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This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to SBI’s businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to rely on these forward looking statements. As SBI is not a publicly traded company, it is neither required to nor does it undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof that reflect the occurrence of unanticipated events. Any forecasts and hypothetical examples used herein are subject to uncertainty and contingencies outside SBI’s control. Further, past performance is not a reliable indication of future performance.



Q2 2018
Shareholder Engagement Call
July 19, 2018

Profits Through Purpose

Executive Leadership on This Call



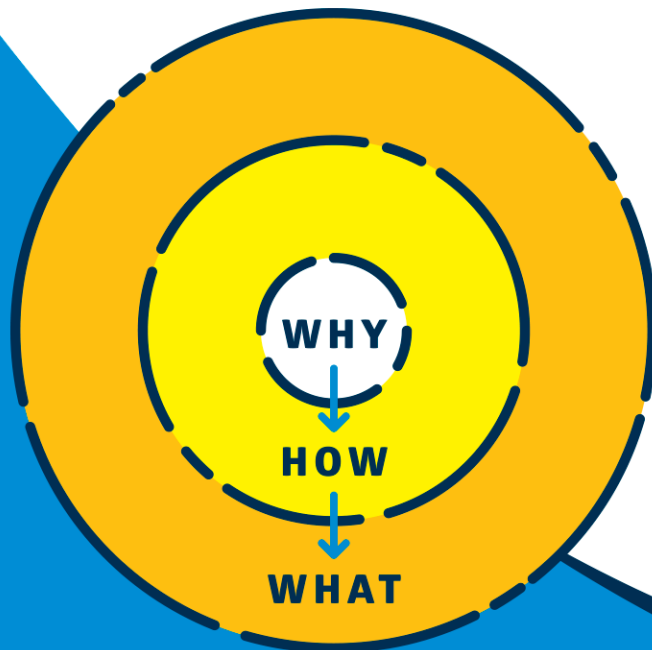
Darrin Williams, CEO
Southern Bancorp, Inc.



Chris Wewers, CFO
Southern Bancorp, Inc.

We are Wealth Builders for Everyone.

THE GOLDEN CIRCLE



WHY

We believe that wealth building isn't just for the wealthy. We were founded to **INVEST** in rural towns, under-capitalized communities, and people's dreams. We are wealth builders for everyone.

