

BANCORPSOUTH INC  
Form 424B5  
March 10, 2014  
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Filed pursuant to Rule 424(b)(5)

Registration No. 333-193912

**PROXY STATEMENT/PROSPECTUS**

**Ouachita Bancshares  
Corp., holding company  
for**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

The boards of directors of BancorpSouth, Inc. ( BancorpSouth ) and Ouachita Bancshares Corp. ( Ouachita Bancshares ) have approved an agreement and plan of reorganization (the Merger Agreement ) to merge our two companies. If Ouachita Bancshares shareholders vote to approve the Merger Agreement and the merger is completed, Ouachita Bancshares will merge with and into BancorpSouth, Ouachita Bancshares subsidiary bank, Ouachita Independent Bank (the Bank ), will merge with and into BancorpSouth Bank ( BancorpSouth Bank ), a subsidiary of BancorpSouth, and Ouachita Bancshares shareholders, other than Ouachita Bancshares shareholders who properly exercise their rights to dissent from the merger, will have the right to receive an aggregate of (i) 3,675,000 shares of BancorpSouth common stock and (ii) \$22,875,000 in cash less the amount of a special one-time dividend described in this Proxy Statement/Prospectus, subject to adjustment as set forth in the Merger Agreement.

The number of shares of BancorpSouth common stock that Ouachita Bancshares shareholders may receive in the merger is fixed, subject to a pricing collar requiring the aggregate merger consideration to have a value of not less than \$99,000,000 and not more than \$112,000,000. The dollar value of the stock consideration that Ouachita Bancshares shareholders may receive will change depending on fluctuations in the market price of BancorpSouth common stock and will not be known at the time Ouachita Bancshares shareholders vote on the merger. Based on 852,372 shares of Ouachita Bancshares common stock that are expected to be exchanged in the merger (assuming the exercise of all outstanding options to purchase Ouachita Bancshares common stock pursuant to the Merger Agreement), holders of Ouachita Bancshares common stock would receive approximately 4.3115 shares of BancorpSouth common stock (plus cash in lieu of any fractional shares) and approximately \$26.84 in cash, subject to possible adjustment as described in the accompanying Proxy Statement/Prospectus and assuming no Retained Earnings Dividend, for each share of Ouachita Bancshares common stock they own. BancorpSouth s common stock is listed on the New York Stock Exchange under the symbol BXS and the closing price of BancorpSouth s common stock on March 3, 2014 was \$24.00 per share.

Additionally, the amount of per share merger consideration to be received is dependent upon the number of shares of Ouachita Bancshares common stock issued and outstanding immediately prior to the effective time of the merger and whether any adjustment to the merger consideration provided in the Merger Agreement occurs. Consequently, the

exact per share merger consideration to be received as a result of the merger will not be known at the time Ouachita Bancshares shareholders vote on the merger.

This Proxy Statement/Prospectus provides you with detailed information about the proposed merger between BancorpSouth and Ouachita Bancshares. This document also contains information about BancorpSouth and Ouachita Bancshares. We encourage you to carefully read and consider this Proxy Statement/Prospectus in its entirety. You can obtain additional information about BancorpSouth from documents that it has filed with the Securities and Exchange Commission. For information on how to obtain copies of these documents, you should refer to the section of this document entitled WHERE YOU CAN FIND MORE INFORMATION, which begins on page 66.

**You should carefully consider the risk factors described beginning on page 12 of this Proxy Statement/Prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the shares of BancorpSouth common stock to be issued under this Proxy Statement/Prospectus or determined if this Proxy Statement/Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**Shares of BancorpSouth common stock are not savings or deposit accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

**The date of this Proxy Statement/Prospectus is March 10, 2014,**

**and it is first being mailed to the shareholders of Ouachita Bancshares on or about March 10, 2014.**

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**Ouachita Bancshares Corp.,**

**The holding company for**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON APRIL 8, 2014**

**TO THE SHAREHOLDERS OF OUACHITA BANCSHARES CORP.:**

This serves as notice to you that a special meeting of shareholders of Ouachita Bancshares Corp. ( Ouachita Bancshares ) will be held on April 8, 2014 at 2:00 p.m., Central Time, at the Bayou DeSiard Country Club, 3501 Forsythe Avenue, Monroe, Louisiana 71201 for the purpose of considering and voting upon the approval of the Agreement and Plan of Reorganization (the Merger Agreement ), dated as of January 8, 2014, between Ouachita Bancshares and BancorpSouth, Inc. ( BancorpSouth ), which provides for the merger of Ouachita Bancshares with and into BancorpSouth as more fully described in the accompanying Proxy Statement/Prospectus.

Only holders of record of Ouachita Bancshares common stock at the close of business on February 28, 2014 (the record date ) are entitled to notice of and to vote at the special meeting or any adjournments or postponements of the special meeting. Each share of Ouachita Bancshares common stock is entitled to one vote. Approval of the Merger Agreement requires approval by the holders of more than fifty percent (50%) of the outstanding shares of Ouachita Bancshares common stock, present in person or by proxy at the special meeting.

All directors and certain executive officers of Ouachita Bancshares have entered into a voting agreement with BancorpSouth whereby they have agreed to vote their shares of Ouachita Bancshares common stock in favor of the merger. On the record date, these shareholders represented 34.07% of the shares of Ouachita Bancshares common stock entitled to vote at the Ouachita Bancshares special meeting.

**The board of directors of Ouachita Bancshares has approved the Merger Agreement and the transactions contemplated thereby, and recommends that Ouachita Bancshares shareholders vote FOR approval of the Merger Agreement and the transactions contemplated thereby.**

Under the terms of the Merger Agreement, if the Merger Agreement is approved and the merger is completed, all outstanding shares of Ouachita Bancshares common stock will, subject to adjustment as set forth in the Merger Agreement, be converted into the right to receive an aggregate of (i) 3,675,000 shares of BancorpSouth common stock and (ii) \$22,875,000 in cash less the amount of the Retained Earnings Dividend (as defined in the Merger Agreement). The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger.

The amount of per share merger consideration to be received is dependent upon the number of shares of Ouachita Bancshares common stock issued and outstanding immediately prior to the effective time of the merger and whether any adjustment to the merger consideration as set forth in the Merger Agreement occurs. Consequently, you will not know the exact per share merger consideration you will receive as a result of the merger when you vote on the Merger Agreement. Based on the number of shares of Ouachita Bancshares common stock issued and outstanding on February 28, 2014 and assuming all options to acquire shares of Ouachita Bancshares common stock outstanding on that date are exercised for cash, there would have been 846,772 shares of Ouachita Bancshares common stock

outstanding on that date. Based on the foregoing assumption and further assuming no adjustment to the merger consideration, you would receive for each share of Ouachita Bancshares common stock that you own (i) 4.3115 shares of BancorpSouth Common Stock and (ii) cash consideration of approximately \$26.84, with cash to be paid in lieu of any remaining fractional share interest. The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger.

The actual value received by Ouachita Bancshares shareholders in the aggregate and on a per share basis will fluctuate based on the price of BancorpSouth's common stock and the number of shares of Ouachita Bancshares common stock outstanding (including any shares issued for options that are exercised prior to the effective time of the merger) and is further subject to a pricing collar requiring the aggregate value of the merger consideration be not less than \$99,000,000 and not more than \$112,000,000 as described in the accompanying Prospectus/Proxy Statement.

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***Notice of Right to Dissent.*** Dissenting shareholders who comply with the procedural requirements of the Louisiana Business Corporation Law will be entitled to receive payment of the fair cash value of their shares if the merger is effected upon the approval of the holders of less than 80% of the outstanding shares of Ouachita Bancshares common stock. In the event that the merger is effected upon the approval of the holders of 80% or more of Ouachita Bancshares total voting power, no Ouachita Bancshares shareholder will be entitled to dissenters' rights under Louisiana law. A copy of Section 131 of the Louisiana Business Corporation Law containing the procedural requirements to exercise dissenters' rights is attached as Annex B to the accompanying Proxy Statement/Prospectus. In addition, please see the section entitled **THE MERGER Dissenters' Rights** in the accompanying Proxy Statement/Prospectus for a discussion of the procedures to be followed in asserting these dissenters' rights.

Shareholders of Ouachita Bancshares who do not wish to accept the merger consideration from BancorpSouth provided for by the merger will be entitled under the Louisiana Business Corporation Law to receive the fair cash value of their shares if the merger is effected upon the approval of the holders of less than 80% of the outstanding shares of Ouachita Bancshares common stock. This right to dissent is subject to a number of restrictions and technical requirements.

***Please mark, sign, date and return the enclosed proxy card promptly, whether or not you plan to attend the special meeting.*** All Ouachita Bancshares shareholders are invited to attend the special meeting. To ensure your representation at the special meeting, please complete and promptly mail the enclosed proxy card in the enclosed postage paid business reply envelope. This will not prevent you from voting in person, but will help to secure a quorum and avoid added solicitation costs. If you do not vote your proxy, the effect will be the same as a vote against the Merger Agreement and the transactions contemplated thereby. You may revoke your proxy at any time before it is voted.

Please review the Proxy Statement/Prospectus accompanying this notice for more complete information regarding the proposed merger and the special meeting.

BY ORDER OF THE BOARD OF  
DIRECTORS,

Clyde R. White  
*Chairman of the Board*

March 10, 2014

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**ADDITIONAL INFORMATION**

This Proxy Statement/Prospectus incorporates important business and financial information about BancorpSouth from documents that are not included in or delivered with this Proxy Statement/Prospectus. See **WHERE YOU CAN FIND MORE INFORMATION** beginning on page 66. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference in this Proxy Statement/Prospectus by requesting them in writing or by telephone from BancorpSouth at the following address:

BancorpSouth, Inc.

One Mississippi Plaza

Tupelo, Mississippi 38804

(662) 680-2000

Attention: Corporate Secretary

**In order to receive timely delivery of requested documents in advance of Ouachita Bancshares special meeting of shareholders, your request should be received no later than April 1, 2014.**

You also may obtain these documents at the Securities and Exchange Commission's web site, <http://www.sec.gov>, and at BancorpSouth's web site, <http://www.bancorpsouth.com>, by selecting Investor Relations and then selecting SEC Filings. We have included the web addresses of the Securities and Exchange Commission and BancorpSouth as inactive textual references only. Except as specifically incorporated by reference into this Proxy Statement/Prospectus, information on those web sites is not part of this Proxy Statement/Prospectus.

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**QUESTIONS AND ANSWERS**

**ABOUT THE MERGER AND THE SPECIAL MEETING**

**Q: What is the proposed transaction and what am I being asked to vote upon?**

A: You are being asked to vote on a proposal to approve a merger in which Ouachita Bancshares will merge with and into BancorpSouth, with BancorpSouth surviving. It is contemplated that immediately thereafter, the Bank will merge with and into BancorpSouth Bank, with BancorpSouth Bank surviving. After the merger, you will no longer own shares of Ouachita Bancshares common stock and will receive the per share merger consideration.

**Q: What do I need to do now?**

A: After you carefully read this Proxy Statement/Prospectus, please vote your proxy promptly by indicating on the enclosed proxy card how you want to vote, and by signing and mailing the proxy card in the enclosed postage paid business reply envelope as soon as possible so that your shares may be represented at the special meeting of shareholders.

Regardless of whether you plan to attend the special meeting in person, we encourage you to vote your proxy promptly. This will help to ensure that a quorum is present at the special meeting and will help reduce the costs associated with the solicitation of proxies.

The board of directors of Ouachita Bancshares recommends that shareholders vote **FOR** approval of the Merger Agreement.

**Q: Why is my vote important?**

A: Pursuant to the Articles of Incorporation of Ouachita Bancshares, the Merger Agreement must be approved by the holders of more than fifty percent (50%) of the outstanding shares of Ouachita Bancshares common stock, present in person or by proxy at the special meeting. Accordingly, if you abstain, it will have the same effect as a vote against approval of the Merger Agreement.

**Q: Can I change my vote after I have delivered my proxy card?**

A: You may change your vote at any time before your proxy is voted at your meeting. You can do this in any of the following three ways:

by sending a written notice to the corporate secretary of the board of Ouachita Bancshares in time to be received before the special meeting stating that you would like to revoke your proxy;

by completing, signing and dating another proxy card and returning it by mail in time to be received before the special meeting, in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or

if you are a holder of record, by attending the special meeting and voting in person, although attendance by itself will not revoke a previously granted proxy.

If your shares are held in an account at a broker, you should contact your broker to change your vote.

**Q: If my shares are held in street name by my broker, will my broker vote my shares for me?**

A: You should instruct your broker to vote your shares, following the directions your broker provides. Your broker will generally not have the discretion to vote your shares without your instructions.

**Q: Will I be able to trade the shares of BancorpSouth common stock I receive in the merger?**

A: Yes. The BancorpSouth common stock issued pursuant to the merger will be registered under the Securities Act of 1933, as amended (the Securities Act), and will be listed on the New York Stock Exchange under the symbol BXS. All shares of BancorpSouth common stock that you receive in the merger will be freely transferable and will not be subject to any restrictions on transfer arising under the Securities Act, except for shares issued to any Ouachita Bancshares shareholder who may be deemed to be an affiliate of BancorpSouth after completion of the merger. An affiliate of a corporation, as defined by the rules promulgated under the Securities Act, is a person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, that corporation. Affiliates generally include directors, executive officers and beneficial owners of 10% or more of a company's capital stock. Former Ouachita Bancshares shareholders who are not affiliates of BancorpSouth after the completion of the merger may sell their shares of BancorpSouth common stock received in the merger at any time. Former Ouachita Bancshares shareholders who become affiliates of BancorpSouth after completion of the merger will be subject to the volume and sale limitations of Rule 144 under the Securities Act until they are no longer affiliates of BancorpSouth. This Proxy Statement/Prospectus does not cover resales of BancorpSouth common stock received by any person upon completion of the merger, and no person is authorized to make any use of or rely on this Proxy Statement/Prospectus in connection with or to effect any resale of BancorpSouth shares.

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**Q: What is the aggregate amount of consideration to be paid by BancorpSouth in the merger?**

A: Under the terms of the Merger Agreement, if the Merger Agreement is approved and the merger is completed, all outstanding shares of Ouachita Bancshares common stock will, subject to adjustment as set forth in the Merger Agreement, be converted into the right to receive an aggregate of (i) 3,675,000 shares of BancorpSouth common stock and (ii) \$22,875,000 in cash less the amount of the Retained Earnings Dividend (as defined below). The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger. Pursuant to certain provisions of the Merger Agreement requiring the aggregate merger consideration (inclusive of the amount distributed pursuant to the Retained Earnings Dividend) to be not less than \$99,000,000 and not more than \$112,000,000, the per share merger consideration may be adjusted based on the average closing price of BancorpSouth common stock for the ten consecutive trading days ending on and including the fifth trading day preceding the closing date.

**Q: What will I receive in connection with the merger?**

A: The amount of per share merger consideration to be received is dependent upon the number of shares of Ouachita Bancshares common stock issued and outstanding immediately prior to the effective time of the merger and whether any adjustment to the merger consideration as set forth in the Merger Agreement occurs. Consequently, you will not know the exact per share merger consideration you will receive as a result of the merger when you vote on the Merger Agreement. Based on the number of shares of Ouachita Bancshares common stock issued and outstanding on February 28, 2014 and assuming all options to acquire shares of Ouachita Bancshares common stock outstanding on that date are exercised for cash, there would have been 846,772 shares of Ouachita Bancshares common stock outstanding on that date. Based on the foregoing assumption and further assuming no adjustment to the merger consideration, you would receive for each share of Ouachita Bancshares common stock that you own (i) 4.3115 shares of BancorpSouth Common Stock and (ii) cash consideration of approximately \$26.84, with cash to be paid in lieu of any remaining fractional share interest. The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger. Pursuant to certain provisions of the Merger Agreement requiring the aggregate merger consideration to be not less than \$99,000,000 and not more than \$112,000,000, the per share merger consideration may be adjusted based on the average closing price of BancorpSouth common stock for the ten consecutive trading days ending on and including the fifth trading day preceding the closing date.

**Q: What is the Retained Earnings Dividend?**

A: Ouachita Bancshares has made an election to be taxed under Subchapter S of Chapter 1 of the Internal Revenue Code of 1986, as amended (the Code). Prior to the effective time of the merger, Ouachita Bancshares may declare and pay to the holders of its common stock a one-time special retained earnings dividend of its Subchapter S accumulated adjustments account not to exceed \$22,875,000 (the Retained Earnings Dividend). You are not required to take any action to approve or receive the Retained Earnings Dividend.

**Q: What are the U.S. federal income tax consequences of the merger to the shareholders?**

A: The merger has been structured to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. As a result of the merger's qualification as a reorganization, it is anticipated that Ouachita Bancshares shareholders will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of shares of Ouachita Bancshares common stock for shares of BancorpSouth common stock, except with respect to cash received in connection with the merger and cash delivered in lieu of fractional shares of BancorpSouth common stock and except for Ouachita Bancshares shareholders who exercise their dissenters' rights with respect to the merger.

**This tax treatment may not apply to all Ouachita Bancshares shareholders. You should consult your own tax advisor for a full understanding of the merger's tax consequences that are particular to you.**

The Retained Earnings Dividend will be treated separately from the merger for U.S. federal income tax purposes. The discussion entitled "THE MERGER - Material United States Federal Income Tax Consequences" does not address the U.S. federal income tax consequences of the Retained Earnings Dividend to holders of Ouachita Bancshares common stock. You should consult your own tax advisor for a full understanding of the Retained Earnings Dividend's tax consequences that are particular to you.

**Q: What is the purpose of this Proxy Statement/Prospectus?**

A: This document serves as Ouachita Bancshares' proxy statement and as BancorpSouth's prospectus. As a proxy statement, this document is being provided to Ouachita Bancshares' shareholders because Ouachita Bancshares board

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of directors is soliciting proxies to vote to approve the Merger Agreement. As a prospectus, this document is being provided to Ouachita Bancshares' shareholders by BancorpSouth because BancorpSouth is offering them shares of BancorpSouth common stock in exchange for their shares of Ouachita Bancshares' common stock if the merger is completed.

**Q: Is there other information I should consider?**

A: Yes. Much of the business and financial information about BancorpSouth that may be important to you is not included directly in this document. Instead, this information is incorporated into this document by references to documents separately filed by BancorpSouth with the Securities and Exchange Commission (the "SEC"). This means that BancorpSouth may satisfy its disclosure obligations to you by referring you to one or more documents separately filed by it with the SEC. See "WHERE YOU CAN FIND MORE INFORMATION" beginning on page 66 for a list of documents that BancorpSouth has incorporated by reference into this Proxy Statement/Prospectus and for instructions on how to obtain copies of these documents. The documents are available to you without charge.

