

valu3
opp0rtun1ty
strategic-
direction
innovation
+ change
leadership
s3rvic3
emp0werment

success > 2001



Financial Highlights

Consolidated Balance Sheets

(In thousands)

	December 31,		
	2001	2000	1999
ASSETS:			
Cash	\$ 71,412	\$ 56,817	\$ 43,871
Securities and Time Deposits	\$ 277,293	\$ 278,574	\$ 266,896
Net Loans	\$ 816,342	\$ 805,318	\$ 789,027
Other Assets	\$ 89,680	\$ 71,231	\$ 63,165
Total Assets	\$ 1,254,727	\$ 1,211,940	\$ 1,162,959
LIABILITIES:			
Deposits	\$ 1,063,055	\$ 1,046,605	\$ 978,958
Borrowed Funds	\$ 47,326	\$ 24,549	\$ 51,269
Other Liabilities	\$ 20,764	\$ 19,125	\$ 16,643
Total Liabilities	\$ 1,131,145	\$ 1,090,279	\$ 1,046,870
Shareholders' Equity	\$ 123,582	\$ 121,661	\$ 116,089
Total Liabilities and Shareholders' Equity	\$ 1,254,727	\$ 1,211,940	\$ 1,162,959

Consolidated Statements of Income

(In thousands)

	December 31,			
	2001	2000	1999	1998
Interest Income	\$ 87,766	\$ 89,434	\$ 83,500	\$ 81,280
Interest Expense	\$ 40,922	\$ 44,132	\$ 37,342	\$ 37,434
Net Interest Income	\$ 46,844	\$ 45,302	\$ 46,158	\$ 43,846
Provision for Loan Losses	\$ 4,790	\$ 6,373	\$ 3,192	\$ 2,591
Non-interest Income	\$ 24,389	\$ 18,529	\$ 19,476 *	\$ 14,461
Non-interest Expense	\$ 46,747	\$ 42,474	\$ 41,480	\$ 39,338
Net Income Before Taxes	\$ 19,696	\$ 14,984	\$ 20,962	\$ 16,378
Income Taxes	\$ 5,109	\$ 3,800	\$ 6,182	\$ 4,697
Net Income	\$ 14,587	\$ 11,184	\$ 14,780 *	\$ 11,681

*Reflects gain on sale of credit card portfolio of \$3,717,000 (\$2,379,000 net of taxes).

2001 At A Glance: Posting a 35.52% increase in earnings per share for the year, The Peoples Holding Company saw record earnings per share for four consecutive quarters and the year 2001. Market price per share increased 105.56% over the December 31, 2000 close. The Company repurchased 352,219 shares to enhance return on equity, better utilize capital and accelerate the growth rate of earnings per share. Net interest margin improved despite 11 Federal Reserve reductions of short-term rates. Credit quality improved, and net charge-offs as a percentage of loans fell to .49% from .72% in 2000. Non-interest income for 2001 grew 31.63%. Growth remains strong as the Company continues to provide clients more financial services generating commissions and fees.

Earnings Per Share

2001	\$ 2.48
2000	\$ 1.83
1999	\$ 2.38*
1998	\$ 1.88
1997	\$ 1.77

Book Value Per Share

2001	\$ 21.66
2000	\$ 20.09
1999	\$ 18.71
1998	\$ 17.80
1997	\$ 16.61

Return on Equity

2001	11.70%
2000	9.49%
1999	13.19%*
1998	10.85%
1997	11.07%

Return on Assets

2001	1.18%
2000	.93%
1999	1.29%*
1998	1.09%
1997	1.13%

Assets (in thousands)

2001	\$ 1,254,727
2000	\$ 1,211,940
1999	\$ 1,162,959
1998	\$ 1,107,795
1997	\$ 1,011,942

Loans, Net of Unearned Income (in thousands)

