

SIMMONS FIRST NATIONAL CORP
Form 8-K
January 18, 2007

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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 18, 2007

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
(IRS 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:

- 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))
-

Item: 2.02

Results of Operations and Financial Condition

The following is the text of a press release issued by the registrant at 8:15 A.M. Central Time on January 18, 2007.

SIMMONS FIRST ANNOUNCES FOURTH QUARTER EARNINGS

Pine Bluff, AR - Simmons First National Corporation (NASDAQ-GS: SFNC) today announced fourth quarter earnings for the period ended December 31, 2006. Net income for the fourth quarter was \$6.8 million, or \$0.47 diluted earnings per share, unchanged from the same period in 2005.

For the year ended December 31, 2006, net income was \$27.5 million, an increase of \$519,000 over 2005. Diluted earnings per share for the twelve-month period were \$1.90, an increase of \$0.06, or 3.3% over the same period in 2005.

The Company's net interest margin decreased 5 basis points to 3.86% from the third quarter of 2006.

"Despite the 2006 interest rate environment and the competition for deposits, we were able to achieve modest annual earnings growth," said J. Thomas May, Chairman and Chief Executive Officer. "We, like the rest of the industry, were challenged with margin compression. However, we remain very pleased with the continuation of our strong asset quality, which has resulted in a reduction in the provision for loan losses. Likewise, we are pleased with our ability to control non-interest expense during this period of expansion."

The Company's loan portfolio totaled \$1.8 billion at December 31, 2006, an increase of \$65 million, or 3.8% over the same period last year. The growth was primarily attributable to increased demand in the real estate loan portfolio. Deposits were \$2.2 billion at December 31, 2006, a \$121 million, or 5.9% increase from December 31, 2005.

Asset quality remained strong with the allowance for loan losses as a percent of total loans at 1.42% as of December 31, 2006. Non-performing loans equaled 0.56% of total loans, while the allowance for loan losses equaled 252% of non-performing loans. The Company's annualized net charge-offs to total loans for the fourth quarter of 2006 was 0.26%. Excluding credit cards, the annualized net charge-offs to total loans for the fourth quarter was 0.19%. The 2006 credit card charge-off ratio was 1.06% compared to 2.85% in 2005.

Total assets for the Company were \$2.7 billion at December 31, 2006, an increase of \$134 million from December 31, 2005. Stockholders' equity at December 31, 2006 was \$259 million, a \$14.9 million increase from December 31, 2005.

Simmons First opened a new financial center in Beebe on January 2, 2007. This is the Company's first entry into this market. The Company also plans to open financial centers in Paragould, North Little Rock - McCain, and Little Rock - Midtown during 2007, as well as a regional headquarters facility in Rogers.

Simmons First National Corporation is an Arkansas based 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 86 offices, of which 82 are financial centers, in 48 communities.

CONFERENCE CALL

Management will conduct a conference call to review this information at 3:00 p.m. Central Time on Thursday, January 18, 2007. Interested parties can listen to this call by calling 1-800-854-4175 (United States and Canada only) and asking 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 5304128 and the recording will be available through the end of business January 31, 2007. In addition, the call will 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.

####

FOR MORE INFORMATION CONTACT:

