Hancock Holding Company

Dodd-Frank Act Annual Stress Test

2015 Results Disclosure

June 23, 2015

In this report, when we refer to "Hancock", "HHC" or "the Company" we mean Hancock Holding Company and its consolidated subsidiaries. When we refer to "Bank" we mean Whitney Bank, a Mississippi banking corporation, the Company's principal subsidiary.

This Report contains certain statements and estimates that may be forward-looking statements, including projections of our financial results and condition and capital ratios under a hypothetical scenario that incorporates a set of assumed economic and financial conditions prescribed by our regulators. The projections are not intended to be our forecast of expected future economic or financial conditions or our forecast of the Company's or the Bank's expected future financial results or condition, but rather reflect possible results under the prescribed hypothetical scenario. Our future financial results and condition will be influenced by actual economic and financial conditions and various other factors as described in our reports filed with the Securities and Exchange Commission , including our Annual Report on Form 10-K for the year ended December 31, 2014, all of which are available on our websites www.hancockbank.com and www.whitneybank.com. The Company assumes no obligation to update or revise any of its forward- looking statements in this Report.

EXECUTIVE SUMMARY

The results of Hancock's DFAST stress test indicate that the Company would maintain sufficient financial resources to successfully manage the impacts expected during a severe economic downturn. We note, however, that testing methodologies are subject to considerable uncertainties and modeling limitations and that the scenario simulation reflects certain assumptions that may not be consistent with the Company's practices over the normal course of business, even under adverse economic conditions.

Highlights of the DFAST results include:

- Hancock would maintain capital levels that exceed regulatory minimums throughout the nine-quarter course of the Severely Adverse scenario,
- The Company employed a conservative approach to ensure sufficient hypothetical stress was applied. Examples of such an approach include:
    - The cumulative provision for loan and lease losses is 55% larger than the cumulative losses projected resulting in a large reserve build.
    - An 11% increase in risk weighted assets over the nine-quarter horizon
- In accordance with the DFAST guidance, the stress test and the following results do not include either $150 million of Tier 2-qualified sub-debt issued or the repurchase of approximately $75 million of common stock in the first quarter of 2015.

Overview

Hancock Holding Company is a multi-faceted financial services company with regional business headquarters and locations throughout a growing Gulf South corridor. With a heritage dating to the late 1800s, the Company's banking subsidiary, Whitney Bank provides a comprehensive network of full-service financial choices through Hancock Bank locations in Mississippi, Alabama, and Florida and Whitney Bank offices in Louisiana and Texas.

As a bank holding company with total consolidated assets between $10 billion and $50 billion, Hancock is required to implement the stress testing and disclosure requirements of Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. A stress test is defined in the Dodd Frank Act as a "process to assess the potential impact of certain scenarios on the consolidated earnings, losses and capital of a Company over the planning horizon, taking into account its current condition, risks, exposures, strategies, and activities." Stress testing is an important analytical tool regularly used by Hancock to evaluate financial and capital forecasts under various adverse economic conditions as part of the Company's capital planning processes.

Hancock recently performed an enterprise-wide capital stress test in conformity with the requirements of the Federal Reserve Board's Dodd-Frank Act Stress Test ("DFAST") process using the Company's actual performance through September 30, 2014 and information available at the time. The purpose of the stress test was to assist in the identification and measurement of material risks and vulnerabilities, particularly those that manifest during stressful economic or financial environments, and to determine their potential impact on the Company's capital adequacy. The stress test covered the nine-quarter planning horizon beginning in the fourth quarter of 2014 (October 1, 2014) and ending on December 31, 2016.

The Company's DFAST stress test included three macroeconomic scenarios: Baseline, Adverse and Severely Adverse. These macroeconomic scenarios as developed by the Federal Reserve Board ("FRB") form the foundation for the 2015 DFAST process. To support the stress testing effort, HHC employed a process that incorporated regulatory guidance and standard industry practices to assess overall capital adequacy in relation to the Company's complexity and risk profile together with a strategy for maintaining adequate capital levels.

