In Outstanding  
Receivables And 0.39% Delinquencies  
Receivables And 0.39% Delinquencies  
Approximately 13 Employees  
Approximately 13 Employees

55

Pulaski Businesses

Pulaski Businesses

Trust/Investment/Insurance

Trust/Investment/Insurance

Division Within Pulaski Bank & Trust

Division Within Pulaski Bank & Trust

Granted Trust Powers In 1974

Granted Trust Powers In 1974

Affiliation With Raymond James

Affiliation With Raymond James

Offer Clients Annuities, Life Insurance, Mutual

Offer Clients Annuities, Life Insurance, Mutual

Funds, Brokerage, Retirement Planning, And Tax

Funds, Brokerage, Retirement Planning, And Tax

Management

Management

\$126 Million In Trust Assets Under Management

\$126 Million In Trust Assets Under Management

\$69 Million In Brokerage Accounts

\$69 Million In Brokerage Accounts

Approximately 8 Employees

Approximately 8 Employees

56  
Merger Proposal  
Merger Proposal  
For  
For  
Pulaski Investment  
Pulaski Investment

Corporation  
Corporation

57

Merger Proposal

Merger Proposal

Deal Overview

Deal Overview

Estimated Value Of \$130 Million (Assuming \$58.60 IBKC Price)

Estimated Value Of \$130 Million (Assuming \$58.60 IBKC Price)

Consideration:

Consideration:

50% Stock And 50% Cash Paid To Shareholders

50% Stock And 50% Cash Paid To Shareholders

Stock Portion Is Half Fixed Exchange (0.2274 Shares), And Half  
Stock Portion Is Half Fixed Exchange (0.2274 Shares), And Half  
Floating (\$13.323 Value Per Share, The Shares Of Which Will Be  
Floating (\$13.323 Value Per Share, The Shares Of Which Will Be  
Based On Future Period 15-Day Trading Average)  
Based On Future Period 15-Day Trading Average)

Anticipate Issuing Combination Of \$15 Million Trust Preferred And  
Anticipate Issuing Combination Of \$15 Million Trust Preferred And

\$50-55 Million Equity Raise

\$50-55 Million Equity Raise

No Pricing Collars

No Pricing Collars

Customary Walk-Away Provisions (12-Month, Mutual, MAC, Etc.)

Customary Walk-Away Provisions (12-Month, Mutual, MAC, Etc.)

Insiders Sign Support And Affiliate Agreements

Insiders Sign Support And Affiliate Agreements

Five Management Employment Contracts

Five Management Employment Contracts

Board Members Form Little Rock Advisory Board

Board Members Form Little Rock Advisory Board

Lock-Up Fee Of \$6.4 Million

Lock-Up Fee Of \$6.4 Million

58

Merger Proposal

Merger Proposal

Arkansas Leadership Team

Arkansas Leadership Team

Jim East (Pulaski Chairman) And Hunter East (Pulaski

Jim East (Pulaski Chairman) And Hunter East (Pulaski

CEO)  
CEO)  
3-Year Employment/Consulting Agreements;  
3-Year Employment/Consulting Agreements;  
Serve In Active Advisory Capacity  
Serve In Active Advisory Capacity  
Robert Head (IBKC)  
Robert Head (IBKC)  
Arkansas CEO  
Arkansas CEO  
Bob Magee (Pulaski)  
Bob Magee (Pulaski)  
Arkansas Chief Admin. Officer  
Arkansas Chief Admin. Officer  
Mike Pryor (Pulaski)  
Mike Pryor (Pulaski)  
CEO-Lenders Title Co.; Teana  
CEO-Lenders Title Co.; Teana  
Bradford (Pulaski) As Chief Operating Officer-Lenders  
Bradford (Pulaski) As Chief Operating Officer-Lenders  
Title Company  
Title Company  
Chuck Quick (Pulaski)  
Chuck Quick (Pulaski)  
CEO-Pulaski Mortgage Co;  
CEO-Pulaski Mortgage Co;  
David Bryles  
David Bryles  
(Pulaski) As Chief Operating Officer-  
(Pulaski) As Chief Operating Officer-  
Pulaski Mortgage Company  
Pulaski Mortgage Company  
David Doherty (IBKC)  
David Doherty (IBKC)  
Northeast AR Regional President  
Northeast AR Regional President

