



**IBERIABANK Corporation**  
Acquisition of  
**Alliance Bank of Baton Rouge**

***November 17, 2003***



# Forward Looking Statements

## Safe Harbor and 425 Language

Statements contained in this presentation which are not historical facts and which pertain to future operating results of IBERIABANK Corporation and its subsidiaries 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. Factors that might cause such a difference include, but are not limited to, those discussed in the Company’s periodic filings with the SEC.

In connection with the proposed merger, IBERIABANK Corporation will file a Registration Statement on Form S-4 that will contain a proxy statement/prospectus. INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ THE PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTION WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the proxy statement/prospectus (when it is available) and other documents containing information about IBERIABANK Corporation and Alliance Bank of Baton Rouge, without charge, at the SEC’s web site at [HTTP://www.sec.gov](http://www.sec.gov). Copies of the proxy statement/prospectus and the SEC filings that will be incorporated by reference in the proxy statement/prospectus may also be obtained for free by directing a request to: Investor Relations-5<sup>th</sup> Floor, IBERIABANK Corporation, 200 West Congress Street, Lafayette, LA, 70501, Phone: (337) 521-4788, Fax: (337) 521-4546.

This communication is not an offer to purchase shares of Alliance Bank of Baton Rouge common stock, nor is it an offer to sell shares of IBERIABANK Corporation common stock which may be issued in any proposed merger with Alliance Bank of Baton Rouge. Any issuance of IBERIABANK Corporation common stock in any proposed merger with Alliance Bank of Baton Rouge would have to be registered under the Securities Act of 1933, as amended, and such IBERIABANK Corporation common stock would be offered only by means of a prospectus complying with the Act.

# Baton Rouge Market

# Baton Rouge Market

## Recent Statistics

- Trade Area Of Over 700,000
- Record Retail Sales In 2003 (YTD)
- Record Home Sales In 2003 (YTD)
- Stability of LSU and State Capital
- EBR Parish Unemployment Rate = 5.4% (11<sup>th</sup>)
- Favorable Business And Income Demographics
- Entrepreneur.com: 11<sup>th</sup> Top Mid-sized Entrepreneur City
- Forbes Magazine: 25<sup>th</sup> Lowest Cost of Doing Business





# Baton Rouge Market Deposit Market Share

	Financial Institution	Deposits (\$ million)	Dep. Mkt. Share (%)	# Offices	\$mm Deposits Per Office
1	Bank One	\$ 2,429 mil	36.0%	36	\$67.5 mil
2	Hibernia	1,764	26.2	19	92.8
3	Hancock Bank	635	9.4	18	35.3
4	Union Planters	619	9.2	16	38.7
5	Whitney Bank	278	4.1	10	27.8
6	Regions Bank	240	3.6	8	29.9
7	Business Bank	119	1.8	1	119.4
8	Bank of Zachary	95	1.4	3	31.7
9	Fidelity Bank & Trust	89	1.3	2	44.7
10	Amsouth Bank	79	1.2	4	19.7
11	First Nat Bankers Bk.	78	1.1	1	77.7
<b>12</b>	<b>IBKC/Alliance Bank</b>	<b>68</b>	<b>1.0</b>	<b>1</b>	<b>67.6</b>
	All Other Companies	244	3.6	19	12.9
	<b>Total EBR Parish</b>	<b>\$6,738 mil</b>	<b>100.0%</b>	<b>138</b>	<b>\$48.8 mil</b>

