SOUTHERN MISSOURI BANCORP INC
Form S-1/A
October 05, 2011

As filed with the Securities and Exchange Commission on October 5, 2011

Registration No. 333-174113

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 2 TO
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

SOUTHERN MISSOURI BANCORP, INC.
(Exact name of registrant as specified in its charter)

Missouri	6022	43-1665523
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

531 Vine Street, Poplar Bluff, Missouri 63901
(573) 778-1800
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Greg A. Steffens, President and Chief Executive Officer
531 Vine Street, Poplar Bluff, Missouri 63901
(573) 778-1800
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Martin L. Meyrowitz, P.C. Craig M. Scheer, P.C. SILVER, FREEDMAN & TAFF, L.L.P. (a limited liability partnership including professional corporations) 3299 K Street, N.W., Suite 100 Washington, DC 20007 (202) 295-4500	Kevin M. Houlihan, Esq. William H. Levay, Esq. PATTON BOGGS LLP 2550 M Street, N.W. Washington, D.C. 20037 (202) 457-6000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement
becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. [ ]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b--2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]	Non-accelerated filer [ ] (Do not check if a smaller reporting company)	Smaller reporting company [X]

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value $.01 per share	$28,750,000(1)(2)	$3,338(3)

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.
(2) Includes the offering price of shares that the underwriter has the option to purchase to cover over-allotments, if any.
(3) Previously paid.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED ___________, 2011

PRELIMINARY PROSPECTUS

[•] Shares
Common Stock

We are offering [•] shares of our common stock, par value $0.01 per share, which is equal to ____% of our total outstanding shares of common stock as of ______, 2011, at a price of $[•] per share. Our common stock is currently listed on the Nasdaq Global Market under the symbol "SMBC." On __________, 2011, the last reported sale price of our common stock on the Nasdaq Global Market was $____ per share.

Investing in our common stock involves risks. See "Risk Factors" beginning on page 14 of this prospectus to read about risks you should carefully consider before making your investment decision.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions(1)		
Proceeds to us, before expenses		

____

(1) See "Underwriting" beginning on page ___ for disclosure regarding the underwriting discounts and expenses payable to the underwriter by us.

The shares of common stock are being offered through the underwriter on a firm commitment basis. We have granted the underwriter a 30 day option to purchase up to [•] additional shares of common stock at the same price, and on the same terms, solely to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The shares of common stock are not savings accounts, deposits or other obligations of our bank subsidiary or any of our non-banking subsidiaries and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

The underwriter expects to deliver the shares of common stock in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about [•], 2011, subject to customary closing conditions.

The date of this prospectus is [•], 2011

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FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference may contain forward-looking statements. Forward-looking statements often include the words “believes,” “expects,” “anticipates,” “estimates,” “forecasts,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook” or similar expressions or future or conditional ve such as “may,” “will,” “should,” “would” and “could.” These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the forward-looking statements, including:

- the strength of the United States economy in general and the strength of the local economies in which we conduct operations;
- fluctuations in interest rates and in real estate values;
- monetary and fiscal policies of the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) and the U.S. Government and other governmental initiatives affecting the financial services industry;
- the risks of lending and investing activities, including changes in the level and direction of loan delinquencies and write-offs and changes in estimates of the adequacy of the allowance for loan losses;
- our ability to access cost-effective funding;
- the timely development of and acceptance of our new products and services and the perceived overall value of these products and services by users, including the features, pricing and quality compared to competitors' products and services;
- expected cost savings, synergies and other benefits from our merger and acquisition activities might not be realized within the anticipated time frames or at all, and costs or difficulties relating to integration matters, including but not limited to customer and employee retention, might be greater than expected;
- fluctuations in real estate values and both residential and commercial real estate market conditions;
- demand for loans and deposits in our market area;
- legislative or regulatory changes that adversely affect our business;
- results of examinations of us by our regulators, including the possibility that our regulators may, among other things, require us to increase our reserve for loan losses or to write-down assets;
- the impact of technological changes; and
- our success at managing the risks involved in the foregoing .

Some of these and other factors are discussed in this prospectus under the caption “Risk Factors” and elsewhere in this prospectus and in the incorporated documents. The development of any or all of these factors could have an adverse impact on our financial position and our results of operations.

Any forward-looking statements are based upon management’s beliefs and assumptions at the time they are made. We undertake no obligation to publicly update or revise any forward-looking statements included or incorporated by reference in this prospectus or to update the reasons why actual results could differ from those contained in such statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this prospectus or the incorporated documents might not occur, and you should not put undue reliance on any forward-looking statements.

