



setting the pace

mission. vision. discipline.

IBERIABANK
Corporation™

ANNUAL REPORT 2003





mission vision discipline

Traits of a good athlete.

Characteristics of a great bank.

IBERIABANK is an organization driven to succeed, committed to being different. Our relationship-focused approach, making decisions close to our clients, sets us apart from our competition.

As we reflect on the year 2003, we want to recognize that our mission statement remains integral to our continued success.

Our mission statement is designed to provide guidance to associates, management, our Board of Directors, clients, communities served, and shareholders regarding the sense of purpose and direction of the Company. We are client-focused, disciplined in our business practices. We expect high performance from our associates and believe the communities around us are critical to the well being of our Company.

Our mission is to:

- Provide exceptional value-based client service
- Be a great place to work
- Achieve growth that is consistent with high performance
- Remain shareholder-focused
- Have a strong sense of community

We are proud of the momentum we have achieved for this year, the standards of excellence our organization has set and the pace we have established for the future.

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C O N T E N T S

"The achievements of an organization are the results of the combined effort of each individual." – Vince Lombardi

letter to shareholders

Dear Shareholders,

The year 2003 was extraordinary for our clients, leadership team, Directors, Advisory Boards, associates, and shareholders. We believe the right combination of teamwork, vision, drive, and integrity has helped our 117-year-old organization deliver on the promises we have made to you, our shareholders.

For the fourth consecutive year, we have produced double-digit growth in earnings and fully diluted earnings per share. We are particularly proud to be one of only a handful of publicly traded bank holding companies to have achieved this record over that period of time.

Our people are our greatest assets. Our team is committed to building a well-respected, well-run organization. Like an athlete, we are driven by a competitive spirit and disciplined approach to be well-trained, prepared, and agile. Continuous improvement is a way of life for our Company, and we believe our actions demonstrate our strength, endurance, and enthusiasm. I am particularly proud of the talent we have assembled, their execution, and teamwork. Making our Company a great place to work is a core value and something we strive to accomplish each and every day. All of our associates – Directors, Advisory Board members, leadership team, and employees – have been instrumental in building an outstanding franchise for our shareholders and clients.

We believe we are poised for additional growth with our exceptional business model. Banking is a people-related, high touch business where clients are willing to pay a fair price for value added services. Our relationship-driven approach recognizes that clients want access to decision-makers and quick, yet thoroughly analyzed decisions. Clients want predictability from their bankers and bankers want predictability from their clients.

With the recent spate of large bank mergers, including those affecting Louisiana markets, many clients are concerned their bank will become less personal. The multiple layers of bureaucracy that usually exist in these large, and what we call "clumsy," organizations put the clients' relationships with their bankers at risk, removing them further from the final decision-makers. Our business model, however, is client-centric and efficient. Our relationship-focused approach has a winning record, and getting it right for our clients continues to be the key ingredient in our growth strategy.

Last year, our annual report theme was "pathways to growth," which we hope signaled to you that we were well prepared to capitalize on new opportunities. In early 2003, we completed the acquisition of Acadiana Bancshares in Lafayette, the first acquisition for this management team. Later in the year, we announced an agreement to acquire Alliance Bank of Baton Rouge and moved forward with plans to enter the Shreveport market. We also moved into new headquarters in downtown Lafayette. As with our first acquisition, we believe that each of these moves – while varying in nature – is the best for our clients and present unique opportunities for growth for our Company.

Primarily as a result of earnings improvement and risk reduction efforts, as well as an overall improving economy, our share price continued to show strength. Our stock price increased 47% during the year, and we raised the quarterly cash dividend by 20%. Our stock continues to be one of the top performing bank securities in the country, as it has been in each of the last four years.

At the end of 2003, we launched a new media campaign that we think resonates well with our audiences. "Life Doesn't Wait" reflects our focus on our relationships with each of our core constituencies – clients, shareholders, associates, and community.

Our relationship-driven business model, the favorable operating environment, and efficient, but methodical investment decisions have contributed to an outstanding year for our organization and increased value for our shareholders. We are extremely proud that our team is setting the pace for others to follow.

Thank you for your continued support and confidence.

Sincerely,



Daryl G. Byrd

President and Chief Executive Officer

Special Thanks

The year would not be complete without recognizing two significant members of our Board. Cecil Broussard was elected to the Board of Directors of IBERIABANK in 1967. He served with great enthusiasm for 37 years, retiring this past spring. We wish Cecil well and appreciate the many years of fine service to our Company.

Emile Plaissance joined IBERIABANK in 1962 and, for the next 30 years, served in various capacities from office manager to President of the bank. He served on our Board of Directors from 1981 until he retired in 2000. His family and friends suffered a great loss when Emile passed away on September 7, 2003. He was a wonderful friend of the bank, and we will miss Emile's insight and exceptional business acumen.



chairman's letter to shareholders

Dear Shareholders,

Your Company continues to perform well in a challenging interest rate environment. Its balanced approach provides stability during times of significant change. The drive and fervor to succeed in a high quality manner is evident throughout the organization. The results speak for themselves - improved asset quality, record earnings, sound investments, and conservative business practices. The Company continues to exhibit patience while building momentum in the markets served.

We are also committed to the creation of shareholder value. Of bank holding companies with market capitalization in excess of \$150 million, our Company was in the top 4% in stock price performance between year-ends 1999 and 2003 - in both the United States and in the southeast. The total return to our shareholders during that four year period was 375%. During 2003 alone, the total return to our shareholders was 50%, and \$168 million in market capitalization was created (\$38 million due to the acquisition and \$130 million due to organic growth). We have taken the lead in our industry in adding shareholder value.

