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SIMMONS FIRST NATIONAL CORP

Form 8-K

October 17, 2002

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) October 17, 2002

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

Arkansas	0-6253	71-0407808
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. employer identification No.)

501 Main Street, Pine Bluff, Arkansas	71601
(Address of principal executive offices)	(Zip Code)

(870) 541-1000

(Registrant's telephone number, including area code)

ITEM: 9 REGULATION FD DISCLOSURE

The following is the text of a press release issued by the registrant at 8:00 A.M. Central Standard Time on October 17, 2002.

SIMMONS FIRST ANNOUNCES 63% INCREASE IN EARNINGS

Pine Bluff, Arkansas - Simmons First National Corporation today announced record quarterly earnings of \$5,769,000, or \$0.80 diluted earnings per share for

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the third quarter of 2002. These earnings reflect a 63% increase in net income and diluted earnings per share over the third quarter 2001. Return on average assets and return on average stockholders' equity for the three-month period ended September 30, 2002, was 1.18% and 11.87%, compared to 0.71% and 7.75%, respectively, for the same period in 2001.

"With quarterly earnings at a record level, we are obviously pleased with third quarter 2002 results," said J. Thomas May, Chairman, President and Chief Executive Officer. "The significant increase in earnings over the same quarter last year is primarily attributable to a significant improvement in the Company's net interest margin, improved asset quality and the elimination of the amortization of goodwill required by the Financial Accounting Standards Board."

May also commented, "Despite a 1.3% reduction in our loan portfolio from the third quarter of 2001, we were able to improve our net interest income 17.3% through the repricing opportunities during the falling interest rate environment. While our loans have increased slightly over the last two reporting periods, it has primarily been the result of seasonality. The lack of an increase in our loan portfolio over the same period last year can be attributed to the continued uncertainties in the economy."

Earnings for the nine-months ended September 30, 2002, were \$16,415,000, or \$2.28 diluted earnings per share. These earnings reflect a 30% increase in net income and diluted earnings per share over the same nine-month period last year.

As of September 30, 2002, the allowance for loan losses as a percent of total loans was 1.69%. Non-performing loans decreased \$3.4 million from the same period last year. Correspondingly, non-performing loans to total loans improved to 0.97% from 1.22% the previous year. In addition, the allowance for loan losses improved to 175% of non-performing loans compared to 135% last year.

Average year to date total assets for the nine-months ended September 30, 2002, were \$1.965 billion, an increase of \$28.8 million over the average year to date total assets for the nine-months ended September 30, 2001. Stockholders' equity at the end of the third quarter of 2002 was \$193.7 million, a \$12.5 million, or 6.9%, increase from September 30, 2001.

CONFERENCE CALL

Management will conduct a conference call to review this information at 3:00 p.m. CST (4:00 p.m. EST) on Thursday, October 17, 2002. Interested parties can listen to this call by calling 1-800-854-4175 (United States and Canada only) and ask 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 5683796 and the recording will be available through the end of business October 24, 2002. In addition, the call will also be available live or in recorded version on the Company's website at www.simmonsfirst.com under the "webcast" icon.

Simmons First National Corporation is a financial holding company, with community banks in Pine Bluff, Jonesboro, Lake Village, Rogers, Russellville, Searcy and El Dorado, Arkansas. The Company's seven banks are conducting financial operations from 65 offices in 34 communities.

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FOR MORE INFORMATION CONTACT:

BARRY L. CROW

Executive Vice President and Chief Financial Officer

Simmons First National Corporation

(870) 541-1350

Ticker symbol: SFNCA

 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.

