FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, DC 20429

FORM 8-K
CURRENT REPORT

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

Date of report (Date of earliest event reported): **July 12, 2017**

BANK OF THE OZARKS

(Exact name of registrant as specified in its charter)

Arkansas
(State or other jurisdiction of incorporation)

110	**71-0130170**
(FDIC Certificate Number)	(IRS Employer Identification No.)
17901 Chenal Parkway, Little Rock, Arkansas	**72223**
(Address of principal executive offices)	(Zip Code)

(501) 978-2265
(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.):

( ) 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On July 12, 2017, Bank of the Ozarks (the “Bank”) issued a press release announcing its financial results for the second quarter of 2017. A copy of the Bank’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference into any filing of the Bank under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosures.

See Item 2.02 Results of Operations and Financial Condition.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:	The following exhibit is being furnished to this current report on Form 8-K.
99.1	Press Release dated July 12, 2017: Bank of the Ozarks Announces Record Second Quarter 2017 Earnings

SIGNATURES

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 hereunto duly authorized.

BANK OF THE OZARKS

Date: July 12, 2017	By:	/s/ Greg L. McKinney
	Name:	Greg L. McKinney
	Title:	Chief Financial Officer and Chief Accounting Officer

Exhibit No.	Document Description
99.1	Press Release dated July 12, 2017: Bank of the Ozarks Announces Record Second Quarter 2017 Earnings

NEWS RELEASE

EXHIBIT 99.1

Date:	July 12, 2017
Release Time:	6:00 a.m. (CT)
Media Contact:	Susan Blair (501) 978-2217
Investor Contact:	Tim Hicks (501) 978-2336

Bank of the Ozarks Announces Record Second Quarter 2017 Earnings

LITTLE ROCK, ARKANSAS: Bank of the Ozarks (the "Bank") (NASDAQ: OZRK) today announced that net income for the second quarter of 2017 was a record $90.5 million, a 66.2% increase from $54.5 million for the second quarter of 2016. Diluted earnings per common share for the second quarter of 2017 were $0.73, a 21.7% increase from $0.60 for the second quarter of 2016.

For the six months ended June 30, 2017, net income totaled $179.7 million, a 69.3% increase from net income of $106.2 million for the first six months of 2016. Diluted earnings per common share for the first six months of 2017 were $1.46, a 25.9% increase from $1.16 for the first six months of 2016.

On June 26, 2017, the Bank merged with its former parent holding company, Bank of the Ozarks, Inc., with the Bank as the surviving corporation. All prior period financial data in this news release and accompanying schedules gives effect to this merger transaction.

The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the second quarter of 2017 were 1.90%, 12.05% and 15.81%, respectively, compared to 1.91%, 14.35% and 15.92%, respectively, for the second quarter of 2016. The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the first six months of 2017 were 1.92%, 12.41% and 16.45%, respectively, compared to 1.95%, 14.18% and 15.76%, respectively, for the first six months of 2016.

George Gleason, Chairman and Chief Executive Officer, stated, "We are very pleased to report our results for the second quarter of 2017, including quarterly records in net income, net interest income and service charge income, a 4.99% net interest margin, a 35.3% efficiency ratio and excellent asset quality and growth in non-purchased loans and leases."

KEY BALANCE SHEET METRICS

Total loans and leases, including purchased loans, were $15.2 billion at June 30, 2017, a 56.1% increase from $9.7 billion at June 30, 2016. Non-purchased loans and leases were $11.0 billion at June 30, 2017, a 34.2% increase from $8.2 billion at June 30, 2016. Purchased loans were $4.16 billion at June 30, 2017, a 174.5% increase from $1.52 billion at June 30, 2016, but a 9.2% decrease from $4.58 billion at March 31, 2017. The unfunded balance of closed loans totaled $11.9 billion at June 30, 2017, a 61.7% increase from $7.3 billion at June 30, 2016.

Deposits were $16.2 billion at June 30, 2017, a 59.3% increase from $10.2 billion at June 30, 2016. Total assets were $20.1 billion at June 30, 2017, a 63.4% increase from $12.3 billion at June 30, 2016.