In keeping with our commitment to being "ahead of the game," we are proud to have an independent Board of Directors and outside Chairman. We welcome the greater scrutiny required by the enactment of the Sarbanes-Oxley Act of 2002. Banking has always been a highly regulated industry and we embrace the additional oversight. Our Directors and management team recognize that one hallmark of any strong organization - including ours - is the independence of its Board. Our Directors continue to provide appropriate oversight and direction, so that our leadership team can effectively manage the Company.

I am grateful for the hard work and leadership exhibited by our Board of Directors, Advisory Boards, and leadership team. We are truly proud of the accomplishments achieved in 2003 and thank you for your continued confidence in our Company.

Sincerely,

A handwritten signature in dark ink, appearing to read "William H. Fenstermaker", with a stylized flourish at the end.

William H. Fenstermaker
Chairman of the Board of Directors

(dollars in thousands, except per share data)

2003**2002****% Change****Income Data**

Net Interest Income	\$	67,633	\$	59,594	13%
Net Interest Income (Tax-equivalent Basis)		70,236		61,063	15%
Net Income		23,552		18,453	28%

Per Share Data

Net Income - Basic	\$	3.71	\$	3.26	14%
Net Income - Diluted		3.42		3.02	13%
Cash Earnings - Diluted		3.49		3.06	14%
Book Value		29.28		24.88	18%
Tangible Book Value*		19.86		18.57	7%
Cash Dividends		0.90		0.76	18%

Average Balance Sheet Data

Loans	\$	1,309,138	\$	976,326	34%
Earning Assets		1,797,517		1,342,778	34%
Total Assets		1,964,695		1,464,419	34%
Deposits		1,498,141		1,224,522	22%
Shareholders' Equity		180,417		140,625	28%

Key Ratios

Return on Average Assets	1.20%	1.26%
Return on Average Equity	13.05%	13.12%
Return on Average Tangible Equity*	19.57%	17.78%
Net Interest Margin (Tax-equivalent Basis)	3.89%	4.53%
Efficiency Ratio	55.8%	56.8%
Tangible Efficiency Ratio (Tax-equivalent Basis)*	53.0%	55.0%
Average Loans to Average Deposits	87.4%	79.7%
Nonperforming Assets to Total Assets	0.34%	0.42%
Allowance For Loan Losses to Loans	1.29%	1.25%
Net Charge-Offs to Average Loans	0.28%	0.43%
Average Equity to Average Total Assets	9.18%	9.60%
Tier 1 Leverage Ratio	7.50%	7.62%
Dividend Payout Ratio	25.4%	23.7%

* Tangible calculations eliminate the effect of goodwill and acquisition related intangibles assets and corresponding amortization expense on a tax-effected basis where applicable.

IBERIABANK Corporation is a commercial bank holding company organized under the laws of the State of Louisiana with consolidated assets at December 31, 2003 of \$2.1billion. The lead bank for IBERIABANK Corporation is IBERIABANK. At the end of 2003, IBERIABANK had 39 offices serving nine parishes in Louisiana. IBERIABANK and its predecessor organizations have served Louisiana customers for 117 years. IBERIABANK Corporation is the third largest Louisiana-based bank holding company.

financial
highlights



raising the bar

In February 2000, the leadership team of the Company presented a 3-to-5 year road map that was a significant departure from the Company's historical direction. The road map was articulated to all constituencies - Directors, current and potential investors, the communities served, and associates - and called for a substantial change in corporate philosophies, culture, expectations, and performance. At the time, a challenge was issued to our leadership team, associates, and Directors to "raise the bar."

In more specific terms, we expected our associates to improve their understanding of our clients' needs and to

better satisfy those needs. We expected high quality growth from our business units and improved service levels. We expected improved bottom line results in a high quality manner. Through attention to details, conservative operating philosophies, and transparency of results, we sought to earn the respect of our current and prospective investors. Our belief in continuous improvement requires our associates to focus on near-term and long-term performance. To be successful, we believe consistency is essential. Our Company must strive for consistency with our associates, clients, shareholders, and the communities we serve. From these constituencies, we expect consistency in return.

building the right team

During 2003, we achieved record profitability and tremendous balance sheet growth, and we continued to build an outstanding leadership team to develop growth opportunities for the foreseeable future. The team assembled at our Company has exceptional experience and talent. We believe the quality, breadth of experience, skill sets, leadership and teamwork of our Directors, Advisory members, officers and associates are unmatched in the industry. Bank stock investors have come to recognize the importance of quality leadership and talented client-contact associates in driving the value of a franchise. While competitive products and locations are important factors in

banking, we maintain our belief that people and relationships are the primary drivers of value. When individuals work together as a team, they can accomplish amazing feats – the collective team can be more successful than the sum of the individual parts.

Our Company continued to have great success in recruiting talent to join our organization in each of our markets. Strategic hires added during the year included relationship managers, branch managers, and specialists in credit, human resources, operations, technology, and marketing. During the year, O. Miles Pollard, a native and resident of

Baton Rouge, joined the corporate Board of Directors. His knowledge of the community, his significant statewide contacts, and experience in the real estate industry add tremendous value to the team. We believe we provide an

excellent operating environment for talented people to learn, grow, and importantly, contribute to the bottom-line performance of our Company.

enhancing the franchise

In last year's annual report, we highlighted several "Pathways to Growth". This year we pursued those paths with a commitment to partner with the right institutions to achieve a presence in key locations.