Simmons First National Corporation
 Consolidated End of Period Balance Sheets
 For the Quarters Ended
 (In thousands)

	Sep 30 2002 -----	Jun 30 2002 -----	Mar 31 2002 -----
ASSETS			
Cash and non-interest bearing balances due from banks	\$ 71,814	\$ 63,416	\$ 66,966
Interest bearing balances due from banks	22,564	31,557	46,344
Federal funds sold and securities purchased under agreements to resell	26,150	67,880	80,000
Cash and cash equivalents	120,528	162,853	193,310
Investment securities	421,384	419,700	441,166
Mortgage loans held for sale	25,096	10,440	12,277
Assets held in trading accounts	1,013	14,140	13,000
Loans	1,281,634	1,247,625	1,228,590
Allowance for loan losses	(21,688)	(20,608)	(20,150)
Net loans	1,259,946	1,227,017	1,208,440
Premises and equipment	47,551	45,192	44,300
Foreclosed assets held for sale, net	2,263	2,394	2,180
Interest receivable	15,074	14,528	15,120
Goodwill	32,797	31,739	31,730
Core deposits and other intangible assets, net	673	499	520
Other assets	17,030	16,159	16,920
TOTAL ASSETS	\$1,943,355 =====	\$1,944,661 =====	\$1,966,120 =====

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LIABILITIES

Non-interest bearing transaction accounts	\$ 232,455	\$ 229,091	\$ 220,14
Interest bearing transaction accounts and savings deposits	542,237	535,680	540,60
Time deposits less than \$100,000	522,400	523,354	540,65
Time deposits greater than \$100,000	316,946	328,698	331,06

Total deposits	1,614,038	1,616,823	1,632,46
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Federal funds purchased and securities sold under agreements to repurchase	57,759	68,947	81,79
Short-term debt	11,450	5,003	7,22
Long-term debt - parent company	10,000	12,000	12,00
Long-term FHLB debt - affiliate banks	23,206	20,320	13,53
Trust preferred securities	17,250	17,250	17,25
Accrued interest and other liabilities	16,002	15,395	17,07

TOTAL LIABILITIES	1,749,705	1,755,738	1,781,33
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STOCKHOLDERS' EQUITY

Capital stock	7,063	7,062	7,09
Surplus	44,392	44,384	45,32
Undivided profits	139,912	135,838	131,82
Accumulated other comprehensive income			
Unrealized appreciation on AFS securities	2,283	1,639	53

TOTAL STOCKHOLDERS' EQUITY	193,650	188,923	184,78
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$1,943,355	\$1,944,661	\$1,966,12
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Simmons First National Corporation
Consolidated Average Quarter-to-Date Balance Sheets
For the Quarters Ended

(In thousands)	Sep 30 2002	Jun 30 2002	Mar 3 2002
	-----	-----	-----

ASSETS

Cash and non-interest bearing balances due from banks	\$ 64,237	\$ 62,778	\$ 68,1
Interest bearing balances due from banks	26,468	35,893	69,6
Federal funds sold and securities purchased under agreements to resell	51,672	62,789	80,0

Cash and cash equivalents	142,377	161,460	217,8
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Investment securities - held-to-maturity	234,541	215,155	192,4
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Simmons First National Corporation
 Consolidated Statements of Income - Quarter-to-Date
 For the Quarters Ended
 (In thousands, except per share data)