Common stockholders' equity was $3.26 billion at June 30, 2017, a 109.4% increase from $1.56 billion at June 30, 2016. Tangible common stockholders' equity was $2.54 billion at June 30, 2017, an 80.9% increase from $1.41 billion at June 30, 2016. Book value per common share was $25.43 at June 30, 2017, a 48.2% increase from $17.16 at June 30, 2016. Tangible book value per common share was $19.85 at June 30, 2017, a 28.0% increase from $15.51 at June 30, 2016. The calculations of the Bank's tangible common stockholders' equity and tangible book value per common share and the reconciliations to accounting principles generally accepted in the United States ("GAAP") are included in the schedules accompanying this release.

The Bank's ratio of common stockholders' equity to total assets was 16.25% at June 30, 2017 compared to 12.68% at June 30, 2016. Its ratio of tangible common stockholders' equity to total tangible assets was 13.15% at June 30, 2017 compared to 11.60% at June 30, 2016. The calculation of the Bank's ratio of total tangible common stockholders' equity to total tangible assets and the reconciliation to GAAP are included in the schedules accompanying this release.

NET INTEREST INCOME

Net interest income for the second quarter of 2017 was $202.1 million, a 69.8% increase from $119.0 million for the second quarter of 2016. Net interest margin, on a fully taxable equivalent ("FTE") basis, was 4.99% for the second quarter of 2017, an increase of 17 basis points from 4.82% for the second quarter of 2016. Average earning assets were $16.5 billion for the second quarter of 2017, a 63.3% increase from $10.1 billion for the second quarter of 2016.

Net interest income for the first six months of 2017 was $392.9 million, a 69.7% increase from $231.6 million for the first six months of 2016. Net interest margin, on a FTE basis, was 4.93% for the first six months of 2017, an increase of six basis points from 4.87% for the first six months of 2016.

Average earning assets were $16.3 billion for the first six months of 2017, a 68.0% increase from $9.7 billion for the first six months of 2016.

NON-INTEREST INCOME

Non-interest income for the second quarter of 2017 increased 40.1% to $31.8 million compared to $22.7 million for the second quarter of 2016. Non-interest income for the first six months of 2017 increased 43.0% to $60.9 million compared to $42.6 million for the first six months of 2016.

NON-INTEREST EXPENSE

Non-interest expense for the second quarter of 2017 increased 64.6% to $83.8 million compared to $50.9 million for the second quarter of 2016. Non-interest expense for the first six months of 2017 increased 64.4% to $162.1 million compared to $98.6 million for the first six months of 2016.

The Bank’s efficiency ratio (non-interest expense divided by the sum of net interest income FTE and non-interest income) for the second quarter of 2017 was 35.3% compared to 35.4% for the second quarter of 2016. The Bank’s efficiency ratio for the first six months of 2017 was 35.2% compared to 35.5% for the first six months of 2016.

ASSET QUALITY, CHARGE-OFFS AND ALLOWANCE

Excluding purchased loans, the Bank’s ratio of nonperforming loans and leases as a percent of total loans and leases was 0.11% at June 30, 2017 compared to 0.09% at June 30, 2016.

Excluding purchased loans, the Bank’s ratio of nonperforming assets as a percent of total assets was 0.23% at June 30, 2017 compared to 0.25% at June 30, 2016.

Excluding purchased loans, the Bank’s ratio of loans and leases past due 30 days or more, including past due non-accrual loans and leases, to total loans and leases was a record 0.15% at June 30, 2017 compared to 0.22% at June 30, 2016.

The Bank’s annualized net charge-off ratio for all loans and leases was 0.05% for the second quarter of 2017 compared to 0.06% for the second quarter of 2016. The Bank’s annualized net charge-off ratio for all loans and leases was 0.07% for the first six months of 2017 compared to 0.06% for the first six months of 2016.

The Bank’s allowance for loan and lease losses for its non-purchased loans and leases was $80.7 million, or 0.73% of total non-purchased loans and leases, at June 30, 2017 compared to $63.9 million, or 0.78% of total non-purchased loans and leases, at June 30, 2016. The Bank had $1.6 million of allowance for loan and lease losses for its purchased loans at June 30, 2017 compared to $1.2 million at June 30, 2016.