59

Merger Proposal

Merger Proposal

Significant Assumptions

Significant Assumptions

We Estimate Pulaski Will Earn Base Net Income Of

We Estimate Pulaski Will Earn Base Net Income Of

Approximately \$5.0 Million In 2007

Approximately \$5.0 Million In 2007

Anticipate Minimal Loan And Deposit Run-Off To  
Anticipate Minimal Loan And Deposit Run-Off To  
Occur Within The First Year, Due To Similar Clients  
Occur Within The First Year, Due To Similar Clients  
And Underwriting Approach

And Underwriting Approach

Cost Savings Phased In Over 1 Year; Expect

Cost Savings Phased In Over 1 Year; Expect

Combined Cost Savings And Revenue Enhancements

Combined Cost Savings And Revenue Enhancements

Of \$7.8 Million (Pre-Tax) Equate To 20% Of Current

Of \$7.8 Million (Pre-Tax) Equate To 20% Of Current

Operating Expense

Operating Expense

One-Time Costs Of \$12 Million (Some Capitalized)

One-Time Costs Of \$12 Million (Some Capitalized)

CDI Assumed To Be \$14 Million; 10 Years, SL Basis

CDI Assumed To Be \$14 Million; 10 Years, SL Basis

60

Merger Proposal

Merger Proposal

Pulaski Financial Impact

Pulaski Financial Impact

Excluding One-Time Merger-Related Charges, And

Excluding One-Time Merger-Related Charges, And

Assuming Capital Raise At 5% Discount, Project An  
Assuming Capital Raise At 5% Discount, Project An  
Immaterial Impact On GAAP EPS In 2006; Breakeven Or  
Immaterial Impact On GAAP EPS In 2006; Breakeven Or  
Slightly Dilutive To 2007 GAAP EPS And Slightly  
Slightly Dilutive To 2007 GAAP EPS And Slightly  
Accretive To 2007 Cash EPS  
Accretive To 2007 Cash EPS  
18% Accretive to BVS; 9% Dilutive To Tangible BVS  
18% Accretive to BVS; 9% Dilutive To Tangible BVS  
Approximately \$96 Million Of Net Goodwill Created,  
Approximately \$96 Million Of Net Goodwill Created,  
After Impact Of Estimated Marks  
After Impact Of Estimated Marks  
No Material Change In Tier 1 Leverage Ratio  
No Material Change In Tier 1 Leverage Ratio  
Internal Rate Of Return In Mid-Teens  
Internal Rate Of Return In Mid-Teens  
Pulaski Shareholders Will Own 8.5% Of Pro Forma  
Pulaski Shareholders Will Own 8.5% Of Pro Forma  
Combined Shares; Offering Equal To 6.5% Of Shares  
Combined Shares; Offering Equal To 6.5% Of Shares



61  
Merger Proposal  
Merger Proposal  
Combined Financial Statements  
Combined Financial Statements  
IBKC Corp  
Pocahontas  
Pulaski  
Adjustments  
IBKC  
6/30/2006  
6/30/2006  
6/30/2006  
Pro Forma  
Cash  
63,295  
\$  
16,172  
\$  
19,108  
\$  
(13,259)  
\$  
85,316

\$  
Securities  
619,855  
  
233,264  
  
60,399  
  
(2,250)  
  
911,268  
  
Fed Funds & Rev REPOS  
15,550  
  
-  
  
-  
  
-  
  
15,550  
  
Loans & Held for Sale  
13,459  
  
3,537  
  
-  
  
-  
  
16,996  
  
Net Loans  
1,996,717  
  
425,682  
  
373,930  
  
(5,139)  
  
