

SIMMONS FIRST NATIONAL CORP

Form 8-K

January 20, 2006

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) January 19, 2006

SIMMONS FIRST NATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Arkansas
(State or other jurisdiction
of incorporation)

0-6253
(Commission
File Number)

71-0407808
(I.R.S. Employer
Identification No.)

501 Main Street, Pine Bluff, Arkansas
(Address of principal executive
offices)

71601
(Zip Code)

(870) 541-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM: 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following is the text of a press release issued by the registrant at 8:15 A.M. Central Time on January 19, 2006.

SIMMONS FIRST ANNOUNCES RECORD FOURTH QUARTER EARNINGS

Pine Bluff, AR - Simmons First National Corporation (NASDAQ NM: SFNC) today announced record earnings for the fourth quarter ended December 31, 2005. Net income for the quarter was \$6.8 million, an increase of \$985,000, or 16.9% over the fourth quarter of 2004. Diluted earnings per share were \$0.47 for the fourth quarter of 2005 compared to \$0.39 per share for the same period in 2004, an increase of 20.5%.

For the year ended December 31, 2005, net income was \$27.0 million, an increase of \$2.5 million, or 10.3% over the same period in 2004. Diluted earnings per share for the twelve-month period were \$1.84, an increase of \$0.19, or 11.5%.

“We are pleased with the Company’s performance both for the fourth quarter and for the year,” said J. Thomas May, Chairman and Chief Executive Officer. “We continue to see positive trends in earnings, loan growth, and asset quality. The increase in earnings over the same quarter last year is the result of continued loan growth, an increase in non-interest income, disciplined expense control, and a reduced provision for loan losses resulting from the improvements in asset quality.”

Net interest income for the fourth quarter of 2005 increased to \$22.8 million. The increase is primarily attributable to growth in the loan portfolio partially offset by the continuing rise in the cost of funds and a relatively flat yield curve. Net interest margin, on a fully taxable equivalent basis, was 4.10% in the fourth quarter of 2005 compared to 4.09% in the fourth quarter of 2004, an increase of one basis point. On a year to date basis, net interest margin for 2005 increased five basis points to 4.13%.

The Company’s loan portfolio totaled \$1.7 billion at December 31, 2005, an increase of \$147 million, or 9.3% over the same period last year. The growth was primarily attributable to increased demand in the commercial and real estate loan portfolios. Deposits were \$2.1 billion at December 31, 2005, a \$101 million, or 5.1% increase from December 31, 2004.

Asset quality for the fourth quarter continued to strengthen as non-performing assets decreased by \$3.9 million from the same period last year, a 28% decrease. Non-performing loans to total loans improved to 0.49% from 0.76% from the same period last year, while the allowance for loan losses improved to 319% of non-performing loans as of December 31, 2005, compared to 221% as of December 31, 2004. At quarter end, the allowance for loan losses equaled 1.57% of total loans. The Company’s annualized net charge-off ratio for the fourth quarter of 2005 was 0.47%. Excluding credit cards, the annualized net charge-off ratio for the fourth quarter was 0.20%.

Total assets for the Company were \$2.5 billion at December 31, 2005, an increase of \$110 million over the period ended December 31, 2004. Stockholders' equity at December 31, 2005 was \$244 million, a \$5.9 million increase from December 31, 2004.

“During 2005, the Company continued to expand by opening four financial centers in the communities of Little Rock, Conway, Van Buren, and Bentonville,” commented Mr. May. “In addition, the Company improved its ability to serve customers through the acquisition of a financial center in Little Rock and the relocation to an expanded facility in Fort Smith. In 2006, the Company expects to open additional financial centers in Little Rock, North Little Rock, El Dorado, Beebe, and Paragould.”

Simmons First National Corporation is an Arkansas based financial holding company with eight community banks in Pine Bluff, Lake Village, Jonesboro, Rogers, Searcy, Russellville, El Dorado and Hot Springs, Arkansas. The Company's eight banks conduct financial operations from 81 offices, of which 79 are financial centers, in 46 communities.

CONFERENCE CALL

Management will conduct a conference call to review this information at 3:00 p.m. Central Time on Thursday, January 19, 2006. Interested parties can listen to this call by calling 1-800-854-4175 (United States and Canada only) and asking for the Simmons First National Corporation conference call. A recorded playback of the call will be available the next morning by calling 1-800-642-1687. The passcode for this playback is 3984114 and the recording will be available through the end of business January 31, 2006. In addition, the call will be available live or in recorded version on the Company's website at www.simmonsfirst.com under the “webcast” icon.

GENERAL

Statements in this press release that are not historical facts should be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements of this type speak only as of the date of this news release. By nature, forward-looking statements involve inherent risk and uncertainties. Various factors, including, but not limited to, economic conditions, credit quality, interest rates, loan demand and changes in the assumptions used in making the forward-looking statements, could cause actual results to differ materially from those contemplated by the forward-looking statements. Additional information on factors that might affect Simmons First National Corporation's financial results is included in its Form 10-K filing with the Securities and Exchange Commission.

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FOR MORE INFORMATION CONTACT:
ROBERT A. FEHLMAN
Senior Vice President and Chief Financial Officer
Simmons First National Corporation
(870) 541-1231

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

SFNC

For the Quarters Ended (In thousands)	Dec 31 2005	Sep 30 2005	Jun 30 2005	Mar 31 2005	Dec 31 2004
ASSETS					
Cash and non-interest bearing balances due from banks	\$ 75,461	\$ 83,088	\$ 73,169	\$ 67,615	\$ 72,032
Interest bearing balances due from banks	14,397	48,206	27,861	22,030	36,249
Federal funds sold	11,715	16,825	43,230	56,580	45,450
Cash and cash equivalents	101,573	148,119	144,260	146,225	153,731
Investment securities - held-to-maturity	150,299	151,123	149,293	147,644	151,264
Investment securities - available-for-sale	371,490	388,848	400,451	411,340	390,794
Mortgage loans held for sale	7,857	9,417	8,361	11,641	9,246
Assets held in trading accounts	4,631	4,731	4,680	4,718	4,916
Loans	1,718,107	1,709,372	1,662,337	1,586,483	1,571,376
Allowance for loan losses	(26,923)	(27,330)	(27,013)	(26,422)	(26,508)
Net loans	1,691,184	1,682,042	1,635,324	1,560,061	1,544,868
Premises and equipment	63,360	61,354	59,086	57,685	57,211
Foreclosed assets held for sale, net	1,540	2,120	1,482	1,340	1,839
Interest receivable	18,754	18,555	15,705	15,276	14,248
Bank owned life insurance	33,269	32,952	32,673	7,410	3,536
Goodwill	60,605	60,454	60,454	60,454	60,454
Core deposit premiums	5,029	5,207	5,414	5,621	5,829
Other assets	14,177	12,120	13,202	13,095	16,008
TOTAL ASSETS	\$ 2,523,768	\$ 2,577,042	\$ 2,530,385	\$ 2,442,510	\$ 2,413,944
LIABILITIES					
Non-interest bearing transaction accounts	\$ 331,113	\$ 305,506	\$ 308,543	\$ 296,347	\$ 293,137
Interest bearing transaction accounts and savings deposits	749,925	758,906	777,820	773,365	769,296
Time deposits less than \$100,000	564,017	568,013	561,937	562,171	539,836
Time deposits greater than \$100,000	414,903	415,302	377,991	376,478	