CONFERENCE CALL, TRANSCRIPT AND FILINGS

Management will conduct a conference call to discuss its quarterly results at 10:00 a.m. CT (11:00 a.m. ET) on July 12, 2017. Interested parties may listen to this call by dialing (844) 818-5110 (U.S. and Canada) or (210) 229-8841 (internationally) and asking for the Bank of the Ozarks conference call. A recorded playback of the call will be available for one week following the call at (855) 859-2056 (U.S. and Canada) or (404) 537-3406 (internationally). The passcode for this playback is 38548410. The call will be available live or in a recorded version on the Bank's Investor Relations website at http://ir.bankozarks.com under "Company News". The Bank will also provide a transcript of the conference call on its Investor Relations website, which will be available for 90 days.

The Bank files certain reports, proxy materials, and other information required by the Securities and Exchange Act of 1934 with the Federal Deposit Insurance Corporation ("FDIC"), copies of which are available electronically at the FDIC's website at http://www.fdic.gov and are also available on the Bank's Investor Relations website at http://ir.bankozarks.com under "Filings".

NON-GAAP FINANCIAL MEASURES

This release contains certain non-GAAP financial measures. The Bank uses these non-GAAP financial measures, specifically return on average tangible common stockholders' equity, tangible book value per common share, total tangible common stockholders' equity and the ratio of total tangible common stockholders' equity to total tangible assets, as important measures of the strength of its capital and its ability to generate earnings on its tangible capital invested by its shareholders. These measures typically adjust GAAP financial measures to exclude intangible assets. Management believes presentation of these non-GAAP financial measures provides useful supplemental information which contributes to a proper understanding of the financial results and capital levels of the Bank. These non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other banks. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables at the end of this release under the caption "Reconciliation of Non-GAAP Financial Measures."

FORWARD-LOOKING STATEMENTS

This release and other communications by the Bank include certain “forward-looking statements” regarding the Bank’s plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems implementing the Bank’s growth, expansion and acquisition strategies including delays in identifying sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices; the ability to enter into and/or close additional acquisitions; problems with, or additional expenses relating to, integrating acquisitions; the inability to realize expected cost savings and/or synergies from acquisitions; problems with managing acquisitions; the effect of the announcements of any future acquisition on customer relationships and operating results; the availability and access to capital; possible downgrades in the Bank’s credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans and leases, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates; competitive factors and pricing pressures, including their effect on the Bank’s net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers and lessees, collateral values, the value of investment securities and asset recovery values; changes in legal and regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new legislation and regulatory actions; changes in U.S. government monetary and fiscal policy; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; adoption of new accounting standards or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions as well as other factors identified in this press release or as detailed from time to time in our public filings, including those factors included in the disclosures under the headings “Forward-Looking Information” and “Item 1A. Risk Factors” in our most recent Annual Report on Form 10-K for the year ended December 31, 2016 or our Quarterly Reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those projected in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

GENERAL INFORMATION

Bank of the Ozarks (NASDAQ: OZRK) is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. Bank of the Ozarks has been recognized as the #1 bank in the nation in its asset size for seven consecutive years. Headquartered in Little Rock, Arkansas, Bank of the Ozarks conducts operations through 251 offices in Arkansas, Georgia, Florida, North Carolina, Texas, Alabama, South Carolina, New York and California and had $20.1 billion in total assets at June 30, 2017. Bank of the Ozarks can be found at www.bankozarks.com and on Facebook, Twitter and LinkedIn or contacted at (501) 978-2265 or P. O. Box 8811, Little Rock, Arkansas 72231-8811.

