

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

FORM 8-K/A

(Amendment No. 1)

CURRENT REPORT

Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

July 1, 2015

Date of Report (Date of earliest event reported)

RENASANT CORPORATION

(Exact name of registrant as specified in its charter)

Mississippi

001-13253

64-0676974

(State or other jurisdiction
of incorporation)

(Commission File Number)

(I.R.S. Employer
Identification Number)

209 Troy Street, Tupelo, Mississippi 38804-4827

(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: (662) 680-1001

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE

This Form 8-K/A amends the Current Report on Form 8-K of Renasant Corporation (“Renasant”) filed with the Securities and Exchange Commission (the “SEC”) on July 8, 2015 relating to Renasant’s acquisition of Heritage Financial Group, Inc. (“Heritage”), which acquisition was completed on July 1, 2015, to include the financial statements and pro forma financial information required by Items 9.01(a) and 9.01(b) of Form 8-K and to include such financial statements and pro forma financial information as exhibits pursuant to Item 9.01(d) of Form 8-K. Such financial information was excluded from the initial filing in reliance on Items 9.01(a)(4) and 9.01(b)(2) of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) *Financial statements of businesses acquired.*

Audited financial statements of Heritage as of and for the fiscal year ended December 31, 2014 are attached hereto as Exhibit 99.1. Unaudited financial statements of Heritage as of and for the three-month period ended March 31, 2015 are attached hereto as Exhibit 99.2.

(b) *Pro forma financial information.*

The required pro forma financial information as of and for the three-month period ended March 31, 2015 and the twelve-month period ended December 31, 2014 is attached hereto as Exhibit 99.3.

(d) *Exhibits.*

| <u>Exhibit Number</u> | <u>Description of Exhibit</u> |
|---------------------------|---|
| 23.1 | Consent of Mauldin & Jenkins, LLC |
| 99.1 | Audited financial statements of Heritage as of and for the fiscal year ended December 31, 2014 (incorporated by reference to Heritage's Annual Report on Form 10-K for the year ended December 31, 2014, including the report of Mauldin & Jenkins, LLC on such audited financial statements (File No. 001-34902), filed with the SEC on March 13, 2015). |
| 99.2 | Unaudited financial statements of Heritage as of and for the three-month period ended March 31, 2015 (incorporated by reference to Heritage's Quarterly Report on Form 10-Q for the period ended March 31, 2015 (File No. 001-34902), filed with the SEC on May 5, 2015). |
| 99.3 | Pro forma financial information as of and for the three-month period ended March 31, 2015 and the twelve-month period ended December 31, 2014. |

SIGNATURES

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

Date: September 15, 2015

RENASANT CORPORATION

By: /s/ E. Robinson McGraw

E. Robinson McGraw

Chairman, President and Chief Executive Officer

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description of Exhibit</u> |
|---------------------------|--|
| 23.1 | Consent of Mauldin & Jenkins, LLC. |
| 99.3 | Pro forma financial information as of and for the three-month period ended March 31, 2015 and the twelve-month period ended December 31, 2014. |

Consent of Independent Registered Public Accounting Firm

Board of Directors and Shareholders
Renasant Corporation
Tupelo, Mississippi

We consent to the incorporation by reference in this Current Report on Form 8-K/A of Renasant Corporation of our report, dated March 13, 2015, with respect to the consolidated financial statements of Heritage Financial Group, Inc., included in its Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission.

Mauldin & Jenkins, LLC

Albany, Georgia
September 15, 2015

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial statements are based on the separate historical financial statements of Renasant Corporation (“Renasant” or “RNST”) and Heritage Financial Group, Inc. (“Heritage” or “HBOS”) after giving effect to the merger, the issuance of 0.9266 shares of RNST common stock in exchange for outstanding shares of Heritage common stock in connection therewith and the other transactions contemplated by the Agreement and Plan of Merger dated as of December 10, 2014 by and among Renasant, Renasant Bank, Heritage and HeritageBank of the South. The unaudited pro forma condensed combined balance sheet as of March 31, 2015 is presented as if the merger with RNST and the transactions that occurred therewith had occurred on March 31, 2015. The unaudited pro forma condensed combined income statements for the year ended December 31, 2014 and the three months ended March 31, 2015 are presented as if the merger and transactions that occurred therewith had occurred on January 1, 2014. The historical consolidated financial information has been adjusted to reflect factually supportable items that are directly attributable to the merger and, with respect to the income statements only, expected to have a continuing impact on consolidated results of operations.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting for business combinations under accounting principles generally accepted in the United States. RNST is the acquirer for accounting purposes. RNST has not had sufficient time to completely evaluate the significant identifiable long-lived tangible and identifiable intangible assets of Heritage. Accordingly, the unaudited pro forma adjustments, including the allocations of the purchase price, are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. Certain reclassifications have been made to the historical financial statements of Heritage to conform to the presentation in RNST’s financial statements.