In accordance with regulatory requirements of DFAST, this document presents a summary of Hancock's Stress Test results conducted under the Severely Adverse Scenario, as provided by the FRB. The results of Hancock's Stress Test indicate that under this hypothetical scenario the Company would expect to maintain capital levels that exceed regulatory minimums throughout the course of such scenario.

The projected results disclosed in this document are hypothetical estimates and projections based on the requirements and assumptions prescribed by the FRB's DFAST guidance. These projected possible results should not be considered a forecast of expected financial results, financial condition or Company performance under actual economic and financial conditions that may differ from the scenarios prescribed by our regulators.

It is also important to note that the DFAST protocol requires us to make projections based on specific parameters and assumptions that may differ significantly from the assumptions and parameters that we may apply in the ordinary course of business. Consequently, the results contained herein may differ materially from other financial information or projections that we may disclose as well as from the assessments of our future prospects made by third party analysts. Year to year comparisons of our DFAST results will be impacted by annual changes in the stress test scenarios to account for changes in the outlook for economic and financial conditions, and changes to the specific risks or vulnerabilities that the regulatory agencies determine should be considered in the annual stress test.

2015 DFAST Severely Adverse Scenario Summary

For all scenarios, the Company used the "2015 Supervisory Scenarios for Annual Stress Tests Required under the Dodd-Franck Act Stress Testing Rules and the Capital Plan Rule" published by the Board of Governors of the Federal Reserve System on October 23, 2014.

The Severely Adverse scenario represents a sizeable weakening in the economy, with a deep and prolonged recession, accompanied by sizeable reductions in asset prices. Specific attributes of the Severely Adverse scenario include the following:

- Unemployment rises 4% points from current levels, and peaks at 10.1% in mid-2016, and stays at severely elevated levels. For comparison, during the latest recession from 2007 to 2010, these levels were only briefly encountered for one-month
- Real GDP declines 4.50% between the third quarter of 2014 through the end of the fourth quarter of 2015; thereafter, Real GDP begins to recover
- Higher oil prices result in the annualized CPI rate of change to reach 4.25% in the short term, before falling back to more normalized levels
- Short-term Treasury rates remain near zero through the end of the scenario horizon; long-term Treasury yields drop to 1% in the fourth quarter of 2014 and then slowly rise over the rest of the scenario (5-year ends @ 1.5%, 10-year @ 2.3%)
- Due to decline in corporate credit quality, spreads on corporate bonds goes from 170bp to 500bp at the peak; thus, the yield on corporate bonds is higher in the Severely Adverse than the Baseline scenario through the fourth quarter of 2016
- Equities fall nearly 60% through the fourth quarter of 2015, with market volatility index peaking at 77% (Volatility Index is comparable to levels experienced in the latest recession)
- Decline in real estate (Housing prices decrease 25% over the scenario, CRE decreases 30% at its lowest point)

2015 DFAST Results under the Severely Adverse Scenario

The following tables provide quantitative information for Hancock's 2015 DFAST stress test run under the Severely Adverse scenario. As reflected in the table below, the Company's regulatory capital ratios would remain above regulatory minimums throughout the nine-quarter planning horizon, although they would be significantly impacted by the Severely Adverse Scenario provided by the FRB. These results use assumptions prescribed by the DFAST rules under a supervisor-supplied scenario and are not forecasts and do not necessarily reflect Hancock's expectations of performance. In accordance with the DFAST guidance, the stress test and the following results do not include either $150 million of Tier 2-qualified sub-debt issued or the repurchase of approximately $75 million of common stock in the first quarter of 2015.