	Sep 30	Jun 30	Mar
	2002	2002	200
	-----	-----	---
INTEREST INCOME			
Loans	\$ 23,853	\$ 23,668	24,1
Federal funds sold and securities purchased under agreements to resell	207	264	3
Investment securities	4,636	4,858	4,9
Mortgage loans held for sale, net of unrealized gains (losses)	206	185	2
Assets held in trading accounts	30	18	
Interest bearing balances due from banks	104	150	2
	-----	-----	-----
TOTAL INTEREST INCOME	29,036	29,143	29,8
	-----	-----	-----
INTEREST EXPENSE			
Time deposits	6,904	7,356	8,9
Other deposits	1,608	1,590	1,6
Federal funds purchased and securities sold under agreements to repurchase	236	316	3
Short-term debt	30	12	
Long-term debt	841	818	8
	-----	-----	-----
TOTAL INTEREST EXPENSE	9,619	10,092	11,8
	-----	-----	-----
NET INTEREST INCOME	19,417	19,051	18,0
Provision for loan losses	2,864	2,436	2,3
	-----	-----	-----
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	16,553	16,615	15,7
	-----	-----	-----
NON-INTEREST INCOME			
Trust income	1,406	1,205	1,3
Service charges on deposit accounts	2,648	2,543	2,2
Other service charges and fees	321	365	4
Income on sale of mortgage loans, net of commissions	962	738	8
Income on investment banking, net of commissions	250	248	2
Credit card fees	2,598	2,550	2,3
Other income	960	886	9
Gain on sale of securities, net	-	-	
	--	--	
	-----	-----	-----
TOTAL NON-INTEREST INCOME	9,145	8,535	8,3
	-----	-----	-----
NON-INTEREST EXPENSE			
Salaries and employee benefits	10,029	9,840	9,9
Occupancy expense, net	1,201	1,155	1,1
Furniture & equipment expense	1,439	1,310	1,2
Loss on foreclosed assets	69	40	
Deposit insurance	72	76	
Other operating expenses	4,710	4,428	4,5
	-----	-----	-----
TOTAL NON-INTEREST EXPENSE	17,520	16,849	17,0
	-----	-----	-----
NET INCOME BEFORE INCOME TAXES	8,178	8,301	7,0
Provision for income taxes	2,409	2,596	2,1
	-----	-----	-----

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NET INCOME	\$	5,769	\$	5,705	\$	4,9
		=====		=====		=====
BASIC EARNINGS PER SHARE	\$	0.82	\$	0.80	\$	0.
		=====		=====		=====
DILUTED EARNINGS PER SHARE	\$	0.80	\$	0.79	\$	0.
		=====		=====		=====

Simmons First National Corporation
Consolidated Statements of Income - Year-to-Date
For the Quarters Ended
(In thousands, except per share data)

		Sep 30	Jun 30	Mar
		2002	2002	20
		-----	-----	---
INTEREST INCOME				
Loans	\$	71,627	47,774	24
Federal funds sold and securities purchased under agreements to resell		799	592	
Investment securities		14,417	9,781	4
Mortgage loans held for sale, net of unrealized gains (losses)		624	418	
Assets held in trading accounts		50	20	
Interest bearing balances due from banks		535	431	
		-----	-----	-----
TOTAL INTEREST INCOME		88,052	59,016	29
		-----	-----	-----
INTEREST EXPENSE				
Time deposits		23,228	16,324	8
Other deposits		4,798	3,190	1
Federal funds purchased and securities sold under agreements to repurchase		949	713	
Short-term debt		83	53	
Long-term debt		2,465	1,624	
		-----	-----	-----
TOTAL INTEREST EXPENSE		31,523	21,904	11
		-----	-----	-----
NET INTEREST INCOME		56,529	37,112	18
Provision for loan losses		7,661	4,797	2
		-----	-----	-----
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES		48,868	32,315	15
		-----	-----	-----
NON-INTEREST INCOME				
Trust income		4,001	2,595	1
Service charges on deposit accounts		7,429	4,781	2
Other service charges and fees		1,097	776	
Income on sale of mortgage loans, net of commissions		2,511	1,549	
Income on investment banking, net of commissions		764	514	
Credit card fees		7,486	4,888	2
Other income		2,764	1,804	
Gain on sale of securities, net		-	-	

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	TOTAL NON-INTEREST INCOME	26,052	16,907	8
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NON-INTEREST EXPENSE				
Salaries and employee benefits		29,819	19,790	9
Occupancy expense, net		3,482	2,281	1
Furniture & equipment expense		4,041	2,602	1
Loss on foreclosed assets		152	83	
Deposit insurance		226	154	
Other operating expenses		13,678	8,968	4
<hr/>				
TOTAL NON-INTEREST EXPENSE		51,398	33,878	17
<hr/>				
NET INCOME BEFORE INCOME TAXES		23,522	15,344	7
Provision for income taxes		7,107	4,698	2
<hr/>				
NET INCOME		\$ 16,415	\$ 10,646	\$ 4
<hr/>				
BASIC EARNINGS PER SHARE		\$ 2.32	\$ 1.50	\$
<hr/>				
DILUTED EARNINGS PER SHARE		\$ 2.28	\$ 1.48	\$
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Simmons First National Corporation
Consolidated Risk-Based Capital
For the Quarters Ended
(In thousands)