2001	\$ 827,696
2000	\$ 815,854
1999	\$ 799,085
1998	\$ 729,156
1997	\$ 661,572

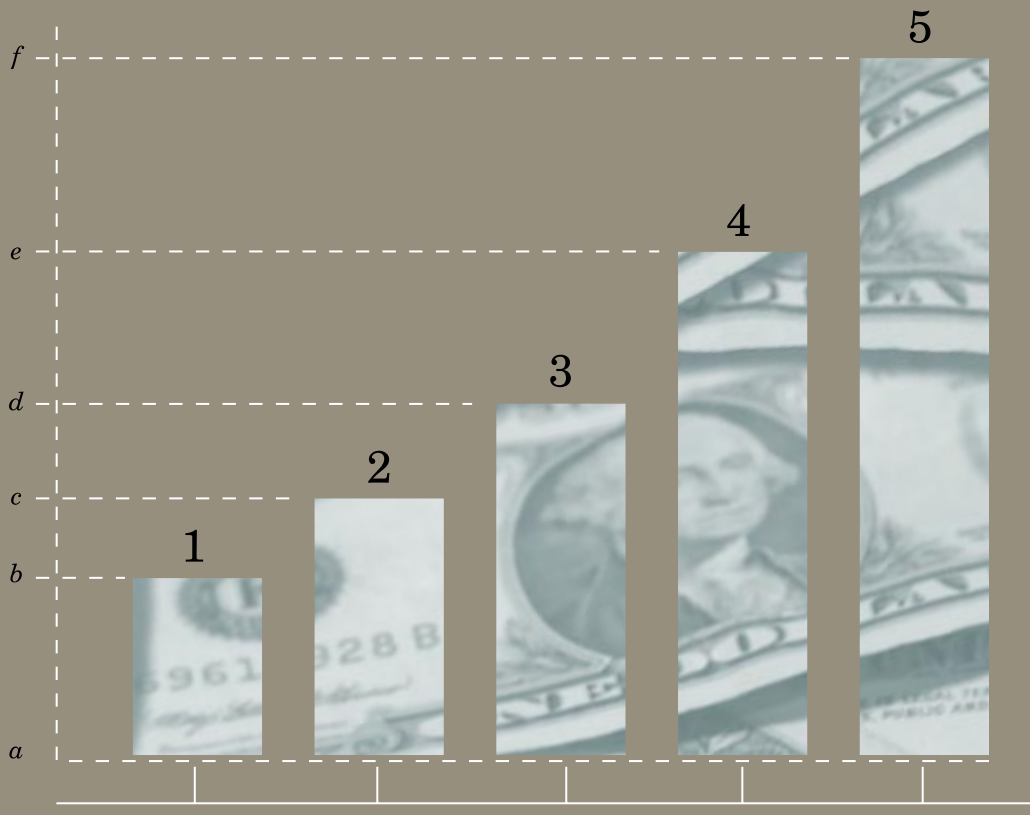
Deposits (in thousands)

2001	\$ 1,063,055
2000	\$ 1,046,605
1999	\$ 978,958
1998	\$ 960,295
1997	\$ 870,082

*Reflects gain on sale of credit card portfolio of \$3,717,000 (\$2,379,000 net of taxes).

one:

$$\text{value} \geq (\text{opportunity})^2$$



*When timing is right and circumstances favorable,
opportunity is born. Those who are well-trained and ready grasp
opportunity and run with it, proving their prowess and value.*

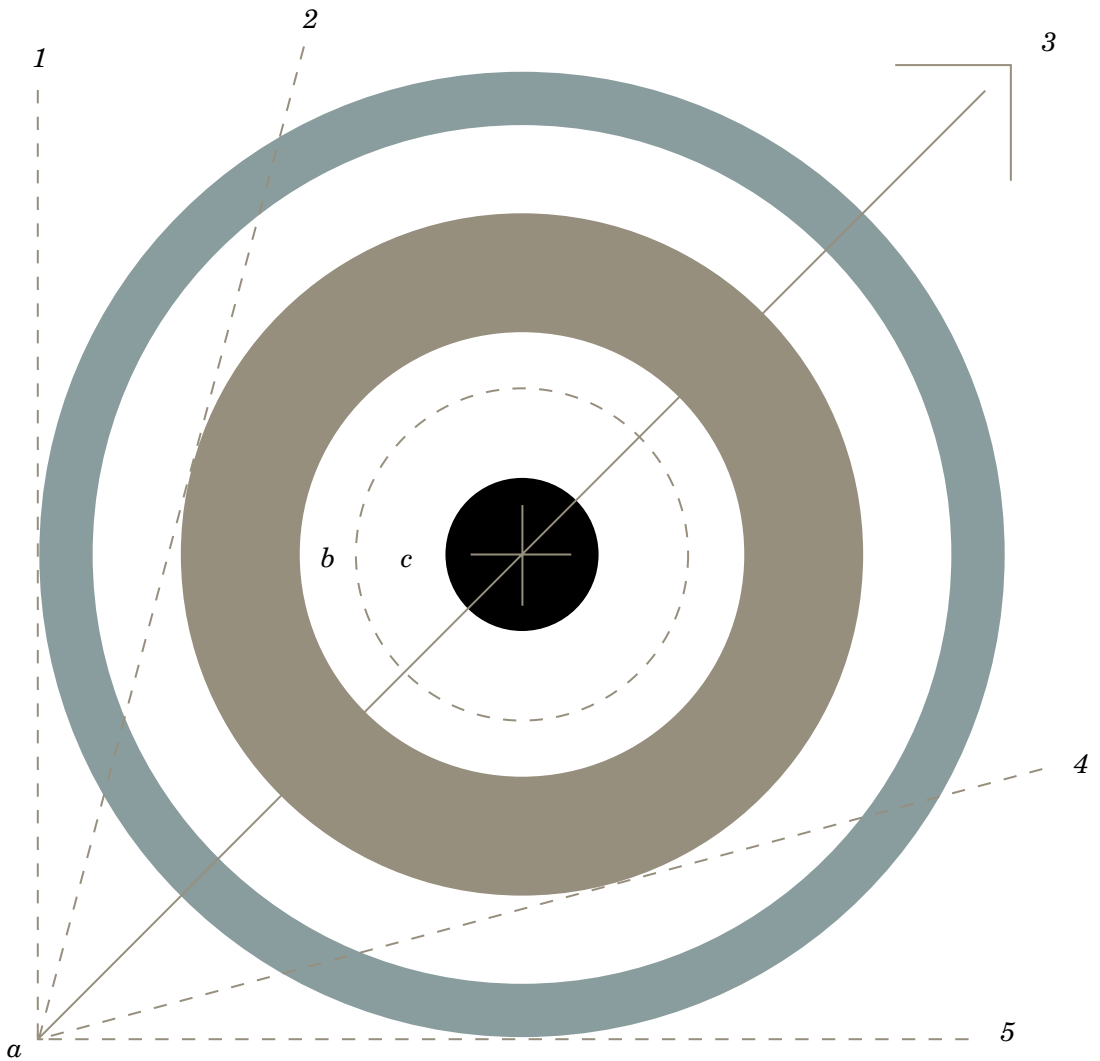
2001 was a year of training,
of toughening ourselves for the race
to achievement.

