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SIMMONS FIRST NATIONAL CORP

Form 8-K

May 06, 2003

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) May 6, 2003

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

Arkansas	0-6253	71-0407808
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(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)

ITEM 9 REGULATION FD DISCLOSURE

The following information and exhibit is being furnished under Item 9 (Regulation FD Disclosure) and Item 12 (Results of Operations and Financial Condition):

Representatives of the Registrant are scheduled to make an analyst presentation at the Gulf South Bank Conference in New Orleans, Louisiana on Tuesday March 6, 2003, beginning at 7:30 a.m. Central Standard Time. Visual presentation materials will be available on Simmons First's website at www.simmonsfirst.com.

The following is a summary of the analyst presentation presented by J. Thomas May, Chairman and Chief Executive Officer of Simmons First National Corporation, at the Gulf South Bank Conference held May 6, 2003, in New Orleans, Louisiana.

Simmons First National Corporation

2003 Gulf South Bank Conference

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Slide #1 Forward-Looking Statement

This presentation includes written and oral forward-looking statements that reflect Simmons First's current views with respect to future events and financial performance. Such forward looking statements are subject to certain uncertainties and other factors that may cause actual results to differ materially from the views, beliefs, and projections expressed in such statements. These uncertainties and other factors include, but are not limited to, uncertainties relating to business and economic conditions, the financial services industry, and Simmons First. The words "believe", "expect", "anticipate", "project", and similar expressions signify forward-looking statements. Readers are cautioned not to place undue reliance on any forward-looking statements made by or on behalf of Simmons First. Any such statement speaks only as of the date the statement was made. Simmons First undertakes no obligation to update or revise any forward-looking statements. Additional information with respect to factors that may cause results to differ materially from those contemplated by such forward-looking statements will be included in subsequent filings with the SEC.

Slide # 2 Company Profile

Asset size	\$2.0 billion
# of community banks	7
# of communities served	34
# of financial centers	62
# of ATM's	61
# of associates	1,058

Slide #3 Company History

Graph reflecting the assets for the years shown (\$ in millions)

1903	1910	1920	1930	1940	1950	1960	1970	1980	1990
----	----	----	----	----	----	----	----	----	----
0.1	1.1	3.7	7.7	16.6	40.1	47	98.4	266.9	647.8

Slide #4 Simmons First 1990 - 2003

Acquired 8 Banks and 17 Financial Centers

Slide #5 Affiliate Banks

Ranked by Asset Size (\$ in millions)

	12/31/02	3/31/03
	-----	-----
Simmons First National Bank	\$1,024	\$990

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SFB - Russellville	207	211
SFB - Jonesboro	200	197
SFB - NWA	198	206
SFB - El Dorado	170	178
SFB - Searcy	112	117
SFB - South Arkansas	112	110

Slide #6 Standardization

Name and signage
 Products and service
 Operational support
 - Data Processing
 - Accounting
 - Human Resources
 - Audit
 - Loan Review

Slide # 7 Loans

A pie chart reflecting percentages

Credit Cards	14%
Student Loans	7%
Other Consumer	12%
Construction	7%
1-4 Family	19%
Comm RE	22%
Commercial	12%
Agricultural	5%
Other	2%

Slide # 8 Asset Quality

	2001	2002
	----	----
Non-Perform Loans/Total Loans	1.19%	.97%
Non-Perform Assets/Total Assets	.83%	.78%
Allowance/Non-Perform Loans	137%	179%
Allowance/Total Loans	1.63%	1.75%
Net Charge-Offs/Average Loans	.82%	.72%

Slide #9 Net Income

Graph reflecting net income for the years shown (\$ in millions)

1998	1999	2000	2001	2002
----	----	----	----	----
\$14.8	\$18.6	\$18.9	\$16.5	\$22.1

As originally reported (excluding merger related expenses)

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Slide #10 Diluted Earnings Per Share

Graph reflecting net income per share for the shown adjusted for the 2 for 1 split just completed

1998	1999	2000	2001	2002
----	----	----	----	----
\$1.17	\$1.26	\$1.29	\$1.16	\$1.54

