UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2002 **Commission file number 0-1026**

WHITNEY HOLDING CORPORATION

(Exact name of registrant as specified in its charter)

Louisiana	**72-6017893**
(State of incorporation)	**(I.R.S. Employer Identification No.)**

228 St. Charles Avenue
New Orleans, Louisiana 70130
(Address of principal executive offices)

(504) 586-7272
Registrant's telephone number, including area code

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Title of each class	Name of each exchange on which registered
None	**None**

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:

Common Stock, no par value
(Title of Class)

Indicate by check mark 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 X No __

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2.) Yes X No __

As of February 28, 2003, the aggregate market value of the voting stock held by nonaffiliates was approximately $1,232,565,000.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 28, 2003
Common Stock, no par value	40,112,538

Documents Incorporated by Reference	Part of 10-K in which incorporated
Proxy Statement dated March 14, 2003	Part III

WHITNEY HOLDING CORPORATION

TABLE OF CONTENTS

PART I

Item 1: BUSINESS

ORGANIZATION AND RECENT DEVELOPMENTS

Whitney Holding Corporation (the Company or Whitney) is a Louisiana bank holding company registered pursuant to the Bank Holding Company Act of 1956 (BHCA). The Company began operations in 1962 as the parent of Whitney National Bank, which has been in continuous operation in the greater New Orleans area since 1883. Beginning in 1995 the Company has at times operated as a multi-bank holding company, having established new entities in connection with business acquisitions. The Company has merged all banking operations into Whitney National Bank and intends to continue merging the operations of future acquisitions at the earliest possible dates. Throughout this annual report, references to the "Bank" will cover Whitney National Bank and all former subsidiary banks. The Company made no acquisitions during 2002.

The Company also owns Whitney Community Development Corporation, which is authorized to make equity and debt investments in corporations or projects whose activities promote community welfare. Such activities could include providing housing, services or jobs for residents of areas with mainly low or moderate incomes and supporting small businesses that service such areas. Whitney Securities, L.L.C., a broker-dealer in securities, is a wholly-owned subsidiary of the Bank.

NATURE OF BUSINESS AND MARKETS

The Company, through the Bank, engages in community banking, serving a market area that covers the five-state Gulf Coast region stretching from Houston, Texas, across southern Louisiana and the coastal region of Mississippi, to central and south Alabama, and into the western panhandle of Florida. The Bank serves commercial, small business and retail customers, offering a variety of transaction and savings deposit products and cash management services, secured and unsecured loan products, including revolving credit facilities, and letters of credit and similar financial guarantees. The Bank also provides trust and investment management services to retirement benefit plans, corporations and individuals, and, through Whitney Securities, L.L.C., offers investment brokerage services and annuity products. In addition, the Bank maintains a foreign branch domiciled on Grand Cayman in the British West Indies.

THE SUBSIDIARY BANK

All material funds of the Company are invested in the Bank. The Bank has a large number of customer relationships that have been developed over a period of many years. The loss of any single customer or a few customers would not have a material adverse effect on the Bank or the Company. The Bank has customers in a number of foreign countries, but the revenue derived from these foreign customers is not a material portion of its overall revenues.

COMPETITION

There is significant competition within the financial services industry in general as well as with respect to the particular financial services provided by the Company and the Bank. Within its market, the Bank competes directly with major banking institutions of comparable or larger size and resources, as well as with various other smaller banking organizations. The Bank also has numerous local and national "nonbank" competitors, including thrifts, credit unions, mortgage companies, personal and commercial finance companies, investment brokerage and financial advisory firms, and registered investment companies.

Legislative efforts to modernize the financial services industry, as discussed in the following section on industry regulation, may lead to changes in the organizational structure of and scope of services provided by certain of Whitney's competitors. As these changes occur, management will evaluate whether they create competitive advantages and develop appropriate responses.

The growth of electronic communication and commerce over the Internet influences the Company's competitive environment in several ways. Entities have been formed which deliver financial services and access to financial products and transactions exclusively through the Internet. Internet-based services have been and are being developed that are designed to enhance the value of traditional financial products. The Internet will also make it easier for consumers to obtain comparative information on financial products and, over time, could lead to changes in consumer preferences for financial products.

Whitney opened a web-site in 2000 to provide information about the Company and to market the Bank's products and services. The Company has enhanced the capabilities of the site in following years by adding online banking services in each year since the introduction and plans to add new features in the future. As management continues to monitor and evaluate the competitive challenges posed by the growing use of the Internet, it will develop responses appropriate in light of its overall market strategy.

For over a decade, there has been consolidation within the financial services industry, particularly with respect to the banking and thrift segments of this industry. General competitive pressures have driven the most recent industry consolidation activity. All of the Bank's major direct banking competitors have been relatively active in expansion through acquisition. Since early 1994 Whitney has acquired 16 separate banking operations involving approximately $2.5 billion of assets. Recently, the Company has focused on opportunities in the Houston, Texas market, consistent with its goal of growing its Houston-area operations to at least $1.5 billion over the next several years. While growth in Houston is Whitney's primary focus, the Company continues to seek opportunities to leverage its operations through acquisitions that significantly expand existing market share or provide access to new parts of its market area with attractive economic fundamentals. Whitney made no acquisitions in 2002. The overall trend toward industry consolidation is expected to continue in the near term.

INDUSTRY REGULATION AND INFLUENCE OF GOVERNMENTAL AGENCIES

The participants in the financial services industry are subject to varying degrees of regulation and governmental supervision. The current system of laws and regulations will likely change over time and will influence the competitive positions of the participants. Whether these changes will be favorable or unfavorable to the Company and the Bank cannot be predicted.

The banking industry is extensively regulated under both federal and state law. The regulation and ongoing supervision of bank holding companies and their subsidiaries is intended primarily for the protection of depositors, the deposit insurance funds of the Federal Deposit Insurance Corporation (FDIC) and the banking system as a whole, and not for the protection of the holding company's shareholders and creditors. The Bank has been assessed at relatively low rates for deposit insurance premiums in recent years, reflecting both the level of the deposit insurance funds in relation to required levels and the favorable overall risk rating assigned to the Bank by its primary regulator. Growth in insured deposits and higher estimates of potential insured losses by the FDIC have lowered the ratio of deposit insurance funds to insured deposits and increased the likelihood that premium rates will go up. Certain legislative proposals related to deposit insurance reform have included provisions that would substantially increase the cost of deposit insurance. The Company's management is unable to predict if or when deposit insurance premiums will be increased or to what extent.

The Company is subject to regulation under the BHCA and to supervision by the Board of Governors of the Federal Reserve System (FRB). Bank holding companies must seek the FRB's approval for all bank acquisitions and must limit their activities to those permitted under the BHCA, including the modifications to the BHCA brought about by the enactment of the Gramm-Leach-Bliley Act (GLB) of 1999. GLB attempts in many ways to modernize the framework of the U.S. financial services industry. Among other provisions, it allows for the creation of a financial holding company that is authorized to engage in underwriting and selling insurance and securities, to conduct both commercial and merchant banking, to invest in and develop real estate and to engage in other complementary activities. Whitney currently has no plans to apply for a financial holding company charter.

The Office of the Comptroller of the Currency (OCC) is the Bank's primary regulator and provides ongoing supervision through regular examinations and other means. Bank supervision focuses on evaluating management's ability to identify, assess and control risk in all areas of bank operations in a safe and sound manner. Regulators have a wide range of enforcement actions available to deal with institutions with unacceptable levels of risk. These actions could have a material impact on a bank's financial results and could impose additional limits on a bank's ability to pay dividends to its holding company. Regulators are also charged with monitoring compliance with other laws and regulations, such as those designed to encourage banks to meet the needs of all segments of their service areas. Regulatory agencies consider compliance ratings when deciding, for example, whether to approve an acquisition by a bank or its holding company.

The monetary and fiscal policies of the FRB also have a significant impact on the banking industry. In its effort to restrain inflationary growth or moderate recessions, the FRB uses various tools to influence the money supply and interest rates. These actions attempt to regulate the availability of bank credit and affect asset yields and costs of funds.

EMPLOYEES

At the end of 2002, the Company and the Bank employed a total of 2,431 employees. Whitney affords its employees a variety of competitive benefit programs including retirement plans and group health, life and other insurance programs. The Company also supports training and educational programs designed to ensure that employees have the types and levels of skills needed to perform at their best in their current positions and to help them prepare for positions of increased responsibility.

AVAILABLE INFORMATION

The Company's filings with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, are available on Whitney's web-site as soon as reasonably practicable after the Company files with the SEC. Copies can be obtained free of charge in the "For Whitney Shareholders" section of the Company's web-site at www.whitneybank.com.

Item 2: PROPERTIES

The Company owns no real estate in its own name. The Company's executive offices are located in downtown New Orleans in the main office facility owned by Whitney National Bank. The Bank makes portions of this facility and certain other facilities available for lease to third parties, although such incidental leasing activity is not material to Whitney's overall operations. The Bank owns outright approximately 75% of its active banking facilities, which total close to 130 locations. The remaining branch facilities are subject to leases, each of which management considers to be reasonable and appropriate to its location. Management ensures that all properties, whether owned or leased, are maintained in suitable condition. Management also evaluates its banking facilities on an ongoing basis to identify possible under-utilization and to determine the need for functional improvements, relocations or possible sales.

The Bank and a subsidiary hold a variety of property interests acquired through the years in settlement of loans. Reference is made to Note 7 to the consolidated financial statements included in Item 8 for further information regarding such property interests.

Item 3: LEGAL PROCEEDINGS

There are no pending legal proceedings, other than routine litigation incidental to the business, to which the Company or its subsidiaries is a party or to which any of their property is subject.

Item 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

Item 4a: EXECUTIVE OFFICERS OF THE REGISTRANT

Information about the names, ages, positions and business experiences of the Company's executive officers is incorporated by reference to the table in Item 10 of this Form 10-K, page 62.

PART II

Item 5: MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

a) The Company's stock is traded over-the-counter on The Nasdaq Stock Market and is reported under the symbol WTNY. The Summary of Quarterly Financial Information appearing in Item 8 of this Form 10-K and located on page 28 shows the range of closing prices of the Company's stock for each calendar quarter of 2002 and 2001 as reported on The NASDAQ Stock Market, and is incorporated here by reference.

In 2002, the Company declared a 3-for-2 split of its common stock that was paid on April 9, 2002. Share and per share figures in this annual report on Form 10-K have been adjusted to reflect this split.

b) The approximate number of shareholders of record of the Company, as of February 28, 2003, was as follows:

Title of Class	Shareholders of Record
Common Stock, no par value	5,570

c) Dividends declared by the Company are listed in the Summary of Quarterly Financial Information appearing in Item 8 of this Form 10-K and located on page 28, which is incorporated here by reference.