Bank of the Ozarks
Selected Consolidated Financial Data
(Dollars in Thousands, Except Per Share Amounts)
Unaudited

	Three Months Ended June 30,			Six Months Ended June 30,		
	2017	2016	% Change	2017	2016	% Change
Income statement data:						
Net interest income	$ 202,105	$ 119,038	69.8%	$ 392,876	$ 231,555	69.7%
Provision for loan and lease losses	6,103	4,834	26.3	11,036	6,851	61.1
Non-interest income	31,840	22,733	40.1	60,898	42,597	43.0
Non-interest expense	83,828	50,928	64.6	162,095	98,614	64.4
Net income available to common stockholders	90,532	54,474	66.2	179,720	106,162	69.3
Common stock data:						
Net income per share - diluted	$ 0.73	$ 0.60	21.7%	$ 1.46	$ 1.16	25.9%
Net income per share - basic	0.73	0.60	21.7	1.47	1.17	25.6
Cash dividends per share	0.175	0.155	12.9	0.345	0.305	13.1
Book value per share	25.43	17.16	48.2	25.43	17.16	48.2
Tangible book value per share(1)	19.85	15.51	28.0	19.85	15.51	28.0
Diluted shares outstanding (thousands)	124,198	91,288		123,084	91,268	
End of period shares outstanding (thousands)	128,190	90,745		128,190	90,745	
Balance sheet data at period end:						
Assets	$20,064,589	$12,279,579	63.4%	$20,064,589	$12,279,579	63.4%
Non-purchased loans and leases	11,025,203	8,214,900	34.2	11,025,203	8,214,900	34.2
Purchased loans	4,159,139	1,515,104	174.5	4,159,139	1,515,104	174.5
Allowance for loan and lease losses	82,320	65,133	26.4	82,320	65,133	26.4
Foreclosed assets	34,000	23,328	45.7	34,000	23,328	45.7
Investment securities	2,101,751	824,399	154.9	2,101,751	824,399	154.9
Goodwill	660,789	126,289	423.2	660,789	126,289	423.2
Other intangibles - net of amortization	54,541	23,615	131.0	54,541	23,615	131.0
Deposits	16,241,440	10,195,072	59.3	16,241,440	10,195,072	59.3
Repurchase agreements with customers	68,502	53,997	26.9	68,502	53,997	26.9
Other borrowings	42,486	42,053	1.0	42,486	42,053	1.0
Subordinated notes	222,706	222,324	0.2	222,706	222,324	0.2
Subordinated debentures	118,519	117,962	0.5	118,519	117,962	0.5
Common stockholders’ equity	3,260,123	1,556,921	109.4	3,260,123	1,556,921	109.4
Net unrealized (losses) gains on investment securities AFS included in common stockholders' equity	(4,992)	15,106		(4,992)	15,106	
Loan and lease (including purchased loans) to deposit ratio	93.49%	95.44%		93.49%	95.44%	
Selected ratios:						
Return on average assets (2)	1.90%	1.91%		1.92%	1.95%	
Return on average common stockholders’ equity (2)	12.05	14.35		12.41	14.18	
Return on average tangible common stockholders’ equity (1) (2)	15.81	15.92		16.45	15.76	
Average common equity to total average assets	15.81	13.34		15.45	13.74	
Net interest margin – FTE (2)	4.99	4.82		4.93	4.87	
Efficiency ratio	35.32	35.41		35.18	35.46	
Net charge-offs to average non-purchased loans and leases (2) (3)	0.03	0.05		0.04	0.06	
Net charge-offs to average total loans and leases(2)	0.05	0.06		0.07	0.06	
Nonperforming loans and leases to total loans and leases(4)	0.11	0.09		0.11	0.09	
Nonperforming assets to total assets(4)	0.23	0.25		0.23	0.25	
Allowance for loan and lease losses to non-purchased loans and leases(4)	0.73	0.78		0.73	0.78	
Other information:						
Non-accrual loans and leases(4)	$ 11,628	$ 7,700		$ 11,628	$ 7,700	
Accruing loans and leases - 90 days past due(4)	—	—		—	—	
Troubled and restructured loans and leases(4)	—	—		—	—	
Impaired purchased loans	11,679	6,387		11,679	6,387	

(1)Calculations of tangible book value per common share and return on average tangible common stockholders’ equity and the reconciliations to GAAP are included in the schedules accompanying this release.
(2)Ratios for interim periods annualized based on actual days.
(3)Excludes purchased loans and net charge-offs related to such loans.
(4)Excludes purchased loans and any allowance for such loans, except for their inclusion in total assets.