ABOUT THIS PROSPECTUS

You should rely only on the information contained in or incorporated by reference into this prospectus and any “free writing prospectus” we authorize to be delivered to you. We have not, and the underwriter has not, authorized anyone to provide you with additional information or information different from that contained in or incorporated by reference into this prospectus and any “free writing prospectus.” If anyone provides you with different or inconsistent information, you should not rely on it. To the extent information in this prospectus and any “free writing prospectus” is inconsistent with any of the documents incorporated by reference into this prospectus and any “free writing prospectus,” you should rely on this prospectus and any “free writing prospectus.” We are offering to sell, and seeking offers to buy, our common stock only in states where those offers and sales are permitted. You should assume that the information contained in or incorporated by reference into this prospectus and any “free writing prospectus” is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

You should read this prospectus, all of the information incorporated by reference into this prospectus and the additional information about us described in the section entitled “Where You Can Find More Information” before making your investment decision. In this prospectus, we rely on and refer to information and statistics regarding the banking industry and the banking market in Missouri and Arkansas. We obtained this market data from independent publications or other publicly available information.

No action is being taken in any jurisdiction outside the United States to permit a public offering of our common stock or possession or distribution of this prospectus in that jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about, and to observe, any restrictions as to the offering and the distribution of this prospectus applicable to those jurisdictions.

Unless otherwise expressly stated or the context otherwise requires, all information in this prospectus assumes that the underwriter will not exercise its option to purchase additional shares of our common stock to cover over-allotments, if any.

As used in this prospectus, the terms “we,” “our,” “us,” “Southern Missouri Bancorp,” and the “Company” refer to Southern Missouri Bancorp, Inc. and its consolidated subsidiaries, unless the context indicates otherwise. References to “Southern Bank” or the “Bank” refer to Southern Bank, a wholly owned subsidiary of Southern Missouri Bancorp, Inc.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in, or incorporated by reference into, this prospectus. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in our common stock. Before making an investment decision, you should read this entire prospectus, including the "Risk Factors" section, and the documents incorporated by reference into this prospectus, which are described below under "Incorporation of Certain Information by Reference."

Company Overview

We are a Missouri corporation headquartered in Poplar Bluff, Missouri, and serve as the holding company for Southern Bank, a Missouri-chartered trust company with bank powers organized in 1887. We are a growth-oriented, community-based financial services company that strives to provide financial solutions to the markets and clients that we serve based on their unique circumstances and needs. Our services are provided through the Bank's system of 17 banking offices, located in Poplar Bluff (3), Van Buren, Dexter, Kennett, Doniphan, Qulin, Sikeston ^ , Matthews, and Springfield , Missouri, and Paragould, Jonesboro, Brookland, Leachville, Batesville , and Searcy, Arkansas, and ^ a loan production office ^ located in ^ Little Rock, Arkansas. We offer a broad range of commercial banking services to our business and professional clients, as well as full service consumer banking services to individuals living and/or working in our primary market areas. We are registered as a bank holding company under the Bank Holding Company Act of 1956, as amended.

Our common stock is listed on the Nasdaq Global Market under the symbol "SMBC."

As of June 30 , 2011, we had 2, 098 ,976 shares of common stock outstanding. At that date, we had total assets of $ 688.2 million, deposits of $ 560.1 million, total stockholders' equity of $ 55.7 million and tangible common equity to tangible assets of 6.47 %. Our non-performing assets (consisting of nonaccrual loans, loans past due 90 or more days, troubled debt restructurings, other real estate owned, and nonperforming investment securities) were $2. 4 million, or 0. 35 % of total assets. For the fiscal year ended June 30 , 2011, we had earnings of $ 5.12 per diluted common share. If the impact of the FDIC-assisted acquisition discussed below was eliminated, we would have had earnings of $ 3.20 per diluted common share. Our principal office is located at 531 Vine Street, Poplar Bluff, Missouri 63901. Our telephone number is (573) 778-1800 and our website address is www.bankwithsouthern.com. The information on our website is not a part of this prospectus and the reference to our website address does not constitute incorporation by reference of any information on our website into this prospectus.

Recent Acquisitions

^ On December 17, 2010, we completed the FDIC-assisted acquisition of certain assets and assumption of certain liabilities of First Southern Bank, which was headquartered in Batesville, Arkansas, and had a branch in Searcy, Arkansas, prior to being placed into receivership with the FDIC. In the transaction, we acquired assets of $144.6 million, including loans of $124.4 million, and we assumed deposits of $130.3 million. We paid a 0.25% deposit premium and received a discount on the assets of $17.5 million. We did not seek any loss sharing from the FDIC in the acquisition. First Southern's non-performing assets as a percentage of total assets at September 30, 2010, were 0.87%. First Southern's capital position became impaired when it suffered losses associated with fraud in its securities portfolio, which led to its failure. We did not acquire any investment securities in the transaction. As part of this acquisition, we booked a bargain purchase gain of $7.0 million, ^ and recorded $437,000 in transaction expenses. The transaction resulted in an increase in ^ after ^ tax ^ income of approximately $4.1 million. This transaction has been accretive to earnings for the quarterly periods ended December 31, 2010 ^ , March 31, 2011 and June 30, 2011 .

On July 17, 2009, we completed the acquisition of Southern Bank of Commerce headquartered in Paragould, Arkansas, with branches in Jonesboro, Leachville, and Brookland, Arkansas. As of June 30, 2009, the quarter-end immediately prior to the closing of the transaction, Southern Bank of Commerce had assets of $30.3 million, loans of $16.2 million, deposits of $29.3 million, and total equity of $916,000. The purchase price was $600,000. As part of this acquisition, we booked transaction expenses of $140,000, goodwill of $126,000 and a core deposit intangible of $184,000. This transaction was dilutive to earnings during fiscal year 2010 and has been break even or accretive for each quarter since June 30, 2010.