A final determination of the acquisition consideration and fair values of Heritage's assets and liabilities will be based on the actual net tangible and intangible assets of Heritage that existed as of the date of completion of the merger, which was July 1, 2015. Consequently, amounts preliminarily allocated to goodwill and identifiable intangibles could change from those allocations used in the unaudited pro forma condensed combined financial statements presented below and could result in a change in amortization of acquired intangible assets and amortization or accretion of other fair value adjustments.

In connection with the plan to integrate the operations of RNST and Heritage, RNST has incurred, and will in the future incur, nonrecurring charges, such as costs associated with systems implementation, severance, and other costs related to exit or disposal activities. RNST is not able to fully determine the timing, nature and amount of these charges as of the date of this filing. However, these charges will affect the results of operations of RNST and Heritage upon the completion of the merger, in the period in which they are incurred. The unaudited pro forma condensed combined financial statements do not include the effects of the costs associated with any restructuring or integration activities resulting from the transaction, as they are nonrecurring in nature and were not factually supportable at the time that the unaudited pro forma condensed combined financial statements were prepared. Additionally, the unaudited pro forma adjustments do not give effect to any nonrecurring or unusual restructuring charges that may be incurred as a result of the integration of the two companies or any anticipated disposition of assets that may result from such integration. Estimated transaction related expenses of RNST are not included in the unaudited pro forma condensed combined income statements.

The actual amounts finally recorded for the completion of the merger may differ materially from the information presented in these unaudited pro forma condensed combined financial statements as a result of:

- net cash used or generated in Heritage's operations between the signing of the merger agreement and completion of the merger;
- other changes in Heritage’s net assets that occurred prior to the completion of the merger, which could cause material differences in the information presented below; and
- changes in the financial results of the combined company, which could change the future discounted cash flow projections.

The unaudited pro forma condensed combined financial statements are provided for informational purposes only. The unaudited pro forma condensed combined financial statements are not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the transaction been completed as of the dates indicated or that may be achieved in the future. The preparation of the unaudited pro forma condensed combined financial statements and related adjustments required management to make certain assumptions and estimates. The unaudited pro forma condensed combined financial statements should be read together with:

- the accompanying notes to the unaudited pro forma condensed combined financial statements;
- RNST's separate audited historical consolidated financial statements and accompanying notes as of and for the year ended December 31, 2014, included in RNST's Annual Report on Form 10-K for the year ended December 31, 2014;
- Heritage's separate audited historical consolidated financial statements and accompanying notes as of and for the year ended December 31, 2014, included in Heritage's Annual Report on Form 10-K for the year ended December 31, 2014;
- RNST's separate unaudited historical consolidated financial statements and accompanying notes as of and for the three months ended March 31, 2015, included in RNST's Quarterly Report on Form 10-Q for the quarters ended March 31, 2015;
- Heritage's separate unaudited historical consolidated financial statements and accompanying notes as of and for the three months ended March 31, 2015, included in Heritage's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015; and
- other information pertaining to RNST and Heritage contained in previous filings with the Securities and Exchange Commission.

Renasant Corporation and Subsidiaries
Pro Forma Condensed Combined Balance Sheet

(In Thousands, Except Share Data)