Bank of the Ozarks
Supplemental Quarterly Financial Data
(Dollars in Thousands, Except Per Share Amounts)
Unaudited

	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16	3/31/17	6/30/17
Earnings Summary:								
Net interest income	$ 96,387	$106,518	$112,517	$ 119,038	$ 175,150	$ 194,800	$ 190,771	$ 202,105
Federal tax (FTE) adjustment	2,368	2,092	1,911	2,067	2,533	3,254	3,594	3,396
Net interest income (FTE)	98,755	108,610	114,428	121,105	177,683	198,054	194,365	205,501
Provision for loan and lease losses	(3,581)	(5,211)	(2,017)	(4,834)	(7,086)	(9,855)	(4,933)	(6,103)
Non-interest income	22,138	30,540	19,865	22,733	29,231	30,571	29,058	31,840
Non-interest expense	(45,428)	(51,646)	(47,686)	(50,928)	(78,781)	(78,358)	(78,268)	(83,828)
Pretax income (FTE)	71,884	82,293	84,590	88,076	121,047	140,412	140,222	147,410
FTE adjustment	(2,368)	(2,092)	(1,911)	(2,067)	(2,533)	(3,254)	(3,594)	(3,396)
Provision for income taxes	(23,385)	(28,740)	(30,984)	(31,514)	(42,470)	(49,312)	(47,417)	(53,488)
Noncontrolling interest	(3)	(6)	(7)	(21)	(14)	(59)	(23)	6
Net income available to common stockholders	$ 46,128	$ 51,455	$ 51,688	$ 54,474	$ 76,030	$ 87,787	$ 89,188	$ 90,532
Earnings per common share – diluted	$ 0.52	$ 0.57	$ 0.57	$ 0.60	$ 0.66	$ 0.72	$ 0.73	$ 0.73
Non-interest Income:								
Service charges on deposit accounts	$ 7,425	$ 7,558	$ 7,657	$ 8,119	$ 10,926	$ 11,759	$ 11,301	$ 11,764
Mortgage lending income	1,825	1,713	1,284	2,057	2,616	2,097	1,574	1,910
Trust income	1,500	1,508	1,507	1,574	1,564	1,623	1,631	1,577
BOLI income	2,264	2,412	2,861	2,745	4,638	4,564	4,464	4,594
Other income from purchased loans	5,456	4,790	3,052	4,599	4,635	4,993	3,737	4,777
Net gains on investment securities	—	2,863	—	—	—	4	—	404
Gains on sales of other assets	1,905	7,463	1,027	998	594	1,537	1,619	672
Other	1,763	2,233	2,477	2,641	4,258	3,994	4,732	6,142
Total non-interest income	$ 22,138	$ 30,540	$ 19,865	$ 22,733	$ 29,231	$ 30,571	$ 29,058	$ 31,840
Non-interest Expense:								
Salaries and employee benefits	$ 21,207	$ 21,504	$ 23,362	$ 24,921	$ 38,069	$ 36,481	$ 38,554	$ 39,892
Net occupancy expense	8,076	8,537	8,531	8,388	11,669	13,936	13,192	12,937
Other operating expenses	14,448	19,879	14,067	16,062	26,447	24,783	23,377	27,854
Amortization of intangibles	1,697	1,726	1,726	1,557	2,596	3,158	3,145	3,145
Total non-interest expense	$ 45,428	$ 51,646	$ 47,686	$ 50,928	$ 78,781	$ 78,358	$ 78,268	$ 83,828
Allowance for Loan and Lease Losses:								
Balance at beginning of period	$ 56,749	$ 59,017	$ 60,854	$ 61,760	$ 65,133	$ 69,760	$ 76,541	$ 78,224
Net charge-offs	(1,313)	(3,374)	(1,111)	(1,461)	(2,459)	(3,074)	(3,250)	(2,007)
Provision for loan and lease losses	3,581	5,211	2,017	4,834	7,086	9,855	4,933	6,103
Balance at end of period	$ 59,017	$ 60,854	$ 61,760	$ 65,133	$ 69,760	$ 76,541	$ 78,224	$ 82,320
Selected Ratios:								
Net interest margin – FTE [1]	5.07%	4.98%	4.92%	4.82%	4.90%	5.02%	4.88%	4.99%
Efficiency ratio	37.58	37.12	35.51	35.41	38.07	34.27	35.03	35.32
Net charge-offs to average non-purchased loans and leases [1] [2]	0.05	0.22	0.06	0.05	0.06	0.08	0.05	0.03
Net charge-offs to average total loans and leases [1]	0.08	0.17	0.05	0.06	0.07	0.09	0.09	0.05
Nonperforming loans and leases to total loans and leases [3]	0.26	0.20	0.15	0.09	0.08	0.15	0.11	0.11
Nonperforming assets to total assets [3]	0.41	0.37	0.29	0.25	0.28	0.31	0.25	0.23
Allowance for loan and lease losses to total non-purchased loans and leases [3]	1.08	0.91	0.80	0.78	0.78	0.78	0.75	0.73
Loans and leases past due 30 days or more, including past due non-accrual loans and leases, to total loans and leases [3]	0.41	0.28	0.23	0.22	0.17	0.16	0.16	0.15