**Q: What if I choose not to read the documents incorporated by reference?**

A: Information that is incorporated from another document is considered to have been disclosed to you whether or not you choose to read the document. Information contained in a document that is incorporated into this Proxy Statement/Prospectus by reference is part of this Proxy Statement/Prospectus, unless it is superseded by information contained directly in this Proxy Statement/Prospectus or in documents filed by BancorpSouth with the SEC after the date of this Proxy Statement/Prospectus.

**Q: Should I send in my Ouachita Bancshares stock certificates now?**

A: No. As soon as practicable after the effective time of the merger, Registrar and Transfer Company, BancorpSouth's exchange agent, will send each shareholder of record of Ouachita Bancshares a letter of transmittal containing instructions for exchanging their stock certificates. Please do not send in your Ouachita Bancshares stock certificates with your proxy card. Stock certificates and letters of transmittal should be returned to the exchange agent in accordance with the instructions contained in the letters of transmittal.

**Q: Whom do I contact if I have questions about the merger?**

A: If you have more questions about the merger, including procedures for voting your shares, you should contact: Ouachita Bancshares Corp.

909 North 18<sup>th</sup> Street



Monroe, Louisiana 71201

Attention: Kevin Koh, President and Chief Executive Officer

Phone Number: (318) 338-3777

**Q: When and where will the special meeting of shareholders of Ouachita Bancshares be held?**

A: The special meeting of shareholders of Ouachita Bancshares will be held on April 8, 2014 at 2:00 p.m., Central Time, at the Bayou DeSiard Country Club, 3501 Forsythe Avenue, Monroe, Louisiana 71201.

**Q: Who is entitled to vote at the special meeting of shareholders of Ouachita Bancshares?**

A: Only holders of record of Ouachita Bancshares common stock at the close of business on February 28, 2014 are entitled to notice of and to vote at the special meeting or any adjournments or postponements of the special meeting.

**Q: When do you expect the merger to be completed?**

A: We are working to complete the merger during the second quarter of 2014, although delays could occur.

**Q: Are there any risks I should consider in deciding whether I vote for the Merger Agreement?**

A: Yes. Set forth under the heading of RISK FACTORS, beginning on page 12, are a number of risk factors that you should consider carefully.

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**SUMMARY**

*This summary highlights selected information from this Proxy Statement/Prospectus. It does not contain all of the information that is important to you. You should carefully read this entire Proxy Statement/Prospectus and the documents to which it refers in order to understand fully the merger and to obtain a more complete description of the companies and the legal terms of the merger. For information on how to obtain copies of documents referred to in this Proxy Statement/Prospectus, you should read the section entitled **WHERE YOU CAN FIND MORE INFORMATION**. Each item in this summary includes a page reference that directs you to a more complete description in this Proxy Statement/Prospectus of the topic discussed.*

**The Companies (Pages 50, 51, 54)**

BANCORPSOUTH, INC.

One Mississippi Plaza

Tupelo, Mississippi 38804

(662) 680-2000

BancorpSouth (NYSE: BXS) is incorporated in Mississippi and is a financial holding company under the Bank Holding Company Act of 1956. BancorpSouth conducts its operations through its bank subsidiary, BancorpSouth Bank, and its banking-related subsidiaries. BancorpSouth Bank operates 292 commercial banking, mortgage and insurance locations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, including an insurance location in Illinois. As of December 31, 2013, BancorpSouth had total assets of approximately \$13.0 billion, deposits of approximately \$10.8 billion and shareholders' equity of approximately \$1.5 billion.

On January 22, 2014, BancorpSouth announced that it entered into a definitive agreement to acquire Central Community Corporation (Central Community) and its subsidiary bank, First State Bank Central Texas, a Texas state chartered bank with total assets of \$1.3 billion, total loans of \$555.5 million and total deposits of \$1.1 billion as of December 31, 2013. First State Bank Central Texas is a full service commercial bank with thirty-one locations throughout central Texas. The merger has been approved by the board of directors of both companies and is expected to close during the second quarter of 2014, although delays may occur. The transaction is subject to certain conditions, including the approval by stockholders of Central Community and customary regulatory approvals.

OUACHITA BANCSHARES CORP.

909 North 18<sup>th</sup> Street

Monroe, Louisiana 71201

(318) 338-3777

Ouachita Bancshares is incorporated in Louisiana, based in Monroe, Louisiana, and conducts its operations through the Bank. As of December 31, 2013, Ouachita Bancshares had total assets of approximately \$652.5 million, deposits of approximately \$549.7 million and shareholders' equity of approximately \$53.1 million.

**The Merger (Page 23)**

BancorpSouth and Ouachita Bancshares entered into the Merger Agreement whereby Ouachita Bancshares will merge with and into BancorpSouth, with BancorpSouth surviving, and the Merger Agreement provides that the Bank will merge with and into BancorpSouth Bank pursuant to a separate agreement, subject to shareholder and regulatory approval and other conditions. The Merger Agreement is attached to this Proxy Statement/Prospectus as Annex A. You should read it carefully. Subject to shareholder and regulatory approval, BancorpSouth and Ouachita Bancshares hope to complete the merger during the second quarter of 2014.

**What Ouachita Bancshares Shareholders Will Receive in the Merger (Page 39)**

Under the terms of the Merger Agreement, if the Merger Agreement is approved and the merger is completed, all outstanding shares of Ouachita Bancshares common stock will, subject to adjustment as set forth in the Merger Agreement, be converted into the right to receive an aggregate of (i) 3,675,000 shares of BancorpSouth common stock and (ii) \$22,875,000 in cash less the amount of the Retained Earnings Dividend. The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger.

The amount of per share merger consideration to be received is dependent upon the number of shares of Ouachita Bancshares common stock issued and outstanding immediately prior to the effective time of the merger and whether any

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adjustment to the merger consideration as set forth in the Merger Agreement occurs. Consequently, you will not know the exact per share merger consideration you will receive as a result of the merger when you vote on the Merger Agreement. Based on the number of shares of Ouachita Bancshares common stock issued and outstanding on February 28, 2014 and assuming all options to acquire shares of Ouachita Bancshares common stock outstanding on that date are exercised for cash, there would have been 846,772 shares of Ouachita Bancshares common stock outstanding on that date. Based on the foregoing assumption and further assuming no adjustment to the merger consideration, you would receive for each share of Ouachita Bancshares common stock that you own (i) 4.3115 shares of BancorpSouth Common Stock and (ii) cash consideration of approximately \$26.84, with cash to be paid in lieu of any remaining fractional share interest. The aggregate cash consideration will be reduced dollar-for-dollar to the extent of the Retained Earnings Dividend. If the Retained Earnings Dividend is distributed in full to the holders of Ouachita Bancshares common stock prior to the effective time of the merger, no cash consideration will be paid in connection with the merger.

The actual value received by Ouachita Bancshares shareholders in the aggregate and on a per share basis will fluctuate based on the price of BancorpSouth's common stock and the number of shares of Ouachita Bancshares common stock outstanding (including any shares issued for options that are exercised prior to the effective time of the merger) and is further subject to a pricing collar requiring the aggregate value of the merger consideration be not less than \$99,000,000 and not more than \$112,000,000 as described in detail in this Prospectus/Proxy Statement.

Prior to the consummation of the merger, each outstanding and unexercised option to purchase shares of Ouachita Bancshares common stock will become fully exercisable in accordance with the Merger Agreement. Each such option may be exercised for a limited period of time prior to the consummation of the merger as established by the administrator of the Ouachita Bancshares Corp. 1996 Incentive Stock Option Plan and the 2007 Stock Incentive Plan of Ouachita Bancshares Corp., which limited period of time will be before the effective time of the merger and at least thirty (30) days after the date on which the administrator gives notice to all holders of such options that such limited period of time for exercise has begun. Any option not exercised as of the expiration of the limited period of time described in the foregoing sentence will no longer represent a right to acquire shares of Ouachita Bancshares common stock and will be terminated. All outstanding stock appreciation units and stock appreciation rights issued under the Ouachita Bancshares Corp. 1996 Incentive Stock Option Plan and the 2007 Stock Option Plan of Ouachita Bancshares Corp. will automatically vest and be cashed out by Ouachita Bancshares prior to the effective time of the merger.

At the effective time of the merger, persons who are BancorpSouth shareholders immediately prior to the merger would own approximately 96% of the outstanding shares of common stock of the combined company and persons who are Ouachita Bancshares shareholders immediately prior to the merger would own approximately 4% of the outstanding shares of common stock of the combined company.

**BancorpSouth's Stock Price Will Fluctuate (Page 39, 49)**

BancorpSouth expects the market price of its common stock to fluctuate as a result of market factors beyond its control before and after the merger. Because the market price of BancorpSouth common stock may fluctuate, the value of the shares of BancorpSouth common stock that Ouachita Bancshares shareholders may receive in the merger might increase or decrease prior to completion of the merger, subject to the pricing collar described elsewhere in the Proxy Statement/Prospectus. BancorpSouth cannot assure Ouachita Bancshares shareholders that the market price of BancorpSouth common stock will not decrease before or after completion of the merger. You should obtain current market quotations for the shares of BancorpSouth common stock from a newspaper, the Internet or your broker. BancorpSouth common stock is listed on the New York Stock Exchange under the symbol BXS.

**Special Meeting (Page 21)**

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A special meeting of the shareholders of Ouachita Bancshares will be held at the following time and place:

April 8, 2014

2:00 p.m. (Central Time)

Bayou DeSiard Country Club

3501 Forsythe Avenue

Monroe, Louisiana 71201

At the special meeting, shareholders of Ouachita Bancshares will be asked to approve the Merger Agreement between Ouachita Bancshares and BancorpSouth and the transactions contemplated thereby.

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### **The Board of Directors of Ouachita Bancshares Recommends that its Shareholders Approve the Merger Agreement (Page 24)**

The board of directors of Ouachita Bancshares approved the Merger Agreement, believes that the merger between Ouachita Bancshares and BancorpSouth is in the best interests of Ouachita Bancshares shareholders and recommends that Ouachita Bancshares shareholders vote FOR the proposal to approve the Merger Agreement and the transactions contemplated thereby. This belief is based on a number of factors described in this Proxy Statement/Prospectus.

### **Vote Required to Complete the Merger (Page 22)**

The Merger Agreement must be approved by the holders of more than fifty percent (50%) of the outstanding shares of Ouachita Bancshares common stock, present in person or by proxy at the special meeting. Ouachita Bancshares expects that its executive officers and directors will vote all of their shares of Ouachita Bancshares common stock in favor of the Merger Agreement. Based on the total number of shares of Ouachita Bancshares common stock outstanding as of February 28, 2014, the percentage of votes that executive officers, directors and their affiliates could cast (based on a total number of 289,149 shares held by such executive officers, directors and their affiliates and including options exercisable within 60 days) is 34.07%. Additionally, pursuant to the terms of a voting agreement required by the terms of the Merger Agreement, each member of the board of directors of Ouachita Bancshares and certain officers of Ouachita Bancshares and the Bank are required to vote in favor of the Merger Agreement.

### **Record Date; Voting Power (Page 22)**

You can vote at the special meeting of Ouachita Bancshares shareholders if you owned Ouachita Bancshares common stock as of the close of business on February 28, 2014, the record date set by the Ouachita Bancshares board of directors. Each share of Ouachita Bancshares common stock is entitled to one vote. On February 28, 2014, there were 846,772 shares of Ouachita Bancshares common stock outstanding and entitled to vote on the Merger Agreement.

### **Background of the Merger (Page 23)**

On November 19, 2013, Ouachita Bancshares engaged Sheshunoff & Co. to act as its exclusive agent to provide investment banking and financial advisory services in relation to the evaluation, structure and possible negotiation of a potential business combination. After reviewing the information delivered by Sheshunoff & Co. and considering its own strategic plans, on November 21, 2013, BancorpSouth's management submitted a proposal for a merger with Ouachita Bancshares. After considering the proposal, the management of Ouachita Bancshares, in consultation with Sheshunoff & Co., elected to enter into exclusive negotiations with BancorpSouth. The parties and their representatives began negotiation of a Merger Agreement on December 21, 2013 and continued to negotiate the terms of the Merger Agreement until it was signed on January 8, 2014.

On January 8, 2014, BancorpSouth's board of directors approved the Merger Agreement. On January 8, 2014, following presentations from its legal and financial advisors, Ouachita Bancshares' board of directors approved the Merger Agreement. The Merger Agreement was executed by the parties as of January 8, 2014.

### **Why BancorpSouth and Ouachita Bancshares are Seeking to Merge (Page 24)**

The merger will combine the strengths of BancorpSouth and Ouachita Bancshares and their subsidiary banks. BancorpSouth has an established presence in Monroe-West Monroe and Shreveport-Bossier, Louisiana with plans to significantly enhance its market share in those markets. Joining with BancorpSouth will provide Ouachita Bancshares customers opportunities offered by a large, resourceful, community-minded bank. BancorpSouth has been actively

seeking other banking locations in the Monroe-West Monroe, Shreveport-Bossier and Bastrop areas to expand its presence in Louisiana, particularly in the Interstate 20 corridor in Louisiana. The proposed merger with Ouachita Bancshares accelerates BancorpSouth's opportunity to grow in Louisiana and brings to BancorpSouth's team a number of outstanding bankers. BancorpSouth currently operates 292 commercial banking, mortgage, and insurance locations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, including an insurance location in Illinois, with total assets of approximately \$13.0 billion. BancorpSouth's management views the Interstate 20 corridor in Louisiana as a logical growth area for its community style of banking.

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**Opinion of Financial Advisor to Ouachita Bancshares (Page 26)**

Sheshunoff & Co. has delivered to the board of directors of Ouachita Bancshares its written opinion, dated January 8, 2014, that, based upon and subject to the various considerations set forth in its opinion, the total transaction consideration to be paid to the shareholders of Ouachita Bancshares is fair from a financial point of view as of such date. In requesting Sheshunoff & Co.'s advice and opinion, no instructions were given and no limitations were imposed by Ouachita Bancshares upon Sheshunoff & Co. with respect to the investigations made or procedures followed by it in rendering its opinion.

**The full text of the opinion of Sheshunoff & Co., dated January 8, 2014, which describes the procedures followed, assumptions made, matters considered and limitations on the review undertaken, is attached as Annex C to this Proxy Statement/Prospectus. Ouachita Bancshares shareholders should read this opinion in its entirety.**

**Management and Board of Directors of BancorpSouth Following the Merger (Page 48)**

The officers and directors of each of BancorpSouth and BancorpSouth Bank immediately prior to the effective time of the merger will continue to be the officers and directors of BancorpSouth and BancorpSouth Bank, respectively, following the merger. Certain of the executive officers of Ouachita Bancshares will be retained by BancorpSouth and may serve as officers of BancorpSouth Bank but will not serve as executive officers of BancorpSouth.

**Federal Income Tax Consequences (Page 32)**

The transaction contemplated by the Merger Agreement is intended to be treated as a reorganization within the meaning of Section 368(a) of the Code. Accordingly, upon the exchange of your shares of Ouachita Bancshares common stock for the per share merger consideration, you should recognize a gain, but not any loss, on the exchange to the extent of the lesser of cash received or gain realized in the exchange.

**This tax treatment may not apply to all shareholders of Ouachita Bancshares. Determining the actual tax consequences of the merger to you can be complicated. You should consult your own tax advisor for a full understanding of the merger's tax consequences that are particular to you.**

BancorpSouth and Ouachita Bancshares will not be obligated to complete the merger unless they each receive an opinion from their respective legal counsel, dated the closing date, that the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and that BancorpSouth and Ouachita Bancshares will each be a party to that reorganization. If such opinions are rendered, the U.S. federal income tax treatment of the merger should be as described above. The opinions of the parties' respective counsel, however, do not bind the Internal Revenue Service and do not preclude the IRS or the courts from adopting a contrary position.

The Retained Earnings Dividend will be treated separately from the merger for U.S. federal income tax purposes. The discussion entitled "THE MERGER - Material United States Federal Income Tax Consequences" does not address the U.S. federal income tax consequences of Retained Earnings Dividend to holders of Ouachita Bancshares common stock. You should consult your own tax advisor for a full understanding of the Retained Earnings Dividend's tax consequences that are particular to you.

**Accounting Treatment (Page 32)**



BancorpSouth will account for the merger under the purchase method of accounting for business combinations under United States generally accepted accounting principles.

**Interests of Ouachita Bancshares Management and Directors in the Merger (Page 37)**

Executive officers and directors of Ouachita Bancshares will be issued shares of BancorpSouth common stock and paid cash in the merger on the same basis as other shareholders of Ouachita Bancshares. The following chart shows the number of shares of BancorpSouth common stock that may be issued to executive officers, directors and principal shareholders of Ouachita Bancshares in the merger (including shares reserved for issuance upon exercise of stock options):

Shares of common stock of Ouachita Bancshares beneficially owned by its executive officers, directors and holders of more than 10% of Ouachita Bancshares common stock on February 28, 2014	289,149
Shares of BancorpSouth common stock that may be received in the merger by executive officers, directors and holders of more than 10% of Ouachita Bancshares common stock based upon their beneficial ownership, subject to the pricing collar and assuming the exercise of all options to purchase Ouachita Bancshares common stock	1,246,666

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Some of the directors and officers of Ouachita Bancshares have interests in the merger that differ from, or are in addition to, their interests as shareholders of Ouachita Bancshares. These interests include the following:

The existing change in control agreements between Ouachita Bancshares and each of Kevin Koh, Robert Schott and Walter Lamb will be terminated upon completion of the merger and these individuals will receive cash change in control payments equal to approximately \$1.2 million in the aggregate;

In connection with the merger, 19 of the officers of Ouachita Bancshares or its subsidiaries, as applicable, have entered into employment agreements with BancorpSouth which contain non-competition and non-solicitation obligations to be effective upon completion of the merger whereby each individual is entitled to receive a salary, annual bonus, retention payments, restricted stock grants, and certain additional incentives;

Prior to completion of the merger, each option to acquire Ouachita Bancshares common stock will vest (to the extent that such option is not already vested) and will become immediately exercisable for a period of at least 30 days after which time such options will be terminated if not previously exercised;

Prior to completion of the merger, the vesting of all outstanding stock appreciation units and stock appreciation rights will be accelerated and the holder of such stock appreciation unit or stock appreciation right will receive a cash payment of the amount needed to cash out such unit from Ouachita Bancshares as required under the terms of the applicable award agreement; and

The directors and officers of Ouachita Bancshares and the Bank currently covered under comparable policies held by Ouachita Bancshares and the Bank will receive past acts insurance coverage under its current bankers professional liability, mortgage errors and omissions and fiduciary liability insurance for a period of four years after completion of the merger.

