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PROSPERITY BANCSHARES INC

Form 425

July 31, 2003

Filed by Prosperity Bancshares, Inc.

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: MainBancorp, Inc.

Commission File No. 333-106000

In connection with the proposed merger of MainBancorp, Inc. into Prosperity Bancshares, Inc., Prosperity Bancshares has previously filed with the Securities and Exchange Commission a registration statement on Form S-4 to register shares of Prosperity Bancshares common stock to be issued in one or more transactions involving the acquisition of businesses, assets, properties or securities. In connection with the proposed transaction between Prosperity Bancshares and MainBancorp, the shares of common stock to be issued by Prosperity Bancshares to the shareholders of MainBancorp have been registered under the registration statement on Form S-4 previously filed with the Securities and Exchange Commission. Investors and security holders are advised to read the registration statement and the prospectus included within the registration statement because they contain important information about Prosperity Bancshares. Investors and security holders may obtain free copies of these documents through the website maintained by the SEC at <http://www.sec.gov>. Free copies of the prospectus may also be obtained by directing a request by telephone or mail to Prosperity Bancshares, Inc., Prosperity Bank Plaza, 4295 San Felipe, Houston, Texas 77027, Attn: Investor Relations. Prosperity Bancshares telephone number is (713) 693-9307.

The following are materials used in connection with a presentation at the Fourth Annual KBW Community Bank Investor Conference held on July 30, 2003:

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**Fourth Annual
Community Bank
Investor Conference**

**PROSPERITY
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Safe Harbor Statement

under the Private Securities Litigation Reform Act of 1999

The statements contained in this presentation which are not historical facts contain forward-looking information with respect to plans, projections, or future performance of Prosperity Bancshares, Inc. and its subsidiaries. Forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934, may have been made in this document. Prosperity's results may differ materially from those in the forward-looking statements for a variety of reasons, including actions of competitors; changes in laws and regulations; customer and consumer response to marketing; effectiveness of spending, investment or programs; and economic conditions. These factors, and others, are more fully described in Prosperity Bancshares, Inc.'s filings with the Securities and Exchange Commission.

Copies of Prosperity Bancshares, Inc.'s SEC filings are available over the Internet at no charge from www.freeedgar.com.

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Prosperity is

a Track Record of Success

A Texas based Financial Holding Company

Customer focused

Results oriented

Shareholder driven

Accretive acquisitions

Excellent asset quality

Fast growing

Serving Houston, Dallas and many communities along the NAFTA Highway southwest of Houston

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Recognition by Leading Business and Industry Publications

[PHOTOS]

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49 Full Service Banking Centers

45 Existing

4 Proposed

73% of deposits are within 80 miles of Houston

12% of deposits are in the Dallas area

29 Locations in Houston CMSA

9 Locations in Dallas MSA

5 Existing

4 Proposed

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Total Return Performance

[GRAPH]

Source: CRSP, Center for Research in Security Prices, Graduate School of Business, The University of Chicago 2003.

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2002 Highlights

EPS up 54% from 2001

Return on Average Equity of 18.7%

Total Loans up 60% from 2001

Total Deposits up 41% from 2001

Total Assets up 44% from 2001

Five (5) Acquisitions

Added 13 locations

Added \$489 million in Assets

Improved Houston visibility

Entered Dallas/Fort Worth Metroplex

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Second Quarter 2003 Highlights

EPS up 17% from 2Q02

Return on Average Equity of 16%

Total Loans up 46% from 2Q02

Total Deposits up 44% from 2Q02

Fee Based Income up 72% from 2Q02

Total Assets up 46% from 2Q02

Three (3) Acquisitions

Adding 6 locations

Adding \$336 million in Assets

Improved Dallas visibility

TV and Radio advertising improved name recognition

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Balance Sheet Summary

As Originally Reported

[GRAPH]

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Annual Results

	1997	1998	1999	2000	2001	2002	5 Year CAGR
Assets	\$ 320,143	\$ 436,312	\$ 608,673	\$ 703,073	\$ 1,262,325	\$ 1,822,256	41.60%
Loans	\$ 120,578	\$ 170,478	\$ 223,505	\$ 248,665	\$ 424,400	\$ 679,559	41.30%
Deposits	\$ 291,516	\$ 390,659	\$ 534,756	\$ 634,262	\$ 1,123,397	\$ 1,586,611	40.30%
Net Income	\$ 3,562	\$ 4,460	\$ 6,474	\$ 8,027	\$ 12,958	\$ 21,321	43.00%
EPS (diluted)	\$ 0.46	\$ 0.52	\$ 0.60	\$ 0.74	\$ 0.79	\$ 1.22	21.54%
EPS Growth		13.00%	15.40%	23.30%	6.80%	54.40%	
ROAA	1.17%	1.26%	1.33%	1.29%	1.09%	1.45%	
ROAE	16.32%	15.97%	15.15%	17.41%	15.19%	18.66%	
NIM (te)	4.02%	4.13%	4.18%	4.09%	3.86%	4.16%	
Efficiency Ratio	59.48%	57.38%	55.13%	56.57%	60.14%	50.36%	