Recent Developments

On July 21, 2011, as part of the Small Business Lending Fund ("SBLF") program of the United States Department of the Treasury (the "U.S. Treasury"), we sold to the U.S. Treasury 20,000 shares of our Senior Non-Cumulative Perpetual Preferred Stock, Series A (the "SBLF preferred stock") for a purchase price of $20.0 million. As required by our agreement with the U.S. Treasury for the sale of the SBLF preferred stock, we used $9,635,000 of the proceeds from the sale of the SBLF preferred stock to redeem all 9,550 shares of our Fixed Rate Cumulative Perpetual Preferred Stock, Series A (the "TARP CPP preferred stock") we issued to the U.S. Treasury in December 2008 pursuant to the Troubled Asset Relief Program ("TARP") Capital Purchase Program ("CPP"), including the payment of accrued dividends on the TARP CPP preferred stock to the redemption date. Concurrent with issuing the TARP CPP preferred stock, we issued to the U.S. Treasury a ten-year warrant to purchase 114,326 shares of our common stock at a per share exercise price of $12.53. That warrant remains outstanding. For information on the terms of the SBLF preferred stock, including terms that could affect the holders of our common stock, see "Description of Capital Stock—SBLF Preferred Stock."

Our Strategy

Our current business strategy is to operate a well-capitalized and profitable commercial and retail financial institution dedicated to serving the needs of our customers. We offer a broad range of products and services while stressing personalized and efficient customer service and convenient access to these products and services. We intend to continue to operate as a residential, commercial and consumer lender. We have structured operations around a branch system that is staffed with knowledgeable and well-trained employees. Subject to capital requirements and our ability to grow in a reasonable and prudent manner, we may open or acquire additional branches and acquire whole banks as opportunities arise. In addition to our branch system, we continue to expand electronic services for our customers. We attempt to differentiate ourselves from our competitors by providing a higher level of customer service, including through the use of technology.

A key element of our business strategy has been to increase our presence and grow the "Southern Bank" brand in the markets we currently serve and new markets in southeastern and southwestern Missouri, northeastern and north central Arkansas and other adjacent communities that present attractive opportunities for expansion, consistent with our capital availability. We have pursued this expansion program through both prudent, disciplined internal growth and strategic acquisitions. Because some of the financial institutions in our market areas are experiencing financial difficulties, these opportunities have increased in recent months. As those troubled banks have closed or curtailed their lending activities, shrunk their assets or sold branches to improve their capital levels, we have experienced increased loan demand and branch acquisition opportunities; we have hired highly regarded and experienced lending officers and commercial bankers; and we have expanded into new market areas that are contiguous to our existing market areas, including Springfield, Missouri and Little Rock, Paragould, Jonesboro, Brookland, Leachville, Batesville and Searcy, Arkansas. These recent activities reflect our ability to take advantage of these expansion opportunities. We anticipate that a significant part of our future growth could come from Springfield, Missouri and Jonesboro, Arkansas.

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Our goal is to continue to expand our franchise organically and, if available, through further opportunistic acquisitions, while maintaining sound operations and risk management, in order to provide superior returns to our shareholders. We are quickly becoming a leading community bank in our primary market area. Our strategy has been successful and we believe that we can continue to drive returns to shareholders by focusing on the following key elements:

- Continue to Increase Profitability. The management team and the Board of Directors, who collectively own 17.0 % of the outstanding shares of the Company, are dedicated to producing profits and returns for the shareholders. We are focused on achieving a strong net interest margin, which is a key driver of our profitability. We are also continuing to focus on expense control, paying particular attention to our efficiency ratio. By striving to constantly improve these ratios, we seek to improve our return on average assets and return on average equity.

- Exceptional Asset Quality Record. As of June 30, 2011, approximately 72.6 % of our loan portfolio was secured by real estate, including approximately 32.4% consisting of commercial real estate loans. As a result of the high degree of real estate expertise among our lending and credit review staff, executive officers and board of directors, and our strict, quality-oriented underwriting and credit monitoring processes, our cumulative loss, through June 30 , 2011, on commercial real estate loans since June 30, 2005 has been approximately $ 147 ,000. While credit problems at other banks in the United States have increased recently over historic levels, due to tumultuous economic conditions, credit quality remains our highest priority, and we are vigilant in rapidly responding to these conditions and to specific problem credits, as well as working to minimize losses. With the lending opportunities that are available in our market areas as a result of retrenching by larger banks, we have been increasingly able to selectively fund only the opportunities we deem most attractive, and to adequately price for risk. At June 30 , 2011, non-performing assets to total assets were 0. 35 %.