[1] Ratios for interim periods annualized based on actual days.

[2] Excludes purchased loans and net charge-offs related to such loans.

[3] Excludes purchased loans and any allowance for such loans, except for their inclusion in total assets.

Bank of the Ozarks

Average Consolidated Balance Sheets and Net Interest Analysis – FTE

Unaudited

	Three Months Ended June 30,						Six Months Ended June 30,					
	2017			2016			2017			2016		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
	(Dollars in thousands)											
ASSETS												
Earning assets:												
Interest earning deposits and federal funds sold	$ 87,025	$ 115	0.53%	$ 6,048	$ 13	0.85%	$ 83,302	$ 135	0.33%	$ 4,517	$ 19	0.82%
Investment securities:												
Taxable	739,184	4,181	2.27	293,981	2,442	3.34	701,378	7,997	2.30	279,040	4,712	3.40
Tax-exempt – FTE	774,837	9,458	4.90	415,473	5,733	5.55	789,134	19,477	4.98	377,127	11,014	5.87
Non-purchased loans and leases – FTE	10,517,666	142,071	5.42	7,794,654	98,096	5.06	10,174,598	269,586	5.34	7,401,860	185,168	5.03
Purchased loans	4,391,894	75,729	6.92	1,599,013	26,711	6.72	4,598,340	151,723	6.65	1,669,920	55,734	6.71
Total earning assets – FTE	16,510,606	231,554	5.63	10,109,169	132,995	5.29	16,346,752	448,918	5.54	9,732,464	256,647	5.30
Non-interest earning assets	2,558,960			1,338,147			2,562,131			1,225,357		
Total assets	$19,069,566			$11,447,316			$18,908,883			$10,957,821		
LIABILITIES AND STOCKHOLDERS' EQUITY												
Interest bearing liabilities:												
Deposits:												
Savings and interest bearing transaction	$ 8,084,021	$ 10,912	0.54%	$ 4,742,475	$ 4,063	0.34%	$ 7,973,949	$ 19,370	0.49%	$ 4,668,940	$ 7,780	0.34%
Time deposits of $100,000 or more	3,211,778	7,737	0.97	1,935,241	4,139	0.86	3,226,600	14,869	0.93	1,778,972	7,087	0.80
Other time deposits	1,572,703	2,830	0.72	1,312,153	2,011	0.62	1,635,929	5,617	0.69	1,149,692	3,196	0.56
Total interest bearing deposits	12,868,502	21,479	0.67	7,989,869	10,213	0.51	12,836,478	39,856	0.63	7,597,604	18,063	0.48
Repurchase agreements with customers	76,610	30	0.16	58,284	22	0.15	78,238	60	0.16	63,293	42	0.13
Other borrowings	42,365	255	2.41	42,021	293	2.80	42,251	477	2.27	46,537	595	2.57
Subordinated notes	222,660	3,052	5.50	19,557	283	5.83	222,611	6,240	5.65	9,778	283	5.83
Subordinated debentures	118,449	1,237	4.19	117,887	1,079	3.68	118,375	2,418	4.12	117,818	2,132	3.64
Total interest bearing liabilities	13,328,586	26,053	0.78	8,227,618	11,890	0.58	13,297,953	49,051	0.74	7,835,030	21,115	0.54
Non-interest bearing liabilities:												
Non-interest bearing deposits	2,643,836			1,635,697			2,609,420			1,572,247		
Other non-interest bearing liabilities	79,331			53,987			77,195			41,625		
Total liabilities	16,051,753			9,917,302			15,984,568			9,448,902		
Common stockholders' equity	3,014,462			1,526,828			2,921,165			1,505,742		
Noncontrolling interest	3,351			3,186			3,150			3,177		
Total liabilities and stockholders' equity	$19,069,566			$11,447,316			$18,908,883			$10,957,821		
Net interest income – FTE		$205,501			$121,105			$399,867			$235,532	
Net interest margin – FTE			4.99%			4.82%			4.93%			4.87%