Table 1. Projected Stressed Capital Ratios for the Company Q4 2014 through Q4 2016 under the Supervisory Severely Adverse Scenario

HANCOCK HOLDING COMPANY					
Capital Ratios (%)	Actual Q3 2014	Severely Adverse Scenario Beginning Q4 2014	Minimum	Ending Q4 2016	Regulatory Minimum
Common Equity Tier 1 *	11.6	9.8	7.3	7.4	4.5
Tier 1 Risk-Based Capital	11.6	9.8	7.3	7.4	6.0
Total Risk-Based Capital	12.7	11.3	8.5	8.7	8.0
Tier 1 Leverage	9.5	8.4	6.0	6.1	4.0
Risk Weighted Assets ($Bn)	15.4	16.6	16.6	16.9	n/a

* 3Q 2014 CET1 ratio is the Tier 1 Common Equity ratio calculated under Basel I. CET1 calculation under Basel III took effect 1/1/15.

Table 2. Projected Cumulative Stressed Losses, Revenue and Net Income for the Company Q4 2014 through Q4 2016 under the Supervisory Severely Adverse Scenario

HANCOCK HOLDING COMPANY			
Cumulative 9-Quarter Total ($Millions)		% of Average Assets	% of Average Loans
Loan Losses	413	2.0%	3.0%
Provision for Loan & Lease Losses	641	3.1%	4.7%
Pre-Provision Net Revenue	417	2.0%	n/a
Net Income (Loss)	(164)	(0.8%)	n/a

Pursuant to disclosure guidelines under DFAST, the Company is also disclosing summary stress test results for its principal FDIC insured depository subsidiary, Whitney Bank ("Whitney"). Whitney Bank is the wholly-owned principal banking subsidiary of Hancock Holding Company. Whitney represents more than 99% of HHC's total assets, thus the two entities would be impacted by the Supervisory Severely Adverse Scenario in largely the same way and Whitney would also remain above regulatory minimums under the Severely Adverse scenario.

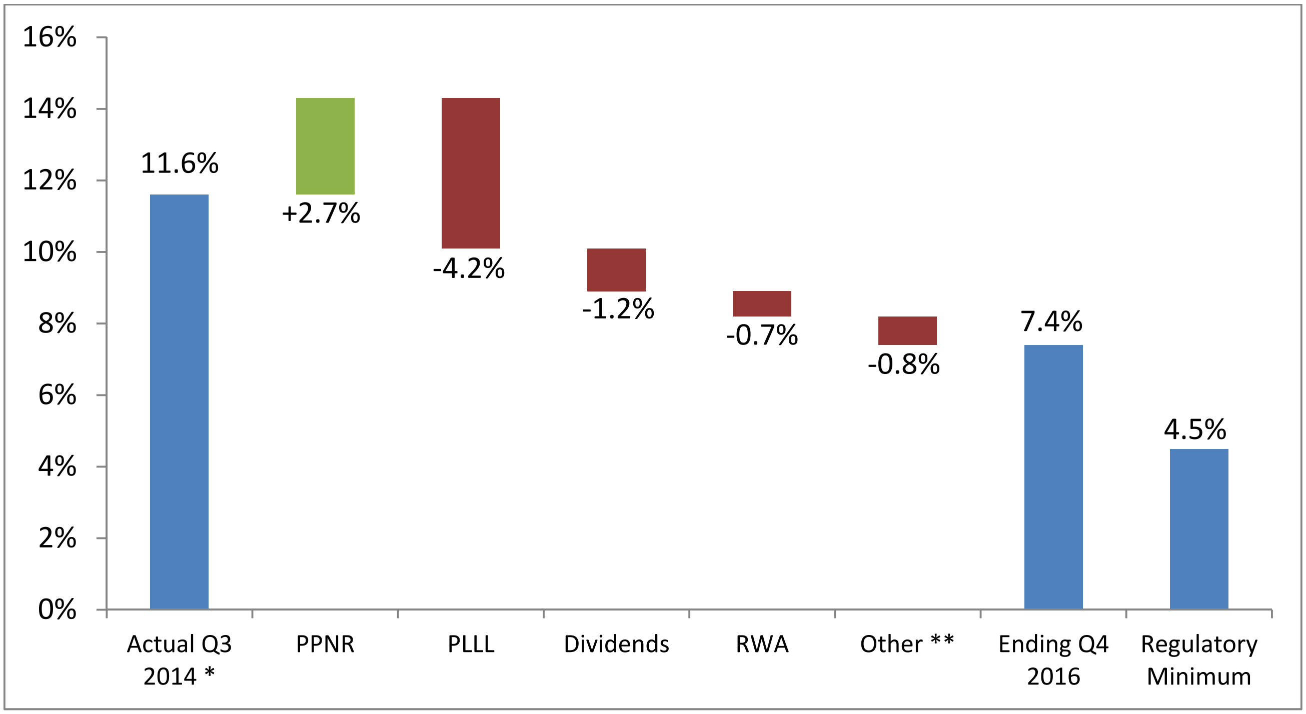
Table 3. Projected Stressed Capital Ratios for Whitney Bank Q4 2014 through Q4 2016 under the Supervisory Severely Adverse Scenario