DRIVING US WAS OUR VISION
to be the financial services advisor
and provider of choice
in the 27 communities we serve.

As the year began, we were off to a smooth start, following the course we had charted collectively. As each quarter passed, we marked our progress. We kept the pace, confident that with steady gains we would compete effectively in our markets. Our goal was and is to compare favorably with an elite group of banks our size throughout the nation. Because we are forward thinking, we have imposed needed discipline to help us perform to the peer group's standards. As a result, we posted record earnings per share for four consecutive quarters and the year. Net income for the

year grew significantly, led by the sale of financial products that generate non-interest income. We improved returns on average equity and assets. At a time when the national and local economies were weakening, we held to our business plan. We credit our progress to the fact that the people of our company are looking ahead, seizing every opportunity to be of greater value to customers by being more businesslike and more engaged. As we create and make the most of opportunities individually, we grow stronger and more determined as a company.

two:
strategic direction



*Strategic direction yields clarity.
It identifies a precise target and provides focus for an entire
company's mental energies and physical efforts.*

In 2001, we made substantial

HEADWAY TOWARD OUR GOAL.

As we progressed, signs validated the
soundness of our direction.

We worked our plan. We met objectives. We are on track.

Motivated by new leadership and an unprecedented opportunity to participate in overall strategic planning, our entire team today is unified. As community bank managers have focused on the priorities of financial soundness, profitability and growth, they have implemented local business plans, giving purpose to their actions and decision making. This process has provided helpful checkpoints for gauging progress and measuring accountability. System-wide, efforts in 2001 were devoted to improving asset quality, margin, fee income and operating expense control. Some 60 short- and long-range strategic

initiatives were established, and responsibility and a target completion were assigned for each. With status evaluated monthly, most of the short-term initiatives were fully implemented, and significant progress was made on longer-term initiatives, helping fuel earnings to record levels. Strategic direction, while essential, is not sufficient explanation for the gains we are making. Our progress comes not only from pointing the way but from putting one foot in front of another, taking action. As important as planning is, only action followed by close evaluation produces the results we are experiencing.

three:
innovation = change

10 9 8 7 6 5 4 3 2 1



Innovation is not a one-time breakthrough.

*It is a process, an attitude that permeates. It fosters
creative thinking and initiative.*

One idea sparks another for positive change.

WE'RE CHANGING FUNDAMENTALLY,
redefining *who we are* and *what we do*.

We're innovating, expanding beyond banking to total financial service. The way clients see us, the way we see them, the way we see ourselves — *everything's changing for the better*.

Change continues to be embraced within our company because it is prefaced with a mission. There is rhyme and reason to it. The shift to broader financial service is a change that supports our goal to grow fee income. The positioning of community banks as franchises, held to standards of income yet provided flexibility in operations, is an innovation that helps us develop and serve clients. Using technology such as the Internet for training in new product sales is a change that develops our employees as financial professionals. Rewarding employees based on performance is a change that provides incentives for accomplishment.