Item 6: SELECTED FINANCIAL DATA

WHITNEY HOLDING CORPORATION AND SUBSIDIARIES

	Years Ended December 31				
(dollars in thousands, except per share data)	**2002**	2001	2000	1999	1998
YEAR-END BALANCE SHEET DATA					
Total assets	**$7,097,881**	$7,243,650	$6,650,265	$5,868,028	$5,627,153
Earning assets	**6,501,009**	6,681,786	6,078,951	5,362,819	5,151,564
Loans	**4,455,412**	4,495,085	4,587,438	3,920,601	3,486,300
Investment in securities	**1,975,698**	1,632,340	1,462,189	1,387,016	1,436,684
Deposits	**5,782,879**	5,950,160	5,332,474	4,666,375	4,607,638
Shareholders' equity	**800,483**	717,888	665,764	596,204	599,777
AVERAGE BALANCE SHEET DATA					
Total assets	**$7,016,675**	$6,831,564	$6,282,044	$5,638,980	$5,222,628
Earning assets	**6,492,791**	6,303,445	5,771,256	5,163,140	4,771,433
Loans	**4,372,194**	4,475,149	4,228,948	3,595,574	3,175,543
Investment in securities	**1,816,216**	1,525,254	1,478,609	1,466,061	1,397,271
Deposits	**5,750,141**	5,548,556	4,927,214	4,540,887	4,234,796
Shareholders' equity	**760,725**	698,099	622,814	600,012	587,511
INCOME STATEMENT DATA					
Interest income	**$370,909**	$441,145	$452,261	$378,493	$363,568
Interest expense	**75,701**	161,349	185,181	135,433	134,242
Net interest income	**295,208**	279,796	267,080	243,060	229,326
Net interest income (TE)	**300,134**	285,161	273,176	249,407	234,782
Provision for loan losses	**7,500**	19,500	12,690	6,470	709
Noninterest income, excluding securities transactions	**84,774**	91,044	74,270	68,885	60,890
Securities transactions	**411**	165	850	(32)	841
Noninterest expense	**230,926**	239,104	223,179	207,753	207,648
Net income	**95,323**	75,820	72,842	67,326	57,125
KEY RATIOS					
Return on average assets	**1.36%**	1.11%	1.16%	1.19%	1.09%
Return on average shareholders' equity	**12.53**	10.86	11.70	11.22	9.72
Net interest margin	**4.62**	4.52	4.73	4.83	4.92
Average loans to average deposits	**76.04**	80.65	85.83	79.18	74.99
Efficiency ratio	**60.00**	62.09	63.92	65.27	68.15
Allowance for loan losses to loans	**1.48**	1.59	1.33	1.21	1.24
Nonperforming assets to loans plus foreclosed and surplus property	**.95**	.77	.55	.45	.48
Net charge-offs to average loans	**.28**	.21	.04	.06	.16
Average shareholders' equity to average assets	**10.84**	10.22	9.91	10.64	11.25
Shareholders' equity to total assets	**11.28**	9.91	10.01	10.16	10.66
Leverage ratio	**9.76**	8.72	8.93	10.01	10.33
COMMON SHARE DATA					
Earnings Per Share					
Basic	**$2.39**	$1.92	$1.89	$1.73	$1.46
Diluted	**2.38**	1.90	1.89	1.73	1.44
Dividends					
Cash dividends per share	**$1.11**	$1.03	$.96	$.88	$.80
Dividend payout ratio	**46.50%**	53.81%	50.04%	48.76%	52.34%
Book Value Per Share	**$19.98**	$18.10	$16.92	$15.62	$15.22
Trading Data					
High closing price	**$38.52**	$32.56	$27.79	$27.83	$42.25
Low closing price	**28.09**	24.00	21.00	21.46	23.83
End-of-period closing price	**33.33**	29.23	24.21	24.71	25.00
Trading volume	**21,926,523**	13,965,350	10,566,587	14,055,669	9,861,300
Average Shares Outstanding					
Basic	**39,848,881**	39,550,723	38,475,984	38,833,197	39,237,878
Diluted	**40,121,544**	39,836,047	38,568,699	38,949,348	39,562,155

Share and per share data give effect to the 3-for-2 stock split effective April 9, 2002.
Tax-equivalent (TE) amounts are calculated using a marginal federal income tax rate of 35%.
The efficiency ratio is noninterest expense to total net interest (TE) and noninterest income, excluding merger-related items.

Item 7: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of this discussion and analysis is to focus on significant changes in the financial condition of Whitney Holding Corporation and its subsidiaries (the Company or Whitney) and on their results of operations during 2002, 2001 and 2000. Virtually all of the Company's operations are contained in its banking subsidiary, Whitney National Bank (the Bank). This discussion and analysis is intended to highlight and supplement information presented elsewhere in this annual report on Form 10-K, particularly the consolidated financial statements and related notes in Item 8. Certain financial information in prior years has been reclassified to conform to the current year's presentation.

OVERVIEW

The Company earned $2.39 per share, or $95.3 million, for 2002. This was a 24% increase over the $1.92 per share, or $75.8 million, earned for 2001. The key components of 2002's earnings performance follow:

- Net interest income, on a taxable-equivalent (TE) basis, increased 5%, or $15.0 million, from 2001. Whitney was and continues to be moderately asset sensitive, which implies it would experience some compression in its net interest margin in a declining rate environment, holding other factors constant. The persistently low interest rate environment in 2002 did put pressure on the margin, but Whitney was able to improve the margin by 10 basis points to 4.62%, reflecting loan pricing discipline, careful investment of excess liquidity and successful deposit pricing strategies.

- Noninterest income before securities transactions decreased 7%, or $6.3 million. Excluding revenues and gains associated with merchant processing agreements that were sold in 2001, noninterest income grew 5%, or $4.2 million. Service charges on deposit accounts increased 9%, or $3.1 million, showing benefits from pricing refinements, new management tools and low interest rates. Income from secondary mortgage market operations was bolstered by a strong refinancing market and ended 2002 up 19%, or $1.5 million.

- Noninterest expense, excluding merger-related costs in 2001, decreased 1% in 2002. Adjusting for the impact of the merchant business sale, noninterest income was up a moderate 2%, or $3.9 million. A sharp increase in defined benefit pension plan expense was the main driver of an 8%, or $9.5 million, increase in personnel expense. Close control over capital expenditures and ongoing attention to expense control efforts led to reduction in several other major expense categories. A required change in accounting for goodwill led to a $1.6 million decrease in amortization of purchased intangibles.

- The total of loans internally rated as having above-normal credit risk at the end of 2002 was down $106 million from the prior year's level, helping reduce the allowance for loan losses by $5.5 million from the end of 2001. Net charge-offs were .28% of average loans in 2002, up slightly from 2001, but still favorable in relation to peer and industry statistics. The Company provided $7.5 million for loan losses in 2002, down from $19.5 million in 2001. The level of the allowance and the provision for loan losses in 2001 reflected increased customer credit risks arising from, among other factors, a weakening economy and heightened uncertainty in the aftermath of the September 11 terrorist attacks. Although the Company's credit quality statistics have improved in 2002, there are continued concerns relating to the sustained softness in economic conditions and the longer-term impact on certain customers' business activity.

FORWARD-LOOKING STATEMENTS

This discussion contains forward-looking statements as that term is defined by the Private Securities Litigation Reform Act of 1995. Such statements include, but may not be limited to comments regarding (a) the potential for earnings volatility from changes in the estimated allowance for loan losses over time, (b) the expected growth rate of the loan portfolio, (c) future changes in the mix of deposits, (d) the results of net interest income simulations run by the Company to measure interest rate sensitivity, (e) the performance of Whitney's net interest income and net interest margin assuming certain future conditions, and (f) changes or trends in expense levels for retirement benefits, equipment and data processing and deposit insurance.

Forward-looking statements, which Whitney makes in good faith, are based on numerous assumptions, certain of which may be referred to specifically in connection with a particular statement. Some of the more important assumptions include:

- expectations about overall economic strength and the performance of the economies in Whitney's market area,
- expectations about the movement of interest rates, including actions that may be taken by the Federal Reserve Board in response to changing economic conditions,
- reliance on existing or anticipated changes in laws or regulations affecting the activities of the banking industry and other financial service providers, and
- expectations regarding the nature and level of competition, changes in customer behavior and preferences, and Whitney's ability to execute its plans to respond effectively.

Because it is uncertain whether future conditions and events will confirm these assumptions, there is a risk that Whitney's future results will differ materially from what is stated in or implied by such forward-looking statements. Whitney cautions the reader to consider this risk.

Whitney undertakes no obligation to update any forward-looking statement included in this discussion, whether as a result of new information, future events or developments, or for any other reason.

CRITICAL ACCOUNTING POLICIES

Whitney prepares its financial statements in accordance with accounting principles generally accepted in the United States. Note 2 to the consolidated financial statements discusses certain accounting principles and methods of applying those principles that are particularly important to this process. In applying these principles to determine the amounts and other disclosures that are presented in the financial statements and discussed in this section, the Company is required to make estimates and assumptions. Whitney believes that the determination of its estimate of the allowance for loan losses involves a higher degree of judgment and complexity than its application of other significant accounting policies. Factors considered in this determination and the process used by management are discussed in Note 2 and in the following section on Loans and Allowance for Loan Losses. Although management believes it has identified appropriate factors for review and designed and implemented adequate procedures to support the estimation process that are consistently followed, the allowance remains an estimate about the effect of matters that are inherently uncertain. Over time, changes in economic conditions or the actual or perceived financial condition of Whitney's credit customers or other factors can materially impact the allowance estimate, potentially subjecting the Company to significant earnings volatility.

FINANCIAL CONDITION

LOANS AND ALLOWANCE FOR LOAN LOSSES

Total loans decreased a little under 1%, or $40 million, from year-end 2001, and the prior year total was down 2%, or $92 million, from the end of 2000. Average loans for 2002 were 2%, or $103 million, below the prior year's level. The major portion of these reductions came from the residential mortgage loan portfolio, prompted by increased refinancing activity and management's continuing decision to sell most current production in the secondary market. Although there was some recent growth in the commercial loan portfolio, demand for business credit in general has been restrained for over a year during a period of reduced economic activity and uncertainty regarding future economic conditions. Over this same period, the rate environment has continued to present real estate developers with favorable permanent financing opportunities. Recent growth reflected new customer development and some increased economic activity for certain industry sectors. Conditions that would support accelerated loan growth, however, are not yet evident. Table 2, which is based on regulatory reporting codes, shows loan balances at December 31, 2002 and at the end of the previous four years.