2,791,190  
  
Premises and Equipment  
64,511  
  
16,138

23,319

6,930

110,898

Intangible Assets

100,068

13,441

1,129

134,272

248,910

BOLI

45,644

8,343

-

-

53,987

Other Assets

58,510

16,367

14,826

3,200

92,903

Total Assets

2,977,609

\$

732,944

\$

492,711

\$

123,754

\$

4,327,018

\$

-  
\$  
Total Deposits  
2,368,893  
\$  
534,755  
\$  
393,041  
\$  
818  
\$  
3,297,507  
\$  
Fed Funds & REPOS  
82,033  
\$  
-  
\$  
4,000  
\$  
-  
\$  
86,033  
\$  
Debt  
206,597  
\$  
125,077  
\$  
42,843  
\$  
2,551  
\$  
377,068  
\$  
Trust preferred  
37,281  
\$  
16,978  
\$  
6,186  
\$  
16,983  
\$  
77,428  
\$  
Other Liabilities  
16,423  
\$  
4,667

\$  
 6,007  
 \$  
 11,486  
 \$  
 38,583  
 \$  
 Total Liabilities  
 2,711,227  
 \$  
 681,477  
 \$  
 452,077  
 \$  
 29,088  
 \$  
 3,873,869  
 \$  
 Total Equity  
 266,382  
 \$  
 51,467  
 \$  
 40,634  
 \$  
 94,666  
 \$  
 453,149  
 \$  
 Total Liab & Equity  
 2,977,609  
 \$  
 732,944  
 \$  
 492,711  
 \$  
 123,754  
 \$  
 4,327,018  
 \$  
 Leverage Ratio  
 7.48%  
 7.37%  
 9.87%  
 -0.60%  
 7.15%  
 Tier 1 Risk Weighted Ratio  
 10.23%  
 11.26%  
 13.85%

-0.84%

10.53%

Total Risk Weighted Ratio

11.48%

12.51%

13.85%

-0.56%

11.78%

62

Merger Proposal

Merger Proposal

Strategic Impact W/ Pocahontas

Strategic Impact W/ Pocahontas

Enter Arkansas With \$1.3 Billion In Assets (Up 45%),

Enter Arkansas With \$1.3 Billion In Assets (Up 45%),

\$0.9 Billion In Deposits, And \$0.8 Billion In Loans

\$0.9 Billion In Deposits, And \$0.8 Billion In Loans

85 Bank Offices & LPOs In Louisiana (49), Arkansas (32),

85 Bank Offices & LPOs In Louisiana (49), Arkansas (32),

Tennessee (2), Oklahoma (1), And Miss. (1)

Tennessee (2), Oklahoma (1), And Miss. (1)

Up 73%

Up 73%

27 Mortgage Offices In Arkansas (11), Louisiana (4),

27 Mortgage Offices In Arkansas (11), Louisiana (4),

Mississippi (3), Texas (3), Tennessee (2), Oklahoma (2),

Mississippi (3), Texas (3), Tennessee (2), Oklahoma (2),

Missouri (1), Illinois (1)

Missouri (1), Illinois (1)

A 5-Fold Increase

A 5-Fold Increase

Total 132 Offices In 8 States; Over 1,400 Employees

Total 132 Offices In 8 States; Over 1,400 Employees

Significant Presence Added In Targeted Metropolitan

Significant Presence Added In Targeted Metropolitan

Markets Of Little Rock, Jonesboro, NW Arkansas, And

Markets Of Little Rock, Jonesboro, NW Arkansas, And

Memphis. Also Added In Growth Markets Of Dallas,

Memphis. Also Added In Growth Markets Of Dallas,

Tulsa, St. Louis.

Tulsa, St. Louis.

