Two 100-year-old Acadiana banks merge

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LAFAYETTE — Two of Acadiana’s oldest financial institutions announced a merger Monday that creates one of the largest banks in the region.

Officials with IBERIABANK Corp., parent company of IBERIABANK, and Acadiana Bancshares Inc., parent company of LBA Savings Bank, announced the merger at an 11:30 a.m. press conference at the LBA building at 200 W. Congress St.

Both banks are more than 100 years old. Acadiana Bancshares was founded in February 1900 in Lafayette, and IBERIABANK founded in 1887 in New Iberia.

Based on IBERIABANK Corp.’s closing stock price of $38.40 on Sept. 20, Monday’s merger has an estimated value of $52 million.

The new bank will have assets of about $1.44 billion, said Daryl Byrd, president and chief executive officer of IBERIABANK Corp.

“Our interest in LBA is a testament to the company’s years of stability, its strong leadership and its keen attention to meeting clients’ needs,” Byrd said. “We are focused on making this transition as seamless as possible for our clients and employees.”

Byrd said there are no plans for any layoffs or job losses from the merger:

“Both companies are very strong, and that is not something that has been considered,” Byrd said. “We will be a stronger bank together than we are apart.”

John Reaux, president and chief executive officer of Acadiana Bancshares, said the merger will give LBA customers a greater degree of services.

“IBERIABANK’s size offers our clients more convenience than ever before,” Reaux said. “Consumers will also enjoy a broader range of products and services with over 20 branch locations in Acadiana.”

Reaux said that before the merger, LBA had four offices in Lafayette and one in New Iberia. On June 30, it had assets of $313 million, deposits of $211 million and shareholder equity of $28 million.

IBERIABANK has 21 offices in south central Louisiana, 10 offices in New Orleans and one in New Iberia.

On June 30, the bank had total assets of $1.44 billion, $1.19 billion in deposits and shareholder equity of $144 million.

“Now, our customers will be able to have services provided for them, no matter where they are in the state,” Reaux said. “That is good news for us and for our clients.”

Byrd said eventual plans are for the LBA building at 200 W. Congress St. to eventually become the new bank’s corporate headquarters.

“There is no timeline for that to happen,” Byrd said. “We are considering it, and that is something that we are planning for.”

The merger will create one of the largest Louisiana-based banks in the state, Byrd said. And it will provide leverage for the bank to hold one of the top positions in the Acadiana banking industry.

Both Byrd and Reaux said the merger is expected to be approved by the end of the year or in early 2003. It is still subject to federal regulatory and Acadiana shareholder approval.