TABLE 2. LOANS OUTSTANDING BY TYPE

	December 31				
(dollars in thousands)	**2002**	2001	2000	1999	1998
Commercial, financial and agricultural loans	**$1,917,859**	$1,852,497	$1,815,205	$1,564,903	$1,404,003
Real estate loans - commercial and other	**1,584,099**	1,576,817	1,544,390	1,318,130	1,123,309
Real estate loans - retail mortgage	**638,703**	761,355	874,645	718,952	637,420
Loans to individuals	**314,751**	304,416	353,198	318,616	321,568
Total loans	**$4,455,412**	$4,495,085	$4,587,438	$3,920,601	$3,486,300

The portfolio of commercial loans, other than those secured by real property, increased by $65 million, or 4%, compared to year-end 2001. This followed a $37 million, or 2%, increase in 2001 from the end of 2000. Overall the portfolio remained well-diversified, with customers in a wide range of industries, including oil and gas exploration and production, marine transportation, wholesaling, retailing and manufacturing of various durable and nondurable products, and agricultural production. There have been no major trends or changes in the concentration mix of this portfolio category from year-end 2001, although there has been some noticeable growth in loans to customers in the oil and gas industry as discussed below. Also included in the commercial loan category are loans to individuals, generally secured by collateral other than real estate, that are used to fund investments in new or expanded business opportunities. Participations in syndicated commercial loans at December 31, 2002, totaled approximately $300 million, including $118 million related to the oil and gas industry and $44 million to the gaming industry. Substantially all of these loans are with customers operating in Whitney's market area and are subject to standard underwriting criteria. The rate of commercial loan growth in 2003 will depend mainly on the economic fundamentals of the Company's market area as well as on its ability to develop customers in the newer parts of its market and take advantage of competitive circumstances to attract new business in its established market.

At December 31, 2002, outstanding loans to oil and gas industry customers totaled $384 million, or approximately 9% of total loans, an increase of approximately $50 million from the end of the previous year after a $20 million increase in 2001. The increase in 2002 included approximately $38 million in new participations in syndicated credits. The Company's customer base in this industry mainly provides transportation and other services and products to support exploration and production activities, but the Bank has recently increased its attention to lending opportunities in the exploration and production sector. Whitney seeks customers who are quality operators that can manage through volatile commodity price cycles. Political turmoil and the threat of armed conflict in important producing countries have supported a recent run up in underlying commodity prices for oil. Domestic natural gas prices have also risen dramatically, reflecting larger than expected draws from storage to satisfy winter demand and a continued decline in overall deliverable production. The commitment to new exploration and development, however, is impacted more by changes in longer-term expectations about demand and prices. The industry appears poised for a period of increased activity, but when this begins will depend, among other factors, on the resolution of current international uncertainties and trends in global demand. The level of activity in this industry continues to have an important impact on the economies of certain portions of Whitney's market area, particularly southern Louisiana and Houston.

The commercial real estate portfolio, which includes loans secured by properties used in commercial or industrial operations, has been relatively stable since the end of 2000. Whitney has been able to develop new business in this highly competitive market, including a recent increase in activity at its Houston operations. The overall pace of new real estate project development, however, has slowed with the general economy and heightened economic uncertainty, and growth from new business has for the most part been offset by expected paydowns on and permanent take outs of seasoned projects. In recent years, activity in this portfolio sector has been driven by apartment and condominium projects, particularly in the eastern Gulf Coast region, development of retail, small office and commercial facilities throughout Whitney's market area, and hotel and other hospitality industry projects, largely in the New Orleans metropolitan area. Hotel loans were 8% of total commercial real estate loans, or $130 million, at the end of 2002, compared to 11% at the end of both 2001 and 2000.

The impact of refinancings and the continuing policy of selling most retail mortgage production which began late in 2000 was evident in the 16%, or $123 million, decrease in the retail mortgage loan portfolio between 2001 and 2002, which followed a 13%, or $113 million, decrease in 2001 from the prior year. Whitney continued to promote its fixed-term home equity loan product in 2002. Such loans increased $12 million, or 7%, in 2002, after an increase of $10 million, or 6%, in 2001. This product offers customers the opportunity to leverage increased home values and equity to obtain tax-advantaged consumer financing. The rate of growth in this product slowed in 2001 and 2002 as borrowers increasingly tapped home equity when refinancing their primary home mortgages. If current market conditions persist, a further reduction in the Company's retail mortgage loan portfolio sector is likely in the near term.

Loans to individuals include various consumer installment and credit line loan products other than fixed-term retail mortgage loan products. Between 2001 and 2002, this portfolio sector grew a moderate 3%, or $10 million, mainly from the promotion of secured personal credit lines. The 14%, or $49 million, decrease in 2001 from the prior year reflected, in part, the decision by management to shorten the period it holds student loans before being taken out by the permanent financing source.

Table 3 reflects contractual loan maturities, unadjusted for scheduled principal reductions, prepayments or repricing opportunities. Approximately 63% of the value of loans with a maturity greater than one year bears a fixed rate of interest.

TABLE 3. LOAN MATURITIES BY TYPE

	December 31, 2002			
(dollars in thousands)	One year or less	One through five years	More than five years	Total
Commercial, financial and agricultural loans	$1,208,517	$ 610,032	$ 99,310	$1,917,859
Real estate loans - commercial and other	411,935	1,025,433	146,731	1,584,099
Real estate loans - retail mortgage	75,901	212,640	350,162	638,703
Loans to individuals	151,329	156,213	7,209	314,751
Total	$1,847,682	$2,004,318	$603,412	$4,455,412

Each loan carries a degree of credit risk. Management's evaluation of this risk is ultimately reflected in the estimate of probable loan losses that is reported in the Company's financial statements as the allowance for loan losses. Changes in this ongoing evaluation over time are reflected in the provision for loan losses charged to operating expense.

TABLE 4. SUMMARY OF ACTIVITY IN THE ALLOWANCE FOR LOAN LOSSES

(dollars in thousands)	**2002**	2001	2000	1999	1998
Balance at the beginning of year	**$71,633**	$61,017	$47,543	$43,187	$47,549
Allowance acquired in bank purchases	**-**	1,196	2,388	-	-
Allowance on loans transferred to held for sale	**(895)**	(651)	-	-	-
Provision for loan losses					
charged to operations	**7,500**	19,500	12,690	6,470	709
Loans charged to the allowance					
Commercial, financial and agricultural	**(6,894)**	(11,678)	(4,244)	(5,673)	(6,688)
Real estate - commercial and other	**(5,148)**	(252)	(884)	(917)	(146)
Real estate - retail mortgage	**(1,816)**	(552)	(697)	(461)	(398)
Individuals	**(3,353)**	(3,020)	(2,656)	(2,991)	(6,492)
Total	**(17,211)**	(15,502)	(8,481)	(10,042)	(13,724)
Recoveries of loans previously charged off					
Commercial, financial and agricultural	**2,472**	3,130	2,679	4,408	4,054
Real estate - commercial and other	**463**	965	1,796	788	2,176
Real estate - retail mortgage	**509**	348	658	525	538
Individuals	**1,644**	1,630	1,744	2,207	1,885
Total	**5,088**	6,073	6,877	7,928	8,653
Net charge-offs	**(12,123)**	(9,429)	(1,604)	(2,114)	(5,071)
Balance at the end of year	**$66,115**	$71,633	$61,017	$47,543	$43,187
Ratios					
Net charge-offs to average loans	**.28%**	.21%	.04%	.06%	.16%
Gross charge-offs to average loans	**.39**	.35	.20	.28	.43
Recoveries to gross charge-offs	**29.56**	39.18	81.09	78.95	63.05
Allowance for loan losses to loans at end of year	**1.48**	1.59	1.33	1.21	1.24

At December 31, 2002, the allowance for loan losses was $66.1 million, or 1.48% of total loans, compared to $71.6 million, or 1.59% of total loans at the end of 2001. Table 4 shows the activity in the allowance over the past five years. The allocation of the allowance is included in Table 5.

TABLE 5. ALLOCATION OF THE ALLOWANCE FOR LOAN LOSSES

	December 31									
	2002		2001		2000		1999		1998	
	Allowance	**Loans**	Allowance	Loans	Allowance	Loans	Allowance	Loans	Allowance	Loans
Commercial, financial and agricultural	**48.5%**	**43.0%**	50.7%	41.2%	48.2%	39.5%	47.6%	39.9%	39.6%	40.3%
Real estate – commercial and other	**28.4**	**35.6**	24.8	35.1	28.1	33.7	29.0	33.6	31.7	32.2
Real estate – retail mortgage	**8.3**	**14.3**	10.7	16.9	11.5	19.1	14.8	18.4	20.1	18.3
Individuals	**7.1**	**7.1**	6.3	6.8	8.1	7.7	8.4	8.1	8.4	9.2
Unallocated	**7.7**	-	7.5	-	4.1	-	.2	-	.2	-
Total	**100.0%**	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

In making its risk evaluation and establishing an allowance level that it believes is adequate to absorb probable losses in the portfolio, management considers various sources of information. Some of the more important sources include analyses prepared on specific loans reviewed for impairment, statistics on balances of loans assigned to internal risk rating categories by loan officers and the Company's independent credit review function, reports on the composition and repayment performance of consumer and other loan portfolios not subject to individual risk ratings, and factors derived from historical loss experience. In addition to this more objective and quantitative information, management's evaluation must take into consideration its assessment of general economic conditions and how current conditions affect specific segments of borrowers. Management must also come to a judgment regarding the level of accuracy inherent in the loss allowance estimation process. A formal allowance analysis is prepared at least quarterly that summarizes the results of the evaluation process and helps ensure a consistent process over time.

TABLE 6. NONPERFORMING ASSETS

	December 31				
(dollars in thousands)	**2002**	2001	2000	1999	1998
Loans accounted for on a nonaccrual basis	**$37,959**	$33,412	$23,579	$13,966	$11,862
Restructured loans	**336**	383	465	1,634	2,660
Total nonperforming loans	**38,295**	33,795	24,044	15,600	14,522
Foreclosed assets and surplus banking property	**3,854**	991	995	1,909	2,320
Total nonperforming assets	**$42,149**	$34,786	$25,039	$17,509	$16,842
Loans 90 days past due still accruing	**$5,817**	$6,916	$4,343	$3,020	$5,228
Ratios:					
Nonperforming assets to loans plus foreclosed assets and surplus banking property	**.95%**	.77%	.55%	.45%	.48%
Allowance for loan losses to nonperforming loans	**172.65**	211.96	253.77	304.76	297.40
Loans 90 days past due still accruing to loans	**.13**	.15	.09	.08	.15

Nonperforming assets consist of nonperforming loans, foreclosed assets and surplus banking property. Table 6 provides information on nonperforming assets for each year in the five-year period ended December 31, 2002. Nonperforming loans are included in the criticized loan total discussed below and encompass substantially all loans separately evaluated for impairment. The $7 million increase in nonperforming assets from year-end 2001 included $1 million related to surplus banking property. There have been no significant trends related to industries or markets underlying the changes in nonperforming assets.

At December 31, 2002, the total of loans internally rated as having above-normal credit risk was down $106 million from the level at year-end 2001. The decrease in criticized loans reflected in part improved outlooks for several larger credits. These included one with a customer in the health care industry that had demonstrated sustained improved financial performance and participations in credit facilities for two customers in Whitney's market area that had been downgraded in the later part of 2001 and were part of the Federal banking regulators' shared national credit review process. Criticized loans totaled $193 million at December 31, 2002. Loans warranting special attention because of risk characteristics that indicate potential weaknesses totaled $58 million, down $94 million from the end of 2001. There was a $22 million decrease, to a total of $113 million, in loans rated as having well-defined weaknesses that, if not corrected, would likely result in some loss. Loans for which full repayment is doubtful, however, increased by $10 million, to a total of $22 million at year-end 2002.