63

Merger Proposal

Merger Proposal

Combined Strategic Impact (*Cont.*)

Combined Strategic Impact (*Cont.*)

Combined Mortgage Production of Nearly \$1 Billion

Combined Mortgage Production of Nearly \$1 Billion  
20 Title Insurance Offices  
20 Title Insurance Offices  
AR s Largest Title Agency  
AR s Largest Title Agency  
National Credit Card Operations With \$38 Million O/S  
National Credit Card Operations With \$38 Million O/S  
Enter Trust Business With \$126 Million AUM; Also Add  
Enter Trust Business With \$126 Million AUM; Also Add  
\$69 Million In Brokerage Accounts  
\$69 Million In Brokerage Accounts  
No Change From Current Exceptional Asset Quality  
No Change From Current Exceptional Asset Quality  
Geographic Diversification Into Strong Markets  
Geographic Diversification Into Strong Markets  
Greater Sources Of Fee Income  
Greater Sources Of Fee Income  
Pro Forma Market Capitalization Of Nearly \$750 Million  
Pro Forma Market Capitalization Of Nearly \$750 Million

64

Merger Proposal

Merger Proposal

Financial Impact W/ Pocahontas

Financial Impact W/ Pocahontas

Immaterial Impact On GAAP EPS In 2006, Excluding

Immaterial Impact On GAAP EPS In 2006, Excluding

One-Time Merger-Related Costs

One-Time Merger-Related Costs

\$0.02 Accretive To 2007 GAAP EPS (+0%)

\$0.02 Accretive To 2007 GAAP EPS (+0%)

\$0.07 Accretive To 2007 Cash EPS (+2%)

\$0.07 Accretive To 2007 Cash EPS (+2%)

\$7.44 Accretive to BVS (+27%)

\$7.44 Accretive to BVS (+27%)

\$1.43 Dilutive To Tangible BVS (-8%)

\$1.43 Dilutive To Tangible BVS (-8%)

Tier 1 Leverage Ratio Declines Approximately 31 Bps

Tier 1 Leverage Ratio Declines Approximately 31 Bps

Internal Rate Of Return In Mid-Teens

Internal Rate Of Return In Mid-Teens

65

Merger Proposal

Merger Proposal

Market Multiples

Market Multiples

Comparative

Comparative

Bank M&A

Bank M&A

Multiples

Multiples

Source: Stifel Nicolaus

Source: Stifel Nicolaus

Nicolaus

Through August 4, 2006

Through August 4, 2006

Market-To-Book = 3.20x

Market-To-Book = 3.20x

Market-To-Tang. Book = 3.29x

Market-To-Tang. Book = 3.29x

Price-To-Earnings = 19.5x

Price-To-Earnings = 19.5x

Core Dep. Premium = 25.8%

Core Dep. Premium = 25.8%

Pulaski

Pulaski

Only

Only

Pulaski &

Pulaski &

Pocahontas

Pocahontas

Market-To-Book = 2.26x

Market-To-Book = 2.26x

Market-To-Tang. Book = 2.68x

Market-To-Tang. Book = 2.68x

Price-To-Earnings = 21.5x

Price-To-Earnings = 21.5x

Core Dep. Premium = 17.0%

Core Dep. Premium = 17.0%

66

Merger Proposal

Merger Proposal

Summary Of Merger

Summary Of Merger

Opportunistic; We Bring Something To The Table

Opportunistic; We Bring Something To The Table

Solid Strategic, Cultural, And Financial Fit  
Solid Strategic, Cultural, And Financial Fit  
Excellent Returns For Shareholders Of Both  
Excellent Returns For Shareholders Of Both  
Companies  
Companies  
Substantial Arkansas Presence  
Substantial Arkansas Presence  
Excellent Platform For Growth (Over 5 Years)  
Excellent Platform For Growth (Over 5 Years)  
Some Risk Associated With Mortgage Cycle  
Some Risk Associated With Mortgage Cycle  
Complementary To Pocahontas Acquisition  
Complementary To Pocahontas Acquisition  
Our View: Fills In Pieces Of the Puzzle  
Our View: Fills In Pieces Of the Puzzle