As originally reported (excluding merger related expenses)

Slide #11 History of Arkansas Usury

Prior to Gramm-Leach-Bliley Act

- 5 points above the discount rate
- Down -- immediate
- Up -- 60-90 day notification process with customer activation

Gramm-Leach-Bliley Act

- Passed November 1999
- Upheld by 8th Circuit October 2001
- Imported interest rates

Slide #12 Net Interest Margin

Graph reflecting the net interest margin percentages as originally reported

1998	1999	2000	2001	2002
----	----	----	----	----
4.17%	4.41%	4.24%	3.92%	4.37%

2002 SNL Peer (\$1B to \$5B in assets) - 4.20%

Slide #13 Non-Interest Income - 2002

Graph reflecting the non-interest income percentages for 2002

Non-interest inc to revenue*	32%
Service charges	10%
Credit card fees	9%
Trust	5%
Mortgage fees	3%
Other (including Dealer Bank)	5%
*SNL (\$1B to \$5B in assets)	23%

Slide #14 Net Operating Exp/Avg Assets

Graph reflecting net operating expenses to average assets percentages

1998	1999	2000	2001	2002
----	----	----	----	----
1.94%	1.90%	1.79%	1.76%	1.72%

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2002 SNL Peer (\$1B to \$5B in assets) - 1.72%
As originally reported (excluding merger related expenses and 1998 gain on sale of mortgage servicing)

Slide #15 Efficiency Ratio

Graph reflecting efficiency ratio percentages

1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
68%	63%	62%	65%	60%

2002 SNL Peer (\$1B to \$5B in assets) - 58%
As originally reported (excluding merger related expenses and 1998 gain on sale of mortgage servicing)

Slide #16 Return on Assets

Graph reflecting return on assets percentages

1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
1.03%	1.11%	1.05%	0.84%	1.12%

2002 SNL Peer (\$1B to \$5B in assets) - 1.24%
As originally reported (excluding merger related expenses)

Slide #17 Capital

Graph reflecting the following

Equity to Assets				
1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
8.9%	9.4%	9.1%	9.0%	10.0%

2002 SNL Peer (\$1B to \$5B in assets) 8.4%

Tangible Equity to Assets				
1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
7.3%	7.9%	7.3%	7.6%	8.4%

2002 SNL Peer (\$1B to \$5B in assets) - 7.6%

Slide #18 Return on Equity

Graph reflecting the following

Return on Equity

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1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
11.6%	11.8%	11.3%	9.2%	11.6%

Return on Tangible Equity

1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
12.9%	13.3%	13.9%	11.4%	13.9%

2002 SNL Peer (\$1B to \$5B in assets) - 14.7%
As originally reported (excluding merger related expenses)

Slide #19 Seasonality

Due to:

- Agricultural (Mar/Apr to Sep/Oct)
- Credit Cards (Oct - Dec)

Q1 historically lowest quarter

- Averages 23% of annual earnings

Slide #20 1st Quarter Results

(\$ in millions, except per share data)	2002	2003
	-----	-----
Net Income	\$4,941	\$5,332
Net Income Growth		7.9%
EPS - as reported	\$.69	\$.74
EPS - after split	\$.35	\$.37

Slide #21 Our Corporate Vision

Our vision is to be the State's premier community bank

Slide # 22 Vision for Success

Differentiation

"Small enough yet large enough"

Slide #23 Vision for Success - Small enough

Community banking
Quality Customer Service

Slide #24 Vision for Success -- Large Enough

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State-wide access
 Lending capacity
 Cash management products
 Technology
 Niche products

Slide #25 Credit Card Profile

54th Largest Credit Card Portfolio in U.S.
 82nd Largest Merchant Processor in U.S.