*Source: FDIC Deposits on June 30, 2003, adjusted for announced mergers.*



# Baton Rouge Market Banking Landscape

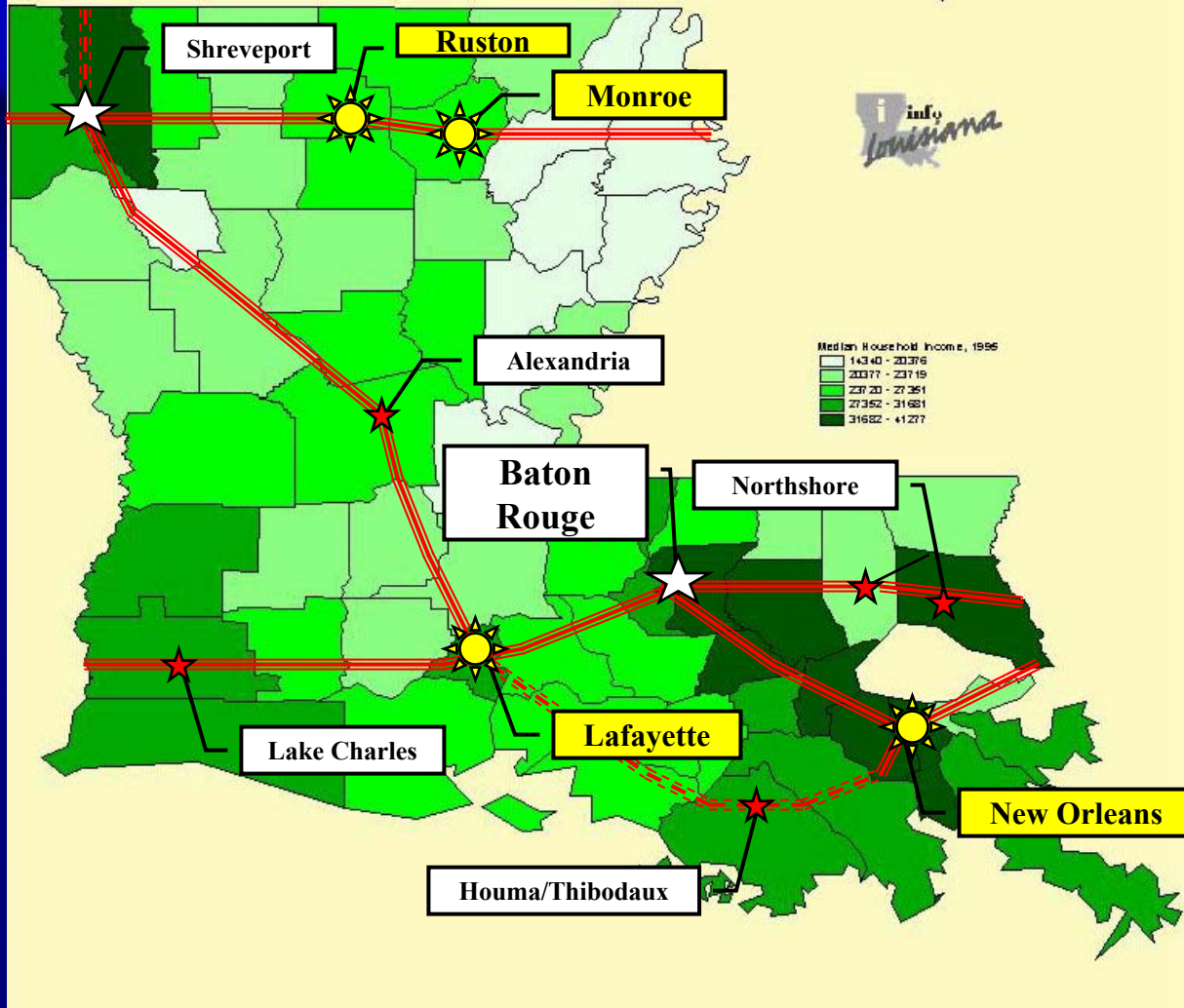
Louisiana Market (MSA Definition)	Deposits (\$ billion)	IBKC Mkt. Share (%)	# Large Banks**	% Large Bank Deposits**
<b>Baton Rouge</b>	<b>\$7.9 bill</b>	<b>0.9%*</b>	<b>7</b>	<b>88.4%</b>
<b>Shreveport-Bossier</b>	<b>3.9</b>	<b>0.0%</b>	<b>5</b>	<b>81.3</b>
<b>New Orleans</b>	<b>18.3</b>	<b>1.4%</b>	<b>7</b>	<b>73.6</b>
Houma-Thibodaux	2.3	-	5	71.5
St. Tammany	2.2	-	7	68.3
Alexandria	1.4	-	4	64.5
Lake Charles	1.8	-	3	60.7
<b>Monroe</b>	<b>1.8</b>	<b>8.8%</b>	<b>5</b>	<b>59.8</b>
<b>Lafayette</b>	<b>4.6</b>	<b>15.0%</b>	<b>5</b>	<b>30.7</b>

\* IBKC figures for Baton Rouge include Alliance Bank.