The reduction in criticized loans was the main factor behind the $5.5 million decrease in the allowance for loan losses from the end of 2001, despite a $1.5 million increase in the allowance required for impaired loans. No other factor considered in determining the allowance had an individually significant impact. In both 2001 and 2000, the credit risk profile of Whitney's customers increased moderately, as was evidenced by higher levels of nonperforming loans and criticized loans in each period. At year-end 2001, management's evaluation of credit risk included an assessment of what impact the economic repercussions of the terrorist attacks on the United States could have on the Company's customers. In Whitney's market area, the most immediate impact was felt by businesses related to the convention and tourism industry, including, among others, hotels and restaurants, and by the employees of these businesses. Loan officers continue to monitor the operations of affected customers and their responses to a sustained reduced level of travel and tourism. Management has applied stress tests to identify credits that would have the most difficulty with debt service if the downturn proves to be more severe and prolonged than is currently the case or would have been considered in the normal underwriting process, and the results have indicated acceptable levels of risk. The lasting impact remains uncertain, however, and this uncertainty along with questions concerning the impact of the economic slowdown that has persisted since 2001 has been reflected in the level of unallocated reserves, which remained steady from year-end 2001 to the most recent year end.

INVESTMENT IN SECURITIES

Strong demand for deposit products during a period of restrained loan demand led to a significant increase in liquidity in 2001. Information on changes in deposits and other funding sources is presented in the following section. Over time, management directed more of this liquidity to the investment portfolio, particularly to mortgage-backed securities with relatively short duration, based on its expectations regarding the stability of the funding sources and the near-term prospects for loan demand.

At December 31, 2002, total securities were $1.98 billion, compared to $1.63 billion at year-end 2001, and the average investment in securities in 2002 was up 19%, or $291 million, from 2001. Mortgage-backed securities grew to 59% of the total portfolio at the end of 2002 from 51% in the prior year. Short-term liquidity investments, including federal funds sold, totaled $4 million at the end of 2002, compared to $495 million at year-end 2001. On average, liquidity investments were $283 million, compared to $262 million in 2001, but the total declined throughout 2002.

TABLE 7. DISTRIBUTION OF INVESTMENT MATURITIES

	December 31, 2002									
(dollars in thousands)	One year and less		Over one through five years		Over five through ten years		Over ten years		Total	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
SECURITIES AVAILABLE FOR SALE										
Mortgage-backed securities[a]	$ 84,832	4.74%	$310,421	4.72%	$351,578	5.39%	$410,444	5.04%	$1,157,275	5.04%
U. S. agency securities	168,684	4.70	180,582	3.98	14,752	5.87	-	-	364,018	4.39
Obligations of states and political subdivisions [b]	2,398	5.89	17,058	6.11	11,886	6.27	3,121	5.96	34,463	6.14
U. S. Treasury securities	26,426	2.94	137,659	3.67	-	-	-	-	164,085	3.55
Other debt securities	25	8.00	23,782	4.59	2,150	6.23	-	-	25,957	4.73
Equity securities[c]	-	-	-	-	-	-	27,793	-	27,793	-
Total	$282,365	4.56%	$669,502	4.34%	$380,366	5.44%	$441,358	5.05%	$1,773,591	4.78%
SECURITIES HELD TO MATURITY										
U. S. agency securities	$32,847	5.32%	$ -	- %	$ -	- %	$ -	- %	$ 32,847	5.32%
Obligations of states and political subdivisions [b]	8,932	6.78	32,007	6.63	57,973	6.91	60,025	6.48	158,937	6.68
U. S. Treasury securities	10,323	5.75	-	-	-	-	-	-	10,323	5.75
Total	$52,102	5.66%	$32,007	6.63%	$57,973	6.91%	$60,025	6.48%	$202,107	6.41%

(a) Distributed by contractual maturity without regard to repayment schedules or projected prepayments, except for certain collateral mortgage obligations that are distributed based on their expected average lives.

(b) Tax exempt yields are expressed on a fully taxable equivalent basis.

(c) These securities have no stated maturities or guaranteed dividends.

The weighted-average taxable-equivalent portfolio yield was approximately 5.00% at December 31, 2002, a decrease of 77 basis points from approximately 5.77% at December 31, 2001, reflecting mainly lower rates for reinvestment opportunities in 2001. Substantially all of the securities in the investment portfolio bear fixed interest rates.

Information about the contractual maturity structure of investment securities at December 31, 2002 is shown in Table 7 above. The carrying value of securities with explicit call options totaled $143 million at year-end 2002. These call options and the scheduled principal reductions and projected prepayments on mortgage-backed securities, other than certain collateral mortgage obligations, are not reflected in Table 7. Including expected principal reductions on all mortgage-backed securities, the weighted-average maturity of the overall securities portfolio was approximately 39 months at December 31, 2002, compared with 41 months at year-end 2001.

In recent years, Whitney steadily built its investment in securities classified as available for sale, primarily as a means to increase liquidity management flexibility. Effective January 1, 2001, the Company reclassified securities with a carrying value of $528 million, and an unrealized net loss of $6.4 million, as available for sale in connection with the adoption of SFAS No. 133. The unrealized loss at the effective date of the reclassification was reported net of tax in other comprehensive income in 2001. Securities available for sale constituted 90% of the total investment portfolio at December 31, 2002. The net unrealized gain on this portfolio segment totaled $46 million at year-end 2002, including a $28 million gain on mortgage-backed securities. The overall unrealized gain represented 2.7% of amortized cost. At year-end 2001, there was a net unrealized gain of $16 million, or 1.0% of amortized cost, including $2 million related to mortgage-backed securities. The net unrealized gain or loss will vary based on overall changes in market rates, shifts in the slope of the yield curve, and movement in spreads to the yield curve for different types of securities.

The Company does not normally maintain a trading portfolio. Occasionally, the Bank holds immaterial amounts of trading account securities for short periods while buying and selling securities for customers. Such securities, if any, are included in other assets in the consolidated balance sheets.

At December 31, 2002, Whitney held no investment in securities of a single issuer, other than securities issued or guaranteed by the U. S. government or its agencies, that exceeded 10% of its shareholders' equity. The Company has made no investments in financial instruments or participated in agreements with values that are linked to or derived from changes in the value of some underlying asset or index. These financial instruments or agreements are commonly referred to as derivatives and include such instruments as futures, forward contracts, option contracts, interest rate swap agreements and other financial arrangements with similar characteristics. Management continues to evaluate whether to use derivatives as part of its asset/liability and liquidity management processes.

DEPOSITS AND SHORT-TERM BORROWINGS

At December 31, 2002, deposits were 3%, or $167 million, below the level at December 31, 2001. Approximately $70 million of this decrease related to an influx of temporary funds from local governmental entities at the end of 2001. Average deposits were up 4%, or $202 million, in 2002, but would have been up approximately half this amount if the impact of deposits associated with bank operations purchased late in 2001 is factored out. Short-term borrowings, the major part of which represents liabilities under repurchase agreements with customers, decreased 11%, or $58 million, from year-end 2001, and were down 14%, or $73 million, on average for 2002 compared to the prior year.

TABLE 8. AVERAGE DEPOSITS

(dollars in thousands)	**2002**		2001		2000	
Noninterest-bearing demand deposits	**$1,601,316**	**27.8%**	$1,447,871	26.1%	$1,342,127	27.2%
NOW account deposits	**690,011**	**12.0**	598,973	10.8	543,424	11.0
Money market deposits	**1,321,729**	**23.0**	1,065,027	19.2	820,393	16.7
Savings deposits	**515,878**	**9.0**	463,583	8.3	458,717	9.3
Other time deposits	**913,492**	**15.9**	1,114,207	20.1	993,948	20.2
Time deposits $100,000 and over	**707,715**	**12.3**	858,895	15.5	768,605	15.6
Total	**$5,750,141**	**100.0%**	$5,548,556	100.0%	$4,927,214	100.0%

Increased demand for the safety and liquidity of deposit products helped fuel accelerated deposit growth throughot 2001. Many of the factors that prompted the increased availability of deposit funds continued to influence customer behavior during 2002. Noninterest-bearing demand deposits at year-end 2002 were up 4%, or $59 million, from the end of 2001. For the year, average demand deposits increased 11%, or $153 million, including approximately $40 million from acquired operations. Noninterest-bearing demand deposits continue to represent a healthy percentage of total deposits, as can be seen in Table 8 above. Interest-bearing deposits, however, declined 5%, or $226 million, between year-end 2001 and the most recent year end. On average, interest-bearing deposits were up only 1%, or $48 million, in 2002 compared to 2001, despite the addition of approximately $90 million of deposits associated with acquired operations. The lack of further growth in interest-bearing deposits during 2002 was largely a reaction to steadily declining renewal rates for time deposits and, to a lesser degree, reduced yields on other deposit products.

The shift in the mix of interest-bearing deposits between 2001 and 2002 was partly a function of funds flows between deposit products, and to deposits from short-term borrowings, in response to the reduced yields. Money market deposits were little changed from the end of 2001, but increased 24%, or $257 million, on average in 2002. Regular savings deposits grew 8%, or $39 million, during 2002, and were up 11% on average from the prior year, at least temporarily reversing a trend away from this more traditional deposit product. NOW account deposits were down 9%, or $67 million, at year-end 2002, reflecting the temporary influx of public funds at the end of 2001. The average balance of NOW deposits, grew 15%, or $91 million, between 2001 and 2002. Total time deposits, however, decreased 17%, or $316 million, from the end of 2001, and were down a comparable amount on average in 2002 compared to the prior year. Table 9 shows the maturity structure of time deposits over and under $100,000 at December 31, 2002. The maturity of $614 million of time deposits in the first quarter of 2003 will likely contribute to further shifts in the mix of deposits.

TABLE 9. MATURITIES OF TIME DEPOSITS

(dollars in thousands)	
Remaining maturity of time deposits of $100,000 or more as of December 31, 2002	
Three months or less	$ 371,472
Over three months through twelve months	253,453
Over twelve months	51,153
Total time deposits of $100,000 or more	676,078
Remaining maturity of time deposits of less than $100,000 as of December 31, 2002	
Three months or less	242,124
Over three months through twelve months	464,672
Over twelve months	133,502
Total time deposits of less than $100,000	840,298
Total time deposits	$1,516,376

As noted earlier, short-term borrowings consist primarily of sales of securities under repurchase agreements. In both 2002 and 2001, Whitney made little use of available wholesale short-term funding sources, such as overnight and term federal funds purchased and brokered repurchase agreements, as it had in 2000 to fund strong loan growth. Average short-term borrowings from customers under repurchase agreements have been relatively stable over the past several years, with an 11%, or $44 million, decrease in 2002, partly representing the flow of funds back to deposits as the effective yield dropped below 1% for the year. Increased funding from this source in recent years reflected both the growth in commercial relationships and the attractiveness of Whitney's treasury management sweep product. Because of the underlying customer relationship, these borrowings can be a relatively stable source of funds.