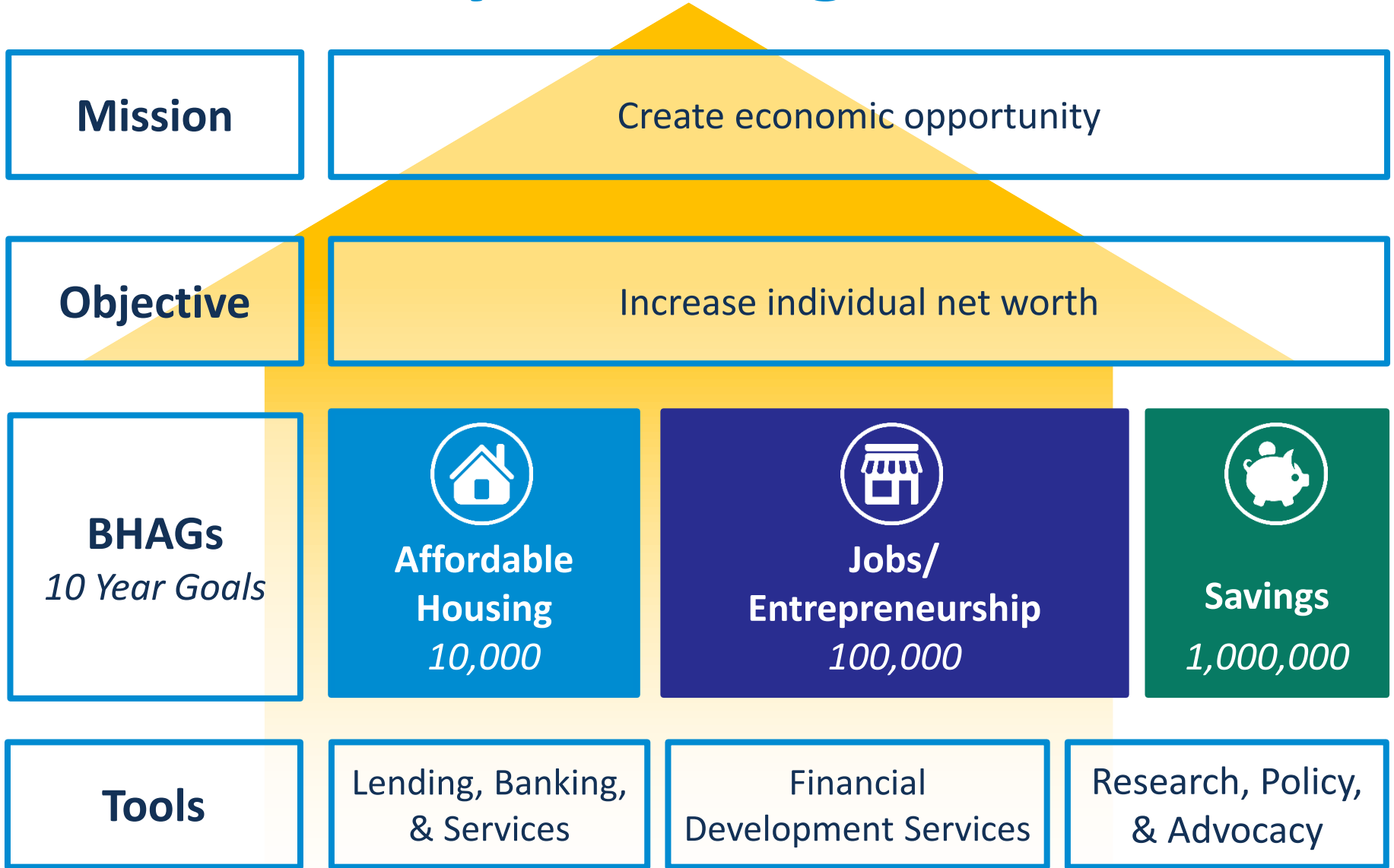
HOW

We combine the strength of a billion dollar bank with the flexibility of a non-profit financial education and development company to **EMPOWER** our customers and communities.

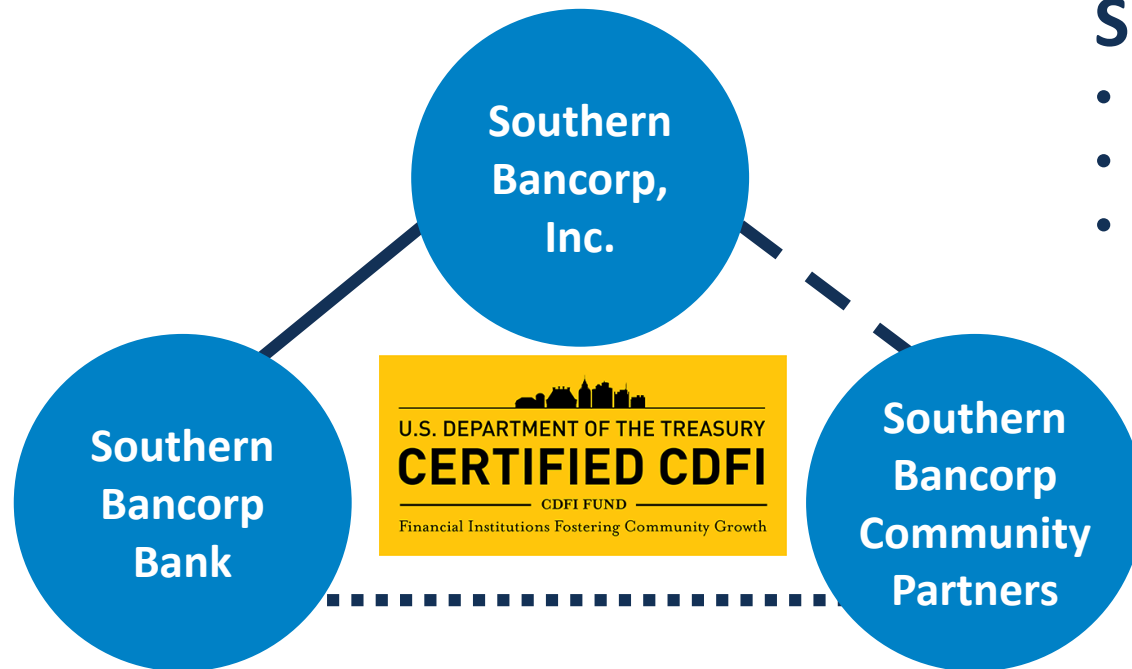
WHAT

Southern Bancorp is a bank...and so much more. We offer financial products and services that improve financial health and **TRANSFORM** lives.