	Sep 30	Jun 30	Mar
	2002	2002	20
<hr/>			
Tier 1 capital			
Stockholders' equity	\$ 193,650	\$ 188,923	\$ 184
Trust preferred securities	17,250	17,250	17
Intangible assets	(33,470)	(32,238)	(32)
Unrealized gain on AFS securities	(2,283)	(1,639)	
Debt issuance costs	(854)	(863)	
<hr/>			
Total Tier 1 capital	174,293	171,433	168
<hr/>			
Tier 2 capital			
Qualifying unrealized gain on AFS securities	342	392	
Qualifying allowance for loan losses	16,115	15,806	15
<hr/>			
Total Tier 2 capital	16,457	16,198	16
<hr/>			
Total risk-based capital	\$ 190,750	\$ 187,631	\$ 184
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Risk weighted assets	\$1,283,588	\$1,259,642	\$1,265,800
	=====	=====	=====
Assets for leverage ratio	\$1,904,053	\$1,908,788	\$1,977,000
	=====	=====	=====
Ratios at end of quarter			
Leverage ratio	9.15%	8.98%	8.98%
Tier 1 capital	13.58%	13.61%	13.61%
Total risk-based capital	14.86%	14.90%	14.90%

Simmons First National Corporation
Consolidated Loans and Investments
For the Quarters Ended
(In thousands)

	Sep 30 2002	Jun 30 2002	Mar 2002
	-----	-----	-----
Loan Portfolio - End of Period			

Consumer			
Credit cards	\$ 178,125	\$ 179,682	\$ 181,000
Student loans	83,028	79,883	84,000
Other consumer	159,264	162,554	170,000
Real Estate			
Construction	78,376	74,968	80,000
Single-family residential	236,934	226,942	223,000
Other commercial	286,363	266,995	260,000
Unearned income	(25)	(42)	
Commercial			
Commercial	149,622	158,167	151,000
Agricultural	85,974	75,441	54,000
Financial institutions	7,376	7,692	7,000
Other	16,597	15,343	15,000
	-----	-----	-----
Total Loans	\$ 1,281,634	\$ 1,247,625	\$ 1,228,000
	=====	=====	=====

Investment Securities - End of Period

Held-to-Maturity			
U.S. Treasury	\$ 27,170	\$ 29,483	\$ 32,000
U.S. Government agencies	75,280	70,479	47,000
Mortgage-backed securities	4,752	5,355	5,000
State and political subdivisions	121,254	121,719	115,000
Other securities	100	100	

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Total held-to-maturity	228,556	227,136	200
Available-for-Sale			
U.S. Treasury	14,902	13,103	10
U.S. Government agencies	157,906	155,134	188
Mortgage-backed securities	5,165	5,724	6
State and political subdivisions	5,376	5,270	5
FHLB stock	4,462	4,419	4
Other securities	5,017	8,914	25
Total available-for-sale	192,828	192,564	240
Total investment securities	\$ 421,384	\$ 419,700	\$ 441
Fair Value - HTM investment securities	\$ 234,253	\$ 231,991	\$ 203,
Investment Securities - QTD Average			
Taxable securities	\$ 303,040	\$ 328,509	\$ 327
Tax exempt securities	117,963	119,691	121
Total investment securities - QTD average	\$ 421,003	\$ 448,200	\$ 449

Simmons First National Corporation			
Consolidated Allowance and Asset Quality			
For the Quarters Ended	Sep 30	Jun 30	Mar 31
(In thousands)	2002	2002	2002
Allowance for Loan Losses			
Balance, beginning of quarter	\$ 20,608	\$ 20,152	\$ 20,496
Loans charged off			
Credit cards	1,220	1,130	1,191
Other consumer	539	513	677
Real estate	364	395	444
Commercial	395	590	953
Total loans charged off	2,518	2,628	3,265