- Proven Ability to Execute Acquisitions. We plan to continue a long-term strategy of expanding and diversifying our franchise in terms of revenue, profitability, asset size and location. Our recent growth has been enhanced significantly by a whole bank acquisition transaction and an FDIC-assisted acquisition, both in the state of Arkansas, and both accomplished at minimal cost to us. Due in large part to the impact of the recent economic downturn on the financial health of numerous financial institutions, we anticipate continued consolidation in the financial services industry in our market areas and will seek to enhance our franchise through future acquisition opportunities of whole banks or branches, including through FDIC-assisted transactions. We are the only publicly traded banking institution headquartered in southeastern Missouri and northeastern Arkansas. We believe this gives us an advantage when competing for acquisitions in our market area.

- Emphasis on Core Deposits. We strive to be the leading financial institution in the market areas we serve. We are positioned as a bank that is an alternative solution for customers between the small community banks and the larger regional and money center banks. We offer a broad range of products and services while stressing personalized and efficient customer service and convenient access to these products and services. We have always maintained a strong emphasis on core deposits and a culture that is based on sales and service. We provide customers with immediate access to senior management and decision-makers that have local market knowledge. Our philosophy has allowed us to attract and retain lower cost core deposits, which has resulted in our non-interest bearing deposits consistently averaging 7% of total deposits.

- Experienced Management Team and Dedicated Board. Our management and board of directors combine extensive experience in growing a community bank franchise on a profitable and sound basis. The management team has an established track record integrating bank and product line acquisitions in our target market. Our team is experienced in the acquisition of banks, the purchase and assumption of branch networks, the acquisition of asset and deposit divestitures all in the context of in-region and market extension transactions. Our team has also successfully developed and implemented innovative client- and community-focused strategies that have delivered organic growth. Our team has worked extensively with state and federal bank regulators and has developed an understanding and capability of managing a depository institution in challenging economic and business cycles. As we execute on our growth opportunities, we will look to add directors and management team members with proven track records of acquiring, growing, integrating and operating community, regional and super-regional banks in the Midwestern banking markets.

- Commitment to Technology to Attract and Maintain Customer Relationships. While we watch our expenses and our efficiency ratio closely, we have invested in and utilize technology to compete effectively with the larger regional and money center banks operating in our area. Recently, we have upgraded our systems and infrastructure to prepare for the future growth of our company.

Our Leadership Team

The members of our leadership team all have significant experience in the financial institution industry. They have been able to leverage that experience to provide a broad understanding of the financial services business and the financial markets to our community-based operations. Combined, our leadership team has over 100 years of banking and financial services experience.

- Greg A. Steffens, the Company's President and Chief Executive Officer, has been with us since 1998. He was hired in 1998 as Chief Financial Officer and was appointed President and CEO in1999. He has over 21 years of experience in the banking industry, including service from 1993 to 1998 as chief financial officer of Mount Vernon, Missouri-based Sho-Me Financial Corp, prior to the sale of that company. Mr. Steffens also served from 1989 to 1993 as an examiner with the Office of Thrift Supervision.

- Matthew T. Funke, the Company's Chief Financial Officer, has worked for us since 2003. He has more than 13 years of banking and finance experience. Mr. Funke was initially hired to establish an internal audit function for the Company, and served as internal auditor and compliance officer until 2006, when he was named Chief Financial Officer. Previously, Mr. Funke was employed with Central Bancompany, Inc., where he advanced to the role of internal audit manager, and as a fiscal analyst with the Missouri General Assembly.

- Lora L. Daves, the Company's Chief of Credit Administration, has worked for us since 2006. Ms. Daves is responsible for the administration of the Company's credit portfolio, including analysis of proposed new credits and monitoring of the portfolio's credit quality. Ms. Daves has over 23 years of banking and finance experience, including 11 years beginning with Mercantile Bank of Poplar Bluff, which merged with and into US Bank , a subsidiary of U.S. Bancorp, headquartered in Minneapolis, Minnesota, during her tenure there. Ms. Daves' responsibilities with US Bank included credit analysis, underwriting, credit presentation, credit approval, monitoring credit quality, and analysis of the allowance for loan losses. She advanced to hold responsibility for regional credit administration, loan review, compliance, and problem credit management. Ms. Daves' experience also includes four years as Chief Financial Officer of a Southeast Missouri healthcare provider which operated a critical access hospital, eight rural health clinics, ^ two retail pharmacies, an ambulatory surgery center, and provided outpatient radiology and physical therapy services; and four years with a national real estate development and management firm, working in their St. Louis-based Midwest regional office as a general accounting manager.

- William D. Hribovsek, our Chief Lending Officer, has been with us since 1999. Mr. Hribovsek joined the Company as its senior commercial lender, and was named Chief Lending Officer in 2006. He has over 31 years banking experience. Prior to joining the Company, Mr. Hribovsek was employed as a commercial lender from 1979 to 1999 with Commerce Bank of Poplar Bluff, which was since merged with and into Commerce Bank, N.A ., a subsidiary of Commerce Bancshares, Inc., headquartered in Kansas City, Missouri . While with Commerce Bank, Mr. Hribovsek oversaw the institution's installment loan department for 12 years.