| | Renasant Corporation | Heritage Financial Group, Inc. | Purchase Accounting Adjustments | | Pro Forma |
|---|---------------------------------|---|--|---------------------------|---------------------|
| | | | Termination of | Other | |
| | 3/31/2015 | 3/31/2015 | Employee Stock | Purchase Acct | 3/31/2015 |
| | (as reported) | (as reported) | Ownership Plan | Adjustments | Combined |
| Assets | | | | | |
| Cash and cash equivalents | \$ 174,379 | \$ 36,345 | \$ 2,865 ^(a) | \$ (5,915) ^(b) | \$ 207,674 |
| Securities | 1,016,394 | 262,856 | — | (1,401) ^(c) | 1,277,849 |
| Mortgage loans held for sale | 102,780 | 233,466 | — | — | 336,246 |
| Loans, net of unearned income | 3,953,661 | 1,114,271 | — | (50,018) ^(d) | 5,017,914 |
| Allowance for loan losses | (42,302) | (10,010) | — | 10,010 ^(e) | (42,302) |
| Net Loans | 3,911,359 | 1,104,261 | — | (40,008) | 4,975,612 |
| Premises and equipment | 117,769 | 49,810 | — | (4,150) ^(f) | 163,429 |
| Other real estate owned | 31,686 | 9,288 | — | (1,927) ^(g) | 39,047 |
| Goodwill | 274,705 | 11,368 | — | 177,717 ^(h) | 463,790 |
| Other intangible assets | 21,348 | 5,717 | — | 5,741 ⁽ⁱ⁾ | 32,806 |
| FDIC loss-share indemnification asset | 8,934 | 20,170 | — | — | 29,104 |
| Other assets | 222,495 | 74,547 | — | 16,793 ^(j) | 313,835 |
| Total assets | \$ 5,881,849 | \$ 1,807,828 | \$ 2,865 | \$ 146,850 | \$ 7,839,392 |
| Liabilities and shareholders' equity | | | | | |
| Liabilities | | | | | |
| Non-interest bearing | \$ 959,351 | \$ 253,811 | \$ — | \$ — | \$ 1,213,162 |
| Interest bearing | 3,983,418 | 1,140,300 | — | 1,874 ^(k) | 5,125,592 |
| Total Deposits | 4,942,769 | 1,394,111 | — | 1,874 | 6,338,754 |
| Short-term borrowings | 6,732 | 41,128 | — | — | 47,860 |
| Long-term debt | 155,581 | 181,981 | — | 3,848 ^(l) | 341,410 |
| Other liabilities | 53,571 | 26,750 | — | 26,296 ^(m) | 106,617 |
| Total liabilities | 5,158,653 | 1,643,970 | — | 32,018 | 6,834,641 |
| Shareholders' equity | | | | | |
| Common stock | 163,281 | 92 | — | 43,087 ⁽ⁿ⁾ | 206,460 |
| Treasury stock, at cost | (21,312) | — | — | — | (21,312) |
| Additional paid-in capital | 344,119 | 106,331 | 5,992 ^(a) | 126,053 ^(o) | 582,495 |
| Retained earnings | 242,726 | 66,527 | (5,804) ^(a) | (60,723) ^(o) | 242,726 |
| Accumulated other comprehensive loss | (5,618) | (6,415) | — | 6,415 ^(o) | (5,618) |
| Unearned Employee Stock Ownership Plan | — | (2,677) | 2,677 ^(a) | — | — |
| Total shareholders' equity | 723,196 | 163,858 | 2,865 | 114,832 | 1,004,751 |
| Total liabilities and shareholders' equity | \$ 5,881,849 | \$ 1,807,828 | \$ 2,865 | \$ 146,850 | \$ 7,839,392 |

See the accompanying Notes to Unaudited Pro Forma Condensed Combined Financial Statements

Renasant Corporation and Subsidiaries
Pro Forma Condensed Combined Income Statement

(In Thousands, Except Share Data)