DAVID W. GARNER

Senior Vice President and Investor Relations Officer

Simmons First National Corporation

(870) 541-1000

**Simmons First National
Corporation**
**Consolidated End of Period
Balance Sheets**

SFNC

| For the Quarters Ended (Unaudited) | Dec 31 2006 | Sep 30 2006 | Jun 30 2006 | Mar 31 2006 | Dec 31 2005 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| (in thousands) | | | | | |
| ASSETS | | | | | |
| Cash and non-interest bearing balances due from banks | \$ 83,452 | \$ 77,724 | \$ 89,275 | \$ 89,400 | \$ 75,461 |
| Interest bearing balances due from banks | 51,829 | 19,599 | 26,265 | 34,200 | 14,397 |
| Federal funds sold | 21,870 | 49,340 | 22,570 | 8,620 | 11,715 |
| Cash and cash equivalents | 157,151 | 146,663 | 138,110 | 132,220 | 101,573 |
| Investment securities - held-to-maturity | 179,944 | 172,944 | 164,612 | 148,733 | 150,299 |
| Investment securities - available-for-sale | 347,182 | 358,561 | 363,217 | 380,617 | 371,490 |
| Mortgage loans held for sale | 7,091 | 6,591 | 13,248 | 6,853 | 7,857 |
| Assets held in trading accounts | 4,487 | 4,574 | 4,606 | 4,646 | 4,631 |
| Loans | 1,783,495 | 1,788,517 | 1,738,628 | 1,691,020 | 1,718,107 |
| Allowance for loan losses | (25,385) | (25,879) | (26,174) | (26,463) | (26,923) |
| Net loans | 1,758,110 | 1,762,638 | 1,712,454 | 1,664,557 | 1,691,184 |
| Premises and equipment | 67,926 | 66,769 | 65,686 | 65,040 | 63,360 |
| Foreclosed assets held for sale, net | 1,940 | 1,413 | 1,740 | 1,666 | 1,540 |
| Interest receivable | 21,974 | 21,953 | 18,571 | 17,066 | 18,754 |
| Bank owned life insurance | 36,133 | 35,708 | 33,985 | 33,570 | 33,269 |
| Goodwill | 60,605 | 60,605 | 60,605 | 60,605 | 60,605 |
| Core deposit premiums | 4,199 | 4,406 | 4,613 | 4,822 | 5,029 |
| Other assets | 10,671 | 14,117 | 15,809 | 18,075 | 14,177 |
| TOTAL ASSETS | \$ 2,657,413 | \$ 2,656,942 | \$ 2,597,256 | \$ 2,538,470 | \$ 2,523,768 |
| LIABILITIES | | | | | |
| Non-interest bearing transaction accounts | \$ 310,777 | \$ 302,700 | \$ 330,946 | \$ 328,477 | \$ 331,113 |
| Interest bearing transaction accounts and savings deposits | 738,763 | 745,649 | 761,346 | 757,368 | 749,925 |
| Time deposits less than \$100,000 | 681,131 | 664,105 | 623,609 | 618,790 | 614,742 |
| Time deposits greater than \$100,000 | 450,310 | 436,022 | 394,489 | 389,021 | 364,178 |
| Total deposits | 2,180,981 | 2,148,476 | 2,110,390 | 2,093,656 | 2,059,958 |
| Federal funds purchased and securities | 105,586 | 85,535 | 89,684 | 91,817 | 107,223 |

| | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| sold under agreements to repurchase | | | | | |
| Short-term debt | 6,114 | 61,850 | 45,054 | 2,245 | 8,031 |
| Long-term debt - parent company | 2,000 | 2,000 | 4,000 | 4,000 | 4,000 |
| Long-term FHLB debt - affiliate banks | 50,381 | 49,243 | 48,143 | 48,163 | 52,090 |
| Subordinated debt issued to capital trusts | 30,930 | 30,930 | 30,930 | 30,930 | 30,930 |
| Accrued interest and other liabilities | 22,405 | 24,316 | 21,876 | 22,448 | 17,451 |
| TOTAL LIABILITIES | 2,398,397 | 2,402,350 | 2,350,077 | 2,293,259 | 2,279,683 |
| STOCKHOLDERS' EQUITY | | | | | |
| Capital stock | 142 | 142 | 142 | 143 | 143 |
| Surplus | 48,678 | 49,068 | 49,607 | 51,380 | 53,723 |
| Undivided profits | 212,394 | 208,200 | 203,165 | 198,287 | 194,579 |
| Accumulated other comprehensive income (loss) | | | | | |
| Unrealized appreciation (depreciation) on AFS securities | (2,198) | (2,818) | (5,735) | (4,599) | (4,360) |
| TOTAL STOCKHOLDERS' EQUITY | 259,016 | 254,592 | 247,179 | 245,211 | 244,085 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | |
| | \$ 2,657,413 | \$ 2,656,942 | \$ 2,597,256 | \$ 2,538,470 | \$ 2,523,768 |