SHAREHOLDERS' EQUITY AND CAPITAL ADEQUACY

At December 31, 2002, shareholders' equity totaled $800 million compared to $718 million at the end of 2001 and $666 million at the end of 2000. The major factors in the $82 million increase in 2002 were earnings, net of dividends declared, of $51 million, and a $20 million increase in other comprehensive income representing an unrealized net holding gain on securities available for sale. In 2001, net retained earnings of $35 million and an $8 million increase in comprehensive income led to a $52 million increase in shareholders' equity. Over the last three years, the dividend payout ratio has been relatively stable, decreasing slightly to 47% in 2002 from 54% in 2001 and 50% in 2000.

The ratios in Table 10 indicate that the Company remained strongly capitalized at December 31, 2002. The increase in the capital ratios from 2001 was influenced mainly by a slower rate of growth in risk-weighted assets relative to capital growth. The increase in risk-weighted assets at December 31, 2002 from the end of 2001 resulted mainly from an increase in off-balance-sheet obligations under loan facilities and letters of credit that are converted to assets for the risk-based capital calculations. On-balance assets were lower at year-end 2002 compared to the end of 2001. Cash business acquisitions, such as the purchases of Redstone Financial, Inc. in 2001 and Bank of Houston in 2000, will reduce regulatory capital ratios. In these transactions, Whitney acquires intangible assets that must be deducted in determining regulatory capital, though they are also excluded from risk-weighted assets.

TABLE 10. RISK-BASED CAPITAL AND CAPITAL RATIOS

(dollars in thousands)	**2002**	2001	2000	1999	1998
Tier 1 regulatory capital	**$672,408**	$604,179	$577,036	$568,117	$561,625
Tier 2 regulatory capital	**66,115**	63,878	61,017	47,543	43,187
Total regulatory capital	**$738,523**	$668,057	$638,053	$615,660	$604,812
Risk-weighted assets	**$5,301,764**	$5,102,470	$5,063,114	$4,427,620	$4,050,755
Ratios					
Leverage ratio (Tier 1 capital to average assets)	**9.76%**	8.72%	8.93%	10.01%	10.33%
Tier 1 capital to risk-weighted assets	**12.68**	11.84	11.40	12.83	13.86
Total capital to risk-weighted assets	**13.93**	13.09	12.60	13.90	14.93
Shareholders' equity to total assets	**11.28**	9.91	10.01	10.16	10.66

The regulatory capital ratios of Whitney National Bank exceed the minimum required ratios, and the Bank has been categorized as "well-capitalized" in the most recent notice received from its primary regulatory agency.

LIQUIDITY

The objective of liquidity management is to ensure that funds are available to meet cash flow requirements of depositors and borrowers, while at the same time meeting the operating, capital and strategic cash flow needs of the Company and the Bank, all in the most cost-effective manner. Whitney develops its liquidity management strategies and measures and monitors liquidity risk as part of its overall asset/liability management process, making full use of the quantitative modeling tools available to project cash flows under a variety of possible scenarios. Projections are also made assuming credit stressed conditions, although such conditions are not likely to arise.

On the liability side, liquidity management focuses on growing the base of more stable core deposits at competitive rates, including the use of treasury-management products for commercial customers, while at the same time ensuring access to economical wholesale funding sources. The section above on Deposits and Short-term Borrowings discusses changes in these liability-funding sources in 2002. Whitney National Bank is a member of the Federal Home Loan Bank system. This membership provides access to a variety of Federal Home Loan Bank advance products as an alternative source of funds. In addition, both the Company and the Bank have access to external funding sources in the financial markets, and the Bank has developed the ability to gather deposits at a nationwide level.

Liquidity management on the asset side primarily addresses the composition and maturity structure of the loan and investment securities portfolios and their impact on the Company's ability to generate cash flows from scheduled payments, contractual maturities, prepayments, their use as collateral for borrowings under repurchase agreements and possible outright sales or securitizations. Table 3 above presents the contractual maturity structure of the loan portfolio and Table 7 presents contractual investment maturities. As mentioned earlier, Whitney has built its investment in securities classified as available for sale in recent years and, effective 2001, reclassified in excess of $500 million of its portfolio of securities held to maturity to this category. These actions further increased liquidity management flexibility.

Cash generated from operations is another important source of funds to meet liquidity needs. The consolidated statements of cash flows present operating cash flows and summarize all significant sources and uses of funds for each year in the three-year period ended December 31, 2002.

The Bank's liquidity position had grown throughout 2001 reflecting strong deposit inflows, moderate loan demand, and an attractive refinancing environment. Conditions supported ample liquidity again in 2002, and Whitney made investment allocation decisions and developed deposit pricing strategies consistent with management's assessment of the underlying conditions. The higher level of liquidity in the past two years will likely return to more normal levels with increased economic activity, a return to confidence in the capital markets and rising market interest rates.

Whitney Holding Corporation had approximately $128 million in cash and demand notes from the Bank available to provide liquidity for acquisitions, dividend payments to shareholders, or other corporate uses at the end of 2002, before consideration of any future dividends that may be received from the Bank. Because the Bank has received approval to pay the Company dividends above limits set by statutory and regulatory provisions, the Bank will be required to seek continuing approval to declare future dividends to the Company until it reestablishes dividend capacity under those provisions.

The Bank had approximately $1.5 billion in unfunded loan commitments, excluding personal credit lines, outstanding at December 31, 2002, an increase of $227 million from 2001's year end. Note 14 details these and other unfunded commitments at December 31, 2002 and 2001. Because loan commitments may, and many times do, expire without being drawn upon, unfunded balances should not be used as a projection of actual future liquidity requirements.

ASSET/LIABILITY MANAGEMENT

The objective of the Company's asset/liability management is to implement strategies for the funding and deployment of its financial resources that are expected to maximize soundness and profitability over time at acceptable levels of risk.

Interest rate sensitivity is the potential impact of changing rate environments on both net interest income and cash flows. The Company and the Bank obtain measures of their interest rate sensitivity by running net interest income simulations, monitoring the economic value of equity and preparing gap analyses.

The simplest method of measuring interest rate sensitivity is gap analysis, which identifies the difference between the dollar volume of assets and liabilities that reprice within specified time periods. Table 11 shows the Company's static gap position as of December 31, 2002.

Table 11 indicates that Whitney is somewhat liability sensitive in the very near term and somewhat asset sensitive over a one-year time horizon. Gap analysis has several limitations, including the fact that it is a point-in-time measurement that ignores the dynamic nature of the Company's assets and liabilities, and it does not take into consideration actions that management can and will take to maximize net interest income over time. A more sophisticated tool used by the Company to evaluate and manage its interest rate sensitivity is a net interest income simulation model, which tests the Bank's reaction to various economic environments. The model is able to incorporate management's assumptions and expectations regarding such factors as loan and deposit growth, pricing, prepayment speeds and spreads between interest rates. Assumptions can also be entered into the model to evaluate the impact of possible strategic responses to changes in the competitive environment.

TABLE 11. INTEREST RATE SENSITIVITY

	By Maturity or Repricing Dates at December 31, 2002						
(dollars in millions)	0-30 Days	31-90 Days	91-180 Days	181-365 Days	After 1 Year	Non-interest-bearing	Total
ASSETS							
Loans	$2,278	$363	$330	$420	$1,064	$ -	$4,455
Securities available for sale	112	146	185	323	1,008	-	1,774
Securities held to maturity	-	6	4	45	147	-	202
Loans held for sale and other short-term investments	70	-	-	-	-	-	70
Other assets	-	-	-	-	-	597	597
Total assets	2,460	515	519	788	2,219	597	7,098
SOURCES OF FUNDS							
NOW account deposits	699	-	-	-	-	-	699
Money market deposits	1,347	-	-	-	-	-	1,347
Savings deposits	14	-	-	-	514	-	528
Other time deposits	76	166	211	254	133	-	840
Time deposits $100,000 and over	254	118	125	128	51	-	676
Short-term borrowings	454	-	-	-	-	-	454
Noninterest-bearing demand deposits	-	-	-	-	-	1,693	1,693
Other liabilities	-	-	-	-	-	61	61
Shareholders' equity	-	-	-	-	-	800	800
Total sources of funds	2,844	284	336	382	698	2,554	7,098
Interest rate sensitivity gap	$(384)	$ 231	$183	$406	$1,521	$(1,957)	
Cumulative interest rate sensitivity gap	$(384)	$(153)	$ 30	$436	$1,957	$ -	
Cumulative interest rate sensitivity gap as a percentage of total earning assets	(5.91)%	(2.35)%	.46%	6.71%	30.10%		

As part of its regular formal asset/liability management process, a base case simulation is run that uses current growth forecasts and assumes a stable rate environment and structure. When the base case simulation as of the end of 2002 was subjected to parallel up and down instantaneous rate shocks of 100 basis points, the model showed an annual impact on Whitney's 2003 net interest income (TE) relative to the base case that ranged from a positive $13 million, or 4.3%, at 100 basis points up to a negative $15 million, or 4.9%, at 100 basis points down. The comparable simulation run at year-end 2001 produced results that ranged from a positive impact on net interest income (TE) of $10 million, or 3.3%, to a negative impact of $6 million, or 2.2%. At the end of each year, additional simulations were run applying instantaneous parallel rate shocks up to 300 basis points as well as gradual rate changes of up to 200 basis points. In the recent rate environment, certain downward rate shocks caused unrealistic model assumptions, and the results from these simulation runs were disregarded. The results of other simulations showed that the Company's sensitivity was within acceptable limits, considering established internal guidelines.

Like the gap analysis, the net interest income simulations at the end of 2002 indicate that the Company is moderately asset sensitive over a one-year time horizon. The actual impact of changing interest rates on net interest income, however, is dependent on many factors. These include Whitney's ability to achieve growth in earning assets and maintain a desired mix of earning assets and interest-bearing liabilities, the actual timing of repricing of assets and liabilities, the magnitude of interest rate changes, interest rate spreads and the level of success of asset/liability management strategies implemented.

The method used for measuring longer-term interest rate risk is the economic value of equity analysis. At year-end 2002, the Company's sensitivity was acceptable under internal guidelines at all levels of rate shock simulation that produced realistic results.

Changes in interest rates affect the fair values of financial instruments. The earlier section on Investment in Securities and Notes 4 and 15 to the consolidated financial statements contain information regarding fair values.

IMPACT OF INFLATION AND CHANGING PRICES

The great majority of assets and liabilities of a financial institution are monetary in nature. Management believes the most significant potential impact of inflationary or deflationary economic cycles on Whitney's financial results is its ability to react to changes in interest rates. Interest rates do not, however, necessarily move in the same direction, or at the same magnitude, as the prices of goods and services. As discussed above, the Company employs asset/liability management strategies in its attempt to minimize the effects of economic cycles on its net interest income.

Inflation and changing prices also have an impact on the growth of total assets in the banking industry and the resulting need to increase capital at higher than normal rates in order to maintain an appropriate equity to assets ratio. Changing prices will also affect the trend in noninterest operating expenses and noninterest income.