Change has not and will not come to The Peoples Holding Company or its subsidiaries via management edict. It comes through employee involvement, shared vision and communication. It thrives as we perpetuate an environment to encourage and acknowledge good ideas whether they come from Board members, branch officers or front-line employees. The changes in management, management style, job descriptions and responsibilities reawakened our team to the possibilities that await us. Motivated from within, we withstood downturns in the economy by raising expectations of ourselves and our clients.

four:
leadership by
example



s3rvice (1 community at a time)

d

Aberdeen
Amory
Batesville
Belden
Booneville
Calhoun City
Coffeerville
Corinth
Grenada
Guntown
Hernando
Iuka
Louisville
New Albany
Okolona
Olive Branch
Pontotoc
Saltillo
Sardis
Shannon
Smithville
Southaven
★ *Tupelo* (Corp. Headquarters)
Verona
Water Valley
West Point
Winona



*Service is active, never passive. More than
responding to requests, it is anticipating needs.*

*Service grows and improves with
better leadership, not tighter management.*

We have improved service to clients
by improving service to each other.
Central leadership supports community banks
by providing direction,

**BUILDING PARTNERSHIPS FOR REFERRALS,
setting higher standards
and supplying better information.**

THE RESULT:
smarter decisions, more client relationships.

Our team of financial professionals is able to be of greater service within their communities by having access to more of the products today's clients need. Now, in addition to auto loans, we can provide auto insurance. Along with home loans, we can supply homeowners' policies. We have the network of insurance professionals who can shop more than 50 of the country's top carriers for best protection and price, saving our clients time and headaches. Our service expansion extends to business accounts, as we now serve as a one-stop source for business insurance, employee benefits and protection, as well as equipment leasing and coverage. We have seen

the value of our alliances with insurance agencies and seek further partnerships in this growth area. We are actively marketing our capabilities in financial planning, investment management, trust, estate planning and settlement. We continue to build our expertise in wealth management to deliver this service to new and existing clients. The company leadership has redefined the role of every employee who is not in a front-line position. Administrative and back-room employees lead by supporting retail colleagues in the community banks. In providing excellent service to each other, we deliver broader, more seamless service to clients.

2
reach
goals
w 3
must be
+ free
2 run

five: empowerment

*Empowerment leverages the equity of employees' individual talents,
experiences and education, recognizing
and freeing them as professionals to get the job done.*

(Setting Their Own Goals)

Empowered to develop new business, the Louisville bank took the call program suggested by central leadership and made it their own. Dubbing it "3x5," each branch employee identified five best clients, five "to-be-enhanced" clients and five prospects as targets for services that would generate fee income or commissions. Weekly team meetings for status updates made employees accountable to themselves and each other. With their enthusiasm, energy and commitment, the Louisville front-line team added 106 new account relationships and sold a total of 733 additional services for the year. The program is being emulated throughout the company.

— LOUISVILLE, MISSISSIPPI



OUR TEAM MEMBERS ENJOY GREATER RESPONSIBILITY
and authority. With specific targets, clear initiatives
and detailed business plans, *they are empowered to change*
the status quo, *accountable only for results.*

Empowerment is essential to the transformation of employees to financial professionals. At the same time we have empowered employees, we have given them better information to guide their judgments. One example is centralized credit analysis. With the strategic focus on improving loan quality we have implemented credit scoring accompanied by a loan pricing matrix. This process does not hinder the community lender's ability to make loans, but it signals the

risk and suggests the loan be priced appropriately. As a result of scoring and risk-based pricing, community bank officers are empowered to make better decisions. They have the tools they need as business people. They are choosing not to make some of the loans they might have made in the past and are pricing known risks accordingly. Franchisees are experiencing the potential income that lies in using their own creativity to add and build client relationships.

Dear Fellow Investor

2001 was our best year,

but it is not the best we can do.

We are pleased with our
results, but we are not satisfied.

With a record-breaking year behind us, we are ready for more. We have the reserve of talent, enthusiasm and tenacity to take us forward. We have the resolve to continue honing and meeting objectives in the key areas of client satisfaction and development, financial soundness and profitability, growth, employee satisfaction and development, and shareholder satisfaction and development.

Diligently working our business plan, we are capitalizing on the strengths of our 622-member team of financial professionals, our Board of Directors and our commitment to fee income growth. We are fortunate to operate in a 16-county area in north and north central Mississippi where there is a healthy balance of manufacturing and non-manufacturing employment. We have seen retail sales remain strong, especially in the most populous markets we serve; job growth continues and unemployment rates stay favorably low throughout most of the region. The attitude of our entire team is positive as it has been since we launched our “*new attitude, new era*” initiatives November 1, 2000. Motivated by the opportunity to increase value to clients, communities and shareholders — and reinforced by the initial returns on our efforts — we are ready to accomplish more.