**Simmons First National
Corporation
Consolidated Average
Quarter-to-Date Balance
Sheets**

SFNC

| For the Quarters Ended (Unaudited) | Dec 31 2006 | Sep 30 2006 | Jun 30 2006 | Mar 31 2006 | Dec 31 2005 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| (in thousands) | | | | | |
| ASSETS | | | | | |
| Cash and non-interest bearing balances due from banks | \$ 80,670 | \$ 78,708 | \$ 77,064 | \$ 77,676 | \$ 85,534 |
| Interest bearing balances due from banks | 24,302 | 16,851 | 21,929 | 27,968 | 16,426 |
| Federal funds sold | 25,554 | 22,966 | 16,138 | 16,235 | 6,353 |
| Cash and cash equivalents | 130,526 | 118,525 | 115,131 | 121,879 | 108,313 |
| Investment securities - held-to-maturity | 174,132 | 167,182 | 157,252 | 147,697 | 147,779 |
| Investment securities - available-for-sale | 355,196 | 360,584 | 373,434 | 378,026 | 384,346 |
| Mortgage loans held for sale | 7,299 | 8,368 | 8,426 | 6,570 | 8,056 |
| Assets held in trading accounts | 4,555 | 4,598 | 4,575 | 4,632 | 4,688 |
| Loans | 1,779,528 | 1,769,131 | 1,716,396 | 1,696,855 | 1,714,132 |
| Allowance for loan losses | (26,168) | (26,255) | (26,997) | (27,589) | (27,308) |
| Net loans | 1,753,360 | 1,742,876 | 1,689,399 | 1,669,266 | 1,686,824 |
| Premises and equipment | 67,438 | 66,044 | 65,485 | 64,560 | 62,633 |
| Foreclosed assets held for sale, net | 1,488 | 1,525 | 1,664 | 1,738 | 2,028 |
| Interest receivable | 22,681 | 20,922 | 18,092 | 18,030 | 19,121 |
| Bank owned life insurance | 35,916 | 35,226 | 33,778 | 33,408 | 33,102 |
| Goodwill | 60,605 | 60,605 | 60,605 | 60,605 | 60,554 |
| Core deposit premiums | 4,317 | 4,527 | 4,733 | 4,942 | 5,138 |
| Other assets | 10,995 | 13,215 | 12,688 | 12,046 | 11,718 |
| TOTAL ASSETS | \$ 2,628,508 | \$ 2,604,197 | \$ 2,545,262 | \$ 2,523,399 | \$ 2,534,300 |
| LIABILITIES | | | | | |
| Non-interest bearing transaction accounts | \$ 305,506 | \$ 302,490 | \$ 311,102 | \$ 316,118 | \$ 314,491 |
| Interest bearing transaction accounts and savings deposits | 728,085 | 722,920 | 751,262 | 747,046 | 748,902 |
| Time deposits less than \$100,000 | 678,399 | 658,182 | 624,395 | 618,730 | 612,344 |
| Time deposits greater than \$100,000 | 441,505 | 416,693 | 394,492 | 378,426 | 372,170 |
| Total deposits | 2,153,495 | 2,100,285 | 2,081,251 | 2,060,320 | 2,047,907 |
| Federal funds purchased and securities | | | | | |

| | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| sold under agreements to repurchase | 102,115 | 93,670 | 96,041 | 109,299 | 109,065 |
| Short-term debt | 8,594 | 54,119 | 15,804 | 5,744 | 30,435 |
| Long-term debt | 82,358 | 80,826 | 82,957 | 83,961 | 85,808 |
| Accrued interest and other liabilities | 23,157 | 22,804 | 20,486 | 18,011 | 16,859 |
| TOTAL LIABILITIES | 2,369,719 | 2,351,704 | 2,296,539 | 2,277,335 | 2,290,074 |
| TOTAL STOCKHOLDERS' EQUITY | 258,789 | 252,493 | 248,723 | 246,064 | 244,226 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 2,628,508 | \$ 2,604,197 | \$ 2,545,262 | \$ 2,523,399 | \$ 2,534,300 |

**Simmons First National
Corporation**

SFNC

**Consolidated Statements of
Income - Quarter-to-Date**
**For the Quarters Ended
(Unaudited)**
**Dec 31
2006**
**Sep 30
2006**
**Jun 30
2006**
**Mar 31
2006**
**Dec 31
2005**
**(in thousands, except per share
data)**
INTEREST INCOME

| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Loans | \$ 34,543 | \$ 33,924 | \$ 31,694 | \$ 30,087 | \$ 30,425 |
| Federal funds sold | 365 | 325 | 192 | 175 | 63 |
| Investment securities | 5,447 | 5,183 | 4,978 | 4,830 | 4,751 |
| Mortgage loans held for sale, net of unrealized gains (losses) | 107 | 141 | 128 | 100 | 131 |
| Assets held in trading accounts | 13 | 14 | 19 | 25 | 24 |
| Interest bearing balances due from banks | 287 | 229 | 259 | 297 | 162 |
| TOTAL INTEREST INCOME | 40,762 | 39,816 | 37,270 | 35,514 | 35,556 |

INTEREST EXPENSE

| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Time deposits | 12,755 | 11,381 | 9,732 | 8,724 | 8,051 |
| Other deposits | 3,182 | 3,023 | 2,909 | 2,544 | 2,268 |
| Federal funds purchased and securities sold under agreements to repurchase | 1,295 | 1,152 | 1,064 | 1,104 | 1,016 |
| Short-term debt | 145 | 761 | 225 | 96 | 311 |
| Long-term debt | 1,102 | 1,122 | 1,148 | 1,094 | 1,095 |
| TOTAL INTEREST EXPENSE | 18,479 | 17,439 | 15,078 | 13,562 | 12,741 |