RESULTS OF OPERATIONS

NET INTEREST INCOME

Net interest income (TE) increased 5%, or $15.0 million, in 2002, on 3% growth in average earning assets. This followed a 4%, or $12.0 million, increase in 2001 over 2000, when earning assets grew 9%. As discussed earlier, Whitney has been moderately asset sensitive throughout 2002 and 2001, which implies that it would experience some compression in its net interest margin in a declining rate environment, holding other factors constant. The net interest margin is net interest income (TE) as a percent of average earning assets. Margin compression did occur in 2001, when there was a decrease of 21 basis points to 4.52%, but this decline was well below what would have been expected based solely on the steep reduction in market rates during 2001. Pressure on the margin continued in 2002, but Whitney was able to add 10 basis points to the margin during the year, to 4.62%, in large part through pricing discipline on loans, careful deployment of excess liquidity between the investment portfolio and short-term cash management investments, and the implementation of successful pricing strategies on deposits. The margin improvement in 2002 came as a 129 basis point decline in the yield (TE) on earning assets was more than offset by a 139 basis point decrease in the cost of funding these assets. Between 2000 and 2001, however, the 86 basis point decrease in the earning asset yield was not fully-matched by a 65 basis point decrease in the cost of funds. Tables 12 and 13 show the factors contributing to these changes and the components of these changes. Maintaining the net interest margin at current levels and generating growth in net interest income during a period of continued low interest rates, economic uncertainty and limited earning asset growth cannot be assured.

In both 2002 and 2001, the earning asset mix has been impacted by restrained loan demand and higher demand for deposit products, among other factors. Together these factors provided a surge in liquidity to the earning asset mix in 2001 that has continued into 2002. Short-term investments grew to 4% of average earning assets in 2001, from less than 1% in 2000, and remained on average at the higher level in 2002. Over the same period, average loans, including loans held for sale, declined as a percentage of earning assets to 68% in 2002, from 72% in 2001 and a high for recent years of 73% in 2000. Management gradually directed more of the liquidity from loan reductions and sustained deposit demand to the investment portfolio, which increased to 28% of earning assets in 2002 from 24% in 2001. At year-end 2002, the investment portfolio had grown to 30% of earning assets, while short-term investments had decreased to less than 1%.

Market rates were relatively stable during 2002, after a steep and steady decline throughout 2001. The average prime rate during 2002 was approximately 220 basis points lower than in 2001 and 450 basis points below 2000. Fixed rate components of the loan portfolio and discipline in loan pricing in the face of restrained demand and heightened competition helped limit the decrease in the loan portfolio yield (TE) to 137 basis points in 2002 and 90 basis points in 2001. The average rate earned on the predominantly fixed-rate investment portfolio decreased 78 basis points in 2002 and was down 25 basis points in 2001 compared to the prior year. Low market rates have stimulated home mortgage refinancing activity and accelerated prepayments on mortgage-backed securities, as was particularly evident in 2002. This has offset some of the benefit to the portfolio return from the fixed-rate structure of the investment portfolio.

Sustained higher demand for deposit products and the implementation of deposit pricing strategies had a favorable impact on the mix of funding sources in 2002. The percentage of average earning assets funded by noninterest-bearing sources rose to 29%, from 27% in 2001, with a healthy 25% in the most recent period representing noninterest-bearing deposits. Noninterest-bearing deposits funded 23% of earning assets in 2001. Lower-cost interest-bearing deposits supported 39% of earning assets in 2002, up from 34% in 2001. Higher-cost sources of funds, which include time deposits and short-term borrowings, fell to 32% of average earning assets in 2002, from close to 40% in 2001. Total time deposits decreased 18% on average in response to steadily declining renewal rates, shifting in part to lower-cost products. Average short-term borrowings were 14% lower than in 2001.

Although money market rates became relatively stable in 2002, the maturity structure of time deposits was such that their cost continued to decline throughout the year. The average rate on time deposits for 2002 was 245 basis points below the rate for 2001, and stood at 2.05% at year-end 2002, approximately 150 basis points below the rate at the end of 2001. At current market conditions, time deposit maturities should lead to some further cost reductions in the near term.

An improved mix of funding sources also benefited 2001. Funds from noninterest-bearing sources totaled 27% of average earnings assets in 2001 compared to 26% in 2000, with 23% from noninterest-bearing deposits in each period. The impact of increased customer liquidity and demand for deposits was most evident in the reduction in the percentage of higher-cost funds to average earning assets from 42% in 2000 to 39% in 2001. During 2000, Whitney had made increased use of wholesale funding sources to leverage loan growth in that period and had responded to what then were rising short-term market rates with competitively structured time-deposit products. In response to falling market rates, the average cost of total interest-bearing liabilities decreased 85 basis points in 2001, including the impact of a 246 basis point drop in the cost of short-term borrowings. As would be expected, however, the cost of fixed-rate time deposits in 2001 responded more slowly and was only 44 basis points below 2000 on average.

TABLE 12. SUMMARY OF AVERAGE BALANCE SHEETS, NET INTEREST INCOME (TE) [(a)] AND INTEREST RATES

	2002			2001			2000		
(dollars in thousands)	Average Balance	Interest	Rate	Average Balance	Interest	Rate	Average Balance	Interest	Rate
ASSETS									
EARNING ASSETS									
Loans (TE)[(b),(c)]	$4,393,266	$274,979	6.26 %	$4,515,740	$344,613	7.63 %	$4,235,562	$361,345	8.53 %
Mortgage-backed securities	1,023,277	55,243	5.40	684,934	41,070	6.00	489,073	30,144	6.16
U.S. agency securities	433,554	21,723	5.01	530,411	31,372	5.91	636,052	38,882	6.11
Obligations of states and political subdivisions (TE)	152,052	10,527	6.92	165,809	11,894	7.17	202,598	15,152	7.48
U.S. Treasury securities	152,349	6,160	4.04	104,670	6,215	5.94	122,018	7,438	6.10
Other securities	54,984	2,432	4.42	39,430	2,015	5.11	28,868	1,853	6.42
Total investment in securities	1,816,216	96,085	5.29	1,525,254	92,566	6.07	1,478,609	93,469	6.32
Federal funds sold and short-term investments	283,309	4,771	1.68	262,451	9,331	3.56	57,085	3,543	6.21
Total earning assets	6,492,791	$375,835	5.79 %	6,303,445	$446,510	7.08 %	5,771,256	$458,357	7.94 %
NONEARNING ASSETS									
Other assets	595,445			592,469			565,213		
Allowance for loan losses	(71,561)			(64,350)			(54,425)		
Total assets	$7,016,675			$6,831,564			$6,282,044		
LIABILITIES AND SHAREHOLDERS' EQUITY									
INTEREST-BEARING LIABILITIES									
NOW account deposits	$ 690,011	$ 5,508	.80 %	$ 598,973	$ 7,727	1.29 %	$ 543,424	$ 8,086	1.49 %
Money market deposits	1,321,729	19,152	1.45	1,065,027	30,655	2.88	820,393	33,638	4.10
Savings deposits	515,878	4,014	.78	463,583	7,055	1.52	458,717	9,281	2.02
Other time deposits	913,492	26,315	2.88	1,114,207	58,772	5.27	993,948	53,294	5.36
Time deposits $100,000 and over	707,715	16,868	2.38	858,895	42,006	4.89	768,605	44,587	5.80
Total interest-bearing deposits	4,148,825	71,857	1.73	4,100,685	146,215	3.57	3,585,087	148,886	4.15
Short-term borrowings	441,777	3,844	.87	515,152	15,134	2.94	672,118	36,295	5.40
Total interest-bearing liabilities	4,590,602	$75,701	1.65 %	4,615,837	$161,349	3.50 %	4,257,205	$185,181	4.35 %
NONINTEREST-BEARING LIABILITIES AND SHAREHOLDERS' EQUITY									
Demand deposits	1,601,316			1,447,871			1,342,127		
Other liabilities	64,032			69,757			59,898		
Shareholders' equity	760,725			698,099			622,814		
Total liabilities and shareholders' equity	$7,016,675			$6,831,564			$6,282,044		
Net interest income and margin (TE)		$300,134	4.62 %		$285,161	4.52 %		$273,176	4.73 %
Net earning assets and spread	$1,902,189		4.14 %	$1,687,608		3.58 %	$1,514,051		3.59 %
Interest cost of funding earnings assets			1.17 %			2.56 %			3.21 %

(a) Tax-equivalent (TE) amounts are calculated using a marginal federal income tax rate of 35%.
(b) Includes loans held for sale.
(c) Average balance includes nonaccruing loans of $37,152, $27,492 and $21,358, respectively, in 2002, 2001 and 2000.

TABLE 13. SUMMARY OF CHANGES IN NET INTEREST INCOME (TE) [(a), (b)]

	2002 Compared to 2001			2001 Compared to 2000		
	Due to Change in		Total Increase	Due to Change in		Total Increase
(dollars in thousands)	Volume	Rate	(Decrease)	Volume	Rate	(Decrease)
INTEREST INCOME (TE)						
Loans (TE)	$(9,126)	$(60,508)	$(69,634)	$22,931	$(39,663)	$(16,732)
Mortgage-backed securities	18,605	(4,432)	14,173	11,765	(839)	10,926
U.S. agency securities	(5,252)	(4,397)	(9,649)	(6,283)	(1,227)	(7,510)
Obligations of states and political subdivisions (TE)	(963)	(404)	(1,367)	(2,660)	(598)	(3,258)
U.S. Treasury securities	2,300	(2,355)	(55)	(1,034)	(189)	(1,223)
Other securities	715	(298)	417	589	(427)	162
Total investment in securities	15,405	(11,886)	3,519	2,377	(3,280)	(903)
Federal funds sold and short-term investments	690	(5,250)	(4,560)	7,879	(2,091)	5,788
Total interest income (TE)	6,969	(77,644)	(70,675)	33,187	(45,034)	(11,847)
INTEREST EXPENSE						
NOW account deposits	1,047	(3,266)	(2,219)	779	(1,138)	(359)
Money market deposits	6,190	(17,693)	(11,503)	8,536	(11,519)	(2,983)
Savings deposits	723	(3,764)	(3,041)	97	(2,323)	(2,226)
Other time deposits	(9,222)	(23,235)	(32,457)	6,356	(878)	5,478
Time deposits $100,000 and over	(6,425)	(18,713)	(25,138)	4,886	(7,467)	(2,581)
Total interest-bearing deposits	(7,687)	(66,671)	(74,358)	20,654	(23,325)	(2,671)
Short-term borrowings	(1,900)	(9,390)	(11,290)	(7,167)	(13,994)	(21,161)
Total interest expense	(9,587)	(76,061)	(85,648)	13,487	(37,319)	(23,832)
Change in net interest income (TE)	$16,556	$ (1,583)	$14,973	$19,700	$ (7,715)	$11,985

(a) Tax-equivalent (TE) amounts are calculated using a marginal federal income tax rate of 35%.

(b) The change in interest shown as due to changes in either volume or rate includes an allocation of the amount that reflects the interaction of volume and rate changes. This allocation is based on the absolute dollar amounts of change due solely to changes in volume or rate.