Acadiana Bancshares, Inc. ("Acadiana"), a \$300 million bank holding company based in Lafayette, Louisiana, was acquired on February 28, 2003. Operations and branch conversions were successfully completed shortly thereafter, in a nearly flawless manner. The combination of our two organizations puts IBERIABANK in the number one position (based on deposits) in Acadiana with the opportunity to continue to leverage the most convenient branch system in the market.

On October 8, 2003, we announced our intention to open an office in downtown Shreveport, following the suggestions of current clients of our bank and our successful recruiting of exceptional talent to serve that market. The branch opened in the first quarter of 2004.

Our New Orleans franchise has been enhanced with the addition of a new branch. Located in the Uptown section of New Orleans, the branch serves a very favorable client mix, provides tremendous business development opportunities, and offers our target market improved service convenience.

We are extremely excited to enter the Baton Rouge market, the state capital of Louisiana. On November 17, 2003, we announced the signing of a definitive agreement to acquire Alliance Bank of Baton Rouge ("Alliance"), a single-office institution, with assets of approximately \$76 million, serving Baton Rouge. Alliance operates a relationship-focused organization that we believe gives us an excellent opportunity to enter Baton Rouge and to expand a successful franchise founded on similar principles. The acquisition, completed during the first quarter of 2004, provides a springboard to increase market share in this area of the state. With the help of the outstanding team currently in place at Alliance, we believe our capacity for growth in this market is phenomenal.

the tools to succeed

Critical to our success in achieving desired results is our capacity to develop appropriate tools – not necessarily the most expensive or technologically advanced tools – but the most cost-effective tools to be successful in getting the job done well. Infrastructure improvements throughout 2003 included upgrades and replacements of data processing and communication equipment. The timing of our purchases was fortuitous, due to rapid technology improvements, excess industry capacity, and favorable pricing. Substantial upgrades to our ATM network that commenced during 2003 have continued into 2004. Our Company capitalized on new technology from Diebold using a new open-standard ATM software called Agilis that runs on both Diebold and NCR Corporation ATMs. We were one of the first banks in the nation to deploy this cost-effective technology that upgrades the speed, power, and performance of the ATM without bearing the full replacement cost of a new ATM.

In addition to ATM system enhancements, our branch network experienced substantial improvements during 2003, including branch remodeling, branch expansion, functional improvements, and exterior upgrades. Savings

were recognized through the consolidation of five branch operations into existing branches. Additionally, late in the year, our corporate headquarters was consolidated into the former headquarters of Acadiana. Substantial upgrades made to the building were funded in part through insurance proceeds due to damage from Hurricane Lili in the fall of 2002.

Product enhancements were implemented during the year. We introduced Freedom Checking to our retail clients, a checking product with no monthly service charges. In addition, we launched overdraft protection for business clients, improved our check ordering process, enhanced our "know your client" initiatives, and upgraded our automated bill payment program.





on the right track

Our success has been due, in part, to the team assembled, but is also the result of the favorable and unique environment in which our Company operates. The Louisiana economy and the markets we serve, in particular, continue to perform reasonably well.

The unemployment rate for the state of Louisiana declined with the seasonally unadjusted rate declining from 6.1% in December 2002 to 5.7% in December 2003. All eight of the metropolitan markets in the state demonstrated improvements in unemployment statistics since year-end 2002. The most notable declines in unemployment rates were in Alexandria (from 5.7% to 4.7%) and Shreveport (from 6.9% to 6.1%).

Louisiana is the second largest producer of natural gas and the fifth largest producer of crude oil in the country. While the state has become much less dependent on the fortunes of oil and natural gas prices, our citizens have felt the favorable indirect benefit of royalty payments on retained mineral rights and energy sector service and supply businesses. Exploration continues to trail energy price improvements. Crude oil prices rose from \$19.39 per barrel in December 2001, to \$29.75 in December 2002, and to \$32.57 in December 2003. Natural gas prices climbed from \$2.26 per mcf to \$4.58 per mcf to \$6.17 per mcf, over the same respective periods.

In addition to a favorable economic environment, our Company has an advantage given the competitive landscape for Louisiana banking. Louisiana maintains a disproportionate number of large and out-of-state bank holding companies. Many of these bank holding companies operate in a "line-of-business" manner that we do not

believe is conducive to rapid decision-making and a complete understanding of client needs that typically cross lines of business.

Our Company is the only bank, with substantial resources headquartered in the state of Louisiana, currently focused solely on local client needs. A few of our larger competitors have expansion plans in faster growing parts of the country (Houston, Dallas, etc.), rather than local markets. Many of these markets are excessively competitive, and some would consider them "over banked". Our Company is focused on banking markets where the operating environment provides more "rational" pricing and competitive dynamics.

Among other measures, regulatory agencies view the competitive landscape across various markets by examining the concentration of deposits controlled by banks serving those markets. An implicit assumption is the more concentrated the ownership of deposits, the more control those larger banks hold over their market and the more favorable pricing dynamics are for those larger banks. The measure used most often by regulatory agencies is the Herfindahl-Hirschman Index ("HHI"). The HHI is an index based on relative deposit market shares of financial institutions in a given market. A higher index would reflect a less competitive market. Conversely, a lower index indicates a more competitive market. In general, all but one of the Louisiana metropolitan banking markets is considered less competitive (the exception being the Lafayette banking market, where we hold the leading market share of deposits). Generally speaking, less competitive markets provide more rational pricing of loans and deposits. Thus, the operating environment for banks in the metropolitan markets in Louisiana may be more

favorable, from a profitability perspective, than other markets in the country, due to more rational pricing in our markets. We believe the primary reasons for the more favorable competitive nature of the Louisiana markets is driven by (1) approximately one-third of financial institutions in the state that have gone out-of-business over the last three decades, (2) fewer credit unions than other markets, (3) fewer start-up banks forming than other states, and (4) a limited interest in out-of-state banks expanding their presence in Louisiana.