### **Ouachita Bancshares Shareholders May Dissent from the Merger (Page 35)**

Louisiana law permits Ouachita Bancshares shareholders to dissent from the merger and to receive the fair cash value of their shares of Ouachita Bancshares common stock in cash. To dissent, a Ouachita Bancshares shareholder must follow certain procedures, including filing certain notices with Ouachita Bancshares and voting his or her shares against the Merger Agreement. The shares of Ouachita Bancshares common stock held by a dissenter will not be exchanged for stock consideration or cash consideration in the merger and a dissenter's only right will be to receive the fair cash value of his or her shares of Ouachita Bancshares common stock in cash. A copy of the Louisiana statute describing these dissenters' rights and the procedures for exercising them is attached as Annex B to this Proxy Statement/Prospectus. Ouachita Bancshares shareholders who perfect their dissenters' rights and receive cash in exchange for their shares of Ouachita Bancshares common stock may recognize gain or loss for U.S. federal income tax purposes.

### **We Must Obtain Regulatory Approvals to Complete the Merger (Page 32)**

We cannot complete the merger unless it is approved by the Board of Governors of the Federal Reserve System (the Federal Reserve ). BancorpSouth filed an application under section 3 of the Bank Holding Company Act with the Federal Reserve Bank of St. Louis on February 25, 2014. Further, the redemption of the subordinated debentures (the SBLF Redemption ) issued by Ouachita Bancshares to the United States Treasury in connection with its participation in Treasury s Small Business Lending Fund also requires the consent of the Federal Reserve.

In addition, the merger of the Bank with and into BancorpSouth Bank requires the approval of the Federal Deposit Insurance Corporation (the FDIC ), the Mississippi Department of Banking and Consumer Finance and the Louisiana Office of Financial Institutions. The U.S. Department of Justice has input into the FDIC s approval process. Once the FDIC has approved the merger, federal law requires that we wait up to 30 calendar days to complete the merger in order to give the Department of Justice the opportunity to review and object to the merger. Also, in order to fund the SBLF Redemption, the Bank intends to declare an extraordinary cash dividend, which will require the approval of the FDIC and Louisiana Office of Financial Institutions. Finally, the Retained Earnings Dividend will require the approval of the FDIC and the Louisiana Office of Financial Institutions.

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We expect to obtain all necessary regulatory approvals, although we cannot be certain if or when we will obtain them. On January 21, 2014, BancorpSouth Bank filed applications with the FDIC, the Mississippi Department of Banking and Consumer Finance and the Louisiana Office of Financial Institutions to obtain approval of the subsidiary bank merger. On February 27, 2014, the Bank filed a request with the FDIC and Louisiana Office of Financial Institutions to obtain approval to declare an extraordinary cash dividend to fund the SBLF Redemption and the Retained Earnings Dividend, and a request with the Federal Reserve to obtain its consent to consummate the SBLF Redemption.

We also intend to make all required filings with the SEC under the Securities Act and the Securities Exchange Act of 1934 relating to the merger.

While we believe that we will obtain the remaining regulatory approvals in a timely manner, we cannot be certain if or when we will obtain them.

## **Conditions to Complete the Merger (Page 45)**

The completion of the merger depends on a number of conditions being met, including the following:

shareholders of Ouachita Bancshares approving the merger;

the New York Stock Exchange authorizing for listing the shares of BancorpSouth common stock to be issued to Ouachita Bancshares shareholders;

receiving all required regulatory approvals, including that of the FDIC, and the expiration of any regulatory waiting periods;

BancorpSouth's registration statement on Form S-4 becoming effective under the Securities Act;

the holders of less than 5% of the total outstanding shares of Ouachita Bancshares common stock having exercised dissenters' rights with respect to the merger;

receiving opinions of legal counsel to each company that the U.S. federal income tax treatment of the merger will generally be as described in this Proxy Statement/Prospectus;

Each of the employment agreements and change of control agreements between Ouachita Bancshares and/or the Bank and an officer thereof being terminated;

Ouachita Bancshares' allowance for loan losses shall be equaling at least the minimum allowance amount (as defined in the Merger Agreement);

The executed employment agreements, director support agreements, director/officer releases, and the voting agreement shall remain in full force and effect; and

Ouachita Bancshares amending or terminating any employee benefit plans as requested by BancorpSouth. In cases where the law permits, a party to the Merger Agreement could elect to waive a condition that has not been satisfied and complete the merger although the party is entitled not to complete the merger. We cannot be certain whether or when any of these conditions will be satisfied (or waived, where permissible) or that the merger will be completed.

#### **Termination of the Merger Agreement (Page 46)**

The Merger Agreement may be terminated at any time prior to the effective time of the merger, whether before or after approval of the merger by Ouachita Bancshares shareholders, as set forth in the Merger Agreement, including by mutual consent of BancorpSouth and Ouachita Bancshares. In addition, the Merger Agreement may generally be terminated by either party if:

a court of competent jurisdiction in the United States or other governmental entity issues an order, decree or ruling or takes any other action restraining, enjoining or otherwise prohibiting the merger and such order, decree, ruling or other action is final and non-appealable or any of the transactions contemplated by the Merger Agreement are disapproved by any governmental entity or other person whose approval is required;

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the merger is not completed on or before July 7, 2014, unless one or more regulatory approvals have not been received, in which case the Merger Agreement may be terminated if the merger is not completed on or before August 6, 2014;

Ouachita Bancshares shareholders fail to approve the Merger Agreement; or

any of the representations or warranties provided by the other party set forth in the Merger Agreement become untrue or incorrect or the other party materially breaches its covenants set forth in the Merger Agreement, and the representation or material breach is not cured within the prescribed time limit.

Ouachita Bancshares may terminate the Merger Agreement in the event the average closing price (as calculated over the ten consecutive trading days ending on and including the fifth trading day prior to the consummation of the merger) of BancorpSouth common stock is less than \$20.71, subject to BancorpSouth's right to adjust the merger consideration so that the aggregate merger consideration based on the closing date average price is at least \$99,000,000, before any other adjustment to the merger consideration described in the Merger Agreement.

Ouachita Bancshares may terminate the Merger Agreement, without the consent of BancorpSouth, if the board of directors of Ouachita Bancshares receives an unsolicited, bona fide alternative acquisition proposal (as defined in the Merger Agreement) and, under certain terms and conditions, determines that it is a superior proposal to that of the Merger Agreement and that the failure to accept such proposal would cause the board of directors to violate its fiduciary duties under applicable law; but Ouachita Bancshares must notify BancorpSouth of the superior proposal at least five business days before terminating the Merger Agreement, during which time BancorpSouth has the right to adjust the terms and conditions of the Merger Agreement so that the superior proposal no longer constitutes a superior proposal.

In addition, BancorpSouth may terminate the Merger Agreement, without the consent of Ouachita Bancshares, if any required regulatory approval is obtained subject to restrictions or conditions on the operations of Ouachita Bancshares, the Bank, BancorpSouth or BancorpSouth Bank that are reasonably unacceptable to BancorpSouth.

BancorpSouth also has the right to terminate the Merger Agreement on or prior to April 8, 2014, if the results of any environmental inspections or surveys of Ouachita Bancshares properties identify certain potential or current violations of environmental laws or environmental law requires certain remedial or clean up action that could have a material adverse effect on Ouachita Bancshares.

BancorpSouth may also terminate the Merger Agreement if Ouachita Bancshares has materially breached its non-solicitation obligations contained in the Merger Agreement in a manner adverse to BancorpSouth, the board of Ouachita Bancshares resolves to accept a competing acquisition proposal or the board of Ouachita Bancshares changes its recommendation regarding the merger.

**Termination Fee (Page 47)**

If the Merger Agreement is terminated by:

BancorpSouth because Ouachita Bancshares materially breaches the non-solicitation obligations set forth in the Merger Agreement in a manner adverse to BancorpSouth;

BancorpSouth because Ouachita Bancshares' board of directors resolves to accept another acquisition proposal;

BancorpSouth because Ouachita Bancshares' board of directors withdraws, amends or modifies, in any manner adverse to BancorpSouth, its recommendation or approval of the Merger Agreement or the merger; or

Ouachita Bancshares because Ouachita Bancshares' board of directors receives an unsolicited, bona fide alternative acquisition proposal and, under certain terms and conditions, determines that it is a superior proposal to that of the Merger Agreement taking into account any adjustments made by BancorpSouth to the merger consideration,

then, unless BancorpSouth is in material breach of any covenant or obligation under the Merger Agreement, Ouachita Bancshares will be required to pay BancorpSouth a termination fee of \$4,500,000 plus up to \$500,000 for BancorpSouth's expenses related to the merger.

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If either BancorpSouth or Ouachita Bancshares terminates the Merger Agreement:

after July 7, 2014 (or August 6, 2014, if regulatory approval has not been obtained by July 7, 2014), and if at the time of termination, the registration statement of which this proxy statement/prospectus is a part has been declared effective for at least 25 business days prior to such termination and Ouachita Bancshares has failed to call, give notice of, convene and hold the Ouachita Bancshares special meeting by such date, or

without regard to timing, if Ouachita Bancshares' shareholders do not approve the Merger Agreement and an acquisition proposal exists at the time of termination, then, unless BancorpSouth is in material breach of any covenant or obligation under the Merger Agreement, Ouachita Bancshares will be required to pay BancorpSouth up to \$500,000 for its expenses related to the merger.

If either BancorpSouth or Ouachita Bancshares terminates the Merger Agreement, and within 12 months of termination of the Merger Agreement Ouachita Bancshares enters into an acquisition agreement with a third party:

after July 7, 2014 (or August 6, 2014, if regulatory approval has not been obtained by July 7, 2014), and if at the time of termination, Ouachita Bancshares' shareholders have not approved the Merger Agreement, or

without regard to timing, if Ouachita Bancshares' shareholders do not approve the Merger Agreement and an acquisition proposal exists at the time of termination, then, unless BancorpSouth is in material breach of any covenant or obligation under the Merger Agreement, Ouachita Bancshares will be required to pay BancorpSouth a termination fee of \$4,500,000 plus up to \$500,000 for BancorpSouth's expenses related to the merger.

## **Comparative Per Share Market Price Information (Page 19)**

Shares of BancorpSouth common stock are listed on the New York Stock Exchange under the symbol BXS. On January 7, 2014, the last full trading day prior to the public announcement of the merger, the closing sales price of BancorpSouth common stock was \$24.76 per share. On March 3, 2014, the last practicable trading day before the distribution of this Proxy Statement/Prospectus, the closing sales price of BancorpSouth common stock was \$24.00 per share. The market price of BancorpSouth common stock is expected to fluctuate prior to and after completion of the merger. You should obtain current market quotations for the shares of BancorpSouth common stock from a newspaper, the Internet or your broker.

There is no established public trading market for shares of Ouachita Bancshares common stock, which is inactively traded in private transactions. Since April 2011, there have been approximately 50 transactions with respect to Ouachita Bancshares common stock, including redemptions by Ouachita Bancshares and transactions by affiliates. The per share sales price for these trades has ranged from a low of \$60.75 to a high of \$74.00.

## **Comparison of Rights of Shareholders (Page 54)**



At the effective time of the merger, Ouachita Bancshares shareholders who receive shares of BancorpSouth common stock will automatically become BancorpSouth shareholders. BancorpSouth is a Mississippi corporation governed by provisions of the Mississippi Business Corporation Act and BancorpSouth's restated articles of incorporation, as amended, and amended and restated bylaws, as amended. Ouachita Bancshares is a Louisiana corporation governed by provisions of the Louisiana Business Corporation Law, and Ouachita Bancshares' Articles of Incorporation and Bylaws. See **COMPARISON OF RIGHTS OF SHAREHOLDERS**.

**Subsequent Execution of Agreement and Plan of Reorganization by and between Central Community and BancorpSouth (Page 38)**

On January 22, 2014, BancorpSouth announced that it entered into a definitive agreement to acquire Central Community and its subsidiary bank, First State Bank Central Texas, a Texas state-chartered bank with total assets of \$1.3 billion, total loans of \$555.5 million and total deposits of \$1.1 billion as of December 31, 2013. First State Bank Central Texas is a full service commercial bank with thirty-one locations throughout central Texas.

Under the terms of the definitive agreement, Central Community stockholders will receive an aggregate of \$28,500,000 in cash and 7,250,000 shares of BancorpSouth common stock for all outstanding shares of Central Community common stock. The merger has been approved by the boards of directors of both BancorpSouth and Central Community and is expected to close during the second quarter of 2014. The transaction is subject to certain conditions, including the approval by stockholders of Central Community and customary regulatory approvals.

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**RISK FACTORS**

*The merger involves a number of risks. In addition to the risks described below, the combined companies will continue to be subject to the risks described in the documents that BancorpSouth has filed with the SEC that are incorporated by reference into this Proxy Statement/Prospectus, including without limitation BancorpSouth's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and BancorpSouth's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013, June 30, 2013 and September 30, 2013. If any of the risks described below or in the documents incorporated by reference into this Proxy Statement/Prospectus actually occur, the business, financial condition, results of operations or cash flows of the combined companies could be materially adversely affected. The risks below should be considered along with the other information included or incorporated by reference into this Proxy Statement/Prospectus. You should keep these risk factors in mind when you read forward-looking statements in this document and in the documents incorporated by reference into this document. Please refer to the section of this Proxy Statement/Prospectus titled "Cautionary Statement Concerning Forward-Looking Information."*

**Because the market price of BancorpSouth common stock will fluctuate, you cannot be sure of the value of the stock consideration you may receive.**

Upon completion of the merger, each share of Ouachita Bancshares common stock will be converted into the right to receive the per share merger consideration set forth in the Merger Agreement. The implied value of the consideration that you receive will be based on the number of shares of Ouachita Bancshares common stock you own and the market price of BancorpSouth common stock. The market price of BancorpSouth common stock may increase or decrease before or after completion of the merger and, therefore, the implied value of the stock consideration may vary from the implied value of the stock consideration on the date we announced the merger, the date that this Proxy Statement/Prospectus was mailed to Ouachita Bancshares shareholders and the date of the special meeting of the Ouachita Bancshares shareholders, subject to the pricing collar set forth in the Merger Agreement. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in our respective businesses, operations and prospects, and regulatory considerations. Many of these factors are beyond our control. Accordingly, at the time of the Ouachita Bancshares special meeting, you will not necessarily know or be able to calculate the exact value of the per share merger consideration you would receive upon completion of the merger.

**We may fail to achieve the anticipated benefits of the merger.**

BancorpSouth and Ouachita Bancshares have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the merger.

**BancorpSouth may fail to realize the cost savings estimated for the merger.**

Although BancorpSouth estimates that it will realize cost savings from the merger when fully phased in, it is possible that the estimates of the potential cost savings could turn out to be incorrect. For example, the combined purchasing power may not be as strong as expected, and therefore the cost savings could be reduced. In addition, unanticipated growth in BancorpSouth's business may require BancorpSouth to continue to operate or maintain some facilities or support functions that are currently expected to be combined or reduced. The cost savings estimates also depend on our ability to combine the businesses of BancorpSouth and Ouachita Bancshares in a manner that permits those cost savings to be realized. If the estimates turn out to be incorrect or BancorpSouth is not able to combine the two

companies successfully, the anticipated cost savings may not be fully realized or realized at all, or may take longer to realize than expected.

**The market price of shares of BancorpSouth common stock after the merger may be affected by factors different from those affecting shares of Ouachita Bancshares or BancorpSouth currently.**

The businesses of BancorpSouth and Ouachita Bancshares differ in some respects and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of each of BancorpSouth and Ouachita Bancshares. For a discussion of the businesses of BancorpSouth and Ouachita Bancshares and of certain factors to consider in connection with those businesses, see INFORMATION ABOUT BANCORPSOUTH and INFORMATION ABOUT OUACHITA BANCSHARES beginning on pages 50 and 51, respectively.

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**The executive officers and directors of Ouachita Bancshares have interests different from typical Ouachita Bancshares shareholders.**

The executive officers and directors of Ouachita Bancshares have certain interests in the merger and participate in certain arrangements that are different from, or are in addition to, those of Ouachita Bancshares shareholders generally, and are further bound to vote in favor of the merger pursuant to the voting agreement. See THE MERGER Interests of Certain Persons in the Merger. As a result, these executive officers and directors could be more likely to approve the Merger Agreement than if they did not hold these interests and were not bound by the provisions of the voting agreement.

**Former shareholders of Ouachita Bancshares will be limited in their ability to influence BancorpSouth's actions and decisions following the merger.**

Following the merger, former shareholders of Ouachita Bancshares will hold less than four percent of the outstanding shares of BancorpSouth common stock. As a result, former Ouachita Bancshares shareholders will have only limited ability to influence BancorpSouth's business. Former Ouachita Bancshares shareholders will not have separate approval rights with respect to any actions or decisions of BancorpSouth or have separate representation on BancorpSouth's board of directors.

**The merger may result in a loss of current Ouachita Bancshares employees.**

Despite BancorpSouth's efforts to retain quality employees, BancorpSouth might lose some of Ouachita Bancshares current employees following the merger. Current Ouachita Bancshares employees may not want to work for a larger, publicly-traded company instead of a smaller, privately-held company or may not want to assume different duties, positions and compensation that BancorpSouth offers to the Ouachita Bancshares employees. Competitors may recruit employees prior to the merger and during the integration process after the merger. As a result, current employees of Ouachita Bancshares could leave with little or no prior notice. BancorpSouth cannot assure you that the combined companies will be able to attract, retain and integrate employees following the merger.

**Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or cannot be met.**

Before the transactions contemplated in the Merger Agreement may be completed, various approvals must be obtained from the bank regulatory and other governmental authorities. These governmental entities may impose conditions on the granting of such approvals. Such conditions and the process of obtaining regulatory approvals could have the effect of delaying completion of the merger or of imposing additional costs or limitations on BancorpSouth following the merger. The regulatory approvals may not be received at any time, may not be received in a timely fashion, and may contain conditions on the completion of the merger that are not anticipated or cannot be met. Although BancorpSouth and Ouachita Bancshares do not currently expect that any such material conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs or limiting the revenues of the combined company following the merger, any of which might have an adverse effect on the combined company following the merger.