WHITNEY BANK					
Capital Ratios (%)	Actual Q3 2014	Severely Adverse Scenario Beginning Q4 2014	Minimum	Ending Q4 2016	Regulatory Minimum
Common Equity Tier 1 *	11.3	9.5	7.1	7.2	4.5
Tier 1 Risk-Based Capital	11.3	9.5	7.1	7.2	6.0
Total Risk-Based Capital	12.4	11.0	8.3	8.4	8.0
Tier 1 Leverage	9.3	8.2	5.9	6.0	4.0
Risk Weighted Assets ($Bn)	15.4	16.6	16.6	17.0	n/a

* 3Q 2014 CET1 ratio is the Tier 1 Common Equity ratio calculated under Basel I. CET1 calculation under Basel III took effect 1/1/15.

Primary Drivers of Change in Capital Ratios

Table 4. Drivers of Change in Common Equity Tier 1 Capital Ratio Q4 2014 through Q4 2016 under the Supervisory Severely Adverse Scenario



* 3Q 2014 CET1 ratio is the Tier 1 Common Equity ratio calculated under Basel I. CET1 calculation under Basel III took effect 1/1/15.
** Other includes all other adjustments, including goodwill, other intangibles, disallowed deferred tax asset and income taxes.

The most significant drivers impacting the change in the Company's capital ratios during the hypothetical Severely Adverse scenario are outlined below:

Provision for Loan & Lease Losses (PLLL): Credit quality would be expected to decrease during such economic conditions. Coupled with the reserve-building nature of the stress testing provision methodology, the PLLL would rise significantly, increasing 662% between third quarter 2014 and fourth quarter 2016. Over the nine-quarter severely adverse scenario horizon, a $641 million provision expense exceeds $413 million in loan losses.

Dividends: DFAST regulations require dividends be held constant at $0.24 per share per quarter throughout the scenario.

Risk Weighted Assets: Hancock took a conservative approach to risk weightings during the stress testing scenario, resulting in an 11% increase in risk weighted assets at the end of the planning horizon as compared to actual third quarter 2014 results.

Pre-Provision Net Revenue (PPNR): Total revenue would decline over the scenario, as net interest income would decrease due to net interest margin compression despite overall growth in the balance sheet. Non-interest expenses would increase due to higher collection and recovery expenses. Annual pre-provision net revenue during 2015 and 2016 would decline approximately 30% from 2014 levels.

Risks Captured in the Stress Test

A critical component of the overall stress testing process was the effective capture of the material risks which impact the Company. The Company's stress test evaluated and incorporated a variety of risks, including credit risk, interest rate risk, liquidity risk , market risk, operational risk and legal risk in a stressed economic and financial operating environment to determine the impact on the Company's financial performance and corresponding capital levels and to predict the resulting capital ratio projections for the given stress horizon. Although these risks are individually assessed as part of the Company's ongoing risk management practice, the enterprise-wide capital stress test applied one consistent set of economic assumptions for each scenario to the below quantifiable risks across business lines to determine the overall impact on capital levels. These risks are further defined as follows:

Credit risk arises from the potential that a borrower or counterparty will fail to perform on an obligation and is inherent in many of the Company's activities. A significant component of credit risk relates to the Company's securities and loan portfolios. Credit risk is also inherent in certain contractual obligations such as lending commitments and hedging activities.

