



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Home BancShares, Inc.

|   |              |
|---|--------------|
| Person to be contacted regarding this report: | Randy Mayor  |
| UST Sequence Number:                          | 86           |
| CPP Funds Received:                           | 50,000,000   |
| CPP Funds Repaid to Date:                     | 0            |
| Date Funded (first funding):                  | Jan 16, 2009 |
| Date Repaid <sup>1</sup> :                    | N/A          |

|  |          |
|--|----------|
| RSSD:<br>(For Bank Holding Companies)                            | 1491409  |
| Holding Company Docket Number:<br>(For Thrift Holding Companies) |          |
| FDIC Certificate Number:<br>(For Depository Institutions)        |          |
| City:  | Conway   |
| State:   | Arkansas |

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

*American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.*

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

|   |  |
|---|--|
| <input type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.  |  |
| <input type="checkbox"/> To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.). |  |
| <input type="checkbox"/> Increase securities purchased (ABS, MBS, etc.).  |  |

|                                     |  |  |
|-------------------------------------|--|--|
| <input type="checkbox"/>            | Make other investments   |  |
| <input type="checkbox"/>            | Increase reserves for non-performing assets  |  |
| <input type="checkbox"/>            | Reduce borrowings  |  |
| <input type="checkbox"/>            | Increase charge-offs   |  |
| <input type="checkbox"/>            | Purchase another financial institution or purchase assets from another financial institution |  |
| <input checked="" type="checkbox"/> | Held as non-leveraged increase to total capital  | Home BancShares, Inc. (HBI) is using the Capital Purchase Program funds to increase and maintain capital levels in order to pursue acquisition and merger opportunities. |

What actions were you able to avoid because of the capital infusion of CPP funds?

n/a

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

HBI has been able to deploy a portion of the CPP funding in two Federal Deposit Insurance Corporation (FDIC) assisted transactions during the first quarter of 2010. HBI's wholly owned subsidiary, Centennial Bank (the Bank), acquired the banking operations of Old Southern Bank (OSB) on March 12, 2010 and Key West Bank (KWB) on March 26, 2010 through a loss-sharing agreement with the FDIC. In the OSB acquisition, the Bank acquired assets of approximately \$341 million, loans of approximately \$275 million (before loan discounts and FDIC receivables) and deposits of approximately \$320 million, with loss share protection from the FDIC on approximately \$283 million in covered assets. In the KWB acquisition, the Bank acquired approximately \$87 million, loans of approximately \$66 million (before loan discounts and FDIC receivables) and deposits of approximately \$68 million, with loss share protection from the FDIC on approximately \$72 million in covered assets.

HBI will continue to participate in acquisition and merger opportunities.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.