NET INTEREST INCOME 22,283 22,377 22,192 21,952 22,815

Provision for loan losses 663 602 789 1,708 1,630

NET INTEREST INCOME
AFTER PROVISION
FOR LOAN LOSSES 21,620 21,775 21,403 20,244 21,185

NON-INTEREST INCOME

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Trust income | 1,517 | 1,435 | 1,293 | 1,367 | 1,425 |
| Service charges on deposit accounts | 3,850 | 3,973 | 4,209 | 3,763 | 4,097 |
| Other service charges and fees | 715 | 596 | 592 | 658 | 507 |
| Income on sale of mortgage loans, net of commissions | 655 | 763 | 755 | 676 | 698 |
| Income on investment banking, net of commissions | 89 | 55 | 90 | 107 | 51 |
| Credit card fees | 2,830 | 2,755 | 2,699 | 2,458 | 2,709 |
| Premiums on sale of student loans | 263 | 413 | 659 | 736 | 251 |
| Bank owned life insurance income | 425 | 382 | 415 | 301 | 317 |
| Other income | 449 | 654 | 804 | 546 | 623 |
| Gain (loss) on sale of securities, net of taxes | - | - | - | - | - |

| | | | | | |
|---------------------------------------|----------|----------|----------|----------|----------|
| TOTAL NON-INTEREST INCOME | 10,793 | 11,026 | 11,516 | 10,612 | 10,678 |
| NON-INTEREST EXPENSE | | | | | |
| Salaries and employee benefits | 13,173 | 13,298 | 13,466 | 13,505 | 13,039 |
| Occupancy expense, net | 1,712 | 1,612 | 1,541 | 1,520 | 1,527 |
| Furniture and equipment expense | 1,437 | 1,407 | 1,456 | 1,418 | 1,482 |
| Loss on foreclosed assets | 31 | 32 | 40 | 33 | 31 |
| Deposit insurance | 66 | 64 | 71 | 69 | 65 |
| Other operating expenses | 6,088 | 5,722 | 5,727 | 5,580 | 5,835 |
| TOTAL NON-INTEREST EXPENSE | 22,507 | 22,135 | 22,301 | 22,125 | 21,979 |
| NET INCOME BEFORE INCOME TAXES | 9,906 | 10,666 | 10,618 | 8,731 | 9,884 |
| Provision for income taxes | 3,156 | 3,219 | 3,322 | 2,743 | 3,059 |
| NET INCOME | \$ 6,750 | \$ 7,447 | \$ 7,296 | \$ 5,988 | \$ 6,825 |
| BASIC EARNINGS PER SHARE | \$ 0.47 | \$ 0.53 | \$ 0.51 | \$ 0.42 | \$ 0.48 |
| DILUTED EARNINGS PER SHARE | \$ 0.47 | \$ 0.51 | \$ 0.51 | \$ 0.41 | \$ 0.47 |

**Simmons First National
Corporation**
**Consolidated Statements of
Income - Year-to-Date
For the Quarters Ended
(Unaudited)**

SFNC

(in thousands, except per
share data)

INTEREST INCOME

| | | | | | |
|---|----------------|----------------|---------------|---------------|----------------|
| Loans | \$ 130,248 | \$ 95,705 | \$ 61,781 | \$ 30,087 | \$ 112,238 |
| Federal funds sold | 1,057 | 692 | 367 | 175 | 925 |
| Investment securities | 20,438 | 14,991 | 9,808 | 4,830 | 18,677 |
| Mortgage loans held for sale, net of unrealized gains (losses) | 476 | 369 | 228 | 100 | 552 |
| Assets held in trading accounts | 71 | 58 | 44 | 25 | 99 |
| Interest bearing balances due from banks | 1,072 | 785 | 556 | 297 | 580 |
| TOTAL INTEREST INCOME | 153,362 | 112,600 | 72,784 | 35,514 | 133,071 |

INTEREST EXPENSE

| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Time deposits | 42,592 | 29,837 | 18,456 | 8,724 | 26,431 |
| Other deposits | 11,658 | 8,476 | 5,453 | 2,544 | 7,777 |
| Federal funds purchased and securities sold under agreements to repurchase | 4,615 | 3,320 | 2,168 | 1,104 | 3,104 |
| Short-term debt | 1,227 | 1,082 | 321 | 96 | 1,101 |
| Long-term debt | 4,466 | 3,364 | 2,242 | 1,094 | 4,401 |
| TOTAL INTEREST EXPENSE | 64,558 | 46,079 | 28,640 | 13,562 | 42,814 |