Our Theory of Change



Integrated Structure & Strategy



SBI – Vision and Strategy

- Capital
- Communications
- Governance & Metrics

SBCP – Financial Development

- Loans & Credit Enhancement
- Financial Education
- Research & Advocacy

SBB – Banking Services

- Loans
- Deposits
- Targeted Investment Portfolio

Annual Shareholder Meeting, June 14, 2018



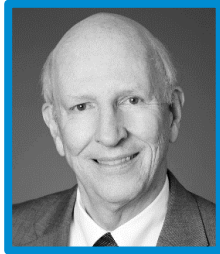
Jim Prouty

Appointed



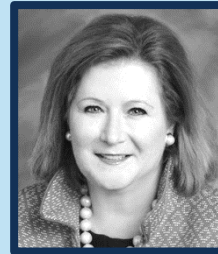
Sherman Tate

Reappointed



Jerry Damerow

Reappointed



Susie Smith

*Appointed to the SBB
Board May, 2018*



Glen Jones

Reappointed



Dan Koehler

Reappointed

*Watch the Annual Shareholder Meeting
online at banksouthern.com/investors*

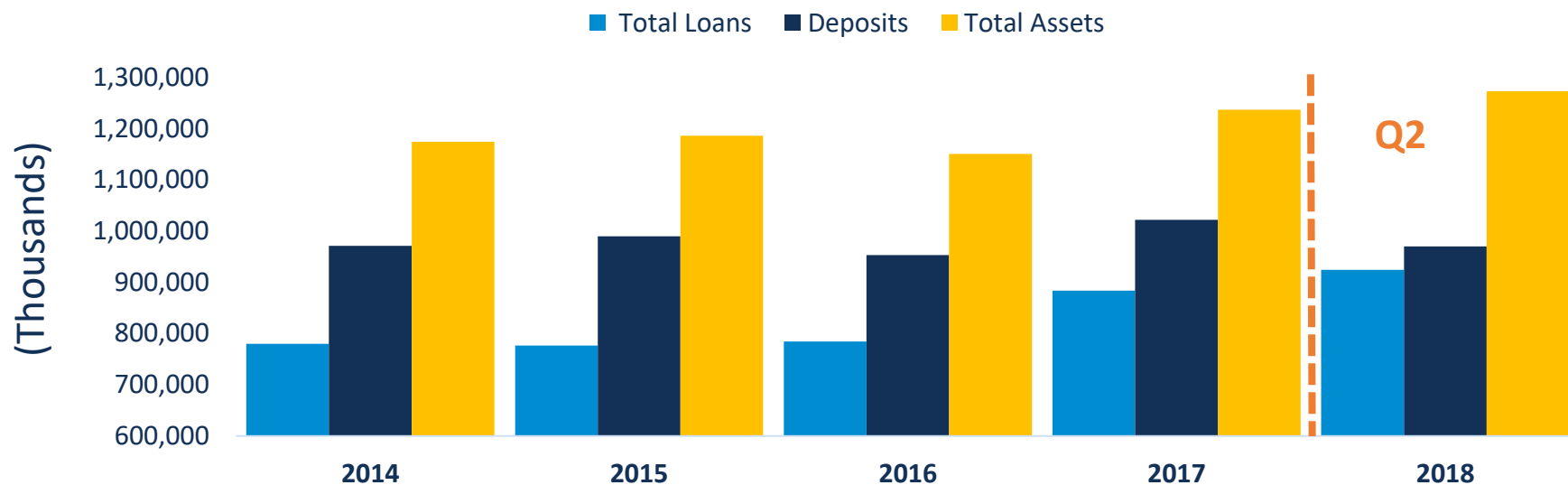
Dr. Karama Neal

Appointed President of Southern Bancorp Community Partners



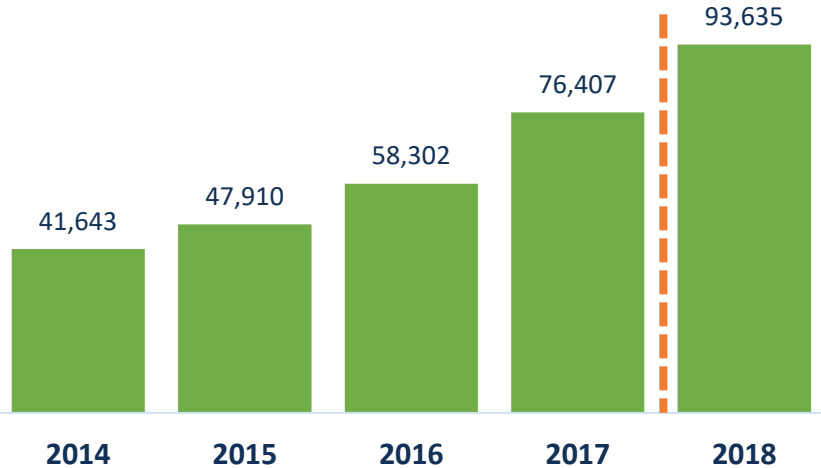
- **COO of SBCP** since 2014
- **Director of Family Economic Security and Public Policy Programs at SBCP** (and its predecessor Southern Good Faith Fund 2008-2014)
- **Southern Executive Leadership team member**
- **Federal Reserve Bank of St. Louis** – Little Rock Branch, Board Member
- **Mary Reynolds Babcock Foundation**, Trustee
- **Arkansas Asset Funders Network**, Steering Committee Member
- **University of Oxford, Oxford, UK** – Impact Investing Programme, Executive Education at Said Business School
- **Loyola University Chicago, Chicago, IL.** – MA in Bioethics & Health Policy
- **Emory University, Atlanta, GA.** – PhD in Genetics & Molecular Biology
- **Swathmore College, Swathmore, PA.** – BA in Biology