We believe we have a competitive advantage within the markets we have targeted due, in part, to our unique knowledge of the clients and the competitive landscape of those markets. As a result, we believe our state is uniquely structured and the Company is in an unprecedented position within our markets to be successful. While other factors are important, many times the outcome of an event is influenced significantly by the conditions and the strategy under which the race is run.

planning and preparation

Top athletes recognize that success is driven by favorable competitive conditions, a focused game plan, careful planning and preparation, conditioning, practice, and execution. Our clear vision of a successful game plan - combined with a culture of paying attention to details, determination, conservativeness, and discipline - has prepared us well in our pursuit of increased shareholder value.

The plan articulated four years ago targeted specific metrics that were, and continue to be, important for providing focus to our constituents regarding our performance. The metrics include improved core profitability, strengthened return on

equity, and enhanced tangible efficiency, as well as delivering consistent double-digit growth in fully diluted earnings per share. As indicated in the table that follows, we have made great progress toward achieving those goals.

Planning and preparation include examining and mitigating risk factors as needed to optimize the risk/return profile of the Company. We have worked assertively to improve the risk posture of the Company, while simultaneously improving the Company's returns to shareholders. The three primary risk characteristics in banking are interest rate, credit, and operational risk.

Targeted Metrics	<u>4Q 1999*</u>	<u>4Q 2003</u>	<u>Target</u>
Return on Average Equity (ROE)	9.00%	12.95%	13-to-15%
Return on Average Tangible Equity	15.68%	19.86%	—
Tangible Efficiency Ratio (TE)	64.6%	52.5%	<50%
Fully-Diluted EPS	\$0.44	\$0.88 (+98%)	>10%

* Excludes \$1.6 million in additional loan loss provision and \$0.9 million in restructuring charges recorded in the 4th quarter of 1999.

Short-term interest rates moved very little during 2003 as the Federal Reserve Board's accommodative monetary policy continued. Long-term interest rates, which are primarily affected by interest rate and inflationary expectations, swung wildly during the year, as expectations of interest rate decreases accelerated (mid-June). Expectations of interest rate increases then accelerated (September), and have since that time, partially decelerated once again. Despite these rapid movements, revenues held up very well during the year as the negative implications of accelerated bond premium amortization were offset by improved mortgage origination income and favorable deposit pricing conditions in certain markets.

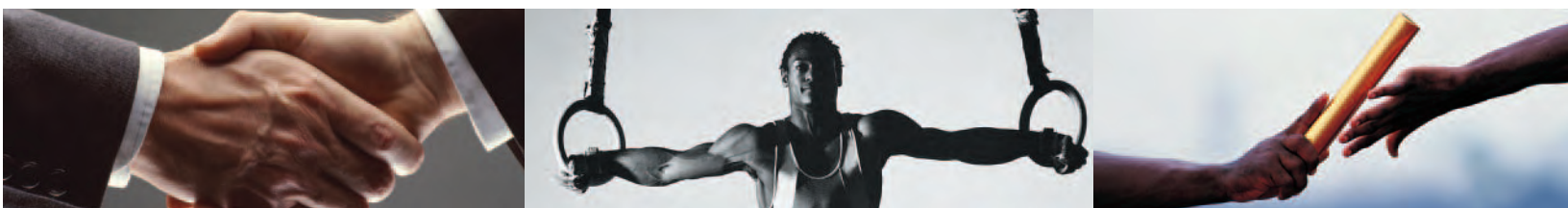
Interest rate risk modeling indicates the Company carries a very limited amount of interest rate risk. Net interest income simulations using interest rate shocks suggest a 100 basis point parallel movement in the yield curve would impact our expected net interest income over the next 12 months by less than 1%.

Since early 2000, we have restructured the investment portfolio to remove poorly structured or poor performing bonds, replacing those bonds with bonds that possess lower yields, but significantly better cash flow structures. Some of the very short duration replacement instruments were purchased at a premium. The dramatic decline in mortgage rates in mid-June 2003 caused a number of these premium bonds to prepay very rapidly, which required accelerated bond premium amortization. The additional bond premium amortization accelerated between the start of 2003 and the third quarter of 2003, resulting in negative implications to

investment income during the period. By the fourth quarter of 2003, the course reversed and the bond premium amortization decelerated rapidly, offsetting the negative aspects of the prior periods.

While the relatively short duration bond portfolio hampered earnings during 2003, we believe we are well positioned in the event interest rates rise in the near future. After the end of the year, we asked five bond specialists to review our bond portfolio in detail to give us their opinions regarding the current portfolio position relative to the current interest rate environment. In nearly all cases, they described our portfolio as being in "excellent shape" with "optimal" or "ideal" cash flows, excellent structure, and a satisfactory yield. We asked these bond specialists to rate our portfolio from 1-to-10 (with 10 being best) in risk and return and to give an overall composite rating. Their composite rating of our portfolio was an "8," and they all thought our portfolio was very well positioned given projected interest rates. Overall, we are very comfortable with the interest rate risk posture of the Company, particularly given the uncertain nature of the general economic condition of the country and the potential for significant increases in future interest rates.