| Twelve months ended December 31, 2014 | | | | | | | | |
|--|----------------------|--------------------------------|--|----------------------------------|--------------------------------|-----------------------|-----|------------------|
| | Renasant Corporation | Heritage Financial Group, Inc. | Norcross Branch of PrivateBank and Trust Company | Alarion Financial Services, Inc. | Heritage Financial Group, Inc. | | | Pro Forma |
| | (as reported) | (as reported) | (pro forma) | (pro forma) | Combined Proforma | Pro Forma Adjustments | | (Combined) |
| Interest income | | | | | | | | |
| Loans | \$ 199,844 | \$ 54,670 | \$ 1,587 | \$ 7,113 | \$ 63,370 | \$ 1,742 | (d) | \$ 264,956 |
| Securities | 26,169 | 6,227 | — | — | 6,227 | 280 | (c) | 32,676 |
| Other | 396 | 89 | — | 13 | 102 | — | | 498 |
| Total interest income | 226,409 | 60,986 | 1,587 | 7,126 | 69,699 | 2,022 | | 298,130 |
| Interest expense | | | | | | | | |
| Deposits | 16,069 | 4,845 | 711 | 696 | 6,252 | (1,874) | (k) | 20,447 |
| Borrowings | 7,711 | 3,420 | — | — | 3,420 | (1,283) | (l) | 9,848 |
| Total interest expense | 23,780 | 8,265 | 711 | 696 | 9,672 | (3,157) | | 30,295 |
| Net interest income | 202,629 | 52,721 | 876 | 6,430 | 60,027 | 5,179 | | 267,835 |
| Provision for loan losses | 6,167 | 1,569 | — | 50 | 1,619 | — | | 7,786 |
| Net interest income after provision for loan losses | 196,462 | 51,152 | 876 | 6,380 | 58,408 | 5,179 | | 260,049 |
| Noninterest income⁽¹⁾ | | | | | | | | |
| Service charges on deposit accounts | 25,383 | 6,187 | 96 | 305 | 6,588 | — | | 31,971 |
| Fees and commissions | 21,873 | 12,058 | — | — | 12,058 | — | | 33,931 |
| Insurance commissions | 8,194 | — | — | — | — | — | | 8,194 |
| Wealth management revenue | 8,655 | 2,436 | — | — | 2,436 | — | | 11,091 |
| Gains on sales of securities | 375 | 956 | — | — | 956 | — | | 1,331 |
| BOLI income | 2,985 | 748 | — | — | 748 | — | | 3,733 |
| Gains on sales of mortgage loans held for sale | 8,594 | 14,181 | — | 2,860 | 17,041 | — | | 25,635 |
| Other | 4,561 | 458 | — | 683 | 1,141 | — | | 5,702 |
| Total noninterest income | 80,620 | 37,024 | 96 | 3,848 | 40,968 | — | | 121,588 |
| Noninterest expense⁽¹⁾ | | | | | | | | |
| Salaries and employee benefits | 115,108 | 44,831 | 500 | 3,883 | 49,214 | — | | 164,322 |
| Data processing | 11,400 | 4,834 | — | 660 | 5,494 | — | | 16,894 |
| Net occupancy and equipment | 20,252 | 8,971 | 192 | 775 | 9,938 | (1,142) | (f) | 29,048 |
| Other real estate owned | 4,593 | 1,638 | — | 11 | 1,649 | — | | 6,242 |
| Professional fees | 4,485 | 1,892 | — | 613 | 2,505 | — | | 6,990 |
| Advertising and public relations | 5,923 | 1,096 | — | (37) | 1,059 | — | | 6,982 |
| Intangible amortization | 5,606 | 879 | — | 369 | 1,248 | 835 | (i) | 7,689 |
| Merger-related expenses | 694 | 3,122 | — | 100 | 3,222 | — | | 3,916 |
| Other | 23,134 | 10,091 | — | 1,484 | 11,575 | — | | 34,709 |
| Total noninterest expense | 191,195 | 77,354 | 692 | 7,858 | 85,904 | (307) | | 276,792 |
| Income before income taxes | 85,887 | 10,822 | 280 | 2,370 | 13,472 | 5,486 | | 104,845 |
| Income taxes | 26,305 | 3,254 | 98 | 839 | 4,191 | 2,085 | (p) | 32,581 |
| Net income | \$ 59,582 | \$ 7,568 | \$ 182 | \$ 1,531 | \$ 9,281 | \$ 3,401 | | \$ 72,264 |
| Earnings per common share: | | | | | | | | |
| Basic | \$ 1.89 | | | | | | | \$ 1.80 |
| Diluted | \$ 1.88 | | | | | | | \$ 1.79 |
| Dividends per common share | \$ 0.17 | | | | | | | \$ 0.17 |
| Weighted-average common shares outstanding | | | | | | | | |
| Basic | 31,499,498 | | | | | 8,635,879 | (q) | 40,135,377 |
| Diluted | 31,759,647 | | | | | 8,635,879 | (q) | 40,395,526 |

See the accompanying Notes to Unaudited Pro Forma Condensed Combined Financial Statements

Renasant Corporation and Subsidiaries
Pro Forma Condensed Combined Income Statement