What happened this year was quite simple: we said what we would do, we did it and it worked. We increased our opportunity to be of more value to clients by bringing them expanded trust services and the additional products of our insurance agencies acquired in 2000. We improved loan quality by utilizing new tools for credit scoring and risk assessment. We empowered community bank executives to apply their creativity and experience to business planning, while making top management expertise available to them. We proved our ability to lead, earning greater respect for the jobs we do, the services we provide and the potential we promise.

PHC > (*peer*)

*We compare ourselves with
top performers, not average ones. We have proven
our ability to lead, to enhance
quality and add value to our shareholders.*

Our internal growth initiatives include a concerted effort to more than double our number of services per client household. Simultaneously, our emphasis on relationship profitability helped raise the average household profit. We also have focused on upgrading our position and brand as a financial services company to attract upper core and affluent market segment clients. Development of our Wealth Management division is also a top priority.

External acquisition initiatives include filling in strategic markets within our existing footprint in north and north central Mississippi and expanding into desirable target markets in southwestern Tennessee, northwestern Alabama and central Mississippi. We seek alliances with strategic partners whose services complement our own and acquisitions that add value to our stock. We are targeting selected markets that contain approximately \$22.6 billion in deposits with a three-year annual growth rate of 6%.

We have set our sights high. We strive to be in the top quartile of our custom peer group. Such aim, we feel, is absolutely essential for us to raise the quality and quantity of our financial services. It is not enough for us to be the best in Tupelo, in north central Mississippi or the state. We seek to be in the select group of financial institutions distinguished by their value to their shareholders, clients, communities and employees.

SINCERELY YOURS,



E. ROBINSON MCGRAW
President & Chief Executive Officer



ROBERT C. LEAKE
Chairman of the Board

Board of Directors

-
-
- 1 WILLIAM M. BEASLEY
Attorney
Phelps Dunbar, LLP
Tupelo, Mississippi
- 2 GEORGE H. BOOTH, II
President
Tupelo Hardware Company
Tupelo, Mississippi
- 3 FRANK B. BROOKS
Farmer
Water Valley, Mississippi
- 4 JOHN M. CREEKMORE
Attorney
Amory, Mississippi
- 5 MARSHALL H. DICKERSON
Owner and Manager
Dickerson Furniture Company
Booneville, Mississippi
- 6 EUGENE B. GIFFORD, JR.
Attorney
Gifford, Allred and Tennison
Booneville, Mississippi
- 7 ROBERT C. LEAKE
Chairman of the Board
The Peoples Holding Company
Chairman of the Board
The Peoples Bank & Trust Company
President
Leake and Goodlett, Inc.
Tupelo, Mississippi
- 8 E. ROBINSON MCGRAW
President & Chief Executive Officer
The Peoples Holding Company
President & Chief Executive Officer
The Peoples Bank & Trust Company
Tupelo, Mississippi

- 9 J. NILES MCNEEL
Attorney
McNeel and Ballard
Louisville, Mississippi
- 10 C. LARRY MICHAEL
President
Transport Trailer Service, Inc.
Rent-A-Box, Inc.
Precision Machine and
Metal Fabrication, Inc.
Tupelo, Mississippi
- 11 JOHN W. SMITH
Former President
& Chief Executive Officer
The Peoples Holding Company
Former President
& Chief Executive Officer
The Peoples Bank & Trust Company
Tupelo, Mississippi
- 12 H. JOE TRULOVE
Real Estate & Investments
West Point, Mississippi
- 13 J. HEYWOOD WASHBURN
Self-Employed
Investor
Tupelo, Mississippi
- 14 ROBERT H. WEAVER
Attorney
Watkins, Ludlam, Winter
and Stennis, P.A.
Jackson, Mississippi
- 15 J. LARRY YOUNG
Retired Pharmacist
Former Partner
Ramsey-Young Pharmacy
Pontotoc, Mississippi

Directors Emeritus

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Retired Chancellor, Place Number 3
First Chancery Court District
Tupelo, Mississippi
- DR. WALTER L. BOURLAND, M.D.
Retired Physician
Tupelo, Mississippi
- A. M. EDWARDS, JR.
Retired Attorney
Edwards, Storey, Marshall
and Helveston
West Point, Mississippi
- W. P. MITCHELL
Chairman of the Board Emeritus
Attorney
Mitchell, Voge, Corban and Morris
Tupelo, Mississippi
- LEONARD W. WALDEN
President
Builders Supply, Inc.
Booneville, Mississippi
- THE PEOPLES HOLDING
COMPANY
- E. ROBINSON MCGRAW
President & Chief Executive Officer
- MARTIS D. RAMAGE
Vice President
- MARTHA S. WEBB
Secretary
- KAREN S. DIXON
Assistant Secretary
-
-