\*\* "Large banks" are defined as FDIC-insured banks with headquarters outside of Louisiana and/or deposits in excess of \$5 billion. Source: Deposits on June 30, 2003, adjusted for announced acquisitions; FDIC.

# Baton Rouge Market Strategic Target Markets

Estimated Median Household Income, 1995



- Focus On Markets With Greater Population Density, And Income And Population Growth
- Convenience-Based Distribution Strategy
- Metro Market Credit Underwriting And Fee Structures

# Alliance Bank of Baton Rouge Background





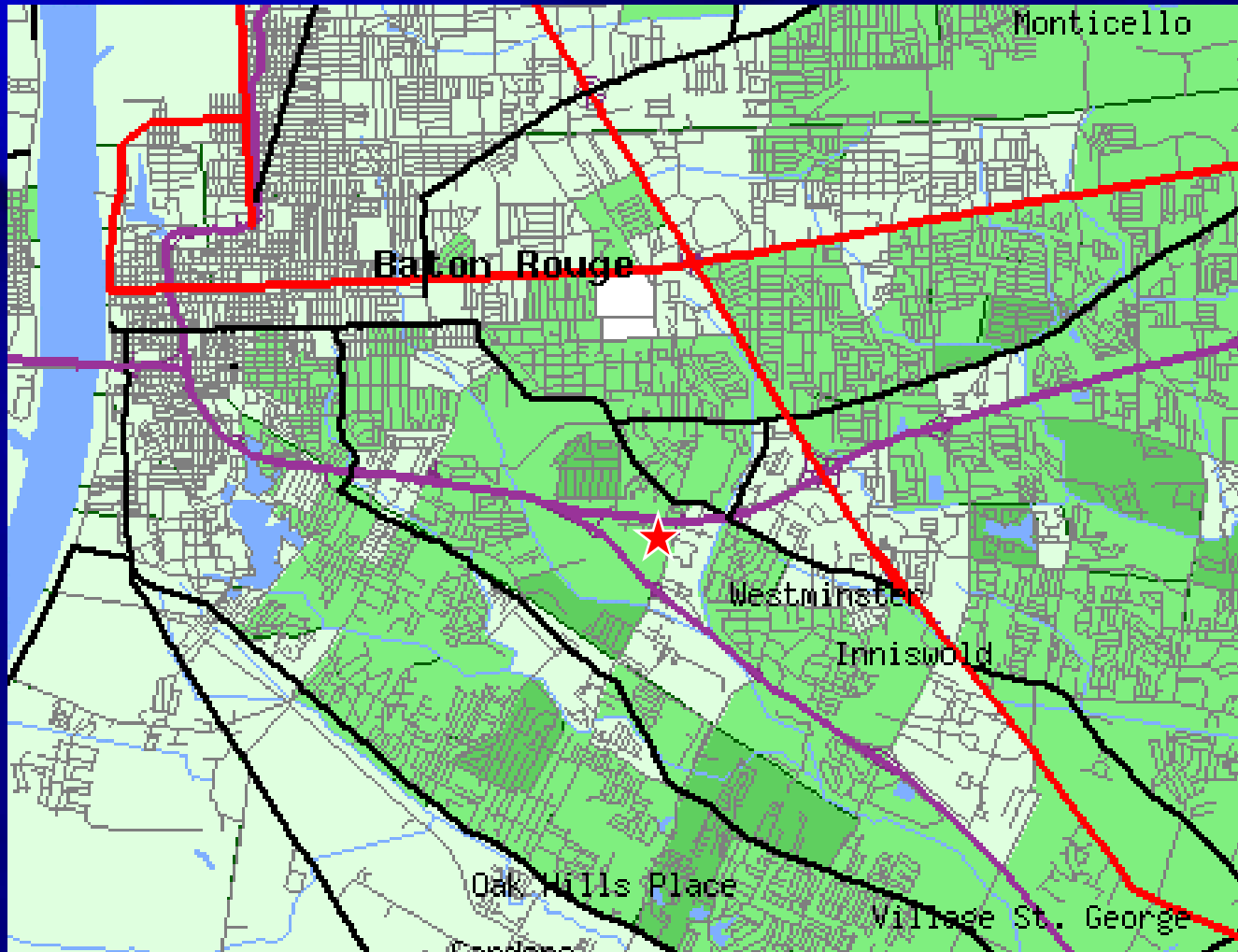
# Alliance Background History

- **Founded In 1999; Primarily People From Bank One/First Commerce**
- **One Office – 3700 Essen Lane Near I-12 (Temporary)**
- **Focus On High Net Worth/Private Banking And Commercial Clients**
- **High Level Of Service And Technology**
- **Assets Of \$76 Million**
- **Limited Growth Potential In Current Form:**
  - **High-End Client Limitations (Loan Size, Liquidity)**
  - **We Can Add Bench Strength Depth**



# Alliance Background

## Location



- Excellent Location With Easy Client Ingress And Egress Via I-10 And I-12
- Exceptional Demographics
- Begin Construction Of New Facility
- Courier Service To Top Clients

Shading Indicates Family Income Tracts



# Alliance Background

## Board Of Directors

**John W. Barton, Jr.**, 54, partner at the law firm of Breazeale, Sachse & Wilson in Baton Rouge (since July 1988).

**Teri G. Fontenot**, 49, President and Chief Executive Officer of Woman's Hospital since April 1996.

**Bobby McCall**, 54, Senior Lending Officer and Secretary to the Board. Prior served as Senior Vice President of Private Banking with Bank One.

**C. Brent McCoy**, 51, President and Chief Executive Officer of the Bank since its inception. Prior to joining the Bank, served for over ten years as Chairman and Chief Executive Officer of Premier Mortgage, Louisiana National Bank, before it was merged with and into Banc One in September 1996. Served with Banc One as the National Managing Director of Private Banking from September 1996 until June 1998.