(In Thousands, Except Share Data)

| | For the year ended March 31, 2015 | | | |
|--|-----------------------------------|--------------------------------|-----------------------|------------------|
| | Renasant Corporation | Heritage Financial Group, Inc. | Pro Forma Adjustments | Pro Forma |
| | (as reported) | (as reported) | | (Combined) |
| Interest income | | | | |
| Loans ⁽¹⁾ | \$ 47,437 | \$ 16,223 | \$ 436 (d) | \$ 64,096 |
| Securities | 6,669 | 1,309 | 70 (c) | 8,048 |
| Other | 60 | 14 | — | 74 |
| Total interest income | 54,166 | 17,546 | 506 | 72,218 |
| Interest expense | | | | |
| Deposits | 3,438 | 1,202 | — | 4,640 |
| Borrowings | 1,886 | 778 | (321) (l) | 2,343 |
| Total interest expense | 5,324 | 1,980 | (321) | 6,983 |
| Net interest income | 48,842 | 15,566 | 827 | 65,235 |
| Provision for loan losses | 1,075 | 75 | — | 1,150 |
| Net interest income after provision for loan losses | 47,767 | 15,491 | 827 | 64,085 |
| Noninterest income⁽¹⁾ | | | | |
| Service charges on deposit accounts | 5,933 | 1,386 | — | 7,319 |
| Fees and commissions | 4,894 | 3,869 | — | 8,763 |
| Insurance commissions | 1,967 | — | — | 1,967 |
| Wealth management revenue | 2,190 | 597 | — | 2,787 |
| Gains on sales of securities | — | — | — | — |
| BOLI income | 848 | 182 | — | 1,030 |
| Gains on sales of mortgage loans held for sale | 4,633 | 8,395 | — | 13,028 |
| Other | 1,439 | 111 | — | 1,550 |
| Total noninterest income | 21,904 | 14,540 | — | 36,444 |
| Noninterest expense⁽¹⁾ | | | | |
| Salaries and employee benefits | 28,260 | 15,654 | — | 43,914 |
| Data processing | 3,181 | 1,594 | — | 4,775 |
| Net occupancy and equipment | 5,559 | 2,704 | (285) (f) | 7,978 |
| Other real estate owned | 532 | 258 | — | 790 |
| Professional fees | 824 | 272 | — | 1,096 |
| Advertising and public relations | 1,303 | 392 | — | 1,695 |
| Intangible amortization | 1,275 | 321 | 148 (i) | 1,744 |
| Merger-related expenses | 478 | 253 | — | 731 |
| Other | 6,002 | 2,652 | — | 8,654 |
| Total noninterest expense | 47,414 | 24,100 | (137) | 71,377 |
| Income before income taxes | 22,257 | 5,931 | 964 | 29,152 |
| Income taxes | 7,017 | 2,047 | 366 (p) | 9,430 |
| Net income | \$ 15,240 | \$ 3,884 | \$ 598 | \$ 19,722 |
| Earnings per common share: | | | | |
| Basic | \$ 0.48 | | | \$ 0.49 |
| Diluted | \$ 0.48 | | | \$ 0.49 |
| Dividends per common share | \$ 0.17 | | | \$ 0.17 |
| Weighted-average common shares outstanding | | | | |
| Basic | 31,576,275 | | 8,635,879 (q) | 40,212,154 |
| Diluted | 31,815,710 | | 8,635,879 (q) | 40,451,189 |

⁽¹⁾Certain historical amounts for Renasant and Heritage have been reclassified to ensure consistency and comparability of pro forma amounts.

See the accompanying Notes to Unaudited Pro Forma Condensed Combined Financial Statements

Renasant Corporation and Subsidiaries
Notes to Pro Forma Condensed Combined Financial Statements
(In Thousands, Except Share Data)

Note 1 – Pro Forma Adjustments
(In Thousands, Except Share Data)

The following pro forma adjustments have been reflected in the unaudited pro forma condensed combined financial statements. All adjustments are based on current valuations and assumptions which are subject to change.