The second significant risk for banks is credit risk. We are very proud of the significant improvement in the credit risk profile of the Company over the last few years. We are committed to creating a strong, conservative, and disciplined credit culture that strives for superior credit performance. The relationship managers that have joined our organization are well-known locally and highly seasoned with established client portfolios with potential for



Credit Risk Measures**Pro Forma*****

	<u>12/31/02</u>	<u>12/31/03</u>	<u>12/31/03</u>
Total NPLs* (\$millions)	\$4.3 million	\$5.1 million	\$5.1 million
Total NPAs** (\$millions)	\$6.6	\$7.3	\$5.5
Allowance For Loan Losses (\$millions)	\$13.1	\$18.2	\$18.2
NPAs / Total Assets	0.42%	0.34%	0.26%
30+ days Past Dues/Total Loans	0.89%	0.78%	0.78%
Allowance For Loan Losses/Total Loans	1.25%	1.29%	1.29%
Net Charge-Offs/Average Loans (Year)	0.43%	0.28%	0.28%
Reserve Coverage of NPAs	198%	251%	331%
Reserve Coverage of NPLs	302%	356%	356%

* Nonperforming Loans include nonaccruing loans and accruing loans more than 90 days past due.

** Nonperforming Assets include nonperforming loans plus foreclosed assets and other real estate owned.

*** Pro forma figures assume the sale of large motel credit occurred on December 31, 2003 (actual sale was completed on January 5, 2004).

continued growth. We foresee additional recruitment opportunities in the future as relationship managers at other institutions become disillusioned with the bureaucratic elements of our larger, "clumsier" competitors.

Excluding the impact of the Acadiana acquisition, organic loan growth climbed 19% during 2003. With the acquisition, loans grew 35% during the year. Commercial loan growth during the year was 17% without the acquisition and 34% with the acquisition. Direct consumer loans grew 11% excluding the acquisition and 28% with the acquisition. Indirect loans, which were not affected by the acquisition, edged up 5% during the year. Mortgage loans jumped 46% during the year, excluding the acquisition, and 74% with the acquisition, despite the sale of \$27 million in Acadiana mortgage loans that were prepaying rapidly. Overall, the Company experienced tremendous loan growth during 2003. While the growth has been significant, we believe it is equally important to maintain balanced growth within our various businesses.

Operational risk is the third primary risk factor for banks to manage. Throughout 2003, the Company continued to reduce operational risk and improve efficiency. As an example, we installed Real Vision, a software system that provides signature imaging and deposit exception tracking. We also replaced our communication frame-relay network with a new T1-based point-to-point network using voice-over IP technology. These improvements provided significant expense savings with increased functionality and flexibility. Additional improvements are underway for 2004 as well.

Our focus on risk measurement and mitigation, conservative underwriting practices, a clear vision for the future, an attention to details, and a balanced approach to our business combine to create a disciplined organization. We are methodical and patient, yet we will invest swiftly when we determine the opportunities are appropriate.

conditioning and strength

We believe success in our industry requires focus, strength, and tenacity. Our strategic focus on specific markets and segments enables our Company to be efficient. A ratio we use to measure our efficiency is called the tangible efficiency ratio (defined as total expenses, less intangible amortization, divided by total revenues on a tax-equivalent basis). Our tangible efficiency ratio improved from 54.8% in the fourth quarter of 2002 to 52.5% in the fourth quarter of 2003, rapidly approaching our targeted ratio of 50%.

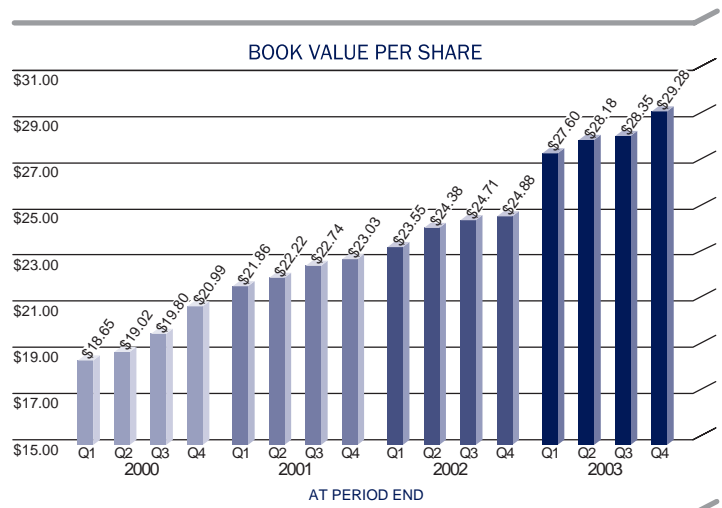
While we have become more efficient, we have also gained strength. We surpassed the \$2 billion asset milestone during 2003. Total equity climbed 40% during the year to \$195 million. Equity as a percentage of assets grew from 8.89% at year-end 2002 to 9.22% at year-end 2003. On June 17, 2003, the Company completed a \$10 million issuance of trust preferred securities, swapped for five years to yield 5.88%. We consider the timing of this issuance, the second issuance by the Company over the last two years, to have been very favorable. This 30-year debt, callable at our discretion after five years, is considered Tier 1 capital for regulatory reporting purposes. Our Tier 1 leverage ratio was 7.50% at December 31, 2003, well above our target of 6.25%-to-6.50%. As a point of reference, at year-end 1998, our Tier 1 leverage ratio was 5.81%.

Our capital position improved during the year, despite the completion of a supplemental share repurchase program totaling 130,000 shares at an average cost of \$43.87 per share. This supplemental program was announced in November 2002 and completed in September 2003. At that time, the Board of Directors authorized a new share repurchase program totaling 300,000 shares, or approximately 4.5% of total shares outstanding. Through the end of 2003, the Company had purchased 31,700 shares

under this new program, at an average cost of \$56.36 per share.