**Markham R. McKnight**, 48, member and President of WMS, LLC, doing business as Wright & Percy Insurance, in Baton Rouge, where he has been employed since 1982.

**Hermann Moyse, III**, 54, private investments. Prior served as the Chief Executive Officer of HealthNet One, an occupational medicine network serving the greater Baton Rouge area, from 1999 through 2003. From 1998 until 1999, served as Executive Vice President of Banc One Louisiana. From 1978 until 1998, employed in various capacities by City National Bank of Baton Rouge (a subsidiary of First Commerce Corporation), and served as its Chairman of the Board from 1994 until 1998.

**Eugene H. Owen**, 73, President of Louisiana Water Company and Baton Rouge Water Company, employed since 1983 and 1987, respectively. Also served since 1988 as Chairman and Chief Executive Officer of Owen and White, Inc., an engineering consulting firm in Baton Rouge.

**Stanley E. Peters**, 49, self-employed physician in Baton Rouge, where he has practiced medicine since 1983.

**Kevin P. Reilly, Jr.**, 48, Chief Executive Officer of Lamar Advertising, in Baton Rouge, where he has been employed since 1979.

**Thomas H. Turner**, 46, President of Turner Services (temporary placement firm); President of Turner Industrial Technical Company (non-destructive testing firm); President of Turner Industrial Services, Inc. (industrial and environmental services); President of Specialty Welding Services (critical welding company) and President of Turner Industries Holding Company (industrial construction and maintenance).

**D. Randolph Waesche**, 53, President of Resource Management, Inc. in Metairie, since 1977. Also served on numerous boards including the Institute of Certified Financial Planners, Mary Bird Perkins Cancer Center and Lake Ponchartrain Basin Foundation.