NET INTEREST INCOME

| | | | | | |
|---------------------------|-------|-------|-------|-------|-------|
| Provision for loan losses | 3,762 | 3,099 | 2,497 | 1,708 | 7,526 |
|---------------------------|-------|-------|-------|-------|-------|

NET INTEREST INCOME**AFTER PROVISION****FOR LOAN LOSSES**

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 85,042 | 63,422 | 41,647 | 20,244 | 82,731 |
|--|--------|--------|--------|--------|--------|

NON-INTEREST INCOME

| | | | | | |
|---|--------|--------|-------|-------|--------|
| Trust income | 5,612 | 4,095 | 2,660 | 1,367 | 5,589 |
| Service charges on deposit accounts | 15,795 | 11,945 | 7,972 | 3,763 | 15,818 |
| Other service charges and fees | 2,561 | 1,846 | 1,250 | 658 | 2,017 |
| Income on sale of mortgage loans, net of commissions | 2,849 | 2,194 | 1,431 | 676 | 2,919 |
| Income on investment banking, net of commissions | 341 | 252 | 197 | 107 | 416 |
| Credit card fees | 10,742 | 7,912 | 5,157 | 2,458 | 10,252 |
| Premiums on sale of student loans | 2,071 | 1,808 | 1,395 | 736 | 1,822 |
| Bank owned life insurance income | 1,523 | 1,098 | 716 | 301 | 953 |
| Other income | 2,453 | 2,004 | 1,350 | 546 | 2,700 |
| Gain (loss) on sale of securities, net of taxes | - | - | - | - | (168) |

| | | | | | |
|---------------------------------------|-----------|-----------|-----------|----------|-----------|
| TOTAL NON-INTEREST INCOME | 43,947 | 33,154 | 22,128 | 10,612 | 42,318 |
| NON-INTEREST EXPENSE | | | | | |
| Salaries and employee benefits | 53,442 | 40,269 | 26,971 | 13,505 | 51,270 |
| Occupancy expense, net | 6,385 | 4,673 | 3,061 | 1,520 | 5,840 |
| Furniture and equipment expense | 5,718 | 4,281 | 2,874 | 1,418 | 5,758 |
| Loss on foreclosed assets | 136 | 105 | 73 | 33 | 191 |
| Deposit insurance | 270 | 204 | 140 | 69 | 279 |
| Other operating expenses | 23,117 | 17,029 | 11,307 | 5,580 | 22,246 |
| TOTAL NON-INTEREST EXPENSE | 89,068 | 66,561 | 44,426 | 22,125 | 85,584 |
| NET INCOME BEFORE INCOME TAXES | 39,921 | 30,015 | 19,349 | 8,731 | 39,465 |
| Provision for income taxes | 12,440 | 9,284 | 6,065 | 2,743 | 12,503 |
| NET INCOME | \$ 27,481 | \$ 20,731 | \$ 13,284 | \$ 5,988 | \$ 26,962 |
| BASIC EARNINGS PER SHARE | \$ 1.93 | \$ 1.46 | \$ 0.93 | \$ 0.42 | \$ 1.88 |
| DILUTED EARNINGS PER SHARE | \$ 1.90 | \$ 1.43 | \$ 0.92 | \$ 0.41 | \$ 1.84 |

**Simmons First National
Corporation
Consolidated Risk-Based
Capital**

SFNC

| For the Quarters Ended (Unaudited) (in thousands) | Dec 31 2006 | Sep 30 2006 | Jun 30 2006 | Mar 31 2006 | Dec 31 2005 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| <u>Tier 1 capital</u> | | | | | |
| Stockholders' equity | \$ 259,016 | \$ 254,592 | \$ 247,179 | \$ 245,211 | \$ 244,085 |
| Trust preferred securities, net allowable | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Disallowed intangible assets, net of def. tax | (64,334) | (64,557) | (64,781) | (65,084) | (65,047) |
| Unrealized loss (gain) on AFS securities | 2,198 | 2,818 | 5,735 | 4,599 | 4,360 |
| Other | - | - | - | - | - |
| Total Tier 1 capital | 226,880 | 222,853 | 218,133 | 214,726 | 213,398 |
| <u>Tier 2 capital</u> | | | | | |
| Qualifying unrealized gain on AFS securities | 167 | 177 | 173 | 317 | 338 |
| Qualifying allowance for loan losses | 22,953 | 23,103 | 22,359 | 21,468 | 21,815 |
| Total Tier 2 capital | 23,120 | 23,280 | 22,532 | 21,785 | 22,153 |
| Total risk-based capital | \$ 250,000 | \$ 246,133 | \$ 240,665 | \$ 236,511 | \$ 235,551 |
| Risk weighted assets | \$ 1,832,278 | \$ 1,843,960 | \$ 1,783,411 | \$ 1,716,446 | \$ 1,739,771 |
| Adjusted average assets for leverage ratio | \$ 2,568,472 | \$ 2,547,237 | \$ 2,488,304 | \$ 2,465,348 | \$ 2,475,428 |
| <u>Ratios at end of quarter</u> | | | | | |
| Leverage ratio | 8.83% | 8.75% | 8.77% | 8.71% | 8.62% |
| Tier 1 capital | 12.38% | 12.09% | 12.23% | 12.51% | 12.26% |
| Total risk-based capital | 13.64% | 13.35% | 13.49% | 13.78% | 13.54% |