We are tenacious in our efforts to improve our franchise. As an example, our mortgage business had a record year in both production and income. Mortgage originations totaled \$382 million in 2003, up 83% compared to \$209 million in 2002. Application levels began to slow considerably beginning in August 2003 and continued to slow through the end of the year, though some improvement surfaced in early 2004. The mortgage pipeline in December 2002 was \$43 million, reached a peak of \$92 million in June, and then fell to \$34 million in December 2003. Gains on the sale of mortgage loans totaled \$4.2 million in 2003, twice the level experienced in 2002. A portion of the expense structure of the mortgage business is variable in nature, so as production volumes slow, the associated expense structure decreases as well.

A number of areas within the Company showed particular strength during 2003, including commercial loan volumes (+34%), home equity loans and lines (+42%), transaction deposit volumes (+30%), ATM fee income (+12%), and service charge income (+17%).





reaching new heights

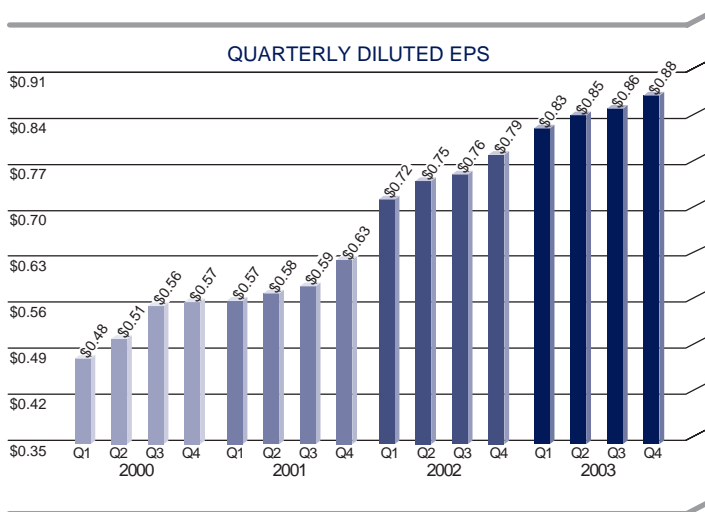
Strong balance sheet growth, a well-executed acquisition, good revenue growth, and expense discipline combined to produce a record earnings year for the Company. Net income was \$23.6 million in 2003, up 28% compared to \$18.5 million in 2002.

Profitability ratios remained very strong in 2003. Return on average assets ("ROA") was 1.20% in 2003 compared to 1.26% in 2002. Return on average equity ("ROE") was 13.05% compared to 13.12% in 2002. Return on average tangible equity ("ROTE"), which eliminates the effect of goodwill and acquisition related intangible assets and the corresponding amortization expense on a tax-effected basis, was 19.57%, up substantially from 17.78% in 2002.

per share, and the average estimate for analysts following the Company was \$3.28 per share. Twice during the year, the Company raised earnings guidance as quarterly performance and economic conditions improved. For the year, the Company reported EPS of \$3.42, up \$0.40 per share, or 13%, compared to \$3.02 reported for 2002, and up \$0.14 per share compared to initial analyst estimates at the beginning of the year. The Company has matched or exceeded quarterly EPS analyst estimates in each of the last 16 quarters and has been within or above earnings guidance in each of the last four years.

The road map laid out four years ago stated a primary goal of double-digit EPS growth. The Company has delivered double-digit EPS growth in each of the last four years, including 13.4% growth in 2003 over 2002. Of 271 publicly traded bank holding companies with market capitalizations in excess of \$150 million, only 23 companies delivered double-digit EPS growth in each of the last four years. Only 14, or about 5%, of these 271 companies were expected to continue the trend into 2004, based on average analyst estimates. Our Company is truly in a unique class of organizations that has executed well and demonstrated both outstanding and consistent growth.

The price of our common stock improved significantly and consistently over the last few years. Our stock price climbed 47% during 2003, from \$40.16 at the start of the year to \$59.00 at the close. We are pleased that our shareholders are receiving the recognition of owning a unique franchise that has demonstrated excellent performance.



In early 2003, management provided earnings guidance to the investment community regarding the "comfort range" of expected fully diluted earnings per share ("EPS") for the year 2003. The comfort range provided was \$3.25 to \$3.31

The Employee Stock Ownership Plan ("ESOP") is the largest single shareholder of IBERIABANK Corporation common stock. Therefore, our employees have been significant beneficiaries of the improvement in our stock price, alongside our other shareholders. As our stock price has risen over the last few years, the cost of the ESOP has increased considerably, as indicated in the following chart.

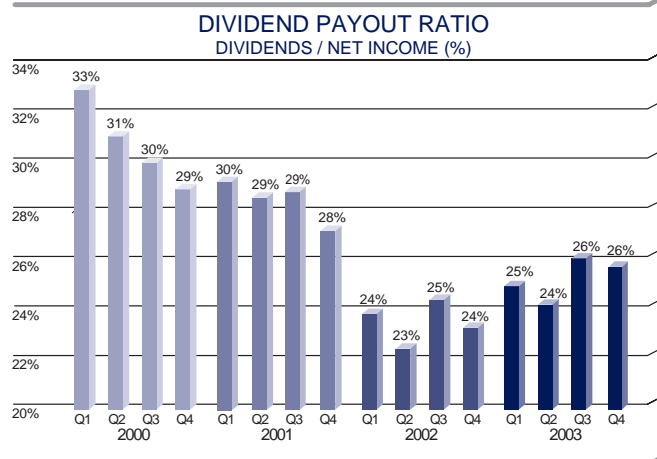
ESOP Related Expense

<u>Year</u>	<u>Annual Expense</u>	<u>Change</u>
2000	\$ 741,000	--
2001	1,238,000	+67%
2002	1,621,000	+31%
2003	1,953,000	+20%

The Company has delivered double-digit growth in fully diluted EPS, which has resulted in an improved stock price, despite the additional cost of the ESOP, expansion of our reserve for loan losses, and the cost of investments for future growth.