**The Merger Agreement limits Ouachita Bancshares' ability to pursue an alternative transaction and requires Ouachita Bancshares to pay a termination fee plus expenses incurred by BancorpSouth under certain circumstances relating to alternative acquisition proposals.**

The Merger Agreement prohibits Ouachita Bancshares from soliciting, initiating, encouraging or knowingly facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the Merger Agreement. The Merger Agreement also provides for the payment by Ouachita Bancshares to BancorpSouth of a termination fee of \$4,500,000 plus BancorpSouth's expenses up to a maximum of \$500,000 in the event that the Merger Agreement is terminated in certain circumstances, involving, among others, certain changes in the recommendation of Ouachita Bancshares' board of directors. These provisions may discourage a potential competing acquirer that might have an interest in acquiring Ouachita Bancshares from considering or proposing such an acquisition. See THE MERGER AGREEMENT Termination; Termination Fee on page 47 of this prospectus/proxy statement.

**The fairness opinion obtained by Ouachita Bancshares from its financial advisor will not reflect changes in circumstances subsequent to the date of the fairness opinion.**

Sheshunoff & Co., Ouachita Bancshares' financial advisor in connection with the proposed merger, has delivered to the board of directors of Ouachita Bancshares its opinion dated as of January 8, 2014. The opinion of Sheshunoff & Co. stated that as of such date, and based upon and subject to the factors and assumptions set forth therein, the merger consideration was fair to the

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Ouachita Bancshares shareholders from a financial point of view. The opinion does not reflect changes that may occur or may have occurred after the date of the opinion, including changes to the operations and prospects of BancorpSouth or Ouachita Bancshares, changes in general market and economic conditions or regulatory or other factors. Any such changes, or changes in other factors on which the opinion is based, may materially alter or affect the relative values of BancorpSouth and Ouachita Bancshares.

**The combination and integration of both Ouachita Bancshares and Central Community may be more difficult, costly or time consuming than expected and some or all of the expected benefits of these acquisitions may not be realized.**

On January 22, 2014, BancorpSouth announced that it had entered into a definitive agreement to acquire Central Community and its subsidiary bank, First State Bank Central Texas. First State Bank Central Texas is a full service commercial bank with thirty-one locations throughout central Texas. The transaction with Central Community, like the transaction with Ouachita Bancshares, is subject to certain conditions, including the approval by stockholders of Central Community and customary regulatory approvals.

BancorpSouth cannot provide assurance that Central Community will obtain stockholder approval for its merger into BancorpSouth, or that BancorpSouth will be successful in obtaining all required regulatory approvals for this proposed transaction. If BancorpSouth is not successful in obtaining required regulatory approvals, the acquisition of Central Community will not be completed. If such regulatory approvals are received, there can be no assurance as to the timing of those approvals or whether any conditions will be imposed that would result in certain closing conditions of the parties not being satisfied. In addition, if a condition of either party is not satisfied, that party may be able to terminate the agreement and, in such case, the merger would not be completed.

It is possible that the process of integrating the operations of both the Bank and First State Bank Central Texas into BancorpSouth Bank's operations could result in the disruption of one or both of the acquired banks' operations and the loss of the acquired banks' customers and employees, and make it more difficult to achieve the intended benefits of these two mergers. Further, as with any merger of financial institutions, business disruptions may occur that cause customers to withdraw their deposits from the Bank or First State Bank Central Texas prior to the closing of the merger and from BancorpSouth Bank thereafter. The realization of the anticipated benefits of BancorpSouth's acquisition of each of these banks depends in large part on BancorpSouth's ability to integrate the operations of both the Bank and First State Bank Central Texas into BancorpSouth Bank's operations, and to address any significant differences in business models and cultures. Moreover, the process of integrating the acquisitions of the Bank and First State Bank Central Texas, where both acquisitions are expected to be completed in the second quarter of 2014, may be more difficult, costly or time consuming than projected and divert resources away from other BancorpSouth operations. If BancorpSouth is not able to integrate the operations of the Bank and First State Bank Central Texas into BancorpSouth Bank's operations successfully, some or all of the expected benefits of these acquisitions may not be realized.

**Table of Contents****SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF BANCORPSOUTH**

The following table sets forth certain financial information with respect to BancorpSouth which is derived from the audited financial statements of BancorpSouth. You should read this information in conjunction with BancorpSouth's consolidated financial statements and related notes included in BancorpSouth's Annual Report on Form 10-K for the year ended December 31, 2013, which are incorporated by reference in this document and from which this information is derived. See **WHERE YOU CAN FIND MORE INFORMATION** beginning on page 66.

	2013	At or for the Year Ended December 31,			
		2012	2011	2010	2009
		(Dollars in thousands, except per share amounts)			
<b>Earnings Summary:</b>					
Interest revenue	\$ 449,507	\$ 486,424	\$ 537,853	\$ 582,762	\$ 615,414
Interest expense	50,558	71,833	102,940	141,620	170,515
Net interest revenue	398,949	414,591	434,913	441,142	444,899
Provision for credit losses	7,500	28,000	130,081	204,016	117,324
Net interest revenue, after provision for credit losses	391,449	386,591	304,832	237,126	327,575
Noninterest revenue	275,066	280,149	270,845	264,144	275,276
Noninterest expense	534,849	549,193	533,633	487,033	490,017
Income before income taxes	131,666	117,547	42,044	14,237	112,834
Income tax expense (benefit)	37,551	33,252	4,475	(8,705)	30,105
Net income	\$ 94,115	\$ 84,295	\$ 37,569	\$ 22,942	\$ 82,729
<b>Balance Sheet - Year-End Balances:</b>					
Total assets	\$ 13,029,733	\$ 13,397,198	\$ 12,995,851	\$ 13,615,010	\$ 13,167,867
Total securities	2,466,989	2,434,032	2,513,518	2,709,081	1,993,594
Loans and leases, net of unearned income	8,958,015	8,636,989	8,870,311	9,333,107	9,775,136
Total deposits	10,773,836	11,088,146	10,955,189	11,490,021	10,677,702
Long-term debt	81,714	33,500	33,500	110,000	112,771
Total shareholders' equity	1,513,130	1,449,052	1,262,912	1,222,244	1,276,296
<b>Balance Sheet - Average Balances:</b>					
Total assets	13,068,568	13,067,276	13,280,047	13,304,836	13,203,659
Total securities	2,561,918	2,490,898	2,620,404	2,157,096	2,179,479
Loans and leases, net of unearned income	8,671,441	8,719,399	9,159,431	9,621,529	9,734,580
Total deposits	10,877,366	10,936,694	11,251,406	11,107,445	10,155,730
Long-term debt	53,050	33,500	66,673	111,547	290,582
Total shareholders' equity	1,478,429	1,413,667	1,240,768	1,241,321	1,255,605

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Common Share Data:

Basic earnings per share	\$	0.99	\$	0.90	\$	0.45	\$	0.28	\$	0.99
Diluted earnings per share		0.99		0.90		0.45		0.27		0.99
Cash dividends per share		0.12		0.04		0.14		0.88		0.88
Book value per share		15.89		15.33		15.13		14.64		15.29
Tangible book value per share		12.60		12.23		11.68		11.17		11.78
Dividend payout ratio		12.12		4.44		31.11		314.29		88.89



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	At or for the Year Ended December 31,				
	2013	2012	2011	2010	2009
<b>Financial Ratios:</b>					
Return on average assets	0.72%	0.65%	0.28%	0.17%	0.63%
Return on average shareholders' equity	6.37%	5.96%	3.03%	1.85%	6.59%
Total shareholders' equity to total assets	11.61%	10.82%	9.72%	8.98%	9.69%
Tangible shareholders' equity to tangible assets	9.44%	8.83%	7.67%	7.00%	7.63%
Net interest margin-fully taxable equivalent	3.43%	3.57%	3.69%	3.70%	3.77%
<b>Credit Quality Ratios:</b>					
Net charge-offs to average loans and leases	0.22%	0.67%	1.44%	1.90%	0.76%
Provision for credit losses to average loans and leases	0.09%	0.32%	1.42%	2.12%	1.21%
Allowance for credit losses to net loans and leases	1.71%	1.90%	2.20%	2.11%	1.80%
Allowance for credit losses to NPLs	127.27%	70.42%	60.55%	49.93%	94.41%
Allowance for credit losses to NPAs	80.76%	48.83%	39.33%	37.31%	71.64%
NPLs to net loans and leases	1.34%	2.70%	3.63%	4.23%	1.91%
NPAs to net loans and leases	2.12%	3.90%	5.59%	5.65%	2.51%
<b>Capital Ratios:</b>					
Tier 1 capital	12.99%	13.77%	11.77%	10.61%	11.17%
Total capital	14.25%	15.03%	13.03%	11.87%	12.42%
Tier 1 leverage capital	9.93%	10.25%	8.85%	8.07%	8.95%

**Table of Contents****SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF OUACHITA BANCSHARES**

The following table sets forth selected historical financial data of Ouachita Bancshares. The selected historical financial data as of and for each of the four years ended December 31, 2012 is derived from Ouachita Bancshares audited financial statements. The selected historical financial data as of and for the year ended December 31, 2013 is derived from Ouachita Bancshares unaudited financial statements, but Ouachita Bancshares management believes that such amounts reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of its financial position and results of operations as of the dates and for the periods indicated. You should not assume that the results of operations for past periods and for any interim period indicate results for any future period.

	<b>As of and for the Years Ended December 31,</b>				
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
	<b>(In thousands, except per share data)</b>				
	<b>(unaudited)</b>				
<b>Statements of Earnings Data:</b>					
Interest income	\$ 28,289	\$ 27,230	\$ 25,209	\$ 23,576	\$ 21,744
Interest expense	3,367	4,096	4,199	4,175	5,111
Net interest income	24,922	23,134	21,010	19,401	16,633
Provision for possible credit losses	549	1,038	753	715	570
Net interest income after provision for possible credit losses	24,373	22,096	20,257	18,686	16,063
Noninterest income	6,361	7,166	6,461	6,977	6,359
Noninterest expense	19,771	19,226	17,851	17,465	15,960
Earnings (loss) before income taxes	10,963	10,036	8,867	8,198	6,463
Provision for income tax expense	0	0	0	0	0
Net earnings (loss)	\$ 10,963	\$ 10,036	\$ 8,867	\$ 8,198	\$ 6,463
<b>Per Share Data:</b>					
Basic earnings (loss) per share	\$ 13.26	\$ 11.76	\$ 10.42	\$ 9.71	\$ 7.66
Diluted earnings (loss) per share	\$ 13.04	\$ 11.38	\$ 9.93	\$ 9.20	\$ 7.26
Book value per share	\$ 63.25	\$ 61.70	\$ 54.54	\$ 42.39	\$ 36.83
Weighted average shares outstanding	826,997	853,091	850,676	844,242	843,559
Shares outstanding at end of period	838,772	831,288	854,284	850,484	845,904
<b>Balance Sheet Data (at period end):</b>					
Total assets	\$ 652,475	\$ 622,232	\$ 567,658	\$ 481,130	\$ 444,517
Securities	118,859	118,684	117,894	101,859	79,118
Loans	477,768	443,340	375,412	323,718	303,338
Allowance for possible credit losses	5,280	4,852	3,983	3,293	2,731
Deposits	549,665	511,425	471,411	409,768	373,778

Shareholders equity	53,053	51,294	46,596	36,050	31,158
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	As of and for the Years Ended December 31,				
	2013	2012	2011	2010	2009
	(In thousands, except per share data)				
	(unaudited)				
<b>Average Balance Sheet Data:</b>					
Total assets	\$ 643,471	\$ 603,712	\$ 526,827	\$ 471,517	\$ 422,142
Securities	116,695	118,186	108,537	90,651	74,422
Loans	459,104	406,551	343,581	318,265	292,193
Deposits	534,423	497,180	441,762	393,336	353,476
Shareholders equity	48,396	43,607	37,681	31,425	26,276
<b>Performance Ratios:</b>					
Return on average assets <sup>(1)</sup>	1.16%	1.23%	1.26%	1.18%	1.04%
Return on average equity <sup>(2)</sup>	15.40%	15.65%	15.95%	17.74%	16.73%
Net interest margin	4.10%	4.04%	4.24%	4.50%	4.30%
Efficiency ratio <sup>(3)</sup>	63.47%	63.54%	65.04%	66.32%	70.13%
<b>Asset Quality Ratios<sup>(4)</sup>:</b>					
Nonperforming assets to total loans and other real estate	0.86%	0.52%	0.56%	0.15%	0.15%
Net charge-offs to average loans	0.03%	0.04%	0.02%	0.05%	0.08%
Allowance for possible credit losses to period-end loans	1.11%	1.09%	1.06%	1.02%	0.90%
Allowance for possible credit losses to nonperforming loans <sup>(5)</sup>	149.91%	222.06%	189.67%	681.78%	600.22%
<b>Capital Ratios<sup>(4)</sup>:</b>					
Leverage ratio	7.95%	7.38%	7.33%	6.94%	6.31%
Average shareholders equity to average total assets	7.52%	7.22%	7.15%	6.66%	6.22%
Tier 1 risk-based capital ratio	10.33%	9.57%	10.02%	9.53%	8.37%
Total risk-based capital ratio	14.90%	14.35%	15.34%	10.45%	9.19%

- (1) Tax equivalent return on assets using a 32% tax rate for years 2009 through 2013. The bank elected S corporation status effective 1/1/2009.
- (2) Calculated using average equity less the accumulated other comprehensive income which consists of the unrealized gains and losses on securities. Tax equivalent return on equity using a 32% tax rate for years 2009 through 2013. The bank elected S corporation status effective 1/1/2009.
- (3) Calculated by dividing total noninterest expense by net interest income plus noninterest income, excluding gains and losses on securities and other assets. Additionally, provision for loan loss and taxes are not part of this calculation.
- (4) At period end, except for net charge-offs to average loans and average shareholders equity to average total assets, which is for periods ended on such dates.
- (5) Nonperforming loans consist of nonaccrual loans, loans contractually past due 90 days or more, and any other loan management deems to be nonperforming.
- (6) Extraordinary adjustments to deferred tax asset and liabilities were also incurred on the books to convert to a S corporation status effective 1/1/2009.



Table of Contents**COMPARATIVE PER SHARE DATA**

The following table shows (1) the market values of BancorpSouth common stock on January 7, 2014, the business day prior to the announcement of the proposed merger, and on March 3, 2014, the most recent date practicable preceding the date of this Proxy Statement/Prospectus and (2) the equivalent pro forma value of a share of Ouachita Bancshares common stock at such dates based on the value of the consideration to be received in the merger with respect to each share. Historical market value information regarding Ouachita Bancshares common stock is not provided because there is no active market for Ouachita Bancshares common stock. Based on 852,372 shares of Ouachita Bancshares common stock that are expected to be exchanged in the merger (assuming the exercise of all outstanding options to purchase Ouachita Bancshares common stock), holders of Ouachita Bancshares common stock will receive 4.3115 shares of BancorpSouth common stock (plus cash in lieu of a fractional share) and \$26.84 in cash, subject to adjustment under certain circumstances as provided in the Merger Agreement, for each share of Ouachita Bancshares common stock they own. As described in more detail herein, management of Ouachita Bancshares does not expect that the cash portion of the merger consideration will be reduced. The market price of BancorpSouth common stock will fluctuate prior to the completion of the merger and the market value of the merger consideration ultimately received by holders of Ouachita Bancshares common stock will depend on the average closing price of BancorpSouth common stock for the ten consecutive trading days ending on and including the fifth trading day preceding the closing date, as well as any adjustment to the cash portion of the merger consideration as a result of Ouachita Bancshares equity capital at closing. Therefore, Ouachita Bancshares shareholders will not know the exact market value of the merger consideration they will receive when they vote on the Merger Agreement.

	<b>BancorpSouth Common Stock<sup>(1)</sup></b>	<b>Equivalent Pro Forma Value Per Share of Ouachita Bancshares Common Stock<sup>(2)</sup></b>
January 7, 2014	\$ 24.76 <sup>(3)</sup>	\$ 133.59 <sup>(3)</sup>
March 3, 2014	\$ 24.00	\$ 130.32

- (1) Represents the closing price of BancorpSouth common stock on the New York Stock Exchange.
- (2) Represents the historical market value per share of BancorpSouth common stock multiplied by the assumed exchange ratio of 4.3115 and adding the per share cash consideration of \$26.84, which does not reflect any adjustment of the cash consideration as a result of the pricing collar or the Ouachita Bancshares equity capital being less than \$50,000,000 less the amount of the Retained Earnings Dividend. The value assumes the exercise of all outstanding options to purchase Ouachita Bancshares common stock pursuant to the Merger Agreement and further assumes no Retained Earnings Dividend. The value does not reflect cash to be paid in lieu of fractional shares and is rounded to two decimals.
- (3) The closing price of BancorpSouth common stock on January 7, 2014 would produce an aggregate merger consideration in excess of the pricing collar described elsewhere in this Proxy Statement/Prospectus and would accordingly result in a downward adjustment of the merger consideration in accordance with the Merger Agreement if such value was equal to the average closing price of BancorpSouth common stock for the ten consecutive trading days ending on and including the fifth trading day preceding the closing date. The per share

value of BancorpSouth common stock received by Ouachita Bancshares shareholders will not exceed \$131.39 because of the pricing collar.

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**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION**

This Proxy Statement/Prospectus contains certain forward-looking statements about the financial condition, results of operations and business of BancorpSouth and Ouachita Bancshares and about the combined companies following the merger. These statements concern the cost savings, revenue enhancements and other advantages the companies expect to obtain from the merger, the anticipated impact of the merger on BancorpSouth's financial performance, tax consequences and accounting treatment of the merger, receipt of regulatory approvals, market prices of BancorpSouth common stock and earnings estimates for the combined company. These statements appear in several sections of this Proxy Statement/Prospectus, including SUMMARY and THE MERGER Reasons for the Merger. Also, the forward-looking statements generally include any of the words believes, expects, anticipates, intends, estimates, should, will, may or plans or similar expressions.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions. The future results and shareholder values of BancorpSouth and Ouachita Bancshares, and of the combined companies, may differ materially from those expressed in these forward-looking statements. Many of the factors that could influence or determine actual results are unpredictable and not within the control of BancorpSouth or Ouachita Bancshares. In addition, neither BancorpSouth nor Ouachita Bancshares intends to, nor are they obligated to, update these forward-looking statements after this Proxy Statement/Prospectus is distributed, even if new information, future events or other circumstances have made them incorrect or misleading as of any future date. For all of these statements, BancorpSouth claims the protection of the safe harbor for forward-looking statements provided in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934.