(5trength)
in the numb3rs



Officers

(and Branch Associates)

E. ROBINSON MCGRAW
*President &
Chief Executive Officer*

MARTHA S. WEBB
*Assistant Vice President
Administrative Assistant*

Audit

MARY JOHN WITT
*Senior Vice President
Senior Auditor*

BARBARA F. DANIELS
*Vice President
EDP Auditor*

EDDIE K. LINDSEY
*Vice President
Auditor*

R. LYNN ROBERSON
*Assistant Vice President
Auditor*

KAREN D. WEEKS
*Assistant Vice President
Auditor*

Compliance

TIA O. BREEDLOVE
*Assistant Vice President
Compliance & CRA Officer*

Control

STUART R. JOHNSON
*Executive Vice President
Chief Financial Officer*

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*Senior Vice President
Controller*

JOHN A. ALDRIDGE
*Vice President
Assistant Controller*

KATHY A. FRANKS
Assistant Cashier

AUNDRA M. KOHLHEIM
Assistant Cashier

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Investment Officer*

VANESSA R. LYLES
*Assistant Cashier
Funds Management Supervisor*

Credit Administration

CLAUDE H. SPRINGFIELD, III
*Executive Vice President
Chief Credit Policy Officer*

Business Manager

JANIS PATRICK
*Assistant Cashier
Business Manager Coordinator*

Central Document Preparation

BETH S. BAKER
*Assistant Vice President
Central Document
Preparation Manager*

DOROTHY M. WORLEY
*Assistant Cashier
Assistant Central Document
Preparation Manager*

Consumer Electronic Delivery Sales

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*Vice President
Sales Manager*

LEASING

TED FERGUSON
*Assistant Vice President
Leasing Manager*

STUDENT LOANS

LYVONNE Y. BERRY
*Assistant Cashier
Student Loan Administrator*

Loan Operations

MARLENE N. UNDERWOOD
*Vice President
Loan Operations Manager*

CATHERINE M. RILEY
*Assistant Cashier
Compliance / Documentation
Supervisor*

Loan Review

BURLESS J. OYLER
*Vice President
Loan Review Manager*

JAMES E. POLLARD
*Assistant Vice President
Loan Review Officer*

MICHELLE S. YOUNG
*Assistant Cashier
Fair Lending Officer*

Loan Systems

LIBBY G. OSWALT
Assistant Vice President
Loan Systems Specialist

Mortgage Loans

CAROLYN PARISH
Vice President
Mortgage Loan Manager

Credit Quality

HAROLD H. LIVINGSTON
Executive Vice President
Chief Credit Officer

GREGORY L. GOLDBERG
Senior Vice President
Senior Lender

Credit Analysis & Auto Underwriting

BRADLEY A. BROWN
Assistant Vice President
Underwriter Supervisor

JANIE I. MALONE
Assistant Cashier
Senior Underwriter

Sales Finance

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Vice President

Special Assets

LARRY W. COGGIN
First Vice President
Special Assets Manager

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HERBERT G. WESTBROOK
Vice President
Bankruptcy Administrator

COLLECTIONS

DANNY D. GLADNEY
Vice President
Collections Administrator

RECOVERY

JASON A. GRAHAM
Assistant Vice President
Senior Loan Recovery Specialist

TERESA J. COOK
Assistant Cashier

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B. SCOTT WILLIAMS
Assistant Vice President
Special Assets Officer

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Executive Vice President
Director of Customer & Employee Relations

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Seniors Relations Officer

ANN V. McMILLAN
Assistant Vice President
Sales/Service Support & Training Officer

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Human Resources Director

PATSY H. BRANDON
Assistant Vice President
Benefits Administrator

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Assistant Cashier
Employment Representative

ABBY G. JAMIESON
Assistant Cashier
Information Security Officer

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Investor Relations & Planning Director

DONALD S. WILSON
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Marketing Communications Manager

BARBARA R. TIMMONS
Vice President
Marketing Services Manager

ROBERT C. GENO
Assistant Vice President
Database Manager

New Products

MARTIS D. RAMAGE
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Products Specialist

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Senior Vice President
Operations and Technology Director

Operations

GERALD W. IVERSON
First Vice President
Operations Administrator

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Deposit Operations Manager

JUDY G. MAGERS
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Computer Processing Manager