- Kimberly A. Capps, the Company's Chief Operations Officer, has been with us since 1994. She has over 20 years banking experience. Ms. Capps is responsible for the Company's retail deposit operations, product development and marketing, and data processing and network administration functions. Ms. Capps was initially hired by our bank subsidiary as controller, and was named Chief Financial Officer in 2001. In 2006, Ms. Capps was named Chief Operations Officer. Prior to joining the Company, Ms. Capps was employed for more than three years with the accounting firm of Kraft, Miles & Tatum, where she specialized in financial institution audits and taxation.

Our Market Area

We provide our customers with a full array of community banking services. We conduct our business from our headquarters in Poplar Bluff, 16 additional full service offices located in Poplar Bluff, Van Buren, Dexter, Kennett, Doniphan, Sikeston, Springfield , Qulin, and Matthews, Missouri, and Paragould, Jonesboro, Leachville, Brookland, Searcy and Batesville, Arkansas and a loan production office ^ in ^ Little Rock, Arkansas. We operate ten branches in six southeast Missouri counties, with one branch in a municipality that straddles a county line and is mostly situated in a seventh county. Those seven counties have a population of roughly 180,000 persons. In northeast and north central Arkansas, our six full-service branches are located in five counties with a population of roughly 300,000 persons. We also serve a few communities just outside these county borders, but without a notable impact on the demographics of the market area. Springfield, Missouri is situated in Greene County, Missouri, with a population of 274,000, and anchors the surrounding metropolitan statistical area, which had a population of nearly 440,000 at the 2010 census. Our southeast Missouri and northeast and north central Arkansas markets are primarily rural in nature with economies supported by manufacturing activity, agriculture (livestock, rice, timber, soybeans, wheat, melons, corn, and cotton), healthcare, and education. Large employers include hospitals, manufacturers, school districts, and colleges. In the Springfield market, major employers include healthcare providers, educational institutions, federal, local, and state government, retailers, and transportation and distribution firms

We believe that we have opportunities to grow our business within and adjacent to our primary market area. Following completion of the offering, we believe we will be well-positioned to take advantage of these growth opportunities. As many of our competitors have pulled back or reduced their lending efforts in these areas or been acquired or placed in receivership, we believe opportunities exist to increase our market share through organic growth. We continue to invest in our credit and lending teams, through both hiring experienced commercial lenders and additional underwriting and credit monitoring training of our employees.

We believe that our best opportunities for growth are in the Springfield, Missouri, and Jonesboro, Arkansas, areas, based on favorable demographic trends in those areas, particularly in terms of economic and population growth. We began operating a loan production office in Springfield in September 2010 ^ , which we ^converted to a full service banking office in August 2011 . We have operated a full service banking office in Jonesboro since 2009. We acquired that office in connection with our July 2009 acquisition of Southern Bank of Commerce.

Our Capital Needs

We need additional capital in order to take advantage of the opportunities that may be presented to us. Management believes that with additional capital, the Company will be able to act upon opportunities to improve its profitability , and enhance its franchise and overall shareholder value. ^

Executive Offices and Website

Our principal office is located at 531 Vine Street, Poplar Bluff, Missouri 63901. Our telephone number is (573) 778-1800. Our website address is www.bankwithsouthern.com. The information on our website is not a part of this prospectus and the reference to our website address does not constitute incorporation by reference of any information on our website into this prospectus.

Risk Factors

An investment in our common stock involves certain risks. For more information on these risks, please carefully review all of the information under the heading "Risk Factors" beginning on page 12 of this prospectus. You should carefully review and consider all of this information before making an investment decision.

The Offering

Issuer	Southern Missouri Bancorp, Inc.
Offering price	$[•] per share
Common stock offered by us	[•] shares(1)
Common stock outstanding after the offering	[•] shares(2)
Net proceeds	We estimate the net proceeds from the offering, after underwriting discounts and commissions and estimated expenses, will be approximately $[•], or approximately $[•] if the underwriter exercises its over-allotment option in full.
Use of proceeds	We intend to use approximately half of the net proceeds of the offering, or $_____ million, to contribute to the capital of the Bank for general corporate purposes, including funding organic loan growth and investment in securities. The net proceeds not contributed to the Bank will be used by us for general corporate purposes, which may include ^ the pursuit of strategic acquisition opportunities ^ and the payment of dividends . We do not currently have any agreements or commitments with respect to any acquisitions. ^ Initially, a substantial portion of the net proceeds retained by the Company will be invested in short-term investments and government agency backed mortgage-backed securities, as well as investment-grade debt obligations. See "Use of Proceeds."
Trading market	Our common stock is listed on the Nasdaq Global Market under the symbol "SMBC." See "Market for Common Stock and Dividend Information."
Dividends	We currently pay a $0.12 per share quarterly dividend on our shares of common stock, and we intend to continue to pay a quarterly dividend after the offering, subject to our capital requirements, financial condition, results of operations, tax considerations, statutory and regulatory limitations, and general economic conditions. In addition, we are subject to restrictions on payment of dividends as a result of our current participation in the SBLF program . See "Market for Common Stock and Dividend Information."