Factors that may cause actual results to differ materially from those contemplated by these forward-looking statements include, among others, the following possibilities:

The market price of BancorpSouth common stock may be lower than expected;

BancorpSouth and Ouachita Bancshares may fail to achieve the anticipated benefits of the merger;

The market price of BancorpSouth common stock after the merger may be affected by factors different from those affecting shares of Ouachita Bancshares or BancorpSouth currently;

The executive officers and directors of Ouachita Bancshares have interests different from typical Ouachita Bancshares shareholders;

Former shareholders of Ouachita Bancshares will be limited in their ability to influence BancorpSouth's actions and decisions following the merger;

The merger may result in a loss of current Ouachita Bancshares employees;



Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or cannot be met;

The Merger Agreement limits Ouachita Bancshares' ability to pursue an alternative transaction and requires Ouachita Bancshares to pay a termination fee plus expenses incurred by BancorpSouth under certain circumstances relating to alternative acquisition proposals;

BancorpSouth's actual cost savings resulting from the merger with Ouachita Bancshares or the Central Community merger are less than expected, BancorpSouth is unable to realize those cost savings as soon as expected or BancorpSouth incurs additional or unexpected costs;

The risk that the business of BancorpSouth Bank and each of the Bank and First State Bank Central Texas will not be integrated successfully, or such integration may be more difficult, time-consuming or costly than expected; and

The failure of Central Community's shareholders to approve the Central Community merger agreement.

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**THE SPECIAL MEETING**

**General**

This Proxy Statement/Prospectus is first being mailed on or about March 10, 2014, to all persons who were Ouachita Bancshares shareholders on February 28, 2014.

Along with this Proxy Statement/Prospectus, Ouachita Bancshares shareholders are being provided with a Notice of Special Meeting and form of proxy card for use at the special meeting of Ouachita Bancshares shareholders and at any adjournments or postponements of that meeting.

At the Ouachita Bancshares special meeting, Ouachita Bancshares shareholders will consider and vote on a proposal to approve an Agreement and Plan of Reorganization, dated as of January 8, 2014, between Ouachita Bancshares and BancorpSouth, which provides for the merger of Ouachita Bancshares with and into BancorpSouth.

The special meeting of Ouachita Bancshares shareholders will be held at the following time and place:

April 8, 2014

2:00 p.m. (Central Time)

Bayou DeSiard Country Club

3501 Forsythe Avenue

Monroe, Louisiana 71201

**Proxies**

We encourage Ouachita Bancshares shareholders to promptly vote their proxies by completing, signing, dating and returning the enclosed proxy card, solicited by Ouachita Bancshares board of directors, whether or not they are able to attend the Ouachita Bancshares special meeting in person.

An Ouachita Bancshares shareholder may revoke any proxy given in connection with this solicitation by:

delivering to Ouachita Bancshares a written notice revoking the proxy prior to the taking of the vote at the Ouachita Bancshares special meeting;

delivering a duly executed proxy relating to the same shares bearing a later date; or

attending the meeting and voting in person (attendance at the Ouachita Bancshares special meeting without voting at the meeting will not in and of itself constitute a revocation of a proxy).

Revocation of proxy by written notice or execution of a new proxy bearing a later date should be submitted to:

Ouachita Bancshares Corp.

909 North 18<sup>th</sup> Street

Monroe, Louisiana 71201

Attention: Corporate Secretary

For a notice of revocation or later proxy to be valid, however, Ouachita Bancshares must receive it prior to the vote of Ouachita Bancshares shareholders at the Ouachita Bancshares special meeting. Ouachita Bancshares will vote all shares of Ouachita Bancshares common stock represented by valid proxies received through this solicitation and not revoked before they are exercised in the manner described above.

Ouachita Bancshares is currently unaware of any other matters that may be presented for action at the Ouachita Bancshares special meeting. If other matters do properly come before the Ouachita Bancshares special meeting, then shares of Ouachita Bancshares common stock represented by proxies will be voted (or not voted) by the persons named in the proxies in their discretion.

**Please do not forward your Ouachita Bancshares stock certificates and letter of transmittal with your proxy card. Stock certificates and letters of transmittal should be returned to the exchange agent in accordance with the instructions contained in the letters of transmittal.**

**Solicitation of Proxies**

Ouachita Bancshares will bear the costs of printing and mailing this Proxy Statement/Prospectus and BancorpSouth will bear the costs of filing BancorpSouth's registration statement on Form S-4 with the SEC.

If necessary, Ouachita Bancshares may use several of its employees, who will not be specially compensated, to solicit proxies from Ouachita Bancshares shareholders, either personally or by telephone, facsimile or mail.

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Ouachita Bancshares' board of directors has fixed February 28, 2014 as the record date for the determination of Ouachita Bancshares shareholders entitled to receive notice of and to vote at Ouachita Bancshares' special meeting of shareholders. Accordingly, only Ouachita Bancshares shareholders of record at the close of business on February 28, 2014 will be entitled to notice of and to vote at the Ouachita Bancshares special meeting. At the close of business on Ouachita Bancshares' record date, there were 846,772 shares of Ouachita Bancshares common stock entitled to vote at the Ouachita Bancshares special meeting held by approximately 145 holders of record, and the executive officers and directors of Ouachita Bancshares beneficially owned 34.07% of the outstanding shares of Ouachita Bancshares common stock.

The presence, in person or by proxy, of a majority of the votes entitled to be cast by the shareholders of Ouachita Bancshares common stock is necessary to constitute a quorum at the special meeting. Each share of Ouachita Bancshares common stock outstanding on Ouachita Bancshares' record date entitles its holder to one vote as to the approval of the Merger Agreement or any other proposal that may properly come before Ouachita Bancshares' special meeting.

For purposes of determining the presence or absence of a quorum for the transaction of business, Ouachita Bancshares will count shares of Ouachita Bancshares common stock present in person at the special meeting but not voting as present at the special meeting. Abstentions and broker non-votes will also be counted as present at the Ouachita Bancshares special meeting for purposes of determining whether a quorum exists.

Under Louisiana law, the Merger Agreement must be approved by two-thirds (2/3) of all the votes entitled to be cast by shareholders of Ouachita Bancshares unless the Articles of Incorporation of Ouachita Bancshares provide otherwise. The Articles of Incorporation of Ouachita Bancshares provide that the Merger Agreement must be approved by the holders of more than fifty percent (50%) of the outstanding shares of Ouachita Bancshares common stock, present in person or by proxy at the special meeting. Because approval of the Merger Agreement requires approval based on all the votes present in person or by proxy at the special meeting, an abstention or a broker non-vote will have the same effect as a vote against approval of the Merger Agreement. Accordingly, Ouachita Bancshares' board of directors urges Ouachita Bancshares shareholders to complete, date and sign the accompanying proxy card and return it promptly in the enclosed postage paid business reply envelope.

**Recommendation of Board of Directors**

Ouachita Bancshares' board of directors has approved the Merger Agreement. Ouachita Bancshares' board of directors believes that the merger is in the best interests of Ouachita Bancshares and Ouachita Bancshares shareholders and recommends that Ouachita Bancshares shareholders vote FOR approval of the Merger Agreement. The determination of Ouachita Bancshares' board of directors with respect to the merger is based on a number of factors, as described in this Proxy Statement/Prospectus. See THE MERGER Reasons for the Merger; Recommendation of the Board of Directors.

**Dissenters' Rights**

Shareholders of Ouachita Bancshares who do not wish to accept BancorpSouth common stock in the merger will be entitled under the Louisiana Business Corporation Law to receive the fair cash value of their shares if the merger is effected upon the approval of the holders of less than 80% of the outstanding shares of Ouachita Bancshares common stock. This right to dissent is subject to a number of restrictions and technical requirements.

Any Ouachita Bancshares shareholder who wishes to exercise dissenters' rights, or who wishes to preserve his or her right to do so, should carefully review Section 131 of the Louisiana Business Corporation Law, a copy of which is attached as Annex B to this Proxy Statement/Prospectus, and the section entitled "THE MERGER - Dissenters' Rights."

### **Certain Matters Relating to Proxy Materials**

The rules regarding delivery of proxy statements may be satisfied by delivering a single proxy statement to an address shared by two or more shareholders. This method of delivery is referred to as "householding" and can result in meaningful cost savings. In order to take advantage of this opportunity, we may deliver only one proxy statement to certain multiple shareholders who share an address, unless we have received contrary instructions from one or more of the shareholders. We undertake to deliver promptly upon request a separate copy of the proxy statement, as requested, to a shareholder at a shared address to which a single copy of these documents was delivered. If you hold Ouachita Bancshares common stock as a registered shareholder and prefer to receive separate copies of a proxy statement, please call (318) 338-3777 or send a written request to:

Ouachita Bancshares Corp.

909 North 18<sup>th</sup> Street

Monroe, Louisiana 71201

Attention: Corporate Secretary

If your Ouachita Bancshares common stock is held through a broker or bank and you prefer to receive separate copies of a proxy statement, please contact such broker or bank.

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**THE MERGER**

*The discussion in this Proxy Statement/Prospectus of the merger of Ouachita Bancshares into BancorpSouth does not purport to be complete and is qualified by reference to the full text of the Merger Agreement and the other annexes attached to, and incorporated by reference into, this Proxy Statement/Prospectus.*

**Description of the Merger**

At the effective time, Ouachita Bancshares will merge with and into BancorpSouth, with BancorpSouth being the surviving corporation following the merger. It is anticipated that immediately following the merger of Ouachita Bancshares and BancorpSouth, the Bank will merge with and into BancorpSouth Bank, with BancorpSouth Bank being the surviving bank. Ouachita Bancshares shareholders, other than Ouachita Bancshares shareholders who properly exercise their rights to dissent from the merger, will be entitled to receive the per share merger consideration in exchange for each share of Ouachita Bancshares common stock they own.

BancorpSouth will not issue any fractional shares of BancorpSouth common stock. In lieu of the issuance of any fractional shares, BancorpSouth will pay each former holder of Ouachita Bancshares common stock otherwise entitled to receive a fractional share an amount of cash determined by multiplying the (i) average of the closing price per share of BancorpSouth common stock on the New York Stock Exchange for the ten consecutive trading days ending on and including the fifth trading day preceding the closing date of the merger by (ii) fraction of a share of BancorpSouth common stock which such holder would otherwise be entitled to receive pursuant to the terms of the Merger Agreement.

Louisiana law permits Ouachita Bancshares shareholders to dissent from the merger and to receive the fair value of their shares of Ouachita Bancshares common stock in cash unless 80% of the outstanding shares of Ouachita Bancshares common stock are voted in favor of the merger, in which case no Ouachita Bancshares shareholder will be entitled to dissenters' rights under Louisiana law. To dissent, a Ouachita Bancshares shareholder must follow certain procedures, including filing certain notices with Ouachita Bancshares and voting his or her shares against the Merger Agreement. The shares of Ouachita Bancshares common stock held by a dissenter will not be exchanged for the per share merger consideration in the merger and a dissenter's only right will be to receive the appraised fair value of his or her shares of Ouachita Bancshares common stock in cash. For a discussion of the procedures that dissenting shareholders must follow to properly exercise their rights, please see **THE MERGER** Dissenters' Rights.

**Background of the Merger**

Ouachita Bancshares, from time to time in recent years, has considered the strategic options available to it as an independent bank, as an acquirer and consolidator in the Louisiana market, or as a party to a merger with another institution. The steady growth trajectory of Ouachita Bancshares since its inception in 1997, however, resulted in the principal executives and the board of directors of Ouachita Bancshares electing to continue an organic growth pattern with no attempt to merge with or acquire other institutions.

The stable Ouachita Bancshares shareholder base had held its illiquid stock in some cases since 1997. Recently, however, the principal executives and the board of directors began to consider ways to provide liquidity for the Ouachita Bancshares shareholders and give Ouachita Bancshares better size and scale to pursue growth. The health of Ouachita Bancshares and its core markets led Ouachita Bancshares's leadership to consider a merger as one avenue to achieve that goal.

On October 25, 2012, Ouachita Bancshares' s chairman met the managing director of Sheshunoff & Co., which is sometimes referred to herein as Sheshunoff, at the "Way Forward" conference in New Orleans organized by the Louisiana Bankers Association. Following this conference, Ouachita Bancshares invited representatives of Sheshunoff to a meeting of the Ouachita Bancshares' board on December 15, 2012, to discuss the state of the banking market. At this meeting, Sheshunoff provided information on recent merger transactions that were underway throughout the Southwest and recent bank transaction pricing.

In January 2013, Ouachita Bancshares' s chairman attended the annual "Acquire or Be Acquired" conference in Scottsdale, Arizona where he met with representatives from Sheshunoff and attended various sessions over three days relating to a variety of topics relating to community bank merger transactions. Subsequent to the conference, Sheshunoff prepared a more detailed survey of current bank merger and acquisition trends and a preliminary valuation of Ouachita Bancshares stock relative to comparable recent transactions in both the Southwest region and the overall U.S. market. Sheshunoff also provided information to the principal executives of Ouachita Bancshares on pricing multiples of comparable public companies in the region and in the United States. This presentation contemplated a wide range of valuations applicable to Ouachita Bancshares, and Sheshunoff and the principal executives discussed important factors to consider when narrowing the choices facing Ouachita Bancshares. The result of this discussion was a request from the principal executives for Sheshunoff to provide an introduction to BancorpSouth should BancorpSouth be interested in a possible transaction with Ouachita Bancshares.

On March 27, 2013, Sheshunoff arranged a meeting in Monroe between representatives of BancorpSouth and members of the M&A Committee of Ouachita Bancshares. In this meeting, BancorpSouth expressed a desire to further explore a possible merger with Ouachita Bancshares and also outlined how such a merger would fit into BancorpSouth' s overall strategic plan. On April 5, 2013, BancorpSouth executed a confidentiality agreement with Ouachita Bancshares which facilitated the sharing of certain nonpublic data with BancorpSouth for BancorpSouth' s use in preparing an expression of interest.

On June 5, 2013, following several conversations between Ouachita Bancshares, BancorpSouth and Sheshunoff, BancorpSouth submitted a written expression of interest to acquire Ouachita Bancshares. On June 6, 2013, Sheshunoff met with the full board of Ouachita Bancshares to thoroughly review and discuss the expression of interest. In this meeting the board reviewed the projected performance of Ouachita Bancshares over



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the next several years as well as comparable data of similar merger transactions throughout the country and region. Following much discussion and analysis, the board determined that the offer from BancorpSouth was below the threshold needed to adequately compensate the Ouachita Bancshares shareholders for forgoing the expected returns from continuing to run Ouachita Bancshares as a stand-alone company.

Over the next few months the price of BancorpSouth's common stock price rose significantly and BancorpSouth senior executives continued to communicate to Sheshunoff an interest in a possible merger with Ouachita Bancshares. On October 24, 2013, representatives from Ouachita Bancshares, BancorpSouth and Sheshunoff met socially at the Strategic Opportunities Conference hosted by the Louisiana Bankers Association in New Orleans. In these conversations it was determined that given the rise in BancorpSouth's common stock price, the senior management of both Ouachita Bancshares and BancorpSouth thought it was time to revisit the possibility of a merger.

On November 19, 2013, Ouachita Bancshares executed an engagement letter with Sheshunoff to serve as its exclusive financial advisor in discussions with BancorpSouth regarding a possible merger. After receiving updated financial information from Ouachita Bancshares, BancorpSouth submitted a revised expression of interest on November 21, 2013, offering 3,675,000 shares of BancorpSouth common stock and \$22,875,000 in cash with a total value of approximately \$109 million.

Between November 25, 2013 and December 20, 2013, BancorpSouth conducted due diligence on Ouachita Bancshares, involving numerous discussions between the parties on various matters related to the transaction. Beginning on December 16 and through December 20, 2013, BancorpSouth executives visited Monroe to conduct onsite diligence and to hold more in-depth discussions with Ouachita Bancshares's senior executives and lenders.

On December 21, 2013, BancorpSouth provided Ouachita Bancshares and its advisors with an initial draft of a definitive merger agreement. The parties discussed various legal and business points related to this agreement through the remainder of December.

On January 8, 2014, the Ouachita Bancshares board of directors met with its legal and financial advisors to discuss the agreement, which was in its substantially final form. The board of directors heard a detailed presentation from legal counsel on the agreement and the terms of the merger. The board of directors further heard a presentation from Sheshunoff on the financial aspects of the transaction, BancorpSouth's financial condition, BancorpSouth's background and the record of its common stock in the public markets. Finally, the board of directors received an overview of Sheshunoff's fairness analysis on the transaction and Sheshunoff's verbal opinion that the transaction, as proposed, was fair to Ouachita Bancshares shareholders from a financial point of view.

On January 8, 2014, Ouachita Bancshares' board of directors approved, and Ouachita Bancshares executed, the definitive agreement. Sheshunoff also provided its written fairness opinion, a copy of which is attached as Annex C to this Proxy Statement/Prospectus, on January 8, 2014.

Also on January 8, 2014, BancorpSouth's board of directors met in a special meeting to consider the proposed merger between Ouachita Bancshares and BancorpSouth and the terms of the proposed Merger Agreement. The BancorpSouth board of directors discussed the merger with its legal counsel and management. After further discussion among the directors, the Merger Agreement was approved by BancorpSouth's board of directors. BancorpSouth publicly announced the proposed merger that day, following the close of the U.S. financial markets.

## **Reasons for the Merger; Recommendation of the Board of Directors**

The merger will combine the strengths of BancorpSouth and Ouachita Bancshares and their subsidiary banks. BancorpSouth has an established presence in Monroe-West Monroe and Shreveport-Bossier, Louisiana with plans to significantly enhance its market share in those markets. Joining with BancorpSouth will provide Ouachita Bancshares customers opportunities offered by a large, resourceful, community-minded bank. BancorpSouth has been actively seeking other banking locations in the Monroe-West Monroe, Shreveport-Bossier and Bastrop areas to expand its presence in Louisiana, particularly in the Interstate 20 corridor in Louisiana. The proposed merger with Ouachita Bancshares accelerates BancorpSouth's opportunity to grow in Louisiana and brings to BancorpSouth's team a number of outstanding bankers. BancorpSouth currently operates 292 commercial banking, mortgage and insurance locations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, including an insurance location in Illinois, with total assets of approximately \$13.0 billion. BancorpSouth's management views the Interstate 20 corridor in Louisiana as a logical growth area for its community style of banking.

Ouachita Bancshares' board of directors deliberated and approved the Merger Agreement at a board meeting held on January 8, 2014. In reaching its determination to approve the Merger Agreement, Ouachita Bancshares' board of directors consulted with Ouachita Bancshares' management and legal advisors and considered a number of factors, including a fairness opinion presented by Sheshunoff & Co. The following is a discussion of information and factors considered by Ouachita Bancshares' board of directors in reaching this determination. This discussion is not intended to be exhaustive, but includes the material factors considered by Ouachita Bancshares' board of directors. In the course of its deliberations with respect to the merger, Ouachita Bancshares' board of directors discussed the anticipated impact of the merger on Ouachita Bancshares, Ouachita Bancshares' shareholders and the communities that Ouachita Bancshares serves.