PROVISION FOR LOAN LOSSES

The overall credit risk profile of Whitney's customers increased moderately in both 2001 and 2000. As would be expected, net charge-offs rose in the subsequent periods, to \$12.1 million in 2002 and \$9.4 million in 2001 from \$1.6 million in 2000. Improvements in overall credit risk in 2002 led to a \$5.5 million reduction in the level of the allowance for loan losses from year-end 2001 and helped lower the provision for the year. Whitney provided \$7.5 million for loan losses in 2002, compared to \$19.5 million in 2001 and \$12.7 million in 2000.

For a more detailed discussion of changes in the allowance for loan losses, nonperforming assets and general credit quality, see the earlier section on Loans and Allowance for Loan Losses. The future level of the allowance and provisions for loan losses will reflect management's ongoing evaluation of credit risk, based on established internal policies and practices.

NONINTEREST INCOME

Table 14 shows the components of noninterest income for each year in the three-year period ended December 31, 2002, along with the percent changes between years for each component. Noninterest income before securities transactions decreased 7%, or \$6.3 million, in 2002 after increasing 23%, or \$16.8 million, in 2001. Excluding revenue and gains associated with merchant processing agreements that were sold in 2001, as discussed below, noninterest income grew 5%, or \$4.2 million, in 2002, and was up 25%, or \$15.9 million, in 2001.

TABLE 14. NONINTEREST INCOME

(dollars in thousands)	**2002**	**% change**	2001	% change	2000
Service charges on deposit accounts	**\$38,327**	**8.7%**	\$35,275	16.4%	\$30,312
Credit card income	**8,219**	**(41.3)**	14,002	(8.8)	15,349
Trust service fees	**8,814**	**(6.1)**	9,384	1.9	9,206
Secondary mortgage market operations	**9,045**	**19.4**	7,575	257.6	2,118
ATM fees	**4,861**	**13.5**	4,281	4.7	4,089
Investment services income	**4,257**	**9.0**	3,906	45.7	2,681
Other fees and charges	**6,047**	**41.1**	4,285	8.2	3,959
Other operating income	**2,993**	**(15.2)**	3,529	(4.3)	3,689
Net gain on sales and other revenue from foreclosed assets	**1,714**	**(12.7)**	1,963	14.5	1,714
Net gains on disposals of surplus property	**497**	**(84.8)**	3,274	184.0	1,153
Gain on sale of merchant processing agreements	**-**	***(a)***	3,570	*(a)*	-
Total noninterest income before securities transactions	**84,774**	**(6.9)**	91,044	22.6	74,270
Securities transactions	**411**	**149.1**	165	(80.6)	850
Total noninterest income	**\$85,185**	**(6.6)%**	\$91,209	21.4%	\$75,120

(a) Not meaningful.

Income from service charges on deposit accounts increased 9%, or \$3.1 million, in 2002, after an increase of 16%, or \$5.0 million, in 2001. Both periods benefited from refinements to pricing policies for certain business accounts that the Company implemented during the second quarter of 2001. In addition, as short-term market interest rates declined sharply in 2001, Whitney appropriately lowered the earnings credit allowed as an offset to service charges on these accounts, and these lower rates prevailed throughout 2002. The combined impact helped increase business service fees by \$2.6 million in 2002 and \$3.2 million in 2001. Both periods also benefited from the introduction, beginning in 2001's second quarter, of automated tools to help banking officers with certain service fee decisions and to measure their performance against corporate standards. The integration of customers acquired in mergers also generated additional fee income in both 2002 and 2001, as did underlying growth in the customer deposit base.

At the end of 2001's third quarter, Whitney entered into an alliance with a firm that specializes in processing credit card sale transactions for merchants. In forming this alliance, Whitney sold its existing merchant processing agreements to the firm and recognized a gain of $3.6 million, while maintaining an interest in the ongoing net revenues generated through the alliance. With this move, credit card income decreased a net 41%, or $5.8 million, in 2002, and 9%, or $1.3 million in 2001. The corresponding reduction in credit card processing expense is discussed in the following section. Excluding revenues associated with merchant processing in all periods, credit card income rose 18%, or $1.2 million, in 2002, and was up 26%, or $1.4 million in 2001. In addition to income from merchant processing services, this category has included fees from activity on Bank-issued credit and debit cards. Fee income from debit card activity has made an increasingly important contribution in recent years as the Company expanded the distribution of this product and saw increasing acceptance and use of these cards for retail transactions. Debit card fee income was up 26%, or $1.0 million in 2002, on a 25% increase in transaction volume and a 19% increase in the cardholder base. This followed income growth of 42%, or $1.2 million, in 2001 when transaction volume rose 37% and the base increased 34%. Fee income from credit card activity grew 7% in 2002, consistent with the growth in transaction volume, and was up 14% in 2001.

Secondary mortgage market operations posted a 19%, or $1.5 million, increase in fee income in 2002. In 2001, this income category had increased $5.5 million to a level over three times that in 2000. Late in the third quarter of 2000, the Company began to shift away from retaining new residential mortgage loans for the portfolio. In addition, favorable market rates and an expanded sales force generated strong origination volumes throughout 2001 and again in 2002. Refinancing activity accounted for approximately 65% of the loans originated in both 2002 and 2001. Total production was $510 million in 2002 and $461 million in 2001, both up sharply from a total of $219 million in 2000. Whitney sold approximately 86% of this production in 2002 compared to 95% in 2001 and only 38% in 2000.

Fees on letters of credit and unused loan commitments were the main factors behind the 41%, or $1.8 million, growth in other fees and charges in 2002. Revenues from an agreement to outsource the Bank's official checks that was implemented in the second half of 2002 also contributed to this improvement.

Investment service income increased 9%, or $.4 million, in 2002, mainly on the strength of annuity sales. Increased demand for fixed income securities drove the 46%, or $1.2 million, increase in this income category in 2001, offsetting softness in retail brokerage activity that was brought on by weak equity markets. The conditions underlying these 2001 changes were also present throughout much of 2002.

Lower asset values in the capital markets were an important factor behind the 6%, or $.6 million, decrease in trust service fees in 2002, and the limited growth of only 2% in 2001. A modification of fee schedules, however, helped limit the negative impact from capital market weaknesses.

The net gain on sales and other revenue from foreclosed assets includes income from grandfathered assets that vary from year to year as opportunities for sales arise. Management evaluates its banking facilities on an ongoing basis to identify possible under-utilization and to determine the need for functional improvements, relocations or possible sales. The net gains recognized in each period from these and other dispositions of surplus banking property are shown in Table 14. The total for 2001 includes a gain of approximately $1.1 million related to a property acquired through merger.

NONINTEREST EXPENSE

Table 15 shows the components of noninterest expense with and without merger-related expenses for each year in the three-year period ended December 31, 2002, along with the percent changes between years for each component. Noninterest expense before merger-related expenses decreased 1%, or $2.0 million, in 2002 after a 5% increase in 2001. Adjusting for the impact of the merchant business sale, noninterest expense increased a moderate 2% in 2002 and approximately 6% in 2001.

TABLE 15. NONINTEREST EXPENSE

(dollars in thousands)	**2002**	**% change**	2001	% change	2000
Employee compensation	**$107,021**	**5.0%**	$101,937	6.4%	$ 95,838
Employee benefits	**21,966**	**25.2**	17,538	10.0	15,939
Total personnel expense	**128,987**	**8.0**	119,475	6.9	111,777
Equipment and data processing expense	**18,876**	**(13.4)**	21,802	(6.6)	23,346
Net occupancy expense	**19,907**	**(1.0)**	20,102	5.2	19,115
Credit card processing services	**2,161**	**(73.4)**	8,134	(21.4)	10,354
Telecommunication and postage	**8,281**	**(3.4)**	8,571	(1.6)	8,714
Legal and professional services	**6,083**	**(5.8)**	6,456	8.4	5,958
Amortization of intangibles	**5,846**	**(21.3)**	7,430	23.3	6,027
Ad valorem taxes	**7,557**	**7.3**	7,045	7.5	6,554
Security and other outsourced services	**8,127**	**4.3**	7,792	14.1	6,830
Advertising	**4,769**	**7.3**	4,443	26.3	3,519
Operating supplies	**3,462**	**(19.8)**	4,315	3.5	4,169
Deposit insurance and regulatory fees	**1,971**	**1.8**	1,936	11.3	1,740
Miscellaneous operating losses	**1,429**	**(43.8)**	2,544	46.4	1,738
Other operating expense	**13,470**	**4.6**	12,873	5.2	12,236
Noninterest expense, before merger-related expenses	**230,926**	**(.9)**	232,918	4.9	222,077
Merger-related expenses	**-**	*(a)*	6,186	*(a)*	1,102
Total noninterest expense	**$230,926**	**(3.4)%**	$239,104	7.1%	$223,179

(a) Not meaningful.

Total personnel expense increased 8%, or $9.5 million, in 2002, and was up 7%, or $7.7 million, in 2001. Employee compensation rose 5%, or $5.1 million, in 2002, including approximately $.4 million of nonrecurring costs associated with acquired bank personnel; and employee benefits increased 25%, or $4.4 million. Base salaries and the cost of various targeted employee incentive pay plans, such as for mortgage originators, increased 4%, or $3.7 million, including the impact of recurring costs of bank operations purchased in late 2001. The successful integration of operations and employees from this acquisition and continued attention to efficient management of human resources helped the Company keep its average full-time equivalent staff level during 2002 essentially unchanged from 2001. An increase in stock-based compensation, which fluctuates with changes in Whitney's stock price and employee participation levels, was the main factor in an overall $1.6 million increase in long-term incentive plan expense.

The Company provides retirement benefits under a defined benefit pension plan and a 401(k) savings plan. A weak performance by the investments in the pension trust fund or a decline in market yields on fixed-income securities will cause the actuarially-determined periodic pension expense to increase in future periods, holding other variables constant. Each of these conditions was present in 2001 as well as at the end of 2002. As a result, pension expense increased $3.1 million from 2001 to 2002, accounting for approximately three-quarters of the overall increase in employee benefits expense. An additional, though somewhat smaller, increase is expected for 2003. Whitney also expects an increase in the cost of providing health benefits for 2003, following an increase of 11%, or $.7 million, in 2002.

In 2001, employee compensation rose 6%, or $6.1 million, while employee benefits increased 10%, or $1.6 million. Base salaries and incentive pay increased 6%, or $5.0 million, including $1.4 million related to the bank operations purchased late in 2001. Adjusting for the impact of purchased operations, the increase would have been approximately 4%. Reductions in staff levels achieved through the integration of the operations of pooled entities acquired in early 2001 helped limit the overall increase. Stock-based compensation again drove the increase in long-term incentive plan expense for 2001, which was up $1.1 million. Effective for 2001, Whitney increased the percentage of employee 401(k) plan savings that it matches. The impact of this change and an increase in the cost of health benefits were the major factors behind the rise in employee benefits expense in that year.