Financial Highlights



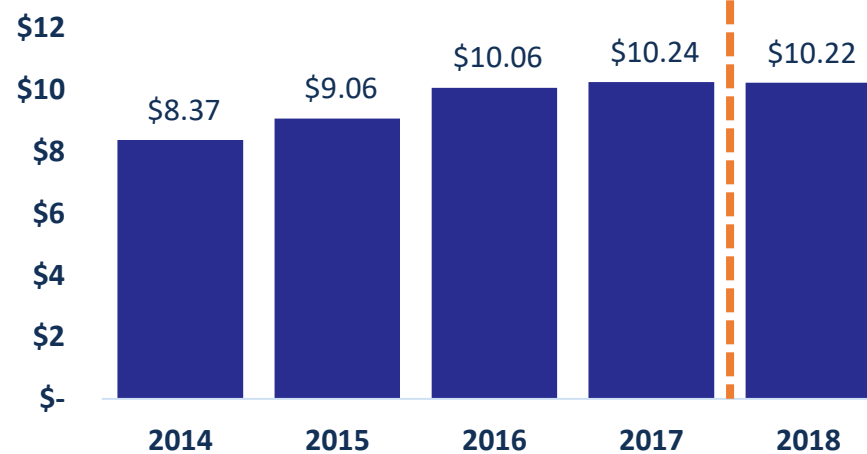
Tangible Common Equity

Q2
93,635



Book Value

Q2



Q2 Financial Highlights YOY – Balance Sheet (000's)

	<u>Q2 2017</u>	<u>Q2 2018</u>
Cash & Investments	253,222	221,743
Net Loans	840,151	914,996
Fixed Assets	41,244	40,154
Intangibles	37,526	37,448
Other Assets	53,476	58,687
TOTAL ASSETS	<u>\$ 1,225,619</u>	<u>\$ 1,273,028</u>
Deposits	964,706	969,976
Other Borrowings	145,911	166,404
Other Liabilities	8,523	6,779
Shareholder's Equity	106,479	129,869
TOTAL LIABILITIES & EQUITY	<u>\$ 1,225,619</u>	<u>\$ 1,273,028</u>

Q2 Financial Highlights YOY – Income Statement (000's)

	YTD 2017	YTD 2018
Interest Income	23,202	25,118
Interest Expense	(1,790)	(2,348)
Net Interest Revenue	21,412	22,770
PLLL	(1,350)	(1,700)
Non Interest Income	5,924	5,832
Non Interest Expense	(21,941)	(21,840)
Income Before Taxes	4,045	5,062
Taxes	(375)	(265)
Net Income	\$ 3,670	\$ 4,797

Building a New CDFI Model

U.S. Department of Treasury – CDFI Fund

- \$233,387 Bank Enterprise Award to SBB

Paying Regular Quarterly Dividends

- 6th consecutive and increasing dividend (July 2018)
- For information on how to receive dividend payments by ACH, contact Jayla.Wilson@banksouthern.com | (501) 850-8960 | TF: (800) 789-3428

Employee Owners

- Southern Bancorp KSOP (401K + Employee Stock Option Plan)
- First purchase (July 12, 2018) – \$1.36 million
- 90% of employees participating in KSOP

Providing Liquidity to Shareholders

- Upcoming Dutch auction

Providing Access to Credit in Low-to-Moderate Income Communities (LMI)