Property Management

JIMMY R. MORGAN
Vice President
Properties Manager

PC Systems Management

WAYNE A. VANLANDINGHAM
Vice President
PC Systems Administrator

LINDA T. BOYD
Assistant Cashier
ATM Coordinator

D. PAT CAPPLEMAN
Assistant Vice President
LAN Administrator

Purchasing

MARCELL S. BROWN
Assistant Cashier
Purchasing Agent

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Director of Retail Banking

SUZANNE M. BOONE
Vice President
Branch Administrator

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Assistant Cashier

ELIZABETH E. RESTER
Assistant Cashier

Telephone Banking

MELONIE M. COUNCE
Assistant Vice President
Telephone Banking Manager

KANDYE S. BAILEY
Assistant Cashier
Financial Services Supervisor

Wealth Management

DONALD L. CARTER
Senior Vice President
Wealth Management
Administrator

CASH MANAGEMENT

LYNN S. MCCHAREN
Assistant Cashier
Cash Management Officer

PEOPLES FINANCIAL SERVICES

PATTI F. WALTERS
Assistant Cashier
Investment Representative

PRIVATE BANKING

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Vice President
Wealth Management Officer

BENTON M. HILBUN
Vice President
Wealth Management Officer

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First Vice President
Senior Trust Officer