The terms of the Merger Agreement, including the consideration to be paid to Ouachita Bancshares' shareholders, were the result of arm's length negotiations between representatives of Ouachita Bancshares and representatives of BancorpSouth. In arriving at its determination to approve the reorganization agreement, Ouachita Bancshares' board of directors considered a number of factors, including the following:

Ouachita Bancshares' board of directors' familiarity with and review of information concerning the business, results of operations, financial condition, competitive position and future prospects of Ouachita Bancshares;

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the current and prospective environment in which Ouachita Bancshares operates, including national, regional and local economic conditions, the competitive environment for banks, thrifts and other financial;

the increased regulatory burdens on financial institutions generally and the trend toward consolidation in the banking industry and in the financial services industry;

the financial presentation of Sheshunoff & Co. and the opinion of Sheshunoff & Co. dated as of January 8, 2014, that, as of January 8, 2014, and subject to the assumptions, limitations and qualifications set forth in the opinion, the total aggregate merger consideration to be received from BancorpSouth, which consisted of no more than 3,675,000 shares of BancorpSouth common stock and \$22,875,000 in cash consideration, is fair, from a financial point of view, to the shareholders of Ouachita Bancshares (see Opinion of Sheshunoff & Co., a copy of which is attached as Annex C to this Proxy Statement/Prospectus);

that shareholders of Ouachita Bancshares will receive part of the merger consideration in shares of BancorpSouth common stock, which are publicly traded on the New York Stock Exchange, contrasted with the absence of a public market for Ouachita Bancshares common stock;

the treatment of the merger as a reorganization within the meaning of Section 368(a) of the Code with respect to the Ouachita common stock exchanged for BancorpSouth common stock;

the results that Ouachita Bancshares could expect to obtain if it continued to operate independently, and the likely benefits to shareholders of that course of action, as compared with the value of the merger consideration offered by BancorpSouth;

the ability of BancorpSouth to pay the aggregate merger consideration without a financing contingency and without the need to obtain financing to close the transaction;

the ability of BancorpSouth to receive the requisite regulatory approvals in a timely manner;

the terms and conditions of the reorganization agreement, including the parties' respective representations, warranties, covenants and other agreements, the conditions to closing, including a provision that permits Ouachita Bancshares' board of directors, in the exercise of its fiduciary duties, under certain conditions, to furnish information to a third party in the event that it receives an unsolicited proposal to acquire Ouachita Bancshares in the future;

a merger with a larger holding company would provide the opportunity to realize economies of scale, increase efficiencies of operations and enhance the development of new products and services;

that some of Ouachita Bancshares' directors and executive officers have other financial interests in the merger in addition to their interests as Ouachita Bancshares shareholders, including financial interests that are the result of compensation arrangements with Ouachita Bancshares, the manner in which such interests would be affected by the merger, as well as the new employment agreements that certain of these persons entered into with BancorpSouth in connection with the merger;

that Ouachita Bancshares is permitted to pay the Retained Earnings Dividend, thereby reducing the taxable portion of the cash consideration to be received by the shareholders of Ouachita Bancshares upon completion of the merger;

the requirement that Ouachita Bancshares conduct its business in the ordinary course and the other restrictions on the conduct of the Ouachita Bancshares' business before completion of the merger, which may delay or prevent Ouachita Bancshares from undertaking business opportunities that may arise before completion of the merger; and

that under the agreement Ouachita Bancshares could not solicit competing proposals for the acquisition of Ouachita Bancshares.

The reasons set out above for the merger are not intended to be exhaustive but include the material factors considered by the board of directors of Ouachita Bancshares in approving the merger and the reorganization agreement. In reaching its determination, the board of directors of Ouachita Bancshares did not assign any relative or specific weight to different factors and individual directors may have given weight to different factors. Based on the reasons stated above, the board of directors of Ouachita Bancshares believes that the merger is in the best interest of Ouachita Bancshares and its shareholders and therefore the board of directors of Ouachita Bancshares approved the Merger Agreement and the transactions contemplated thereby. Each member of Ouachita Bancshares' board of directors has agreed to vote the stock of Ouachita Bancshares over which he or she has voting authority in favor of the reorganization agreement and the merger.

*Based on a thorough evaluation of these factors, Ouachita Bancshares' board of directors believes the merger is in the best interests of Ouachita Bancshares and Ouachita Bancshares shareholders. Ouachita Bancshares' board of directors recommends that Ouachita Bancshares shareholders vote FOR approval of the Merger Agreement and the transactions contemplated thereby.*

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**Opinion of Financial Advisor to Ouachita Bancshares**

Sheshunoff & Co. acted as Ouachita Bancshares' financial advisor in connection with the proposed merger. Sheshunoff & Co. regularly engages in the independent valuation of financial institutions in connection with mergers and acquisitions. The board of directors of Ouachita Bancshares selected Sheshunoff & Co. as its financial advisory because of Sheshunoff & Co.'s recognized position as an advisor in mergers and acquisitions among regional and community banks.

Sheshunoff & Co. has delivered to the board of directors of Ouachita Bancshares its written opinion, dated January 8, 2014, that, based upon and subject to the various considerations set forth in its opinion, the total transaction consideration to be paid to the shareholders of Ouachita Bancshares is fair from a financial point of view as of such date. In requesting Sheshunoff & Co.'s advice and opinion, no instructions were received nor were any limitations imposed by Ouachita Bancshares upon Sheshunoff & Co. with respect to the investigations made or procedures followed by it in rendering its opinion. **The full text of the opinion of Sheshunoff & Co., dated January 8, 2014, which describes the procedures followed, assumptions made, matters considered and limitations on the review undertaken, is attached as Annex C to this Proxy Statement/Prospectus. Ouachita Bancshares shareholders should read this opinion in its entirety.**

Sheshunoff & Co. will receive a fee contingent upon the completion of the merger for services rendered in connection with advising Ouachita Bancshares regarding the merger, including the fairness opinion and financial advisory services provided to Ouachita Bancshares, equal to 1% of the value of the aggregate merger consideration. As of the date of Sheshunoff & Co.'s delivery of its oral opinion, a fee of \$35,000 was due to Sheshunoff & Co., which fee is not contingent upon the closing of the merger but will be credited to the total fee due to Sheshunoff & Co. at the closing of the merger.

**Sheshunoff & Co.'s opinion is directed only to the fairness, from a financial point of view, of the total transaction consideration, and, as such, does not constitute a recommendation to any Ouachita Bancshares shareholder as to how the shareholder should vote at the special meeting of Ouachita Bancshares shareholders. This summary of the opinion of Sheshunoff & Co. set forth in this Proxy Statement/Prospectus is qualified in its entirety by reference to the full text of the opinion.**

Following is a summary of the analyses performed by Sheshunoff & Co. in connection with its fairness opinion. Certain of these analyses were confirmed in a presentation to the Ouachita Bancshares' board of directors by Sheshunoff & Co. The summary set forth below does not purport to be a complete description of either the analyses performed by Sheshunoff & Co. in rendering its opinion or the presentation delivered by Sheshunoff & Co. to the Ouachita Bancshares' board of directors, but it does summarize all of the material analyses performed and presented by Sheshunoff & Co.

The preparation of a fairness opinion involves various determinations as to the most appropriate and relevant methods of financial analyses and the application of those methods to the particular circumstances. In arriving at its opinion, Sheshunoff & Co. did not attribute weight to any particular analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Sheshunoff & Co. may have given various analyses more or less weight than other analyses. Accordingly, Sheshunoff & Co. believes that its analyses and the following summary must be considered as a whole and that selecting portions of its analyses, without considering all factors and analyses, could create an incomplete view of the process underlying the analyses set forth in its report to the Ouachita Bancshares' board of directors and its fairness opinion.

In performing its analyses, Sheshunoff & Co. made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Ouachita Bancshares and BancorpSouth. The analyses performed by Sheshunoff & Co. are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses. Such analyses were prepared solely as part of Sheshunoff & Co.'s analysis of the fairness of the transaction consideration, from a financial point of view, to Ouachita Bancshares shareholders. The analyses do not purport to be an appraisal or to reflect the prices at which a company might actually be sold or the prices at which any securities may trade at the present time or at any time in the future. Sheshunoff & Co.'s opinion does not address the relative merits of the merger as compared to any other business combination in which Ouachita Bancshares might engage. In addition, as described above, Sheshunoff & Co.'s opinion to the Ouachita Bancshares board of directors was one of many factors taken into consideration by the Ouachita Bancshares board of directors in making its determination to approve the Merger Agreement.

During the course of its engagement, and as a basis for arriving at its opinion, Sheshunoff & Co. reviewed and analyzed material bearing upon the financial and operating conditions of Ouachita Bancshares and BancorpSouth and material prepared in connection with the merger, including, among other things, the following:

the Merger Agreement;

certain historical publicly available information concerning BancorpSouth;

the nature and terms of recent merger transactions; and

financial and other information provided to Sheshunoff & Co. by the management of Ouachita Bancshares. Sheshunoff & Co. conducted meetings and had discussions with members of senior management of Ouachita Bancshares for purposes of reviewing the future prospects of Ouachita Bancshares. Sheshunoff & Co. also took into account its experience in other transactions, as well as its knowledge of the commercial banking industry and its general experience in securities valuations.

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In rendering its opinion, Sheshunoff & Co. assumed, without independent verification, the accuracy and completeness of the financial and other information related to Ouachita Bancshares and BancorpSouth and relied upon the accuracy of the representations of the parties contained in the Merger Agreement. Sheshunoff & Co. also assumed that the financial forecasts furnished to or discussed with Sheshunoff & Co. by Ouachita Bancshares were reasonably prepared and reflected the best currently available estimates and judgments of senior management of Ouachita Bancshares as to the future financial performance of Ouachita Bancshares. Sheshunoff & Co. has not made any independent evaluation or appraisal of any properties, assets or liabilities of Ouachita Bancshares.

*Financial Implications to Ouachita Bancshares Shareholders*

Ouachita Bancshares retained Sheshunoff & Co. to provide an opinion as to the fairness from a financial viewpoint to Ouachita Bancshares' shareholders of the merger consideration to be received by the shareholders of Ouachita Bancshares. As part of its investment banking business, Sheshunoff & Co. is regularly engaged in the valuation of securities in connection with mergers and acquisitions and valuations for estate, corporation and other purposes. Ouachita Bancshares retained Sheshunoff & Co. based upon its experience as a financial advisor in mergers and acquisitions of financial institutions and its knowledge of financial institutions.

On January 8, 2014, Sheshunoff & Co. rendered its fairness opinion to the board of directors of Ouachita Bancshares, as of such date, the merger consideration was fair, from a financial point of view, to the shareholders of Ouachita Bancshares. The full text of the fairness opinion which sets forth, among other things, assumptions made, procedures followed, matters considered, and limitations on the review undertaken, is attached as Annex C to this Proxy Statement/Prospectus. You are urged to read Sheshunoff & Co.'s fairness opinion carefully and in its entirety. The fairness opinion is addressed to the board of directors of Ouachita Bancshares and does not constitute a recommendation to any shareholder of Ouachita Bancshares as to how he or she should vote at the special meeting of shareholders of Ouachita Bancshares.

In connection with the fairness opinion, Sheshunoff & Co.:

Reviewed the latest Merger Agreement;

Discussed the terms of the Merger Agreement with the management of Ouachita Bancshares and Ouachita Bancshares' legal counsel;

Conducted conversations with management of Ouachita Bancshares regarding recent and projected financial performance of Ouachita Bancshares;

Evaluated the financial condition of Ouachita Bancshares based upon a review of regulatory reports for the five-year period ended December 31, 2012 and interim period through September 30, 2013, and internally-prepared financial reports for the interim period through November 30, 2013;

Compared Ouachita Bancshares' recent operating results with those of certain other banks in the United States and the Southwest Region of the United States that have recently been acquired;

Compared pricing multiples for Ouachita Bancshares in the merger to recent acquisitions of banks in the United States and the Southwest Region of the United States with similar characteristics to Ouachita Bancshares;

Analyzed the present value of the after-tax cash flows based on projections on a stand-alone basis approved by Ouachita Bancshares through September 30, 2018;

Reviewed the potential pro forma impact of the merger on the combined company's results and certain financial performance measures of Ouachita Bancshares and BancorpSouth;

Discussed certain matters regarding BancorpSouth's regulatory standing, financial performance and business prospects with BancorpSouth's executives and representatives;

Reviewed certain internal information regarding BancorpSouth that Sheshunoff & Co. deemed relevant;

Compared BancorpSouth's recent operating results and pricing multiples with those of certain other publicly traded banks in the United States that Sheshunoff & Co. deemed relevant;

Compared the historical stock price data and trading volume of BancorpSouth to certain relevant indices;

Reviewed available analysts' reports concerning BancorpSouth; and

Performed such other analyses deemed appropriate.



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For the purposes of this opinion, Sheshunoff & Co. assumed and relied upon, without independent verification, the accuracy and completeness of the information provided to it by Ouachita Bancshares for the purposes of this opinion. Sheshunoff & Co. assumed that any projections provided by or approved by Ouachita Bancshares were reasonably prepared on a basis reflecting the best currently available estimates and judgments of Ouachita Bancshares management. Sheshunoff & Co. assumed such forecasts and projections will be realized in the amounts and at times contemplated thereby.

Sheshunoff & Co. did not make an independent evaluation of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of Ouachita Bancshares or BancorpSouth nor was Sheshunoff & Co. furnished with any such appraisal. Sheshunoff & Co. assumed that any off-balance-sheet activities of Ouachita Bancshares or BancorpSouth will not materially and adversely impact the future financial position or results of operation of BancorpSouth after the merger. Sheshunoff & Co. is not an expert in the evaluation of loan portfolios for the purposes of assessing the adequacy of the allowance for loan and lease losses and assumed that such allowances for Ouachita Bancshares and BancorpSouth are, respectively, adequate to cover such losses.

Sheshunoff & Co. assumed that the Merger Agreement, as provided to Sheshunoff & Co., will be without any amendment or waiver of, or delay in the fulfillment of, any terms or conditions set for in the terms provided to Sheshunoff & Co. or any subsequent development that would have a material adverse effect on Ouachita Bancshares or BancorpSouth and thereby on the results of its analyses. Sheshunoff & Co. assumed that any and all regulatory approvals, if required, will be received in a timely fashion and without any conditions or requirements that could adversely affect the operations or financial condition of BancorpSouth after the completion of the merger.

The fairness opinion is necessarily based on economic, market, regulatory, and other conditions as in effect on, and the information made available to Sheshunoff & Co. as of January 8, 2014.

In rendering the fairness opinion, Sheshunoff & Co. performed a variety of financial analyses. The preparation of an opinion involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Consequently, the fairness opinion is not readily susceptible to partial analysis or summary description. Moreover, the evaluation of fairness, from a financial point of view, of the merger consideration is to some extent subjective, based on the experience and judgment of Sheshunoff & Co., and not merely the result of mathematical analysis of financial data. Sheshunoff & Co. did not attribute particular weight to any analysis or factor considered by it. Accordingly, notwithstanding the separate factors summarized below, Sheshunoff & Co. believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered, without considering all analyses and factors, could create an incomplete view of the evaluation process underlying its opinion. The ranges of valuations resulting from any particular analysis described below should not be taken to be Sheshunoff & Co.'s view of the actual value of Ouachita Bancshares, BancorpSouth or the combined entity.

In performing its analyses, Sheshunoff & Co. made numerous assumptions with respect to industry performance, business and economic conditions and other matters, many of which are beyond the control of Ouachita Bancshares or BancorpSouth. The analyses performed by Sheshunoff & Co. are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by such analyses. In addition, Sheshunoff & Co.'s analyses should not be viewed as determinative of the opinion of the board of directors or the management of Ouachita Bancshares with respect to the value of Ouachita Bancshares or BancorpSouth or to the fairness of the merger consideration.

The following is a summary of the analyses performed by Sheshunoff & Co. in connection with its opinion. The discussion utilizes financial information concerning Ouachita Bancshares and BancorpSouth as of September 30, 2013

that is believed to be reliable, accurate, and complete; however, Sheshunoff & Co. cannot guarantee the reliability, accuracy, or completeness of any such publicly available information.

Pursuant to the Merger Agreement dated January 8, 2014, BancorpSouth has agreed to exchange approximately \$22,875,000 of cash and 3,675,000 shares of common stock for all of the outstanding shares of common stock of Ouachita Bancshares for total merger consideration of approximately \$105.5 million, based on the mid-point of the minimum and maximum consideration discussed below. The value and the composition of the total merger consideration may be adjusted pursuant to the terms of the Merger Agreement. In the event that the average of the closing price per share of BancorpSouth common stock on the NYSE for the ten consecutive trading days ending and including the fifth trading day preceding the Closing Date is less than \$20.71 or greater than \$24.25, BancorpSouth may adjust the cash portion or stock portion so that the aggregate merger consideration is not less than \$99,000,000 or greater than \$112,000,000.

**Ouachita Bancshares Discounted Cash Flow Analysis:** Using discounted cash flow analysis, Sheshunoff & Co. estimated the present value of the future after-tax cash flow streams that Ouachita Bancshares could produce on a stand-alone basis through September 30, 2018 under various circumstances, assuming that it performed in accordance with the projections provided by Ouachita Bancshares management.

Sheshunoff & Co. estimated the terminal value for Ouachita Bancshares at the end of September 30, 2018 by (1) multiplying the final period projected earnings by one plus the assumed annual long-term growth rate of the earnings of Ouachita Bancshares of 4.5% (or 1.045) and (2) dividing this product by the difference between the required rates of return shown below and the assumed annual long-term growth rate of earnings of 4.5% in (1) above. Sheshunoff & Co. discounted the annual cash flow streams (defined as all earnings in excess of that which is required to

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maintain a tangible common equity to tangible asset ratio of 8.0%) and the terminal values using discount rates ranging from 12.0% to 14.0%. The discount range was chosen to reflect different assumptions regarding the required rates of return of Ouachita Bancshares and the inherent risk surrounding the underlying projections. This discounted cash flow analysis indicated a range of values per share of \$90.11 to \$117.81 as shown in the table below compared to the estimated merger consideration of \$127.39 per share.