**Simmons First National
Corporation
Consolidated Loans and
Investments**

SFNC

**For the Quarters Ended
(Unaudited)**

**Dec 31
2006**

**Sep 30
2006**

**Jun 30
2006**

**Mar 31
2006**

**Dec 31
2005**

(in thousands)

**Loan Portfolio - End of
Period**

| | | | | | |
|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Consumer | | | | | |
| Credit cards | \$ 143,359 | \$ 133,607 | \$ 132,464 | \$ 129,833 | \$ 143,058 |
| Student loans | 84,831 | 86,875 | 77,085 | 91,090 | 89,818 |
| Other consumer | 142,596 | 146,039 | 140,631 | 140,958 | 138,051 |
| Real Estate | | | | | |
| Construction | 277,411 | 267,604 | 248,834 | 242,145 | 238,898 |
| Single-family residential | 364,453 | 364,657 | 348,782 | 341,795 | 340,847 |
| Other commercial | 512,404 | 494,512 | 487,288 | 473,559 | 479,684 |
| Unearned income | (3) | (4) | (5) | (5) | (8) |
| Commercial | | | | | |
| Commercial | 178,028 | 175,576 | 188,480 | 181,174 | 184,920 |
| Agricultural | 62,293 | 103,301 | 86,244 | 59,944 | 68,761 |
| Financial institutions | 4,766 | 576 | 16,152 | 16,158 | 20,499 |
| Other | 13,357 | 15,774 | 12,673 | 14,369 | 13,579 |
| Total Loans | \$ 1,783,495 | \$ 1,788,517 | \$ 1,738,628 | \$ 1,691,020 | \$ 1,718,107 |

**Investment Securities - End
of Period**

Held-to-Maturity

| | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| U.S. Treasury | \$ - | \$ 1,001 | \$ 1,002 | \$ 1,003 | \$ 1,004 |
| U.S. Government agencies | 54,998 | 53,000 | 42,000 | 32,000 | 28,000 |
| Mortgage-backed securities | 155 | 161 | 167 | 180 | 187 |
| State and political subdivisions | 122,472 | 116,481 | 116,770 | 113,512 | 117,148 |
| Other securities | 2,319 | 2,301 | 4,673 | 2,038 | 3,960 |
| Total held-to-maturity | 179,944 | 172,944 | 164,612 | 148,733 | 150,299 |

Available-for-Sale

| | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| U.S. Treasury | 6,940 | 6,749 | 7,398 | 10,201 | 10,887 |
| U.S. Government agencies | 322,411 | 331,709 | 335,618 | 350,688 | 340,990 |
| Mortgage-backed securities | 2,956 | 3,095 | 3,074 | 3,264 | 3,309 |
| State and political subdivisions | 1,370 | 1,373 | 1,373 | 2,139 | 3,053 |
| FHLB stock | 5,504 | 7,674 | 7,693 | 6,150 | 6,044 |
| Other securities | 8,001 | 7,961 | 8,061 | 8,175 | 7,207 |
| Total available-for-sale | 347,182 | 358,561 | 363,217 | 380,617 | 371,490 |

| | | | | | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total investment securities | \$ 527,126 | \$ 531,505 | \$ 527,829 | \$ 529,350 | \$ 521,789 |
| | \$ 179,816 | \$ 172,951 | \$ 161,655 | \$ 147,589 | \$ 149,173 |

Fair Value - HTM investment securities

Investment Securities - QTD

Average

| | | | | | | | | | | |
|---|----|---------|----|---------|----|---------|----|---------|----|---------|
| Taxable securities | \$ | 410,153 | \$ | 410,382 | \$ | 411,388 | \$ | 409,238 | \$ | 412,483 |
| Tax exempt securities | | 119,175 | | 117,384 | | 119,298 | | 116,485 | | 119,642 |
| Total investment securities - QTD average | \$ | 529,328 | \$ | 527,766 | \$ | 530,686 | \$ | 525,723 | \$ | 532,125 |

