

Renasant Corporation (NASDAQ: RNST) Announces Definitive Agreement to Acquire First M&F Corporation (NASDAQ: FMFC)

Deal Value: Approximately \$118.8 million

Sandler O'Neill served as financial advisor to Renasant Corporation in this transaction. This transaction is Sandler O'Neill's 89th bank or thrift transaction nationwide and 24th in the Southeast region since January 1, 2010. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period both nationwide and in the Southeast region.¹

Renasant Corporation and First M&F Corporation jointly announced today the signing of a definitive merger agreement pursuant to which Renasant Corporation ("Renasant" or "the Company") will acquire First M&F Corporation ("M&F"), a bank holding company headquartered in Kosciusko, Mississippi, and the parent of Merchants & Farmers Bank, a Mississippi banking corporation.

Upon completion of the transaction, the combined company will have approximately \$5.8 billion in total assets and will rank as the 4th largest bank by deposits in Mississippi. The transaction will add \$1.6 billion in assets, \$1.4 billion in deposits and 36 full-service locations throughout Renasant's Mississippi, Alabama and Tennessee banking franchises. The merger will significantly increase the Company's deposit market share in the Birmingham and Memphis MSAs and the key Mississippi markets of Tupelo, Oxford and Starkville, and will provide entrance into the suburban markets surrounding Jackson, Mississippi. Additionally, the merger will provide a stable source of low-cost core deposits which will supplement and enhance Renasant's future growth activities. Finally, the merger will strengthen the Company's overall business lines by doubling its insurance operations and complementing its mortgage and wealth management divisions.

According to the terms of the merger agreement, which has been unanimously approved by the Boards of Directors of both companies, M&F common shareholders will receive 0.6425 shares of Renasant common stock for each share of M&F common stock, and the merger is expected to qualify as a tax-free reorganization for M&F shareholders. Based on Renasant's 10-day average closing price of \$19.22 per share as of February 4, 2013, the aggregate common stock consideration is approximately \$118.8 million or 119% of tangible book value per share. Under the proposed terms, the transaction is expected to be accretive to Renasant's 2013 estimated earnings per share with the estimated tangible book value dilution being earned back within 2.5 years.

The acquisition is expected to close during the third quarter of 2013 and is subject to Renasant and M&F shareholder approval, regulatory approval, and other conditions set forth in the merger agreement. Subject to the receipt of regulatory approvals, it is expected that all M&F preferred stock and warrants held by the U.S. Treasury under the Community Development Capital Initiative will be redeemed prior to the closing of the merger.

Financial Highlights

(Dollars in millions)

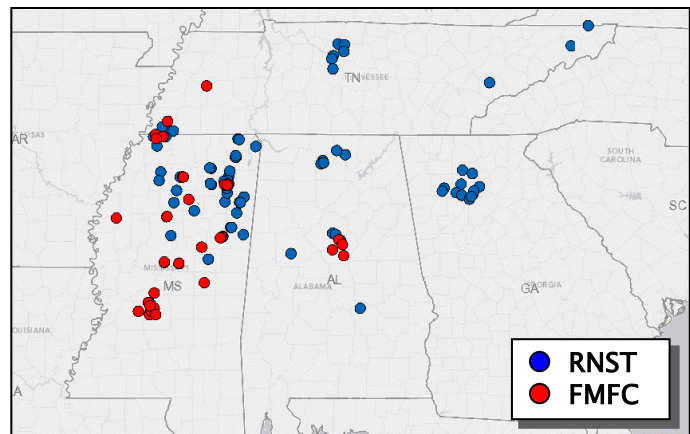
	RNST	FMFC
Total Assets	\$4,183	\$1,602
Net Loans	\$2,801	\$979
Total Deposits	\$3,461	\$1,403
Total Equity	\$498	\$118
Tier 1 Leverage Ratio	9.86%	8.91%
NPAs / Assets	1.79%	2.15%

(1) Includes bank or thrift transactions since 2010; excludes terminated transactions and self-advisory roles

Note: Financial data as of 12/31/12

Source: SNL Financial

Pro Forma Branch Map



Sandler O'Neill Contacts:

Peter Finnerty
Principal
(404) 442-2865

Alec MacColl
Associate
(404) 442-2868

David Walton
Analyst
(404) 442-2869