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Recoveries of loans previously charged off			
Credit cards	189	163	129
Other consumer	169	174	233
Real estate	52	90	82
Commercial	77	221	116
	---	---	---
Total recoveries	487	648	560
	----	----	----
Net loans charged off	2,031	1,980	2,705
Allowance for loan losses of acquired branch	247	-	-
Provision for loan losses	2,864	2,436	2,361
	-----	-----	-----
Balance, end of quarter	\$ 21,688	\$ 20,608	\$ 20,152
	=====	=====	=====

Non-performing assets

Non-performing loans			
Nonaccrual loans			
Real estate	\$ 6,029	\$ 6,429	\$ 5,813
Commercial	2,969	3,074	3,131
Consumer	2,101	2,355	2,250
	-----	-----	-----
Total nonaccrual loans	11,099	11,858	11,194
Loans past due 90 days or more	1,291	1,944	3,268
	-----	-----	-----
Total non-performing loans	12,390	13,802	14,462
	-----	-----	-----
Other non-performing assets			
Foreclosed assets held for sale	2,263	2,394	2,182
Other non-performing assets	406	484	492
	-----	-----	-----
Total other non-performing assets	2,669	2,878	2,674
	-----	-----	-----
Total non-performing assets	\$ 15,059	\$ 16,680	\$ 17,136
	=====	=====	=====

Ratios

Allowance for loan losses to total loans	1.69%	1.65%	1.64%
Allowance for loan losses to			
non-performing loans	175.04%	149.31%	139.34%
Allowance for loan losses to			
non-performing assets	144.02%	123.55%	117.60%
Non-performing loans to total loans	0.97%	1.11%	1.18%
Non-performing assets to total assets	0.77%	0.86%	0.87%

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Simmons First National Corporation
 Consolidated - Selected Financial Data
 For the Quarters Ended
 (In thousands, except share data)

Sep 30
 2002

 Jun 30
 2002

 Mar
 200

QUARTER-TO-DATE

Diluted earnings per share	\$ 0.80	\$ 0.79	\$ 0
Cash dividends declared - per common share	0.24	0.24	0
Cash dividends declared - amount	1,695	1,695	1,
Return on average stockholders' equity	11.87%	12.17%	10.
Return on average assets	1.18%	1.18%	1.
Net interest margin (FTE)	4.50%	4.45%	4.
FTE Adjustment	821	838	
Amortization of intangibles	39	27	
Amortization of intangibles, net of taxes	30	22	
Average shares outstanding	7,062,502	7,064,307	7,089,
Shares repurchased	-	30,000	
Average price of repurchased shares	-	32.65	
Average earning assets	1,785,332	1,791,310	1,853,
Interest bearing liabilities	1,508,920	1,516,618	1,582,

YEAR-TO-DATE

Diluted earnings per share	\$ 2.28	\$ 1.48	\$ 0
Cash dividends declared - per common share	0.71	0.47	0
Return on average stockholders' equity	11.62%	11.49%	10.
Return on average assets	1.12%	1.09%	1.
Net interest margin (FTE)	4.36%	4.29%	4.
FTE Adjustment	2,513	1,692	
Amortization of intangibles	94	55	
Amortization of intangibles, net of taxes	75	45	
Average shares outstanding	7,071,927	7,076,718	7,089,
Diluted shares outstanding	117,108	110,781	89,
Average earning assets	1,809,732	1,822,133	1,853,
Interest bearing liabilities	1,535,847	1,549,532	1,582,

END OF PERIOD

Book value	\$ 27.42	\$ 26.75	\$ 26
Shares outstanding	7,062,795	7,062,120	7,091,
Full-time equivalent employees	988	962	
Total number of ATM's	62	60	
Total number of branches	63	62	
Parent company only - investment in subsidiaries	206,904	204,726	201,
Parent company only - intangible assets	134	134	

SIGNATURE

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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, thereunto duly authorized.

SIMMONS FIRST NATIONAL CORPORATION

Date: October 17, 2002

/s/ Barry L. Crow, Executive Vice President

Barry L. Crow, Executive Vice President
and Chief Financial Officer