2018	YTD	Q2	Q1
% of loans (#) in LMI tracts	77.02%	75.90%	79.0%
% of loans (\$) in LMI tracts	67.83%	56.81%	81.8%
Loans originated (#)	3,045	1,675	1,366
Loan originations (\$ millions)	\$265	\$136	\$129
% of loans under \$10,000	47.6%	47.8%	47.3%
# of loans under \$1,000	236	142	93

Q2 Highlights – Opportunity Center

Two Primary Goals

- Ensuring that all existing and potential Southern customers have access to financial development products and services.
- Ensuring that all Southern employees are able to deliver at least a core set of financial development services or referrals

Core Services (5,804 referrals tracked)

- Credit report review
- Credit counseling
- Financial education resources
- Loans and deposits
- Helped file 3,262 tax returns, a total of \$5.8 million in refunds and credits.

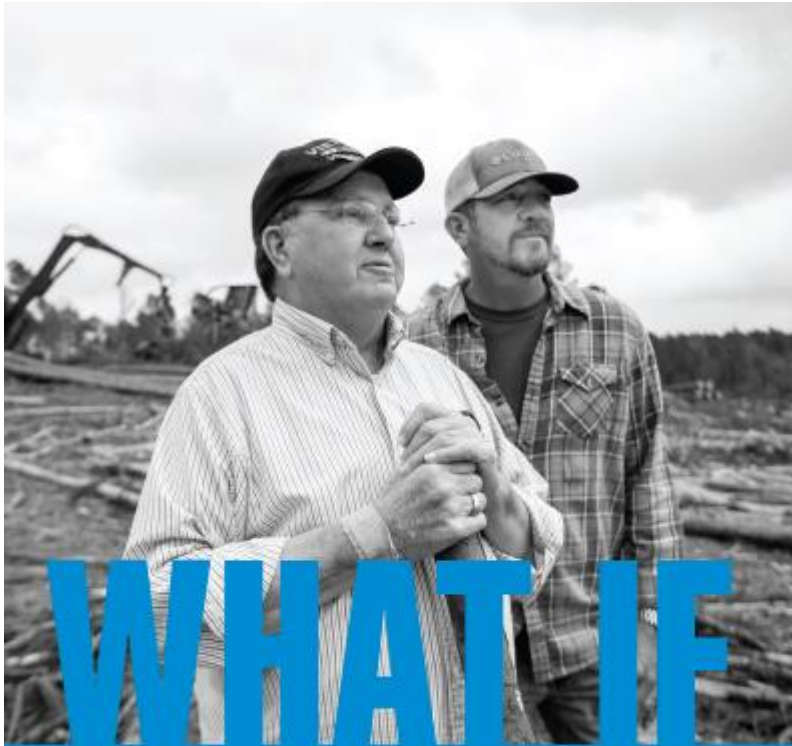


Where does your money spend the night?

We want your Mission Deposits.

WHAT IF

Print



WHAT IF

A BANK VALUED PEOPLE AS MUCH AS PROFITS?

What if a bank gave customers the tools they needed to thrive financially, no matter where they were starting out? Tools like credit counseling, financial education courses and even free tax preparation in addition to loans and savings plans? Well, that would be a different kind of bank. That would be Southern Bancorp.

Learn more and join the change at banksouthern.com/whatif.



[BANKSOUTHERN.COM](https://banksouthern.com)



Outdoor




FDIC

WHAT IF


**SAVINGS ACCOUNTS AND SAVING THE WORLD
WENT HAND IN HAND?**





Digital Ads




WHAT IF
WEALTH BUILDING WASN'T JUST FOR THE WEALTHY?




[BANKSOUTHERN.COM/WHATIF](https://banksouthern.com/whatif)



WHAT IF
SAVINGS ACCOUNTS AND SAVING THE WORLD WENT HAND IN HAND?



[BANKSOUTHERN.COM/WHATIF](https://banksouthern.com/whatif)



WHAT IF
A BANK DID WELL BY DOING GOOD?



[BANKSOUTHERN.COM/WHATIF](https://banksouthern.com/whatif)



For radio, TV, and online examples, go to
banksouthern.com/investors

Where does your money spend the night?

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In the News



Global Investors Find Value in a Small Bank in the Deep South

BY OSCAR PERRY ABELLO | JULY 11, 2018

AMERICAN BANKER

For this bank buyer, the country's where the action is

By

Jackie Stewart

Published

July 06 2018, 1:41pm EDT

For links to these articles, go to

banksouthern.com/investors



Q & A

SAVE THE DATE:

Q3 2018 Shareholder Engagement Call

Thursday, October 18, 2018

9:30 am CST



BankSouthern.com

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southern



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