- (a) *Termination of Employee Stock Ownership Plan* – Cash and stockholders' equity were adjusted for the repayment of the term loans from Heritage's Employee Stock Ownership Plan and recognition of compensation expense for the allocation of remaining shares to participants.
- (b) *Purchase Accounting Adjustments* – Cash was adjusted to reflect the settlement of all outstanding options according to the terms set forth in the merger agreement.
- (c) *Purchase Accounting Adjustments* – A net discount was recorded to reflect the par value of acquired investment securities over the purchase price of the investment securities. The net discount will be recognized over the estimated remaining life of the related investment securities. The impact was to increase interest income related to securities by \$280 and \$70 for the year ended December 31, 2014, and the three months ended March 31, 2015, respectively.
- (d) *Purchase Accounting Adjustments* – Based on Renasant's initial evaluation of the acquired loan portfolio, a mark of 5.39% was applied to Heritage's non-acquired loans and leases resulting in a fair value adjustment of \$50,018. The adjustment is primarily related to credit deterioration identified in the portfolio with the remainder, the accretable yield, recognized as an adjustment to reflect the difference between actual interest rates and current rates offered by Renasant on similar loans. This accretable yield adjustment will be recognized over the remaining life of the loan and lease portfolio. The impact of the adjustment was to increase loan interest income by \$1,742 and \$436 for the year ended December 31, 2014, and the three months ended March 31, 2015, respectively.
- (e) *Purchase Accounting Adjustments* – The allowance for loan losses was adjusted to reflect the reversal of Heritage's recorded allowance. Purchased loans acquired in a business combination are required to be recorded at fair value, and the recorded allowance for loan losses may not be carried over. While Renasant anticipates significantly reducing the provision for loan losses as a result of acquired loans being recorded at fair value, no adjustment to the historic amounts of Heritage's provision has been recorded in the Unaudited Pro Forma Condensed Combined Income Statements.
- (f) *Purchase Accounting Adjustments* – Based on Renasant's initial evaluation of the acquired fixed assets, a mark of \$4,150 was recorded to account for obsolete assets and adjust the remaining assets to fair value. The impact of the adjustment was to decrease depreciation expense by \$1,142 and \$285 for the year ended December 31, 2014, and the three months ended March 31, 2015, respectively.
- (g) *Purchase Accounting Adjustments* – Based on Renasant's initial evaluation of the acquired portfolio of OREO, a mark of approximately 21% was applied to Heritage's non-acquired OREO resulting in a fair value adjustment of \$1,927. The adjustment has no impact on the Unaudited Pro Forma Condensed Combined Income Statements.
- (h) *Purchase Accounting Adjustments* – Goodwill of \$189,085 was generated as a result of the total purchase price and fair value of liabilities assumed exceeding the fair value of assets purchased. See Note 2, "Pro Forma Allocation of Purchase Price," for the allocation of the purchase price to acquired net assets. The adjustment has no impact on the Unaudited Pro Forma Condensed Combined Income Statements.

Renasant Corporation and Subsidiaries
Notes to Pro Forma Condensed Combined Financial Information

(In Thousands, Except Share Data)

- (i) *Purchase Accounting Adjustments* – Heritage’s existing other intangible assets were reversed, and an identified incremental core deposit intangible of \$5,741 was recognized. The core deposit intangible is recognized over an estimated useful life of ten years using an accelerated amortization method. The amortization expense associated with the core deposit intangible increased noninterest expense \$835 and \$148 for the year ended December 31, 2014, and the three months ended March 31, 2015, respectively.
- (j) *Purchase Accounting Adjustments* – Deferred taxes associated with the adjustments to record the assets and liabilities of Heritage at fair value were recognized using Renasant’s statutory rate of 38%.
- (k) *Purchase Accounting Adjustments* – A fair value adjustment was recorded to fixed-rate deposit liabilities based on current interest rates offered by Renasant for similar instruments. The adjustment will be recognized over the estimated remaining term of the deposit liability, which is approximately one year. The adjustment decreased deposit interest expense by \$1,874 for the year ended December 31, 2014, but the adjustment had no impact on deposit interest expense for the three months ended March 31, 2015.
- (l) *Purchase Accounting Adjustments* – A fair value adjustment of \$3,848 was recorded to outstanding long-term debt instruments, consisting of FHLB advances. The adjustment will be recognized over the estimated remaining term of the long-term debt instruments. The impact of the adjustment was to decrease interest expense related to borrowings by \$1,283 and \$321 for the year ended December 31, 2014, and the three months ended March 31, 2015, respectively.
- (m) *Purchase Accounting Adjustments* – Other liabilities were adjusted to reflect the accrual of approximately \$26,296 of anticipated merger related expenses to be incurred by Heritage. Anticipated merger related expenses to be incurred by Renasant are not included in the pro forma financial information but will be expensed in the period after the merger is completed. Anticipated merger related expenses consist of investment banking fees, legal fees, accounting fees, registration fees, contract termination fees, costs incurred to terminate employee benefit plans, printing costs and additional related fees and expenses. The adjustment has no impact on the Unaudited Pro Forma Condensed Combined Income Statements.
- (n) *Purchase Accounting Adjustments* – Common stock was adjusted to reverse Heritage’s common stock outstanding and to recognize the \$5.00 par value of shares of Renasant common stock issued to effect the transaction. The adjustment has no impact on the Unaudited Pro Forma Condensed Combined Income Statements but only affects the number of shares outstanding used in the calculation of earnings per common share.
- (o) *Purchase Accounting Adjustments* – Other stockholders’ equity accounts were adjusted to reverse Heritage’s historical stockholders’ equity balances and to reflect the net impact of all purchase accounting adjustments. The adjustments had no impact on the Unaudited Pro Forma Condensed Combined Income Statements.
- (p) *Pro Forma Adjustments* – Income taxes were adjusted to reflect the tax effects of purchase accounting adjustments using Renasant’s statutory tax rate of 38%.
- (q) *Pro Forma Adjustments* – Weighted-average basic and diluted shares outstanding were adjusted to reverse Heritage basic and diluted shares outstanding and to record shares of Renasant common stock issued to effect the transaction.