# Alliance Background

## Summary Balance Sheet

(\$000; Period-End Figures)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>3/31/03</u>	<u>6/30/03</u>	<u>9/30/03</u>
Cash & Equivalents	\$ 759	\$ 3,316	\$ 2,240	\$ 2,016	\$ 4,350	\$ 3,719	\$ 3,607
Securities & FFS, FHLB	12,362	17,789	16,160	10,685	16,138	20,794	19,481
Loans Held For Resale	-	-	-	3,214	1,269	1,388	439
Loans	12,822	25,503	44,335	50,677	45,067	49,733	49,981
Loan Loss Reserve	(146)	(284)	(382)	(537)	(551)	(566)	(555)
Net Loans	<u>12,676</u>	<u>25,219</u>	<u>43,953</u>	<u>50,140</u>	<u>44,516</u>	<u>49,167</u>	<u>49,426</u>
Fixed Assets	1,267	1,111	1,012	631	636	613	605
OREO	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-
Other Assets	540	853	858	855	883	1,833	2,474
Total Assets	<u>\$ 27,604</u>	<u>\$ 48,288</u>	<u>\$ 64,223</u>	<u>\$ 67,541</u>	<u>\$ 67,792</u>	<u>\$ 77,514</u>	<u>\$ 76,032</u>
Noninterest Bearing Deps	\$ 2,912	\$ 8,221	\$ 10,041	\$ 10,643	\$ 13,355	\$ 16,939	\$ 16,095
Interest Bearing Deposits	16,190	31,535	45,583	43,850	44,244	50,700	48,020
Total Deposits	<u>19,102</u>	<u>39,756</u>	<u>55,624</u>	<u>54,493</u>	<u>57,599</u>	<u>67,639</u>	<u>64,115</u>
Borrowings	-	-	-	4,000	1,000	-	-
Other Liabilities	65	292	259	306	343	826	2,802
Total Equity	<u>8,437</u>	<u>8,240</u>	<u>8,340</u>	<u>8,742</u>	<u>8,850</u>	<u>9,049</u>	<u>9,115</u>
Total Liabilities & Equity	<u>\$ 27,604</u>	<u>\$ 48,288</u>	<u>\$ 64,223</u>	<u>\$ 67,541</u>	<u>\$ 67,792</u>	<u>\$ 77,514</u>	<u>\$ 76,032</u>



# Alliance Background

## Summary Income Statement

(\$000; Except Per Share Figures)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>1Q03</u>	<u>2Q03</u>	<u>3Q03</u>
Net Interest Income	\$ 273	\$ 1,288	\$ 1,882	\$ 2,444	\$ 613	\$ 612	\$ 634
Provision	146	138	98	143	16	15	27
NII After Provision	127	1,150	1,784	2,301	597	597	607
Service Charges	3	100	97	127	35	39	43
Other Fee Income	4	30	91	195	101	70	96
Recurring Nonint Income	7	130	188	322	136	109	139
Gains/(Losses) - Securities	-	-	2	-	-	-	-
Compensation Expense	377	922	1,083	1,233	340	319	333
Occupancy Expense	87	211	216	228	53	52	60
Other Expenses	491	492	482	592	170	158	167
Noninterest Expense	955	1,625	1,781	2,053	563	529	560
Income Before Taxes	(821)	(345)	193	570	170	177	186
Income Taxes	(264)	(108)	64	180	58	59	56
<b>Net Income</b>	<b>\$ (557)</b>	<b>\$ (237)</b>	<b>\$ 129</b>	<b>\$ 390</b>	<b>\$ 112</b>	<b>\$ 118</b>	<b>\$ 130</b>
Shares Outstanding	901	901	901	901	901	901	901
Earnings Per Share	\$ (0.62)	\$ (0.26)	\$ 0.14	\$ 0.43	\$ 0.12	\$ 0.13	\$ 0.14

Source: Company Call Reports



# Alliance Background

## Summary Ratios

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>1Q03</u>	<u>2Q03</u>	<u>3Q03</u>
Book Value Per Share	\$ 9.36	\$ 9.14	\$ 9.25	\$ 9.70	\$ 9.82	\$ 10.04	\$ 10.11
Dividends Per Share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dividend Payout Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Tier 1 Leverage Ratio	39.91%	18.25%	13.63%	12.90%	13.24%	12.92%	12.15%
Tier 1 Risk Based Ratio	48.96%	27.58%	16.80%	14.80%	16.39%	14.18%	14.24%
Risk-Based Capital Ratio	49.84%	28.57%	17.59%	15.72%	17.43%	15.09%	15.13%
ROA	n.m.	-0.65%	0.24%	0.61%	0.68%	0.69%	0.67%
ROE	n.m.	-2.85%	1.56%	4.55%	5.09%	5.27%	5.41%
Net Interest Margin	n.m.	3.87%	3.74%	4.06%	3.92%	3.78%	3.66%
Efficiency Ratio	341.1%	114.5%	86.0%	74.2%	75.2%	73.4%	72.4%
Effective Tax Rate	32.2%	31.3%	33.2%	31.6%	34.1%	33.3%	30.1%
NPA's/Assets	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NPL's/Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LLR/Loans	1.14%	1.11%	0.86%	1.00%	1.19%	1.11%	1.11%
LLR/NPA's	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Net Charge-Offs/Avg Loans	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%