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Bank of the Ozarks
Calculation of Average Tangible Common Stockholders' Equity and the Return on Average Tangible Common Stockholders' Equity
Unaudited

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(Dollars in thousands)			
Net income available to common stockholders	$ 90,532	$ 54,474	$ 179,720	$ 106,162
Average common stockholders' equity before noncontrolling interest	$ 3,014,462	$ 1,526,828	$ 2,921,165	$ 1,505,742
Less average intangible assets:				
Goodwill	(660,789)	(125,873)	(660,472)	(125,660)
Core deposit and other intangibles, net of accumulated amortization	(56,281)	(24,468)	(57,929)	(25,317)
Total average intangibles	(717,070)	(150,341)	(718,401)	(150,977)
Average tangible common stockholders' equity	$ 2,297,392	$ 1,376,487	$ 2,202,764	$ 1,354,765
Return on average common stockholders' equity[(1)]	12.05%	14.35%	12.41%	14.18%
Return on average tangible common stockholders' equity[(1)]	15.81%	15.92%	16.45%	15.76%

[(1)]Ratios for interim periods annualized based on actual days.

Bank of the Ozarks
Calculation of Total Tangible Common Stockholders' Equity and Tangible Book Value per Common Share
Unaudited

	June 30,	
	2017	2016
	(In thousands, except per share amounts)	
Total common stockholders' equity before noncontrolling interest	$ 3,260,123	$ 1,556,921
Less intangible assets:		
Goodwill	(660,789)	(126,289)
Core deposit and other intangibles, net of accumulated amortization	(54,541)	(23,615)
Total intangibles	(715,330)	(149,904)
Total tangible common stockholders' equity	$ 2,544,793	$ 1,407,017
Shares of common stock outstanding	128,190	90,745
Book value per common share	$ 25.43	$ 17.16
Tangible book value per common share	$ 19.85	$ 15.51

Bank of the Ozarks
Calculation of Total Tangible Common Stockholders' Equity and the Ratio of Total Tangible Common Stockholders' Equity to Total Tangible Assets
Unaudited

	June 30, 2017	June 30, 2016
	(Dollars in thousands)	
Total common stockholders' equity before noncontrolling interest	$ 3,260,123	$ 1,556,921
Less intangible assets:		
Goodwill	(660,789)	(126,289)
Core deposit and other intangibles, net of accumulated amortization	(54,541)	(23,615)
Total intangibles	(715,330)	(149,904)
Total tangible common stockholders' equity	$ 2,544,793	$ 1,407,017
Total assets	$ 20,064,589	$ 12,279,579
Less intangible assets:		
Goodwill	(660,789)	(126,289)
Core deposit and other intangibles, net of accumulated amortization	(54,541)	(23,615)
Total intangibles	(715,330)	(149,904)
Total tangible assets	$ 19,349,259	$ 12,129,675
Ratio of total common stockholders' equity to total assets	16.25%	12.68%
Ratio of total tangible common stockholders' equity to total tangible assets	13.15%	11.60%