Slide #26 Credit Card Profile

Average portfolio balance	\$171 million
# of active accounts	103,000 accounts
Average cardholder balance	\$1,855
Merchant volume	\$120 million

Slide #27 Credit Card Past Dues

Graph that reflects past due percentages

Simmons First

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
0.87	0.60	0.41	0.34	0.43	0.52	0.69	0.88	1.07	1.17	1.23

VISA

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
5.03	5.22	4.40	3.50	3.20	3.87	4.83	4.77	4.78	4.66	5.15

Slide #28 Credit Card Net Charge-Offs

Graph that reflects net charge-offs percentages

Simmons First

1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
2.04%	1.88%	1.60%	2.10%	2.25%

VISA

1998	1999	2000	2001	2002
-----	-----	-----	-----	-----
6.50%	6.10%	6.06%	5.70%	6.60%

Slide #29 Credit Card Concentrations

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	% of Total O/S	%Past Due
Arkansas	48%	1.05%
North Eastern States*	7%	.51%
Texas	7%	1.28%
California	4%	1.46%
Illinois	3%	.63%
Florida	3%	1.49%
All Other States	28%	1.15%
Total	100%	1.07%

* NY, NJ, RI, VT, CT, DE, ME, MA, NH, NJ, MD

Slide #30 Credit Card Yield

	2000	2001	2002
Interest income	12.02	10.49	11.33
Fees	5.08	4.85	4.85
Other income	.40	.42	.43
Credit losses	-1.60	-2.10	-2.25
Gross yield	15.54	14.37	15.08

Slide #31 Student Loan Profile

Largest Underwriter of Student Loans in Arkansas
73rd Largest Originator of Student Loans in U.S

Slide #32 Student Loan Profile

30,000 active student loans
Originate \$46 million in government guaranteed student loans annually

Service \$84 million in student loans
Sell loans to secondary market

Slide #33 Student Loan Yield

	2002
Yield on average balance*	4.58
Gain on sale of loans*	1.63
Gross yield*	6.21

Minimal credit losses

*Percent of average outstanding balance

Slide #34 Simmons First Trust Company

6 offices
Total assets -- \$2.6 billion
Managed assets -- \$720 million

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Slide #35 Positioned for Growth - Arkansas Northwest Region

Total market \$6.8 billion
SFNC - 2.6% of market
Market growth - 4.9%
Home of Wal-Mart, Tyson Foods, J.B. Hunt Trucking, University of Arkansas

Slide #36 Positioned for Growth - Arkansas Northeast Region

Total market \$6.0 billion
SFNC - 2.8% of market
Market growth - 4.4%
Home of Arkansas State University

Slide #37 Positioned for Growth - Arkansas Western Region

Total market \$4.8 billion
SFNC - 6.8% of market
Market growth - 3.5%
Ft. Smith - 2nd largest city in Arkansas

Slide #38 Positioned for Growth - Arkansas Central Region

Total market \$10.5 billion
SFNC - 2.0% of market
Market growth - 4.8%
Little Rock - State Capitol, largest city in Arkansas
Home of Dillard's and Alltel

Slide #39 Positioned for Growth - Arkansas Southwest Region

Total market \$4.6 billion
SFNC - 3.2% of market
Market growth - 2.4%
Home of Murphy Oil

Slide #40 Positioned for Growth - Arkansas Southeast Region

Total market \$4.1 billion
SFNC - 15.2% of market
Market growth - 3.8%

Slide #41 Positioned for Growth - Arkansas Total

Total market -- \$36.9 billion
SFNC - 4.5% of market (5th in State)
Market growth - 4.2%
Goal - 10% of market

Slide # 42 Franchise Value

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Stable and consistent earnings performance
Good asset quality
Positioned for growth
Largest state-wide publicly traded financial institution headquartered
in Arkansas
94 years of consecutive dividends

Slide #43 Current Multiples

Stock Price	\$18.63
Price Earnings Ratio - LTM	11.9X
Price to Book	1.33
Price to Tangible Book	1.63

Stock price adjusted for 5/1/03 2 for 1 stock split

Slide #44 Strategic Initiatives for 2003

Leveraging balance sheet
Stock repurchase
Income initiatives
Debt refinancing
Mergers and acquisitions

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SIMMONS FIRST NATIONAL CORPORATION

Date: May 6, 2003

/s/ Barry L. Crow

Barry L. Crow, Executive Vice President
and Chief Financial Officer