(1) The number of shares of common stock offered assumes that the underwriter's over-allotment option is not exercised. If the over-allotment option is exercised in full, we would issue [•] additional shares of common stock in the offering.

(2) The number of shares of common stock outstanding after the offering excludes [•] shares issuable pursuant to the exercise of the underwriter's over-allotment option, 87 ,500 shares issuable upon exercise of outstanding stock options as of June 30 , 2011, with a weighted average exercise price of $14. 44 , 80,536 shares authorized for issuance for potential future equity awards under our equity compensation plans, and 114,326 shares issuable upon the exercise of the warrant issued to the U.S. Treasury in connection with the TARP CPP at an exercise price of $12.53 per share.

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Proposed Purchases by Directors and Executive Officers

The table below sets forth, for each of our directors and executive officers and for all of the directors and executive officers as a group, the following information:

(i) the number of shares of Company common stock beneficially owned as of ____________ __, 2011;

(ii) the proposed purchases in this offering, assuming sufficient shares of common stock are available to satisfy their orders; and

(iii) the total amount of Company common stock to be beneficially owned upon consummation of the offering.

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	Number of Shares Currently Beneficially Owned(1)	Percent of Common Stock Currently Outstanding	Proposed Purchases of Stock in the Offering		Total Common Stock to be Beneficially Owned After the Offering	
			Number of Shares	Aggregate Purchase Price	Number of Shares	Percentage of Common Stock Outstanding
Directors and Named Executive Officers						
Greg A. Steffens, Director and President and Chief Executive Officer(2)	135, 942	6.4%	5,000		140, 942	
Matthew T. Funke, Chief Financial Officer	10, 977	*	2,000		12, 977	
Lora L. Daves, Chief of Credit Administration	3, 191	*	500		3, 691	
William D. Hribovsek Chief Lending Officer(2)	26, 475	1.3%	500		26, 975	
Kimberly A. Capps Chief Operations Officer(2)	26,025	1.2%	5,000		31,025	
Samuel H. Smith, Director	80,054	3.8%	4,000(5)		84,054(5)	
Ronnie D. Black, Director	22,185	1.1%	500		22,685	
L. Douglas Bagby, Director	14,801	*	500		15,301	
Sammy A. Schalk, Director(3)	46,549	2.2%	1,000		47,549	
Rebecca M. Brooks, Director	10,250	*	2,000		12,250	
Charles R. Love, Director	10,450	*	500		10,950	
Charles R. Moffitt, Director	8,000	*	500		8,500	
Dennis C. Robison, Director	8,118	*	2,000		10,118	
Directors and executive officers as a group (13 persons)(4)	403,017	18. 8 %	24,000		427,017	

(1) Except as otherwise noted in these footnotes, the nature of beneficial ownership for shares reported in this table is sole voting and investment power. Included in the shares beneficially owned by the directors and named executive officers are options to purchase shares of Southern Missouri Bancorp common stock exercisable within 60 days of ________ __, 2011, as follows: Mr. Steffens -- 10,000 shares; Mr. Funke – 6,000 shares; Ms. Daves – 1,000 shares; Mr. Hribovsek – 6,000 shares; Ms. Capps – 7,000 shares; Ms. Brooks -- 5,000 shares; Mr. Moffitt -- 5,000 shares; Mr. Love -- 5,000 shares; and Mr. Robison – 2,000 shares.

(2) Includes shares allocated to each executive officer's employee stock ownership plan account.

(3) Includes 3,800 shares held in the Gamblin Lumber Co., Profit Sharing Trust for which Mr. Schalk is the trustee.

(4) Includes shares held directly, as well as shares held jointly with family members, shares held in retirement accounts, held in a fiduciary capacity, held by certain of the group members' families, or held by trusts of which the group member is a trustee or substantial beneficiary, with respect to which shares the group member may be deemed to have sole or shared voting and/or investment powers. This amount also includes exercisable options to purchase 47,000 shares of Southern Missouri Bancorp common stock granted to directors and executive officers as a group.

(5) Includes 2,000 shares proposed to be purchased by Smith & Co., of which Mr. Smith is the former President and majority stockholder and remains a significant stockholder.

* Less than 1% ownership.

Summary of Selected Consolidated Financial Information

The following table sets forth selected historical consolidated financial information as of and for the fiscal years ended June 30, 2011, 2010, 2009, 2008 and 2007, derived from our audited consolidated financial statements. You should read this information in conjunction with our consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Exhibit 13 of our Annual Report on Form 10-K for the fiscal year ended June 30, 2011, which is incorporated by reference into this prospectus . See "Incorporation of Certain Information by Reference."