The Company has provided shareholders a quarterly cash dividend in each quarter since the Company's initial public offering ("IPO"). In each year since the IPO, the Company has raised the quarterly dividend. While the quarterly cash dividend payment grew significantly, earnings grew at a faster rate, resulting in a declining dividend payout ratio through 2002. During 2003, the Company raised the quarterly cash dividend twice, a total increase of 20% for the year. However, the dividend payout ratio edged up only slightly to 25.7% in the fourth quarter of 2003. Compared to peer institutions, the Company has significant capacity to increase the dividend rate to shareholders.

IBERIABANK Corporation has been well received in the investment community. Between 2000 and early 2004, the number of institutional owners increased from 28 to 114, or a four-fold increase. In addition, the ownership became more dispersed as the median institutional holdings declined from approximately 20,000 shares to 5,400 shares. Liquidity in the stock improved as the average daily trading value was approximately \$900,000 daily, up from less than \$100,000 in late 1999. During 2003, analysts from three investment research firms launched coverage of our Company, bringing the total number of firms covering our Company to 12. One of the firms that cover us, Stifel, Nicolaus and Company, Inc., invited us to visit a significant number of their institutional clients in London, Toronto, and Montreal. We were warmly received and pleasantly surprised at the level of interest in our very unique story. We were interested to learn that many of the people we visited had empathy with the "big clumsy" bank issues we described, due to the fact that they face those same issues on a personal basis.



A high-angle photograph of a swimming pool. The water is a vibrant blue. A central lane line, composed of alternating blue and white floats, runs vertically through the frame. Several other lane lines are visible on either side. Two swimmers are in the pool; one is in the upper left, and the other is further back in the upper right. The perspective is from directly above, looking down into the water.

going the distance

We are proud to be headquartered in Louisiana with its emphasis on family and community service. Rich with tradition and culture, the communities we serve support us each and every day. With our success comes the opportunity to strategically reinvest in those communities. It has been our privilege to support charitable, educational, cultural, and business development efforts that enhance all of our markets.

We strive to be creative and thoughtful in all that we do. Our involvement in the community is no different. Our community relations strategy closely reflects our relationship-based approach to business. Our investment – every dollar and every hour – must yield a profitable return. The value we look for with every initiative is an opportunity to make our communities better. We want to advocate change where appropriate, provide support where needed, and give guidance where we can add value.

In addition to our organization's support of the communities around us, we encourage associate participation as well. In 2003, they were involved with more than 200 non-profit and civic organizations across the state. We are proud of their generosity and commitment of time and resources to care for our neighbors in need.





setting the pace

The IBERIABANK Corporation story is very unique. We are situated in an excellent position, in favorable markets, to take advantage of the business models of our competitors, with an exceptionally talented team. We are shareholder-driven and client-focused. Clients want relationships with people they know. They want consistency and access to decision-makers. They are willing to pay for convenience and excellent service. Our business model has been proven successful over a four-year period. We have the size, agility, and capability to successfully accomplish our goals. Like an athlete with unparalleled skills, the proper equipment, and positive momentum, we are setting the pace for others to follow.

“Ability may get you to the top, but it takes character to keep you there.” – John Wooden

forward-looking information safe harbor statement

Statements contained in this report which are not historical facts and which pertain to future operating results of IBERIABANK Corporation and its subsidiary constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve significant risks and uncertainties. Actual results may differ materially from the results discussed in these forward-looking statements. A discussion of factors affecting IBERIABANK Corporation’s business and prospects is contained in the Company’s periodic filings with the Securities and Exchange Commission.

directors and executive officers

BOARD OF DIRECTORS IBERIABANK CORPORATION

William H. Fenstermaker

Chairman of the Board,
IBERIABANK Corporation
President and Chief Executive Officer,
C.H. Fenstermaker and Associates, Inc.

E. Stewart Shea III

Vice Chairman of the Board,
IBERIABANK Corporation
Managing Partner, The Bayou
Companies, L.L.C.
Managing Partner, Bayou Coating, L.L.C.

Elaine D. Abell

Attorney, private practice

Harry V. Barton, Jr.

Certified Public Accountant

Ernest P. Breaux, Jr.

Regional Operating Officer — Region IV,
Integrated Electrical Services
Chairman, Ernest P. Breaux Electrical, Inc.

Daryl G. Byrd

President and Chief Executive Officer,
IBERIABANK Corporation and
IBERIABANK

John N. Casbon

Executive Vice President,
First American Title Insurance Company
Chief Executive Officer and President,
First American Transportation Title
Insurance Company

Larrey G. Mouton

Owner and Manager,
Mouton Financial Services, L.L.C.

Jefferson G. Parker

Senior Vice President, Institutional Equities,
Howard Weil, a division of Legg Mason
Wood Walker, Inc.