# Merger Transaction

## Alliance Bank of Baton Rouge



# Merger Assumptions

## Other Assumptions

- Complete Merger 1<sup>st</sup> Quarter Of 2004
- Repurchase Shares Or Leverage Excess Capital
- Alliance Base 2004 Earnings Of \$550,000
- Assuming Full Conversion Of Options And Warrants
- Cost Of Cash For Repurchase = 6.00% (Conservative)
- CDI Amortization-Accelerated Over 7 Years
- Revenue & Expense Benefits = 34% of Expense Base
  - Revenues - Larger Credits, Strategic Hires, etc.
  - Expense Savings - Equipment, Contracts, etc.





# Merger Proposal

## Deal Terms

- **0.3 Shares Of IBKC Stock For Each Alliance Share**
- **\$16.18 Value Per Alliance Share (\$53.94 IBKC Price)**
- **100% Stock With No Pricing Collars**
- **Customary Walk-Away Provisions (9-Month, Mutual, MAC, etc.)**
- **Insiders Sign Support Agreements; Board Retained For 3 Years**
- **Contract For Brent McCoy (2-Years); Named CEO of BR Market**
- **Break-Up Fee Of \$700,000, Only If Other Merger Within 2 Years**
- **All Options Vest if Exercised By Closing**
- **No Change In Employee Compensation; Terminate 401(k) Plan**
- **Current Indemnification Plus Purchase 3-Year D&O Tail Policy**



# Merger Proposal

## Financial Implications

- **Breakeven in 2004 To EPS; Slightly Accretive Thereafter**
- **Drivers: Business Development And IBKC Base Earnings**
- **5% Dilutive To Tangible Book Value Per Share; -27 Bps. On ROE**
- **Internal Rate Of Return In Mid-Teens**
- **Purchase Price Multiples (Assuming Fully Conversion Of Options And Warrants):**
  - **Market-To-Book (And Tangible) = 160%**
  - **Price-To-12-Month Earnings = 33.3x**
  - **Core Deposit Premium = 10.9%**
  - **Premium Over Market = 62% Over IPO Price Of \$10.00**

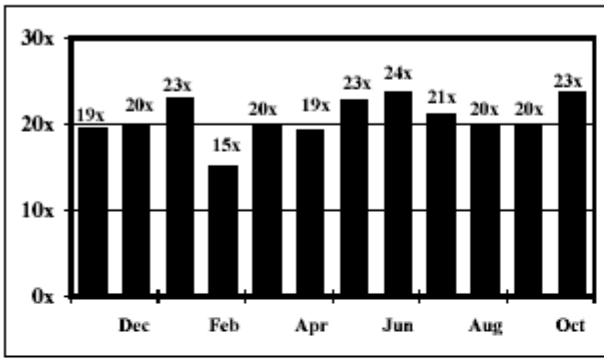


# Merger Proposal

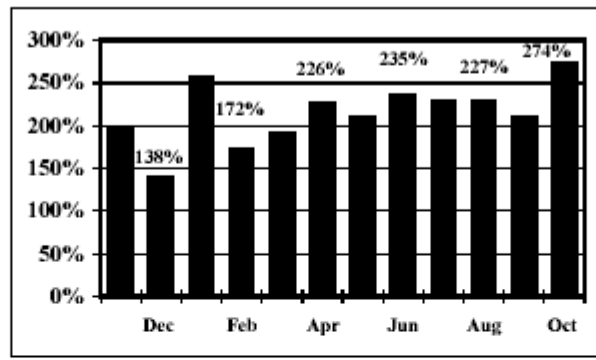
## Price Ratio Comparables

(1) Deal information is taken on announcement date. Deal price and volume summary ratios are median values.