Page 6

**Simmons First National
Corporation
Consolidated Allowance and
Asset Quality**

SFNC

**For the Quarters Ended
(Unaudited)**

**Dec 31
2006**

**Sep 30
2006**

**Jun 30
2006**

**Mar 31
2006**

**Dec 31
2005**

(in thousands)

Allowance for Loan Losses

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Balance, beginning of quarter | \$ 25,879 | \$ 26,174 | \$ 26,463 | \$ 26,923 | \$ 27,330 |
| Loans charged off | | | | | |
| Credit cards | 600 | 661 | 600 | 593 | 1,455 |
| Other consumer | 395 | 352 | 223 | 272 | 299 |
| Real estate | 793 | 74 | 741 | 260 | 262 |
| Commercial | 209 | 717 | 182 | 209 | 532 |
| Total loans charged off | 1,997 | 1,804 | 1,746 | 1,334 | 2,548 |
| Recoveries of loans previously charged off | | | | | |
| Credit cards | 242 | 291 | 271 | 236 | 192 |
| Other consumer | 173 | 147 | 156 | 153 | 131 |
| Real estate | 403 | 87 | 213 | 198 | 46 |
| Commercial | 22 | 382 | 28 | 104 | 142 |
| Total recoveries | 840 | 907 | 668 | 691 | 511 |
| Net loans charged off | 1,157 | 897 | 1,078 | 643 | 2,037 |
| Reclass to reserve for unfunded commitments | - | - | - | (1,525) | - |
| Allowance for loan losses on acquisitions | - | - | - | - | - |
| Provision for loan losses | 663 | 602 | 789 | 1,708 | 1,630 |
| Balance, end of quarter | \$ 25,385 | \$ 25,879 | \$ 26,174 | \$ 26,463 | \$ 26,923 |
| Non-performing assets | | | | | |
| Non-performing loans | | | | | |
| Nonaccrual loans | | | | | |
| Real estate | \$ 6,916 | \$ 7,674 | \$ 6,266 | \$ 4,497 | \$ 5,598 |
| Commercial | 720 | 1,054 | 2,160 | 1,328 | 602 |
| Consumer | 1,322 | 1,089 | 1,130 | 1,005 | 1,096 |
| Total nonaccrual loans | 8,958 | 9,817 | 9,556 | 6,830 | 7,296 |
| Loans past due 90 days or more | 1,097 | 1,029 | 1,210 | 1,974 | 1,131 |
| Total non-performing loans | 10,055 | 10,846 | 10,766 | 8,804 | 8,427 |
| Other non-performing assets | | | | | |
| Foreclosed assets held for sale | 1,940 | 1,413 | 1,740 | 1,666 | 1,540 |
| Other non-performing assets | 52 | 16 | - | 11 | 16 |
| Total other non-performing assets | 1,992 | 1,429 | 1,740 | 1,677 | 1,556 |
| Total non-performing assets | \$ 12,047 | \$ 12,275 | \$ 12,506 | \$ 10,481 | \$ 9,983 |

Ratios

| | | | | | |
|--|---------|---------|---------|---------|---------|
| Allowance for loan losses to total loans | 1.42% | 1.45% | 1.51% | 1.56% | 1.57% |
| Allowance for loan losses to non-performing loans | 252.46% | 238.60% | 243.12% | 300.58% | 319.48% |
| Allowance for loan losses to non-performing assets | 210.72% | 210.83% | 209.29% | 252.49% | 269.69% |
| Non-performing assets ratio * | 0.67% | 0.69% | 0.72% | 0.62% | 0.58% |
| Non-performing loans to total loans | 0.56% | 0.61% | 0.62% | 0.52% | 0.49% |
| Non-performing assets to total assets | 0.45% | 0.46% | 0.48% | 0.41% | 0.40% |
| Annualized net charge offs to total loans | 0.26% | 0.20% | 0.25% | 0.15% | 0.47% |
| Annualized net charge offs to total loans (excluding credit cards) | 0.19% | 0.13% | 0.19% | 0.07% | 0.20% |

* Non-performing assets ratio = (non-performing loans + foreclosed assets) / (total loans + foreclosed assets)