	At or for the Fiscal Year Ended June 30,				
	2011	2010	2009	2008	2007
	(Dollars in thousands, except per share data)				
Financial Condition Data					
Total assets	$688,200	$552,084	$466,334	$418,188	$380,106
Loans receivable, net	556,576	418,683	368,993	343,438	312,242
Mortgage-backed securities	24,536	34,334	40,269	28,006	10,723
Cash, interest-bearing deposits and other investment securities	73,479	67,103	27,983	19,931	31,492
Intangibles, net	1,875	1,604	1,583	1,838	2,093
Deposits	560,151	422,893	311,955	292,257	270,088
Borrowings	58,730	73,869	102,498	85,854	71,758
Subordinated debt	7,217	7,217	7,217	7,217	7,217
Preferred equity	9,456	9,421	9,389	-	-
Common equity	46,276	36,228	32,619	30,472	28,714
Total stockholders' equity	55,732	45,649(1)	42,008(1)	30,472	28,714
Shares of common stock outstanding (000s)(2)	2,095	2,084	2,083	2,185	2,207
Book value per common share	$22.08	$17.39	$15.58	$13.95	$13.01
Tangible book value per common share(3)	21.19	16.62	14.82	13.11	12.06
Operations Data					
Interest income	$ 35,048	$27,541	$25,301	$25,327	$23,550
Interest expense	11,285	11,225	11,204	13,547	13,621
Net interest income	23,763	16,316	14,097	11,780	9,929
Provision for loan losses	2,385	925	1,151	723	633
Net interest income after provision for loan losses	21,378	15,391	12,946	11,057	9,296
Bargain purchase gain on acquisitions	6,997	-	-	-	-
Other noninterest income	3,505	3,094	1,820	2,412	2,207
Noninterest expense	14,459	12,348	9,134	8,081	7,430
Income before income taxes	17,422	6,137	5,632	5,388	4,073
Income taxes	5,952	1,511	1,797	1,775	1,145
Net income	11,470	4,626	3,835	3,613	2,928
Less: effective dividend on preferred stock	512	510	289	-	-
Net income available to common stockholders	$ 10,958	$4,116	$3,546	$3,613	$2,928

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	At or for the Fiscal Yeaer Ended June 30,				
	2011	2010	2009	2008	2007
Operations Data (continued)					
Basic earnings per share available to common stockholders	$5.25	$1.98	$1.67	$1.64	$1.32
Basic earnings per share available to common stockholders – excluding impact of bargain purchase gain and transaction expenses related to the acquisition(3)	$3.28	NA	NA	NA	NA
Diluted earnings per share available to common stockholders	$5.12	$1.95	$1.67	$1.63	$1.29
Diluted earnings per share available to common stockholders – excluding impact of bargain purchase gain and transaction expenses related to the acquisition(3)	$3.20	NA	NA	NA	NA
Dividends per common share	$0.48	$0.48	$0.48	$0.40	$0.36
Average shares outstanding (000s)(2)	2,089	2,083	2,123	2,200	2,226
Other Data:					
Performance Ratios					
Return on average assets	1.81%	0.88%	0.87%	0.92%	0.80%
Return on average common equity	27.08	11.85	11.38	12.06	10.49
Interest rate spread	3.71	3.06	3.10	2.86	2.57
Net interest margin	3.92	3.27	3.37	3.17	2.90
Noninterest income/Average assets	1.66	0.59	0.41	0.61	0.61
Noninterest income excluding bargain purchase gain/Average assets(3)	0.55	0.59	0.41	0.61	0.61
Noninterest expense/Average assets	2.28	2.35	2.07	2.05	2.05
Average interest-earning assets/	111.29	109.57	109.77	108.60	108.29

Average interest-bearing liabilities					
Common shareholder dividend payout ratio	9.17	24.35	28.88	24.47	27.50
Asset Quality and Reserves					
Non-accrual loans	$263	$238	$659	$ -	$2
Accruing loans 90+ days past due	438	94	137	6	24
Troubled debt restructurings	-	-	-	-	-
Total nonperforming loans	701	332	796	6	26
Real estate owned	1,515	1,501	313	38	111
Other repossessed assets	34	90	137	24	11
Nonperforming investment securities	125	125	125	-	-
Total nonperforming assets	$2,375	$2,048	$1,371	$ 68	$ 148
Total nonperforming assets/Total assets	0.35%	0.37%	0.29%	0.02%	0.04%
Allowance for loan losses/Gross loans	1.14	1.06	1.07	0.92	0.76
Allowance for loan losses/ Nonperforming loans	918.84	1,358.45	501.63	53,316.67	9,180.77
Net charge-offs (recoveries)/Average outstanding loans during the period	0.09	0.10	0.10	(0.03)	0.04
Capital Ratios					
Consolidated					
Average equity/Average assets	7.89	8.39	8.29	7.60	7.66
Tangible common equity/Tangible assets(3)	6.47	6.29	6.68	6.88	7.04
Southern Bank					
Tier 1 capital/Average tangible assets–Southern Bank	8.66	8.36	8.87	8.08	8.10
Tier 1 capital/Total risk-based assets Southern Bank	11.27	11.25	11.72	10.63	10.74
Total risk-based capital/Total risk-based assets – Southern Bank	12.52	12.50	12.98	11.79	11.66

Other					
Number of:					
Real estate loans	3,758	3,282	2,957	2,868	2,795
Deposit accounts	30,243	25,353	22,069	20,560	19,978
Full service offices	16	14	10	9	9
Loan production offices	2	N/A	N/A	N/A	N/A

(1) Total stockholders' equity includes ^ TARP CPP preferred stock of $9.5 million at June 30, 2011, $9.4 million at June 30, 2010, and $9.4 million at June 30, 2009 .