DAVID L. BARNES
Assistant Vice President
Personal Trust Administrator

CONSTIN L. SMITH
Assistant Vice President
Trust Operations Officer

1 Aberdeen

ROGER MITCHELL
First Vice President
Executive Officer

NANCY R. PAYNE
Assistant Vice President
Branch Manager

WILMA B. MCMILLIAN
Assistant Cashier

2 Amory

CHARLES A. KILLEBREW
Senior Vice President
Executive Officer

BETTY P. PARKER
First Vice President
Branch Manager
Main Office

PHYLLIS J. WILLIAMS
Assistant Vice President

JON P. ALEXANDER
Assistant Cashier

PHYLLIS C. MORGAN
Assistant Cashier
Branch Manager
Smithville Office

LEATRICE L. PRESTRIDGE
Assistant Cashier
Branch Manager
Highway 278 Office

3 Batesville

CALVIN E. FLINT, III
First Vice President
Executive Officer

MARY D. REEDER
Assistant Cashier

4 Booneville

HAL C. WRIGHT
Senior Vice President
Executive Officer

LINDA J. WALLIS
Assistant Vice President
Branch Manager
Main Office

L. KENT DEES
Assistant Cashier

ELIZABETH R. FLOYD
Assistant Cashier

BRYAN A. MCCUTCHEN
Assistant Vice President

SHIRLEY G. BROOKS
Assistant Cashier
Branch Manager
Northgate Office

KATHY F. EATON
Assistant Cashier
Branch Manager
Eastgate Office

5 Calhoun City

JIMMY W. CLEMONS
First Vice President
Executive Officer

LINDA W. MCPHAIL
Assistant Vice President
Branch Manager

6 Coffeerville

WILLIAM E. JEFFREYS, III
Vice President
Executive Officer

CONNIE C. BOND
Assistant Cashier
Branch Manager

7 Corinth

F. JASON MARLAR
First Vice President
Executive Officer

MARTHA S. HALE
Vice President
Branch Manager

CAROLE G. SPENCER
Assistant Vice President

JAMIE D. TIMBES
Assistant Cashier

8 Grenada

TOMMY L. JONES
Senior Vice President
Executive Officer

SANDRA N. TRUSSELL
Vice President

CHRISTOPHER T. HATHCOCK
Assistant Vice President

CHERYL B. BRASHER
Assistant Cashier
Branch Manager

9 Guntown

ALICE B. BAILEY
Vice President
Executive Officer

CARON H. HOPKINS
Assistant Cashier

10 Hernando

R. ALAN SIMS
Vice President
Executive Officer

TERESA S. EDMISTON
Assistant Cashier

11 Iuka

JOHN T. CASTLEBERRY
Vice President
Executive Officer

CORNELIA B. EMMONS
Assistant Cashier

12 Louisville

RICHARD W. CRAWLEY
Senior Vice President
Executive Officer

CLARENCE M. MCADORY
Vice President

MARSHA R. ROELAND
Vice President
Branch Manager

13 New Albany

MICHAEL J. BROWN
Vice President
Executive Officer

14 Okolona

JAMES W. MANN, II
Vice President
Executive Officer

BRENDA H. MCCREIGHT
Assistant Cashier
Branch Manager

15 Olive Branch

JOHN H. CUNNINGHAM
Vice President
Executive Officer

16 Pontotoc

JERRY Q. ROBBINS
Senior Vice President
Executive Officer

A. CALVIN ROBERSON
Senior Vice President

KAY P. WITT
Vice President
Branch Manager
Main Office

SHELBA S. ARON
Assistant Vice President

SARAH S. BROWN
Assistant Cashier
Branch Manager
Bypass Office

BEVERLY M. CUMMINGS
Assistant Cashier

17 Slatton

BILLY H. WILLIAMS, JR.
Vice President
Executive Officer

JANICE M. SMITH
Assistant Cashier

18 Sardis

WILLIAM B. RIPPEE, JR.
Senior Vice President
Executive Officer

19 Shannon

WALTER L. TRICE, JR.
Vice President
Executive Officer

20 Southaven

RICHARD H. DILLEY
Senior Vice President
Executive Officer

JANICE R. EDWARDS
Vice President

TIMOTHY R. CUTBERTH
Assistant Vice President
Branch Manager

21 *Tupelo*

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Senior Vice President
Executive Officer

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First Vice President
Commercial Lending Manager

RICHARD H. MAYNARD
First Vice President

GARY L. SPARKMAN
First Vice President

J. RICHARD JACKSON
Vice President

W. MARK WILLIAMS
Vice President

STACY W. SPEARMAN
Assistant Cashier

JASON T. BEASLEY
Vice President
Branch Manager
Main Office

JAN L. CARNATHAN
Vice President

FREDERICK N. COOK
Assistant Cashier

PAMELA D. HADLEY
Assistant Cashier

ANN S. ROBINSON
Assistant Vice President

ANN H. GODWIN
Assistant Cashier
Branch Manager
Westgate Office

BRENDA P. JACKSON
Assistant Cashier
Branch Manager
Traceway Office

BRIAN S. PORTER
Assistant Cashier
Branch Manager
Barnes Crossing Office

GWEN P. ROGERS
Assistant Cashier
Branch Manager
Belden Office

PATRICIA E. YANT
Assistant Cashier
Branch Manager
Veterans Office

C. JUNE BYERS
Assistant Cashier

22 *Water Valley*

HARRY H.
SUNDERLAND, JR.
Senior Vice President
Executive Officer

BOBBY L. ADAMS
Vice President

JANET L. DICKEY
Assistant Vice President
Branch Manager

23 *West Point*

B. PERRY GREEN
Senior Vice President
Executive Officer

F. GENE CHILDS, JR.
Assistant Vice President
Assistant Executive Officer

BETTIE F. BYRD
Assistant Cashier

STEPHANIE W. DOSS
Assistant Cashier

RACHEL W. PATE
Assistant Cashier

24 *Winona*

JOHN R. THOMAS
First Vice President
Executive Officer

MARGARET S. ADAMS
Assistant Cashier

LEONA P. KILGORE
Assistant Cashier
Branch Manager

THE PEOPLES INSURANCE AGENCY, INC.

WILLIAM R. REED
President

WILLIAM T. DALTON
Executive Vice President

M. ROLAND BYRD
Senior Vice President

RICKY E. JAMES
Senior Vice President

SHELBY L. REED, III
Vice President

STEVEN C. ROBERTS
Vice President

DEBORAH A. SHERPERT
Secretary

JACKIE S. HOLT
Assistant Secretary

Corporate and Shareholder Information

THE PEOPLES HOLDING COMPANY
THE PEOPLES BANK & TRUST COMPANY
209 Troy Street
Tupelo, MS 38804
Tel: (662) 680-1001
Fax: (662) 680-1234
www.thepeoplesbankandtrust.com

Annual Meeting

The Peoples Holding Company's Annual Meeting of Shareholders will be held at 2:00 p.m., CDT, Tuesday, April 16, 2002, in the Fourth Floor Training Room at 209 Troy Street, Tupelo, MS.

Financial Information

Analysts and investors seeking financial information about The Peoples Holding Company may contact Stuart R. Johnson, Chief Financial Officer.

Stock Listing

The Peoples Holding Company common stock is traded on the American Stock Exchange under the symbol PHC.

Stock Transfer Agent

THE PEOPLES BANK & TRUST COMPANY
P.O. Box 709
Tupelo, MS 38802-0709

Financial Publications

Additional copies of the company's Annual Report, Form 10-K, quarterly reports and other corporate publications are available on request by contacting the Chief Financial Officer.

Independent Auditors

ERNST & YOUNG LLP
2400 One Commerce Square
Memphis, TN 38103

The Peoples Bank & Trust Company
We're More Than A Bank

209 Troy Street, Tupelo, Mississippi 38804
Tel: (662) 680-1001 **Fax:** (662) 680-1234 www.thepeoplesbankandtrust.com