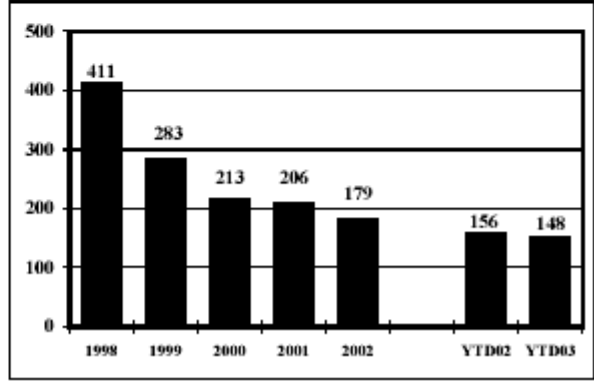
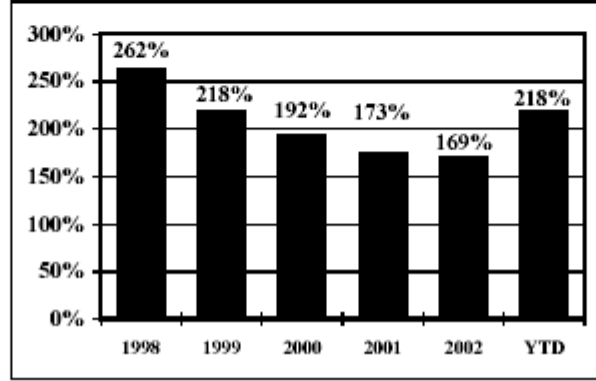
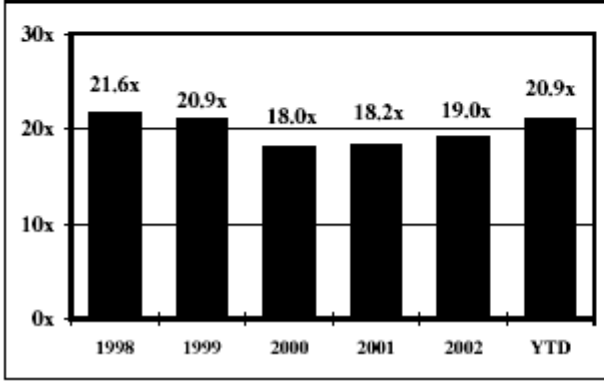
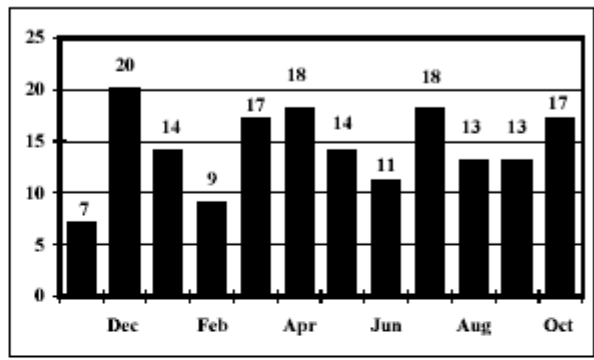
### Price to LTM EPS



### Price to Book Value



### Announced Deals



- **Market-To-Book (And Tangible) = 160%**
- **Price-To-12-Month Earnings = 33.3x**



# Merger Proposal

## Strategic Implications

- **Baton Rouge Market Fits Our Business Model Well:**
  - **Many Large Clumsy Banks (88.4%--Highest In The State)**
  - **Suited For Commercial/Private Banking, Not Retail Expansion**
  - **Favorable Deposit Rate Structure And Demographics**
- **Very Few Acquisition Candidates In Baton Rouge**
- **Similar Cultures (High End Focus), Yet Adds Diversity**
- **Exceptional Asset Quality; Interest Rate Risk—Asset Sensitive**
- **Bridges The Gap Between Acadiana And New Orleans**
- **Excellent Advisory Board**
- **Total Value Of \$16.9 Million; Less Than 2% Company Ownership**
- **Logical Progression In Our Strategic Expansion Plans**