	<b>Discount Rate</b>		
	<b>14.0%</b>	<b>13.0%</b>	<b>12.0%</b>
Present value (in thousands)	\$ 74,620	\$ 84,701	\$ 97,559
Present value (per share)	\$ 90.11	\$ 102.29	\$ 117.81

**Analysis of Selected Transactions:** Sheshunoff & Co. performed an analysis of premiums paid in selected recently announced acquisitions of banking organizations with comparable characteristics to the merger. Two sets of transactions were selected to ensure a thorough analysis.

The first set of comparable transactions consisted of a group of selected transactions for banks and thrifts in the United States for which pricing data were available, with the following characteristics: total assets greater than \$200 million that were announced since July 1, 2012, reporting a positive return on average assets, and a non-performing assets to total assets ratio less than 1%. These comparable transactions consisted of 29 mergers and acquisitions of banks and thrifts with total assets ranging between \$204.1 million and \$4.61 billion that were announced between July 5, 2012 and December 20, 2013. The analysis yielded multiples of the purchase prices in these transactions as summarized below:

	<b>Price/</b>						
	<b>8% Tg</b>			<b>Price/ LTM**</b>	<b>Price/ Assets</b>	<b>Price/ Deposits</b>	<b>Premium/ Deposits</b>
	<b>Price/ Book (x)</b>	<b>Tg Book (x)</b>	<b>Book (x)</b>				
Maximum	2.84	2.84	2.50	50.3	19.7	25.4	15.1
Minimum	0.84	1.00	1.00	6.4	8.1	7.4	0.0
Median	1.24	1.40	1.44	16.5	13.8	16.4	5.1
Ouachita Bancshares*	2.07	2.07	2.03	14.9	15.9	19.0	9.8

\* Assumes merger consideration of \$105.5 million (mid-point of the minimum and maximum consideration) and Ouachita Bancshares S-corporation earnings taxed at 35%.

\*\* Last-twelve-months

The median pricing multiples in the comparable transactions were lower than those in the merger, except the median price to earnings, which was higher due to Ouachita Bancshares reporting higher ROAA levels compared to the median of the comparable transactions.

The second set of comparable transactions consisted of a group of selected transactions for banks and thrifts headquartered in the Southwest Region of the United States for which pricing data were available, with the following characteristics: total assets greater than \$100 million that were announced since July 1, 2012, a positive return on average assets, and a non-performing assets to total assets ratio less than 2.5%. These comparable transactions consisted of 20 mergers and acquisitions of banks and thrifts with total assets ranging between \$105.2 million and \$2.44 billion that were announced between July 5, 2012 and November 25, 2013. The analysis yielded multiples of the purchase prices in these transactions as summarized below:

	<b>Price/ 8% Tg</b>						
	<b>Price/ Book (x)</b>	<b>Price/ Tg Book (x)</b>	<b>Book (x)</b>	<b>Price/ LTM** Earnings (x)</b>	<b>Price/ Assets (%)</b>	<b>Price/ Deposits (%)</b>	<b>Premium/ Deposits (%)</b>
Maximum	2.84	2.84	2.50	25.2	19.7	25.7	15.1
Minimum	0.91	1.00	1.00	9.3	8.9	7.2	0.0
Median	1.47	1.47	1.51	17.3	15.4	17.1	5.0
Ouachita Bancshares*	2.07	2.07	2.03	14.9	15.9	19.0	9.8

\* Assumes merger consideration of \$105.5 million (mid-point of the minimum and maximum consideration) and Ouachita Bancshares S-corporation earnings taxed at 35%.

\*\* Last-twelve-months

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The median pricing multiples in the comparable transactions were lower than those in the merger, except the median price to earnings, which was higher due to Ouachita Bancshares reporting higher ROAA levels compared to the median of the comparable transactions.

**Contribution Analysis:** Sheshunoff & Co. reviewed the relative contributions of Ouachita Bancshares and BancorpSouth to the combined company based on regulatory data as of September 30, 2013 for Ouachita Bancshares and BancorpSouth. Sheshunoff & Co. compared the pro forma ownership interests (which excludes the cash component of the merger) of Ouachita Bancshares and BancorpSouth of 3.7% and 96.3%, respectively, to: (1) total assets of 4.9% and 95.1%, respectively; (2) total loans of 5.0% and 95.0%, respectively; (3) total deposits of 5.0% and 95.0%, respectively; (4) net-interest income of 5.8% and 94.2%, respectively; (5) non-interest income of 2.5% and 97.5%, respectively; (6) non-interest expenses of 3.6% and 96.4%, respectively; (7) September 30, 2013 LTM earnings of 7.7% and 92.3%, respectively; and (8) total tangible equity of 4.3% and 95.7%, respectively. The contribution analysis shows that the ownership of Ouachita Bancshares shareholders in the combined company is less than the contribution of the components listed due largely to the considerable amount of cash consideration in the merger. The contributions are shown in the table following.

<b>(In thousands)</b>	<b>Assets</b>	<b>%</b>	<b>Loans</b>	<b>%</b>	<b>Deposits</b>	<b>%</b>
The Company	\$ 664,161	4.9	\$ 464,896	5.0%	\$ 555,140	5.0%
Bancorp South, Inc.	\$ 12,930,641	95.1%	\$ 8,851,501	95.0%	\$ 10,597,100	95.0%
<b>Combined Company</b>	<b>\$ 13,594,802</b>	<b>100.0%</b>	<b>\$ 9,316,397</b>	<b>100.0%</b>	<b>\$ 11,152,240</b>	<b>100.0%</b>

	<b>Net Interest Income</b>	<b>%</b>	<b>Non-Interest Income</b>	<b>%</b>	<b>Non-Interest Expenses</b>	<b>%</b>
The Company	\$ 24,588	5.8%	\$ 6,676	2.5%	\$ 19,916	3.6%
Bancorp South, Inc.	\$ 400,424	94.2%	\$ 262,592	97.5%	\$ 535,188	96.4%
<b>Combined Company</b>	<b>\$ 425,012</b>	<b>100.0%</b>	<b>\$ 269,268</b>	<b>100.0%</b>	<b>\$ 555,104</b>	<b>100.0%</b>

	<b>Earnings</b>	<b>%</b>	<b>Shares *</b>	<b>%</b>	<b>Tg. Equity</b>	<b>%</b>
The Company	\$ 7,001	7.7%	3,675,000	3.7%	\$ 50,975	4.3%
Bancorp South, Inc.	\$ 83,397	92.3%	95,211,602	96.3%	\$ 1,139,234	95.7%
<b>Combined Company</b>	<b>\$ 90,398</b>	<b>100.0%</b>	<b>98,886,602</b>	<b>100.0%</b>	<b>\$ 1,190,209</b>	<b>100.0%</b>

\* Share percentage is lower due to cash consideration;  
Income data is last-twelve-months as of September 30, 2013

**Pro Forma Financial Impact:** Sheshunoff & Co. analyzed the pro forma impact of the merger on estimated earnings per share, book value per share and tangible book value per share for the twelve-month periods ending December 31, 2014 and December 31, 2015 based on the projections provided by Ouachita Bancshares management for Ouachita Bancshares on a stand-alone basis assuming pre-tax cost savings of \$4.9 million phased in by the end of calendar year 2015.

The analysis indicated pro forma consolidated earnings per share dilution of \$3.41 per share or 37.0% in 2014 and \$3.63 per share or 35.6% in 2015 compared to estimated earnings per share for Ouachita Bancshares on a stand-alone basis. The earnings dilution is greatly affected by the cash consideration to be received. The implied book value (including the cash portion of the merger consideration) per share accretion in the merger was \$26.50 per share or 33.9% in 2014 and the implied book value accretion was \$21.86 per share or 24.9% in 2015. The analysis further indicated pro forma consolidated tangible book value (including the cash portion of the merger consideration) per share accretion of \$8.73 per share or 11.2% in 2014 and accretion of \$4.10 per share or 4.7% in 2015 compared to Ouachita Bancshares tangible book value on a stand-alone basis. The analysis of whether the merger consideration is accretive or dilutive to Ouachita Bancshares based on the above measures and the amounts of such accretion or dilution is sensitive to the composition of the merger consideration and the accounting assumptions to be made by BancorpSouth.

**Comparable Company Analysis:** Sheshunoff & Co. compared the operating and market results of BancorpSouth to the results of other publicly traded banking companies. The comparable publicly traded companies in the Southeast and Southwest Regions of the United States (as defined by SNL Financial) were selected primarily on the basis of location, total asset size, and profitability. BancorpSouth was compared to banks with total assets between \$5 billion and \$25 billion that had a positive core return on average assets for the last twelve months ending September 30, 2013, and being headquartered in either the Southeast Region or Southwest Region of the United States. The data for the following table is based on GAAP financial information as of September 30, 2013 provided by SNL Financial. Some of the ratios presented are proprietary to SNL Financial and may not strictly conform to the common industry determination.

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	<b>BancorpSouth</b> (%)	<b>Peer Group</b> <b>Median</b> (%)
Return on Average Assets	0.64	0.97
Return on Average Equity	5.69	8.41
Net Interest Margin	3.40	3.74
Efficiency Ratio	74.7	62.9
Tangible Equity to Tangible Asset Ratio	9.43	8.68
Total Risk-Based Capital Ratio	14.50	15.54
Ratio of Non-performing Assets to Total Assets	1.71	1.09
Ratio of Loan Loss Reserves to Loans	1.74	1.18

BancorpSouth's performance as measured by its return on average assets and return on average equity was lower than that of its peers. BancorpSouth's net interest margin was weaker than its peers with its efficiency ratio being somewhat worse than its peers. BancorpSouth's tangible capital level was slightly higher to its peers with its risk-based capital ratio being slightly below that of its peer group median. BancorpSouth's asset quality, as measured by its ratio of non-performing assets to total assets, was slightly weaker than the peer group median. Its ratio of loan loss reserves to loans was slightly higher than the median peer group.

Sheshunoff & Co. compared BancorpSouth's trading results to its peers. The results are summarized in the following table. The data for the following table is based on publicly available GAAP financial information and market data as of September 30, 2013 provided by SNL Financial.

	<b>BancorpSouth</b>	<b>Peer</b> <b>Group</b> <b>Median</b>
Market Price as a Multiple of Stated Book Value (times)	1.28	1.30
Market Price as a Multiple of Stated Tangible Book Value (times)	1.60	1.73
Price as a Multiple of LTM Earnings (times)	22.7	16.3
Market Price as a Percent of Assets	14.7	14.9
Dividend Yield (percent)	1.00	1.82
Dividend Payout (percent)	9.1	35.9

BancorpSouth's price-to-book multiples as measured by its market price as a multiple of stated book value and its market price as a multiple of stated tangible book value were similar to or slightly lower than the comparable peer group medians. BancorpSouth's price-to-earnings multiple as shown by the price as a multiple of LTM earnings through September 30, 2013 was higher compared to its peers. BancorpSouth's market price to assets ratio was slightly lower than that of its peers. BancorpSouth's dividend yield and dividend payout ratio were both lower than its peers as of September 30, 2013.

Sheshunoff & Co. compared selected stock market results of BancorpSouth to the KBW Bank index and the SNL Southeast U.S. Bank index for all publicly traded banks over the past one and three-year period. BancorpSouth's common stock price generally performed in-line with each index for the period from January 2011 until late-July 2013. From late-July 2013 to early January 2014, BancorpSouth's stock price has outperformed the KBW Bank index and the SNL Southeast Bank index.



No company or transaction used in the comparable company and comparable transaction analysis is identical to Ouachita Bancshares, BancorpSouth, or BancorpSouth as the surviving corporation in the merger. Accordingly, an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning differences in financial and operational characteristics of Ouachita Bancshares and BancorpSouth and other factors that could affect the public trading value of the companies to which they are being compared. Mathematical analysis (such as determining the average or median) is not in and of itself a meaningful method of using comparable transaction data or comparable company data.

Pursuant to its engagement letter with Ouachita Bancshares, Sheshunoff & Co. will receive a fee of \$35,000 for the fairness opinion that is not contingent on the closing of the merger and additional fees that are contingent upon consummation of the merger. In addition, Ouachita Bancshares agreed to reimburse Sheshunoff & Co. for its reasonable out-of-pocket expenses. Ouachita Bancshares also agreed to indemnify and hold harmless Sheshunoff & Co. and its officers and employees against certain liabilities in connection with its services under the engagement letter, except for liabilities resulting from the negligence, violation of law or regulation, or bad faith of Sheshunoff & Co. or any matter for which Sheshunoff & Co. may have strict liability.

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The fairness opinion is directed only to the question of whether the merger consideration is fair from a financial perspective to the shareholders of Ouachita Bancshares and does not constitute a recommendation to any Company shareholder to vote in favor of the merger. No limitations were imposed on Sheshunoff & Co. regarding the scope of its investigation or otherwise by Ouachita Bancshares.

Based on the results of the various analyses described above, Sheshunoff & Co. concluded that the merger consideration to be paid by BancorpSouth pursuant to the merger is fair to the shareholders of Ouachita Bancshares, from a financial point of view.

## **Regulatory Approval**

The merger must be reviewed and approved by the Board of Governors of the Federal Reserve. BancorpSouth filed an application under Section 3 of the Bank Holding Company Act with the Federal Reserve Bank of St. Louis on February 25, 2014 and expects approval by the Federal Reserve on March 31, 2014. Once the Federal Reserve approves the merger of the holding companies, we will be required to wait an additional 15 days before we can close the merger in order to give the Department of Justice the opportunity to review and object to the merger. BancorpSouth expects this waiting period to expire on April 15, 2014. Further, the SBLF Redemption issued by Ouachita Bancshares to the United States Treasury in connection with its participation in Treasury's small Business Lending Fund also requires the consent of the Federal Reserve.

In addition, the merger of the Bank with and into BancorpSouth Bank requires the approval of the FDIC, the Mississippi Department of Banking and Consumer Finance and the Louisiana Office of Financial Institutions. The U.S. Department of Justice has input into the FDIC's approval process. Once the FDIC has approved the bank merger, federal law requires that we wait up to 30 calendar days to complete the merger in order to give the Department of Justice the opportunity to review and object to the bank merger. Furthermore, the SBLF Redemption also requires the consent of the Federal Reserve. Also, in order to fund the SBLF Redemption, the Bank intends to declare an extraordinary cash dividend, which will require the approval of the FDIC and Louisiana Office of Financial Institutions. Finally, the Retained Earnings Dividend will require the approval of the FDIC and the Louisiana Office of Financial Institutions.

We expect to obtain all necessary regulatory approvals, although we cannot be certain if or when we will obtain them. On January 21, 2014, BancorpSouth Bank filed applications with the FDIC, the Mississippi Department of Banking and Consumer Finance and the Louisiana Office of Financial Institutions to obtain approval of the subsidiary bank merger. On February 27, 2014, the Bank filed a request with the FDIC and Louisiana Office of Financial Institutions to obtain approval to declare an extraordinary cash dividend to fund the SBLF Redemption and the Retained Earnings Dividend, and a request with the Federal Reserve to obtain its consent to consummate the SBLF Redemption.

The merger cannot proceed in the absence of these required regulatory approvals. The approval of any notice or application merely implies satisfaction of regulatory criteria for approval, and does not include review of the merger from the standpoint of the adequacy of the consideration to be received by, or fairness to, shareholders. Regulatory approval does not constitute an endorsement or recommendation of the proposed merger.

We cannot assure you as to whether or when the requisite regulatory approvals will be obtained and, if obtained, we cannot assure you as to the date of receipt of any of these approvals, the terms thereof or the absence of any litigation challenging them. Likewise, we cannot assure you that the U.S. Department of Justice or a state attorney general will not attempt to challenge the merger on antitrust grounds or, if such a challenge is made, as to the result of that challenge.

BancorpSouth and Ouachita Bancshares are not aware of any material governmental approvals or actions that are required prior to the parties' completion of the merger other than those described in this Proxy Statement/Prospectus. If any additional governmental approvals or actions are required, the parties presently intend to seek those approvals or actions. The parties cannot assure you, however, that any of these additional approvals or actions will be obtained.

### **Accounting Treatment**

The merger will be accounted for as an acquisition by BancorpSouth using the acquisition method of accounting in accordance with FASB ASC topic 805, Business Combinations. Ouachita Bancshares will be treated as the acquired corporation for accounting and financial reporting purposes. Ouachita Bancshares' assets, liabilities and other items will be adjusted to their estimated fair value on the closing date of the merger and combined with the historical book values of the assets and liabilities of BancorpSouth. Applicable income tax effects of these adjustments will be included as a component of the combined company's deferred tax asset or liability. The difference between the estimated fair value of the assets (including separately identifiable intangible assets, such as core deposit intangibles), liabilities and other items (adjusted as discussed above) and the purchase price will be recorded as goodwill. Consolidated financial statements of BancorpSouth issued after the merger will reflect these fair values of assets acquired and liabilities assumed and will not be restated retroactively to reflect the historical financial position or results of operations of Ouachita Bancshares.

### **Material United States Federal Income Tax Consequences**

The following discussion summarizes the material anticipated United States federal income tax consequences of the merger to Ouachita Bancshares shareholders who hold their shares of Ouachita Bancshares common stock as capital assets. This discussion does not address the tax consequences of transactions effectuated prior or subsequent to, or concurrently with, the merger (whether or not such transactions are undertaken in connection with the merger). In addition, this discussion does not address all of the federal income tax consequences that may be important to each taxpayer in light of its particular circumstances, nor does this discussion address the federal income tax consequences that may be applicable to taxpayers subject to special treatment under the Code, such as:

tax-exempt organizations;

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financial institutions, insurance companies and broker-dealers or persons who have elected to use the mark-to-market method of accounting with respect to their securities holdings;

shareholders who hold their shares of Ouachita Bancshares common stock as part of a hedge, straddle, wash sale, synthetic security, conversion transaction or other integrated investment comprised of shares of Ouachita Bancshares common stock and one or more other investments;

persons who acquired their shares of Ouachita Bancshares common stock through the exercise of employee stock options, through a benefit plan or otherwise in a compensatory transaction;

shareholders who are not U.S. persons within the meaning of the Code, U.S. expatriates, or that have a functional currency other than the U.S. dollar;

shareholders liable for the alternative minimum tax;

pass-through entities and investors in such entities; or

shareholders who exercise their dissenters' rights.

No information is provided in this document or the tax opinions referred to below with respect to the tax consequences, if any, of the merger under applicable foreign, state, local and other tax laws, nor does it address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010. This discussion and the tax opinions are based upon the provisions of the Code, applicable Treasury regulations, administrative rulings and judicial decisions, all as in effect as of the date of this Proxy Statement/Prospectus. There can be no assurance that future legislative, administrative or judicial changes or interpretations, which changes could apply retroactively, will not affect the accuracy of this discussion or the statements or conclusions set forth in the tax opinions referred to below.