Renasant Corporation and Subsidiaries
Notes to Pro Forma Condensed Combined Financial Information
(In Thousands, Except Share Data)

Note 2 – Pro Forma Allocation of Purchase Price
(In Thousands, Except Share Data)

The following table shows the pro forma allocation of purchase price to net assets acquired and the pro forma goodwill generated from the transaction:

| | | |
|---|----|-------------|
| Purchase Price: | | |
| HBOS capital stock outstanding | | 9,249,148 |
| HBOS unvested restricted stock | | — |
| HBOS total common shares outstanding at merger date | | 9,249,148 |
| % deal to be paid in stock | | 100% |
| Shares to be paid in stock | | 9,249,148 |
| Exchange rate | | 0.9266 |
| RNST shares to be issued for HBOS shares | | 8,570,261 |
| Less: Fractional shares | | (771) |
| Total RNST shares to be issued | | 8,569,490 |
| Assumed purchase price | \$ | 32.60 |
| Value of RNST stock to be issued | | 279,365,374 |
| | | |
| Fractional shares | | 770.5368 |
| Cash in lieu amount per share | \$ | 32.19 |
| | | 24,804 |
| | | |
| Purchase price - common shareholders | \$ | 279,390 |
| | | |
| <i>Restricted shareholders:</i> | | |
| Restricted shares outstanding | | 71,678 |
| Exchange rate | | 0.9266 |
| RNST shares to be issued for restricted shares | | 66,417 |
| Less: Fractional shares | | (27.8348) |
| Total RNST shares to be issued | | 66,389 |
| Assumed purchase price | \$ | 32.60 |
| Value of RNST stock to be issued | | 2,164,281 |
| | | |
| Fractional shares | | 27.8348 |
| Cash in lieu amount per share | \$ | 32.19 |
| | | 896 |
| | | |
| Purchase price - restricted stock shareholders | \$ | 2,165 |
| | | |
| Cash settlement for stock options | \$ | 5,915 |
| | | |
| Total purchase price | \$ | 287,470 |

Renasant Corporation and Subsidiaries
Notes to Pro Forma Condensed Combined Financial Information
(In Thousands, Except Share Data)

| | | | |
|---|------------------|-----------|----------------|
| Total pro forma purchase price | | \$ | 287,470 |
| | | | |
| HBOS Net assets at market value: | 3/31/2015 | | |
| <i>Assets:</i> | | | |
| Cash and due from banks | 39,210 | | |
| Securities | 261,455 | | |
| Mortgage loans held for sale | 233,466 | | |
| Loans, net of unearned income | 1,064,253 | | |
| Premises and equipment | 45,660 | | |
| Other real estate owned | 7,361 | | |
| Other intangible assets | 11,458 | | |
| FDIC loss-share indemnification asset | 20,170 | | |
| Other assets | 91,340 | | |
| Total Assets | 1,774,373 | | |
| <i>Liabilities:</i> | | | |
| <i>Deposits:</i> | | | |
| Non-interest bearing | 253,811 | | |
| Interest bearing | 1,142,174 | | |
| Total deposits | 1,395,985 | | |
| Borrowings | 41,128 | | |
| Subordinated debentures | 185,829 | | |
| Other liabilities | 53,046 | | |
| Total Liabilities | 1,675,988 | | |
| Net Assets | | | 98,385 |
| | | | |
| Goodwill | | | 189,085 |