

MIDSOUTH BANCORP INC  
Form 10-Q  
August 09, 2018

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2018

OR  
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

COMMISSION FILE NUMBER 1-11826  
MIDSOUTH BANCORP, INC.  
(Exact name of registrant as specified in its charter)

Louisiana 72-1020809  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

102 Versailles Boulevard, Lafayette, Louisiana 70501  
(Address of principal executive offices, including zip code)  
(337) 237-8343  
(Registrant's telephone number, including area code)

Indicate by checkmark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

YES      NO

As of August 9, 2018, there were 16,639,650 shares of the registrant's Common Stock, par value \$0.10 per share, outstanding.

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## Part I – Financial Information

## Item 1. Financial Statements.

## MidSouth Bancorp, Inc. and Subsidiaries

## Consolidated Balance Sheets

(dollars in thousands, except share data)

	June 30, 2018 (unaudited)	December 31, 2017 (audited)
Assets		
Cash and due from banks, including required reserves of \$10,470 and \$6,741, respectively	\$31,145	\$34,775
Interest-bearing deposits in banks	241,492	114,839
Federal funds sold	6,139	3,350
Securities available-for-sale, at fair value (cost of \$317,251 at June 30, 2018 and \$312,584 at December 31, 2017)	308,937	309,191
Securities held-to-maturity (fair value of \$66,758 at June 30, 2018 and \$80,920 at December 31, 2017)	67,777	81,052
Other investments	14,927	12,214
Loans held for sale	—	15,737
Loans	1,057,963	1,183,426
Allowance for loan losses	(23,514 )	(26,888 )
Loans, net	1,034,449	1,156,538
Bank premises and equipment, net	56,834	59,057
Accrued interest receivable	7,131	8,283
Goodwill	42,171	42,171
Intangibles	2,962	3,515
Cash surrender value of life insurance	15,002	14,896
Other real estate	1,365	2,001
Assets held for sale	3,995	3,995
Other assets	24,591	19,538
Total assets	\$1,858,917	\$1,881,152
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits:		
Non-interest-bearing	\$419,517	\$416,547
Interest-bearing	1,103,503	1,063,142
Total deposits	1,523,020	1,479,689
Securities sold under agreements to repurchase	14,886	67,133
Short-term Federal Home Loan Bank advances	27,500	40,000
Long-term Federal Home Loan Bank advances	10,011	10,021
Junior subordinated debentures	22,167	22,167
Other liabilities	12,661	8,127
Total liabilities	1,610,245	1,627,137
Commitments and contingencies		
Shareholders' equity:		
Series B Preferred stock, no par value; 5,000,000 shares authorized, 32,000 shares issued and outstanding at June 30, 2018 and December 31, 2017	32,000	32,000
	8,987	8,987

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Series C Preferred stock, no par value; 100,000 shares authorized, 89,875 shares issued and outstanding at June 30, 2018 and December 31, 2017

Common stock, \$0.10 par value; 30,000,000 shares authorized, 16,619,894 and 16,548,829 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	1,662	1,655
Additional paid-in capital	168,863	168,412
Unearned ESOP shares	(876	) (937 )
Accumulated other comprehensive loss	(5,400	) (1,828 )
Retained earnings	43,436	45,726
Total shareholders' equity	248,672	254,015
Total liabilities and shareholders' equity	\$1,858,917	\$1,881,152

See notes to unaudited consolidated financial statements.

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MidSouth Bancorp, Inc. and Subsidiaries  
 Consolidated Statements of Operations (unaudited)  
 (in thousands, except share and per share data)

	Three Months		Six Months	
	Ended June 30,		Ended June 30,	
	2018	2017	2018	2017
Interest income:				
Loans, including fees	\$15,344	\$16,731	\$31,359	\$33,353
Securities and other investments:				
Taxable	2,093	2,416	4,140	4,743