In connection with the filing of the registration statement of which this Proxy Statement/Prospectus is a part, BancorpSouth has received an opinion of Bracewell & Giuliani LLP, and Ouachita Bancshares has received an opinion of Fenimore, Kay, Harrison & Ford, LLP, that, as of the respective dates of such opinions, if certain factual circumstances exist, the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and that BancorpSouth and Ouachita Bancshares will each be a party to that reorganization. The parties will not be required to consummate the merger unless they receive additional opinions of their respective counsel, dated the closing date of the merger, confirming that the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and that BancorpSouth and Ouachita Bancshares will each be a party to that reorganization.

The opinions of the parties' respective counsel regarding the merger have relied, and the opinions regarding the merger as of the closing date will each rely, on the following:

representations and covenants made by BancorpSouth and Ouachita Bancshares, including those contained in certificates of officers of BancorpSouth and Ouachita Bancshares; and

specified assumptions, including an assumption regarding the completion of the merger in the manner contemplated by the Merger Agreement.

In addition, the opinions of the parties' respective counsel have assumed, and such counsel's ability to provide the opinions at the closing of the merger will depend on, the absence of changes to the anticipated facts or changes in law between the date of this Proxy Statement/Prospectus and the closing date. If any of those representations, covenants or assumptions is inaccurate, the parties' respective counsel may not be able to provide one or more of the required opinions to be delivered at the closing of the merger and/or the tax consequences of the merger could differ from those described in the opinions that counsel have delivered.

The opinions of the parties' respective counsel do not bind the Internal Revenue Service ( IRS ) and do not preclude the IRS or the courts from adopting a contrary position. BancorpSouth and Ouachita Bancshares do not intend to obtain a ruling from the IRS on the tax consequences of the merger. If the IRS were to assert successfully that the merger is not a reorganization within the meaning of Section 368(a) of the Code, then each Ouachita Bancshares shareholder would be required to recognize gain or loss equal to the difference between (i) the sum of the fair market value of the BancorpSouth common stock and the amount of cash received in the exchange and (ii) the shareholder's adjusted tax basis in the Ouachita Bancshares common stock surrendered for such consideration. Such gain or loss would be a capital gain or loss, provided that such shares of Ouachita Bancshares common stock were held as capital assets by the shareholder at the effective time of the merger. Such capital gain or loss recognized would be long-term capital gain or loss if the Ouachita Bancshares shareholder's holding period for the Ouachita Bancshares common stock was more than one year. In such event, a Ouachita Bancshares shareholder's total initial tax basis in the BancorpSouth common stock received would be equal to its fair market value at the effective time of the merger, and the shareholder's holding period for the BancorpSouth common stock would begin on the day after the merger.

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Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, neither BancorpSouth nor Ouachita Bancshares will recognize any gain or loss as a result of the merger. Holders of Ouachita Bancshares common stock will recognize gain, if any, equal to the lesser of:

the amount of cash received; or

the amount by which the sum of the amount of cash received and the fair market value, at the effective time of the merger, of the BancorpSouth common stock received exceeds the holder's adjusted tax basis in the shares of Ouachita Bancshares common stock exchanged in the merger.

Any recognized gain could be taxed as a capital gain or a dividend. Such gain will generally be capital gain (provided that such shares of Ouachita Bancshares common stock were held as capital assets by the shareholder at the effective time of the merger), unless the holder's exchange of Ouachita Bancshares common stock for cash and BancorpSouth common stock has the effect of the distribution of a dividend after giving effect to the constructive ownership rules of the Code, in which case such gain might be treated as ordinary income. Any capital gain recognized generally will be long-term capital gain to the extent that, at the effective time of the merger, the holder has a holding period in the Ouachita Bancshares common stock exchanged in the merger of more than one year. Because the determination of whether a cash payment will be treated as having the effect of a dividend depends primarily upon the facts and circumstances of each Ouachita Bancshares shareholder, Ouachita Bancshares shareholders are urged to consult their own tax advisors regarding the tax treatment of any cash received in the merger.

The aggregate tax basis of the shares of BancorpSouth common stock received in the merger (including any fractional shares of BancorpSouth common stock deemed received) will be the same as the aggregate tax basis of the shares of Ouachita Bancshares common stock surrendered in the merger, increased by the amount of gain recognized in the exchange (whether characterized as capital gain or a dividend, but excluding any gain recognized with respect to any cash received instead of a fractional share of BancorpSouth common stock) and reduced by the amount of cash received in the exchange (excluding any cash received instead of a fractional share of BancorpSouth common stock). The holding period of the shares of BancorpSouth common stock received (including any fractional share of BancorpSouth common stock deemed received) will include the holding period of shares of Ouachita Bancshares common stock surrendered in exchange for the BancorpSouth common stock, provided that such shares of Ouachita Bancshares common stock were held as capital assets of the shareholder at the effective time of the merger. Ouachita Bancshares shareholders will not be permitted to recognize any loss for federal income tax purposes.

A Ouachita Bancshares shareholder's federal income tax consequences will also depend on whether his or her shares of Ouachita Bancshares common stock were purchased at different times at different prices. If they were, the Ouachita Bancshares shareholder could realize gain with respect to some of the shares of Ouachita Bancshares common stock and loss with respect to other shares, in which case the shareholder would have to recognize such gain to the extent such shareholder receives cash with respect to those shares of Ouachita Bancshares common stock in which the shareholder's adjusted tax basis is less than the amount of cash plus the fair market value at the effective time of the merger of the BancorpSouth common stock received, but could not recognize loss with respect to those shares of Ouachita Bancshares common stock in which the Ouachita Bancshares shareholder's adjusted tax basis is greater than the amount of cash plus the fair market value at the effective time of the merger of the BancorpSouth common stock received. Any disallowed loss would be included in the adjusted basis of the BancorpSouth common stock. Such an Ouachita Bancshares shareholder is urged to consult his or her own tax advisor respecting the tax consequences of the merger to that shareholder.

*Cash Instead of Fractional Shares of BancorpSouth Common Stock*

Holders of Ouachita Bancshares common stock who receive cash instead of a fractional share of BancorpSouth common stock will be treated as having received the fractional share in the merger and then as having the fractional share redeemed by BancorpSouth in exchange for the cash actually distributed instead of the fractional share, with such redemption qualifying as an exchange under Section 302 of the Code. Accordingly, such holders will generally recognize gain or loss equal to the difference between the tax basis of the holder's Ouachita Bancshares common stock allocable to that fractional share and the amount of cash received. The gain or loss generally will be capital gain or loss, and long-term capital gain or loss if the Ouachita Bancshares common stock exchanged has been held for more than one year. The deductibility of capital losses is subject to limitations.

*Backup Withholding*

A holder of Ouachita Bancshares common stock may be subject, under certain circumstances, to backup withholding at a rate of 28% with respect to the amount of cash received in the merger, including cash received instead of fractional shares of BancorpSouth common stock, unless the holder provides proof of an applicable exemption satisfactory to BancorpSouth and the exchange agent or furnishes its correct taxpayer identification number, and otherwise complies with applicable requirements of the backup withholding rules. Any amount withheld under the backup withholding rules is not additional tax and may be refunded or credited against the holder's federal income tax liability, so long as the required information is furnished to the IRS.

*Dissenters*

Upon the proper exercise of dissenters' rights, a shareholder will exchange all of the shares of Ouachita Bancshares common stock actually owned by that holder solely for cash and that holder will recognize gain or loss equal to the difference between the amount of cash received and its adjusted tax basis in the shares of Ouachita Bancshares common stock surrendered, which gain or loss will be long-term capital gain or loss if the holder's holding period with respect to the Ouachita Bancshares common stock surrendered is more than one year. Long-term capital gains of

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noncorporate taxpayers are subject to reduced rates of taxation. The deductibility of capital losses is subject to limitations. Although the law is unclear, if the holder constructively owns shares of Ouachita Bancshares common stock that are exchanged for shares of BancorpSouth common stock in the merger or otherwise owns shares of BancorpSouth common stock actually or constructively after the merger, the consequences to that holder may be similar to the consequences described elsewhere in this section **THE MERGER** **Material United States Federal Income Tax Consequences**, except that the amount of consideration, if any, treated as a dividend may not be limited to the amount of that shareholder's gain.

*Certain Tax Reporting Rules*

Under applicable Treasury regulations, significant holders of Ouachita Bancshares stock will be required to comply with certain reporting requirements. An Ouachita Bancshares shareholder should be viewed as a significant holder if, immediately before the merger, such holder held 1% or more, by vote or value, of the total outstanding Ouachita Bancshares common stock, or held stock with a tax basis of \$1,000,000 or more. Significant holders generally will be required to file a statement with the holder's U.S. federal income tax return for the taxable year that includes the consummation of the merger. That statement must set forth the holder's adjusted tax basis in, and the fair market value of, the shares of Ouachita Bancshares common stock surrendered pursuant to the merger (both as determined immediately before the surrender of shares), the date of the merger, and the name and employer identification number of BancorpSouth and Ouachita Bancshares, and the holder will be required to retain permanent records of these facts. We urge each holder of Ouachita Bancshares common stock to consult its tax advisor as to whether such holder may be treated as a significant holder.

*Retained Earnings Dividend*

The Retained Earnings Dividend will be treated separately from the merger for U.S. federal income tax purposes. The foregoing discussion does not address the U.S. federal income tax consequences of Retained Earnings Dividend to holders of Ouachita Bancshares common stock. You should consult your own tax advisor for a full understanding of the Retained Earnings Dividend's tax consequences that are particular to you.

**The preceding summary does not purport to be a complete analysis or discussion of all potential tax effects relevant to the merger. Accordingly, Ouachita Bancshares shareholders are urged to consult their own tax advisors as to the specific tax consequences to them of the merger, including tax return reporting requirements, the applicability and effect of federal, state, local, foreign and other tax laws and the effect of any proposed changes in the tax laws.**

**Dissenters' Rights**

Ouachita Bancshares is a corporation organized under the laws of the State of Louisiana and its principal place of business is in the State of Louisiana. Each record holder of Ouachita Bancshares common stock will be entitled to dissenters' rights as a result of the merger pursuant to Section 131 of the Louisiana Business Corporation Law (Section 131) unless 80% of the outstanding shares of Ouachita Bancshares common stock are voted in favor of the merger, in which case no Ouachita Bancshares shareholder will be entitled to dissenters' rights under Louisiana law. If you have a beneficial interest in shares of Ouachita Bancshares common stock that are held of record in the name of another person, such as a broker or nominee, you must have the record ownership of the shares transferred to your name or instruct the record owner to follow the Section 131 procedure on your behalf.

The following discussion is not a complete statement of the law pertaining to dissenters' rights under the Louisiana Business Corporation Law. If you wish to exercise such dissenters' rights, or wish to preserve your right to do so, you



should review Section 131, a copy of which is attached as Annex B to this Proxy Statement/Prospectus, and the following discussion carefully.

The availability of dissenters' rights is conditioned upon full compliance with a complicated procedure set forth in the Louisiana Business Corporation Law. Failure to timely and properly comply with the procedures specified will result in the complete loss of dissenters' rights. Accordingly, if you wish to dissent from the merger and demand the fair value of your Ouachita Bancshares common stock in cash, you should consult with your own legal counsel.

Your vote against the Merger Agreement and the transactions contemplated thereby will not be deemed to satisfy all of the notice requirements under the Louisiana Business Corporation Law with respect to dissenters' rights.

If the Merger Agreement is not approved by the holders of at least 80% of the outstanding Ouachita Bancshares common stock, Section 131 allows an Ouachita Bancshares shareholder who objects to the merger and who complies with the provisions of that section to dissent from the Merger Agreement and to have paid to him or her in cash the fair cash value of his or her shares of Ouachita Bancshares common stock, which fair cash value shall be determined as of the day immediately before the special meeting, as determined by agreement between the shareholder and Ouachita Bancshares, or by a Louisiana court if the shareholder and Ouachita Bancshares are unable to agree. Shareholders of BancorpSouth are not entitled to dissenters' rights.

*Procedure for the Exercise of Dissenters' Rights*

In order to be eligible to exercise the right to dissent, you must:

file with Ouachita Bancshares a written objection to the Merger Agreement prior to or at the special meeting;  
and

vote (in person or by proxy) against the Merger Agreement at the special meeting.

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Neither a vote against the Merger Agreement nor a specification in a proxy to vote against the Merger Agreement will in and of itself constitute the required written objection to the Merger Agreement. Moreover, by voting in favor of, or abstaining from voting on, the Merger Agreement, or by returning the enclosed proxy without instructing the proxy holders to vote against the Merger Agreement, you will waive your rights under Section 131.

The right to dissent may be exercised only by the record owners of the shares and not by persons who hold shares only beneficially. If you are a beneficial owner who wishes to dissent, you should have the record ownership of the shares transferred to your name or instruct the record owner to follow the Section 131 procedure on your behalf.

Any written notice of intent to dissent with respect to the merger should be sent to: Ouachita Bancshares Corp., 909 North 18<sup>th</sup> Street, Monroe, Louisiana 71201, Attention: Katie Anderson, Corporate Secretary. A shareholder of Ouachita Bancshares who wishes to dissent must, as an initial matter, comply with all of the conditions listed above.

If the Merger Agreement is approved at the Ouachita Bancshares special meeting by less than 80% of the total number of shares of Ouachita Bancshares common stock outstanding, then promptly after the merger is approved at the special meeting, assuming the merger is approved at the special meeting, Ouachita Bancshares must deliver written notice of the consummation of the merger by mail to each former shareholder of Ouachita Bancshares who filed a written objection to the Merger Agreement and voted against it at the shareholder's last address on Ouachita Bancshares records.

To the extent a shareholder of Ouachita Bancshares properly dissents from the merger and must correspond with Ouachita Bancshares following the closing of the merger, communication regarding dissenters' rights should be directed to the Corporate Secretary at BancorpSouth. Any communication should be sent to: BancorpSouth, Inc., One Mississippi Plaza, Tupelo, Mississippi 38804, Attention: Corporate Secretary.

If you properly provide notice of objection to the merger prior to or at the special meeting, vote against the merger, and are sent a written notice from Ouachita Bancshares, within 20 days after such notice is mailed you must demand payment of the fair cash value of your shares as of the day before the vote was taken and state the value demanded and a post office address to which Ouachita Bancshares may reply, in writing, and deposit the certificates representing your shares of Ouachita Bancshares' common stock in escrow with a chartered bank or trust company located in the parish of the registered office of Ouachita Bancshares. The certificates must be duly endorsed and transferred to Ouachita Bancshares upon the sole condition that they be delivered to Ouachita Bancshares upon payment of the value of the shares in accordance with Section 131. With the demand, you must deliver to Ouachita Bancshares the written acknowledgement of the bank or trust company with which you deposited the certificates representing your shares that such bank or trust company has received and is holding the certificates. If you do not object to and vote against the Merger Agreement, demand payment, endorse and deposit your share certificates where required, and deliver the required written acknowledgement in accordance with the procedures set forth in Section 131 within 20 days of the date of mailing of Ouachita Bancshares' notice, you will not be entitled to payment for your shares of Ouachita Bancshares common stock pursuant to Section 131.

*Ouachita Bancshares' Payment or Offer of Payment*

If Ouachita Bancshares does not agree to the value stated and demanded by you, or does not agree that payment is due, it will, within 20 days after receipt of your demand and acknowledgement, notify you in writing at the designated post office address of its disagreement and will state in the notice of disagreement the value it will agree to pay. Otherwise Ouachita Bancshares will be liable for and will pay to you the value demanded for your shares. In this regard, you should be aware that opinions of investment banking firms as to fairness from a financial point of view, including the opinion of Sheshunoff & Co. described in this Proxy Statement/Prospectus, are not opinions as to fair

cash value under Louisiana law, and a determination of the fair cash value of your shares could be more or less than the consideration to be paid by BancorpSouth in the merger.

*Procedure if Dissatisfied with Payment or Offer*

If you do not agree to accept the offered amount, or disagree with Ouachita Bancshares' s assertion that no payment is due, you must, within 60 days after receipt of Ouachita Bancshares' s notice of disagreement, file suit against Ouachita Bancshares in the district court for Ouachita Parish, Louisiana for a judicial determination of the fair cash value of your shares. Any shareholder entitled to file such suit may, within such 60 day period, intervene as a plaintiff in any such suit filed against Ouachita Bancshares by another former shareholder for a judicial determination of the fair cash value of such other shareholder' s shares. If a shareholder fails to bring or to intervene in such a suit within the 60-day period, he or she will be deemed to have consented to accept Ouachita Bancshares' s statement that no payment is due or, if Ouachita Bancshares does not contend that no payment is due, to accept the amount specified by Ouachita Bancshares in its notice of disagreement.

When the fair cash value of the shares has been agreed upon between you and Ouachita Bancshares, or when Ouachita Bancshares has become liable for the value demanded by you because of failure to give notice of disagreement and of the value it will pay, or when you have become bound to accept the value Ouachita Bancshares agrees is due because of your failure to bring suit within 60 days after receipt of notice of Ouachita Bancshares' disagreement, your action to recover such value must be brought within five years from the date the value was agreed upon or the liability of Ouachita Bancshares became fixed.

If Ouachita Bancshares, in its notice of disagreement, offers to pay you on demand an amount in cash deemed by it to be the fair cash value of your shares, and if, on the institution of a suit by you claiming an amount in excess of the amount offered, Ouachita Bancshares deposits with the

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court the amount offered in its notice of disagreement, then the costs, not including legal fees, of the proceeding will be taxed against Ouachita Bancshares if the amount finally awarded to you, exclusive of interest and costs, is more than the amount offered and deposited by Ouachita Bancshares, and judicial interest may be awarded against Ouachita Bancshares only on the amount of the award in excess of the amount deposited by Ouachita Bancshares. Otherwise, the costs of the proceeding will be taxed against you and no interest will be paid.

If you file a demand for the value of your shares in accordance with Section 131, your rights of a shareholder, except as provided in Section 131, shall cease. Your demand may be withdrawn voluntarily at any time before Ouachita Bancshares gives its notice of disagreement, but thereafter only with the written consent of Ouachita Bancshares. If your demand is properly withdrawn, the merger is abandoned, or if you otherwise lose your dissenters' rights, you will be restored to your rights as a shareholder as of the time of filing of your demand for fair cash value.

Until the effective date, you should send any communications regarding your rights to: Ouachita Bancshares Corp., 909 North 18<sup>th</sup> Street, Monroe, Louisiana 71201, Attention: Katie Anderson, Corporate Secretary. All such communications should be signed by you or on your behalf in the form