**Simmons First National
Corporation
Consolidated - Selected
Financial Data**

SFNC

**For the Quarters Ended
(Unaudited)**

**Dec 31
2006**

**Sep 30
2006**

**Jun 30
2006**

**Mar 31
2006**

**Dec 31
2005**

**(in thousands, except share
data)**

QUARTER-TO-DATE

| | | | | | |
|--|------------|------------|------------|------------|------------|
| Diluted earnings per share | \$ 0.47 | \$ 0.51 | \$ 0.51 | \$ 0.41 | \$ 0.47 |
| Operating earnings (excludes nonrecurring items) | 6,750 | 7,447 | 7,296 | 5,988 | 6,825 |
| Diluted operating earnings per share | 0.47 | 0.51 | 0.51 | 0.41 | 0.47 |
| Cash dividends declared per common share | 0.18 | 0.17 | 0.17 | 0.16 | 0.16 |
| Cash dividends declared - amount | 2,555 | 2,413 | 2,418 | 2,280 | 2,293 |
| Return on average stockholders' equity | 10.35% | 11.70% | 11.77% | 9.87% | 11.09% |
| Return on average assets | 1.02% | 1.13% | 1.15% | 0.96% | 1.07% |
| Net interest margin (FTE) | 3.86% | 3.91% | 4.01% | 4.05% | 4.10% |
| FTE Adjustment - investments | 720 | 707 | 718 | 695 | 701 |
| FTE Adjustment - loans | 85 | 89 | 86 | 85 | 88 |
| Amortization of intangibles | 207 | 207 | 209 | 207 | 208 |
| Amortization of intangibles, net of taxes | 130 | 130 | 132 | 130 | 131 |
| Average shares outstanding | 14,198,399 | 14,195,844 | 14,247,973 | 14,265,085 | 14,329,026 |
| Shares repurchased | 14,200 | 24,000 | 75,400 | 89,500 | 29,458 |
| Average price of repurchased shares | 31.15 | 27.93 | 26.74 | 28.12 | 27.81 |
| Average earning assets | 2,370,566 | 2,349,680 | 2,298,150 | 2,277,983 | 2,281,780 |
| Average interest bearing liabilities | 2,041,056 | 2,026,410 | 1,964,951 | 1,943,206 | 1,958,724 |

YEAR-TO-DATE

| | | | | | |
|--|---------|---------|---------|---------|---------|
| Diluted earnings per share | \$ 1.90 | \$ 1.43 | \$ 0.92 | \$ 0.41 | \$ 1.84 |
| Operating earnings (excludes nonrecurring items) | 27,481 | 20,731 | 13,284 | 5,988 | 26,962 |
| Diluted operating earnings per share | 1.90 | 1.43 | 0.92 | 0.41 | 1.84 |
| Cash dividends declared per common share | 0.68 | 0.50 | 0.33 | 0.16 | 0.61 |
| Return on average stockholders' equity | 10.93% | 11.13% | 10.83% | 9.87% | 11.24% |
| Return on average assets | 1.07% | 1.08% | 1.06% | 0.96% | 1.08% |
| Net interest margin (FTE) | 3.96% | 3.99% | 4.03% | 4.05% | 4.13% |
| FTE Adjustment - investments | 2,840 | 2,120 | 1,413 | 695 | 2,891 |

Edgar Filing: SIMMONS FIRST NATIONAL CORP - Form 8-K

| | | | | | |
|---|------------|------------|------------|------------|------------|
| FTE Adjustment - loans | 345 | 260 | 171 | 85 | 343 |
| Amortization of intangibles | 830 | 623 | 416 | 207 | 829 |
| Amortization of intangibles, net of taxes | 522 | 392 | 262 | 130 | 522 |
| Average shares outstanding | 14,226,481 | 14,236,047 | 14,256,482 | 14,265,085 | 14,375,005 |
| Diluted shares outstanding | 248,331 | 255,393 | 259,130 | 274,270 | 311,922 |
| Average earning assets | 2,324,095 | 2,308,604 | 2,288,068 | 2,277,983 | 2,264,402 |
| Average interest bearing liabilities | 1,993,904 | 1,978,189 | 1,954,077 | 1,943,206 | 1,937,085 |
| <u>END OF PERIOD</u> | | | | | |
| Book value | \$ 18.24 | \$ 17.94 | \$ 17.41 | \$ 17.19 | \$ 17.04 |
| Shares outstanding | 14,196,855 | 14,188,008 | 14,199,100 | 14,264,144 | 14,326,923 |
| Full-time equivalent employees | 1,134 | 1,121 | 1,140 | 1,111 | 1,110 |
| Total number of ATM's | 88 | 88 | 88 | 87 | 86 |
| Total number of financial centers | 81 | 81 | 81 | 80 | 79 |
| Parent company only - investment in subsidiaries | 275,872 | 272,909 | 267,177 | 267,732 | 265,714 |
| Parent company only - intangible assets | 133 | 133 | 133 | 133 | 133 |

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 hereto duly authorized.

SIMMONS FIRST NATIONAL CORPORATION

Date: January 18, 2007

/s/ Robert A. Fehlman
Robert A. Fehlman, Executive Vice President
and Chief Financial Officer