Interest rate risk is the potential impact to a financial institution's net income as a result of movement in interest rates.

Market risk is the exposure to changes in asset and liability values resulting from adverse movements in market rates or commodity prices, such as changes in interest rates, foreign exchange rates, and equity prices.

Liquidity risk is the potential that an institution will be unable to meet its obligations as they come due because of an inability to liquidate assets or obtain adequate funding (referred to as "funding liquidity risk") or that it cannot easily unwind or offset specific exposures without significantly lowering market prices because of inadequate market depth or market disruptions ("market liquidity risk").

Operational risk is the potential that inadequate information systems, operational problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses. Consistently and interchangeably for the Company, Basel II defines this risk as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Company assesses compliance risks as a subcategory of operational risk.

Legal risk is the potential that unenforceable contracts, lawsuits, or adverse judgments can disrupt or otherwise negatively affect the operations or condition of a banking organization.

Although the risks identified below were not specifically captured in the stress test, management believes they are adequately addressed in the stress testing methodology.

Reputational risk is the potential that negative publicity regarding an institution's business practices, whether true or not, will cause a decline in the customer base, costly litigation, or revenue reductions. The Company also recognizes its reputation with shareholders and associates are important factors of reputational risk.

Strategic risk is the risk to current or anticipated earnings, capital, or franchise or enterprise value arising from adverse business decisions, poor implementation of business decisions, or lack of responsiveness to changes in the banking industry and operating environment.

DFAST is one component of the broader stress testing activities conducted by Hancock. The results of DFAST are considered together with other capital assessment activities to ensure that the Company's material risks and vulnerabilities are appropriately considered in its overall assessment of capital adequacy.

DFAST assesses the impact of stressful outcomes on capital adequacy, and is not intended to measure the adequacy of the Company's liquidity in the stress scenarios.

Methodologies Used

To develop the projections necessary to complete the 2015 DFAST Submission, Hancock employed multiple modeling techniques and quantitative analyses to produce the Balance Sheet and Income Statement projections required under the three supervisory scenarios. The projections were then compiled and, through a heavily-governed process, underwent a series of effective challenges at various levels within the Company. As part of this process, senior management committees, the Audit and Risk Committees of the Board of Directors, and the full Board of Directors reviewed, challenged, and approved the risk assessment process and financial projections contained in this report. As a result of the challenge process, and in accordance with the DFAST rules, select qualitative adjustments were made to enhance model predictions and to ensure model results adequately reflected the economic and capital impacts of such a scenario.

The DFAST protocols require the Company to make certain specified assumptions regarding its capital actions over the planning horizon. In accordance with those protocols the stress test incorporates only the following capital actions:(1) For the first quarter of the planning horizon, the Company may only take into account its actual capital actions as of the end of that quarter; and (2) For each of the second through ninth quarters of the planning horizon, the Company must include in the projections of capital - (i) common stock dividends equal to the quarterly average dollar amount of common stock dividends that the Company paid in the previous year (that is, the first quarter of the planning horizon and the preceding three calendar quarters); (ii) payments on any other instrument that is eligible for inclusion in the numerator of a regulatory capital ratio equal to the stated dividend, interest, or principal due on such instrument during the quarter; and (iii) an assumption of no redemption or repurchase of any capital instrument that is eligible for inclusion in the numerator of a regulatory capital ratio.

In accordance with the DFAST guidance, the stress test does not include either the $150 million of Tier 2-qualified sub-debt issued or the repurchase of approximately $75 million in common stock by Hancock during the first quarter of 2015.