O. Miles Pollard

Private Investor

EXECUTIVE OFFICERS IBERIABANK CORPORATION

Daryl G. Byrd

President and Chief Executive Officer

Michael J. Brown

Senior Executive Vice President,
Chief Credit Officer

John R. Davis

Senior Executive Vice President,
Finance and Strategy

George J. Becker III

Executive Vice President,
Corporate Secretary

Marilyn W. Burch

Executive Vice President,
Chief Financial Officer

MARKET PRESIDENTS IBERIABANK

Taylor F. Barras

New Iberia and Community Markets

Michael J. Brown

New Orleans

Stephen E. Durrett

North Louisiana

C. Brent McCoy

Baton Rouge

Patrick J. Trahan

Lafayette

NEW IBERIA

Taylor F. Barras *Market President*
Cecil C. Broussard *Co-Chairman*
E. Stewart Shea *Co-Chairman*
Dr. John L. Beyt III
Martha B. Brown
Dr. George B. Cousin
David D. Daly
J. David Duplantis
Cecil A. Hymel II
Edward P. Landry
Thomas R. Leblanc
Diane Musson
Glenn J. Ritter
John Jeffrey Simon

LAFAYETTE

Patrick J. Trahan *Market President*
Elaine D. Abell *Chairman*
Clay Morgan Allen
Bennett Boyd Anderson, Jr.
Charles Theodore Beaulieu, Sr.
Dr. Charles Boustany, Jr.
Dr. Edward F. Breaux
Richard D. Chappuis, Jr.
James M. Doyle
Goerge E. Fleming
Charles T. Goodson
W. J. “Tony” Gordon III
Robert D. Lowe
Frank X. Neuner, Jr.
James Michael Poole, Sr.
Dwight S. Ramsay
Gail A. Romero
William W. Rucks III

NEW ORLEANS

Michael J. Brown *Market President*
John N. Casbon *Co-Chairman*
Jefferson G. Parker *Co-Chairman*
John D’Arcy Becker
Darryl D. Berger
Scott M. Bohn
John D. Charbonnet
Cindy Brennan Davis
David L. Ducote
James P. Favrot
Hardy B. Fowler
John D. Georges
William F. Grace, Jr.
Erik L. Johnsen
William H. Langenstein III
E. Archie Manning III
William M. Metcalf, Jr.
J. C. Rathborne
J. Benton Smallpage, Jr.
Stephen F. Stumpf
Steven W. Usdin

BATON ROUGE

C. Brent McCoy *Market President*
John W. Barton, Jr.
John H. Bateman
Robert B. McCall, Jr.
Markham R. McKnight
Hermann Moyse III
Eugene H. Owen
Stanley E. Peters
Kevin P. Reilly, Jr.
Thomas H. Turner
D. Randolph Waesche

advisory
board members

corporate information

CORPORATE HEADQUARTERS

IBERIABANK Corporation
200 West Congress Street
Lafayette, LA 70501
(337) 521-4003

CORPORATE MAILING ADDRESS

P.O. Box 52747
Lafayette, La 70505-2747

INTERNET ADDRESS

www.iberiabank.com

ANNUAL MEETING

IBERIABANK Corporation Annual Meeting of Shareholders will be held on Wednesday, April 28, 2004 at 10:00 a.m. at the Hotel Inter-Continental (Cabildo Room) located at 444 St. Charles Avenue, New Orleans, LA.

SHAREHOLDER ASSISTANCE

Shareholders requesting a change of address, records or information about lost certificates should contact:

Investor Relations
Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016
(800) 368-5948
www.invrelations@RTCO.com

FOR INFORMATION

Copies of the Company's financial reports, including forms 10-K and 10-Q, are available without cost by sending a written request to Investor Relations at the corporate mailing address noted above. This and other information regarding IBERIABANK Corporation and IBERIABANK may be accessed from our web site. In addition, shareholders and others may contact:

Daryl G. Byrd
President and CEO
(337) 521-4003

John R. Davis
Senior Executive Vice President
(337) 521-4005

STOCK INFORMATION

2003	MARKET PRICE			DIVIDENDS DECLARED
	HIGH	LOW	CLOSING	
First Quarter	\$41.03	\$38.06	\$40.70	\$0.20
Second Quarter	\$50.60	\$39.87	\$49.00	\$0.22
Third Quarter	\$52.62	\$47.75	\$52.62	\$0.24
Fourth Quarter	\$60.20	\$50.83	\$59.00	\$0.24

2002	MARKET PRICE			DIVIDENDS DECLARED
	HIGH	LOW	CLOSING	
First Quarter	\$34.67	\$27.35	\$34.67	\$0.18
Second Quarter	\$40.54	\$34.77	\$40.54	\$0.18
Third Quarter	\$41.00	\$36.00	\$37.63	\$0.20
Fourth Quarter	\$40.16	\$35.64	\$40.16	\$0.20

At December 31, 2003, IBERIABANK Corporation had approximately 1,350 shareholders of record.

SECURITIES LISTING

IBERIABANK Corporation's common stock trades on the NASDAQ Stock Market under the symbol "IBKC". In local and national newspapers, the company is listed under "IBERIABANK".

DIVIDEND REINVESTMENT PLAN

IBERIABANK Corporation shareholders may take advantage of our Dividend Reinvestment Plan. This program provides a convenient, economical way for shareholders to increase their holdings of the Company's common stock. The shareholder pays no brokerage commissions or service charges while participating in the plan. A nominal fee is charged at the time that an individual terminates plan participation. This plan does not currently offer participants the ability to purchase additional shares with optional cash payments.

To enroll in the IBERIABANK Corporation Dividend Reinvestment Plan, shareholders must complete an enrollment form. A summary of the plan and enrollment forms are available from the Registrar and Transfer Company at the address provided under Shareholder Assistance.



2003

Financials



200 West Congress Street

Lafayette, Louisiana 70501

(337) 521-4003

www.iberiabank.com