(2) Excludes shares held in trust that are available for future awards of restricted stock under our Management Recognition and Development Plan.

(3) Basic and diluted earnings per share available to common stockholders excluding bargain purchase gain and transaction expenses related to the acquisition , the ratio of non-interest income excluding bargain purchase gain to average assets, tangible book value per share, tangible common equity, tangible assets and average tangible assets are financial measures containing information determined by methods other than in accordance with accounting principles generally accepted in the United States (commonly referred to as "GAAP"). Basic and diluted earnings per share available to common stockholders excluding bargain purchase gain and the ratio of non-interest income excluding bargain purchase gain to average assets show what basic and diluted earnings per share and the ratio of non-interest income to average assets would have been without the impact of the bargain purchase gain we recognized and the transaction expenses we incurred on the First Southern Bank FDIC-assisted transaction completed in December 2010. Management believes that showing these amounts excluding the bargain purchase gain and transaction expenses is useful for investors because it better reflects our core operating results. We calculate tangible book value per share, tangible common equity, tangible assets and average tangible assets by excluding intangible assets. Management believes that this is consistent with the treatment by bank regulatory agencies, which exclude intangible assets from the calculation of risk-based capital ratios, and is useful to investors in understanding the basis of our risk-based capital ratios and in assessing management's success in utilizing our tangible capital.

These non-GAAP financial measures are supplemental and are not a substitute for an analysis based on GAAP measures. Because not all companies use identical calculations, these non-GAAP financial measures might not be comparable to other similarly titled measures as determined and disclosed by other companies. Reconciliations to GAAP of the non-GAAP financial measures presented are set forth below.

The following table presents a reconciliation of the calculation of basic earnings per share available to common stockholders excluding bargain purchase gain and related transaction expenses :

	For the Fiscal Year Ended June 30 , 2011
Basic earnings per share available to common stockholders	$ 5.25
Less: Impact of bargain purchase gain and transaction expenses related to the acquisition	1. 97
Basic earnings per share available to common stockholders –	$ 3.28

excluding bargain purchase gain and transaction expenses related to the acquisition

The following table presents a reconciliation of the calculation of diluted earnings per share available to common stockholders excluding bargain purchase gain and related transaction expenses :

	For the Fiscal Year Ended June 30 , 2011
Diluted earnings per share available to common stockholders	$ 5.12
Less: Impact of bargain purchase gain and transaction expenses related to the acquisition	1. 92
Diluted earnings per share available to common stockholders – excluding bargain purchase gain and transaction expenses related to the acquisition	$ 3.20

The following table presents a reconciliation of the calculation of non-interest income excluding bargain purchase gain (in thousands):

	For the Fiscal Year Ended June 30 , 2011
Noninterest income	$ 10,502,000
Less: bargain purchase gain	6,997 ,000
Noninterest income excluding bargain purchase gain	$ 3,505,000

The following table presents a reconciliation of the calculation of tangible book value per share:

	At June 30,				
	2011	2010	2009	2008	2007
Book value per share	$ 22.08	$ 17.39	$ 15.58	$ 13.95	$ 13.01
Less: intangibles, net per share	0.89	0.77	0.76	0.84	0.95
Tangible book value per share	$ 21.19	$ 16.62	$ 14.82	$ 13.11	$ 12.06

The following table presents a reconciliation of the calculation of tangible common equity (in thousands):

	At June 30,				
	2011	2010	2009	2008	2007
Common equity	$ 46,276	$ 36,228	$ 32,619	$ 30,472	$ 28,714
Less: intangibles, net	1,875	1,604	1,583	1,838	2,093
Tangible common equity	$ 44,401	$ 34,624	$ 31,036	$ 28,634	$ 26,621

The following table presents a reconciliation of the calculation of tangible assets (in thousands):

	At June 30,				
	2011	2010	2009	2008	2007
Total assets	$ 688,200	$ 552,084	$ 466,334	$ 418,188	$ 380,106
Less: intangibles, net	1,875	1,604	1,583	1,838	2,093
Tangible assets	$ 686,325	$ 550,480	$ 464,751	$ 416,350	$ 378,013

RISK FACTORS

An investment in our common stock involves significant risks. You should consider carefully the risk factors included below as well as those discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended June 30, ^ 2011, together with all of the other information included in or incorporated by reference into this prospectus, before making a decision to invest in our common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have a material adverse effect on our business, financial condition and results of operations. This prospectus also contains forward-looking statements that involve risks and uncertainties. If any of the matters included in the following information about risk factors were to occur, our business, financial condition, results of operations, cash flows or prospects could be materially adversely affected. In such case, you may lose all or a substantial part of your investment.

Risks Related To the Company's Business

Our allowance for loan losses may prove to be insufficient to absorb probable losses in our loan portfolio.

Lending money is a substantial part of our business. Every loan ca