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Quarterly Results

	6/30/02	6/30/03	Growth	Rate
Assets	\$ 1,360,356	\$ 1,983,277	\$ 622,921	45.8%
Loans	\$ 478,935	\$ 699,525	\$ 220,590	46.1%
Deposits	\$ 1,211,933	\$ 1,746,548	\$ 534,615	44.1%
Net Income	\$ 4,795	\$ 6,497	\$ 1,702	35.50%
EPS (diluted)	\$ 0.29	\$ 0.34	\$ 0.05	17.2%
ROAA (annualized)	1.43%	1.34%		
ROAE (annualized)	20.16%	15.88%		
NIM (te) (annualized)	4.21%	3.77%		
Efficiency Ratio	52.06%	50.73%		

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Deposit Composition

As of June 30, 2003

\$1.747 Billion

[GRAPH]

CDs & IRAs>100	\$ 296.3	17%
Non-interest bearing DDA	\$ 362.2	21%
Interest bearing DDA	\$ 366.2	21%
CDs & IRAs<100	\$ 321.8	18%
MMA & Savings	\$ 400.0	23%

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Loan Composition

As of June 30, 2003

\$699.525 Million

[CHART]

Consumer	\$ 56.2	8%
Agriculture	\$ 42.9	6%
Commercial	\$ 312.5	45%
1-4 Family Residential	\$ 240.9	34%
Construction	\$ 47.5	7%

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Credit Quality

As Originally Reported

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% of Average Earning Assets

Texas Peer Group includes: CFR; IBOC; SWBT; TRBS; SBIB; CBSA;

FFIN; SBSI; MCBI; SBIT; TXIU; GNTY; JXVL (Data as of 3/31/03)

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PRSP Completed Acquisitions

All announced bank acquisitions

Announce Date	Seller	City	State	Type	Consideration	Accounting Method	At Announcement			
							PRSP Assets (\$000)	Sellers Assets (\$000)	Sellers Asset Contribution (%)	Deal Value (\$M)
03/05/2003	BankDallas SSB	Dallas	TX	Thrift	Cash	Purchase	1,822,256	40,716	2.19	7.0
02/03/2003	Abrams Centre Bancshares, Inc.	Dallas	TX	Bank	Cash	Purchase	1,822,256	95,388	4.97	16.3
08/15/2002	First National Bank of Bay City	Bay City	TX	Bank	Cash	Purchase	1,360,356	28,174	2.03	5.0
07/15/2002	Southwest Bank Holding Company	Dallas	TX	Bank	Cash	Purchase	1,289,637	127,055	8.97	21.0
05/02/2002	Paradigm Bancorporation, Incorporated	Houston	TX	Bank	Common Stock	Purchase	1,289,637	259,262	16.74	41.6
04/26/2002	First State Bank	Needville	TX	Bank	Cash	Purchase	1,289,637	17,754	1.36	3.7
02/22/2002	Texas Guaranty Bank, N.A.	Houston	TX	Bank	Cash	Purchase	1,262,152	75,019	5.61	11.8
11/08/2000	Commercial Bancshares, Inc.	Houston	TX	Bank	Common Stock	Pooling	693,079	401,271	36.67	53.3
06/21/1999	South Texas Bancshares, Inc.	Beeville	TX	Bank	Cash	Purchase	461,903	142,091	23.53	23.4
06/05/1998	Union State Bank	East Bernard	TX	Bank	Cash	Purchase	339,287	79,174	18.92	17.6

Announce Date	Seller	# of Brchs	Branch Type	Branch Locale State	Amount of Deposits Transferred (\$000)	Deposit Premium (\$000)	Premium/Deposits (%)	Assets Transferred: Loans? Y or N
06/15/00	Compass Bancshares Inc.	5	Bank	TX	87,000	NA	NA	Yes
02/27/98	Grimes County Capital Corporation	1	Bank	TX	5,900	250	4.24	No
03/30/97	Wells Fargo & Company	1	Bank	TX	NA	NA	NA	No
03/11/96	Victoria Bankshares, Inc.	1	Bank	TX	46,000	NA	NA	Yes

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Why Invest in PRSP

[GRAPH]

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Anne Farra
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