Equipment and data processing expense was 13%, or $2.9 million, lower in 2002, following a decrease of 7%, or $1.5 million, in 2001. Continued close control over capital expenditures, for both new projects and the replacement of fully-depreciated assets, has been the major factor that provided an offset to costs that have been added for applications to support expanded customer services and enhanced management tools and for purchased operations. Systems integration activities completed in 2001 also produced savings. The Company does not anticipate a further decrease in equipment and data processing expense in 2003.

Net occupancy expense was little changed in 2002, after an increase of 5%, or $1.0 million, in 2001. The costs added for facilities of banking operations purchased in late 2001 were offset by expense reductions in 2002, mainly with respect to depreciation and utilities. Functional improvement projects at certain facilities, including the main office in New Orleans, had led to increased depreciation expense in 2001, and high energy prices early that year had driven up the cost of utilities. The elimination of under-utilized facilities helped reduce depreciation and other occupancy expenses in 2002 and limit the growth in occupancy expense in 2001 from purchased operations and the other factors mentioned above.

The significant reductions in credit card processing services expense in both 2002 and 2001 were directly related to the merchant business sale discussed earlier. Excluding merchant processing costs, this expense category will vary mainly with changes in income from transactions on Bank-issued credit cards.

Telecommunication and postage expense has been stable to slightly lower over the last few years, despite postal rate increases in both 2002 and 2001. Over the last two years, Whitney renegotiated its contract for mail services, improved internal mail operations, and restructured its data and voice communication contracts. The Company has also noted some trends in customer transaction preferences that have reduced the cost of periodic mailings.

The expense for legal and professional services decreased 6% in 2002 after rising 8% in 2001. There had been a fairly sharp increase in legal expense in 2001 that was partly the result of services used to form the merchant business alliance. With the rise in nonperforming loans in recent years, as shown above in Table 6, there also came increased demand for legal services to support loan collection efforts. The impact was evident in both 2001 and 2002, but the recovery of some relatively significant collection costs and the resolution of certain corporate matters helped reduce 2002 legal expense in comparison to the prior year. The expense for consulting and other professional services was relatively stable between 2002 and 2001, as the Company pursued initiatives that included implementing new on-line banking services, developing products and service protocols that better target different customer groups, and evaluating overall organizational efficiency and effectiveness. The decrease from 2000 to 2001 can be traced in large part to consulting services in the earlier period related to the Company's entry into the Houston, Texas market.

Amortization of purchased intangibles decreased $1.6 million in 2002 compared to 2001. The $3.6 million benefit from the elimination of goodwill amortization in 2002 was partly offset by amortization of the deposit relationship intangible purchased in the Northwest Bank acquisition in 2001's fourth quarter and adjustments to the amortization schedule for certain other purchased intangibles. The business acquisitions in 2001 and 2000 accounted for all of the increase in the amortization of intangibles in 2001. Note 9 to the consolidated financial statements presents pro forma information to show the impact elimination of goodwill amortization has on net income and earnings per share. Scheduled amortization of intangible assets other than goodwill in 2003 is $5.3 million.

The expense for security and other outsourced services increased 4% in 2002 after rising 14% in 2001. The 2001 increase reflected in large part the extension of existing service arrangements to acquired operations.

Toward the end of 2000, Whitney launched a multi-faceted advertising campaign featuring a Louisiana-based celebrity spokesperson. Costs associated with this campaign, which continued throughout 2002, contributed to the 26%, or $.9 million, increase in advertising expense in 2001.

The favorable impact of ongoing expense control efforts in recent years is evident in the stationery and supplies expense category which decreased 20% in 2002, following a moderate 4% increase in 2001. The success of these efforts also factored into the moderate growth in other operating expense in both 2002 and 2001.

The Bank has been assessed at relatively low rates for deposit insurance premiums in recent years, reflecting both the level of the deposit insurance funds in relation to required levels and the favorable overall risk rating assigned to the Bank by its primary regulator. Growth in insured deposits and higher estimates of potential insured losses by the FDIC have lowered the ratio of deposit insurance funds to insured deposits and increased the likelihood that premium rates will go up.

The Company and its acquired entities recognize various nonrecurring expenses to complete merger transactions and to integrate the acquired operations into the Whitney system. These merger-related expenses include change in control payments and severance or retention bonuses for management and employees of a merged entity, investment banker fees, fees for various professional services and losses on cancellation of contracts and the disposition of obsolete and redundant facilities and equipment. Total merger-related expenses vary with each transaction.

INCOME TAXES

Income tax expense was $46.7 million in 2002, $36.6 million in 2001 and $33.5 million in 2000. The Company's effective tax rate was 32.9% in 2002, 32.6% in 2001 and 31.5% in 2000. These effective rates were lower than the 35% federal statutory tax rate primarily because of tax-exempt interest income received from the financing of state and local governments. The increase from 2000 to 2001 mainly reflected the termination of the Subchapter S election for post-merger earnings from an acquired bank's operations, as discussed in Note 19 to the consolidated financial statements. In connection with the Subchapter S termination, however, Whitney also recorded a deferred tax benefit of approximately $1 million in 2001 that partly offset the impact of the taxability of post-merger earnings.

Louisiana-sourced income of commercial banks is not subject to state income taxes. Rather, banks in Louisiana pay a tax based on the value of their capital stock in lieu of income and franchise taxes, and these ad valorem taxes are included in noninterest expense. This expense will fluctuate based in part on the growth in the Bank's equity and earnings and in part based on market valuation trends for the banking industry.

See Note 19 for additional information on the Company's effective tax rates and the composition of changes in income tax expense for all periods.

FOURTH QUARTER RESULTS

Whitney earned $.63 per share, or $25.1 million, in the fourth quarter of 2002, a 26% increase over earnings of $.50 per share, or $19.8 million, in the fourth quarter of 2001.

Selected highlights from the fourth quarter's results follow:

- Net interest income (TE) increased 1%, or $.8 million, from the fourth quarter of 2001, on the strength of an improved net interest margin (TE) that increased to 4.61%, or 9 basis points above the year-earlier quarter. Earning assets decreased in total by less than 1% between these periods. Although sustained lower market rates reduced both asset yields and funding costs, there was a deeper reduction in the cost of funds. Funding costs, which decreased 85 basis points, benefited from a shift in the mix of funds to noninterest-bearing and other lower-cost sources. Changes in the earning asset mix helped moderate the decline in overall asset yields, which totaled 76 basis points. Loans remained a relatively steady percentage of earning assets between these periods. Investment securities grew to 29% of earning assets from 25% in the year-earlier period, with a comparable reduction in short-term liquidity investments. The growth in investment securities, which generally carry fixed rates, was concentrated in shorter-duration mortgage-backed issues.

- Noninterest income, excluding securities transactions, increased 8%, or $1.6 million, from the fourth quarter of 2001. Income from secondary mortgage market operations rose 9%, or $.2 million, as production levels were again bolstered by a strong refinancing market. Expanded distribution and use of bank-issued debit cards drove a 12%, or $.2 million, increase in the credit card income category. Other contributors to noninterest income growth included fees on letters of credit and unused loan commitments, investment services income, and revenue from the official check outsourcing agreement, all of which increased a combined $1.1 million. Difficult capital market conditions were the main factor behind a 6% decline in trust service fees from 2001's fourth quarter. Service charges from deposit accounts were also lower in the fourth quarter of 2002 by less than 1%.

- Noninterest expense increased 2%, or $1.3 million, from 2001's fourth quarter. A sharp increase in defined benefit pension plan expense was the main driver of a 12%, or $3.5 million, increase in total personnel expense from the fourth quarter of 2001. Employee compensation increased a more moderate 5%, or $1.4 million, in total, as base salaries and targeted employee incentive pay rose 4%, aided in part by a 1% reduction in full-time equivalent staff levels from year-end 2001. Most other major expense categories showed improvement from the fourth quarter of 2001. Close control over capital expenditures has had a favorable impact on equipment and data processing expense, which decreased 17%, or $.9 million, in 2002's fourth quarter. Legal and professional fees were down $.8 million from the fourth quarter of 2001, when system conversion expenses were incurred related to a merger. The change in accounting for goodwill led to a $.5 million net decrease in amortization of purchased intangibles compared to the year-earlier quarter.

- Improvements in overall credit quality helped reduce the level of the allowance for loan losses by $5.5 million from the end of 2001. The allowance represented 1.48% of total loans at December 31, 2002, compared to 1.59% a year earlier. Net charge-offs totaled $1.7 million in the fourth quarter of 2002, and $1.4 million in the fourth quarter of 2001. Whitney provided $.5 million for loan losses in the fourth quarter of 2002, compared to $6.5 million in the final quarter of 2001. The provision in last year's fourth quarter reflected increased customer credit risks arising from, among other factors, a weakening economy and heightened uncertainty in the aftermath of the September 11 terrorist attacks.

The Summary of Quarterly Financial Information appearing in Item 8 of this Form 10-K and located on page 28 provides selected comparative financial information for each of the four quarters in 2002 and 2001.

Item 7a: QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The information required for this item is included in the section entitled Asset/Liability Management on pages 17 and 18 of Management's Discussion and Analysis of Financial Condition and Results of Operations that appears in Item 7 of this Form 10-K.

Item 8: FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

SUMMARY OF QUARTERLY FINANCIAL INFORMATION (Unaudited)

	2002 Quarters			
(dollars in thousands, except per share data)	**4th**	**3rd**	**2nd**	**1st**
Net interest income	**$73,463**	**$73,964**	**$75,174**	**$72,607**
Net interest income (TE)	**74,758**	**75,162**	**76,381**	**73,833**
Provision for loan losses	**500**	**1,500**	**2,500**	**3,000**
Noninterest income (excluding securities transactions)	**21,890**	**22,295**	**20,220**	**20,369**
Securities transactions	**-**	**(15)**	**426**	**-**
Noninterest expense	**57,946**	**58,230**	**57,773**	**56,977**
Income tax expense	**11,777**	**12,198**	**11,762**	**10,907**
Net income	**$25,130**	**$24,316**	**$23,785**	**$22,092**
Average balances				
Total assets	**$6,957,714**	**$6,883,963**	**$6,986,870**	**$7,242,746**
Earning assets	**6,449,785**	**6,373,798**	**6,460,942**	**6,690,593**
Loans	**4,417,449**	**4,326,383**	**4,344,882**	**4,400,375**
Deposits	**5,660,729**	**5,634,831**	**5,757,493**	**5,951,971**
Shareholders' equity	**792,292**	**773,326**	**745,352**	**731,120**
Ratios				
Return on average assets	**1.43%**	**1.40%**	**1.37%**	**1.24%**
Return on average equity	**12.58**	**12.47**	**12.80**	**12.25**
Net interest margin	**4.61**	**4.69**	**4.74**	**4.45**
Earnings per share				
Basic	**$.63**	**$.61**	**$.60**	**$.56**
Diluted	**.63**	**.60**	**.59**	**.55**
Cash dividends per share	**.30**	**.27**	**.27**	**.27**
Trading data				
High closing price	**$34.27**	**$34.00**	**$38.52**	**$34.50**
Low closing price	**29.46**	**28.09**	**30.51**	**29.13**
End-of-period closing price	**33.33**	**32.08**	**30.74**	**33.24**
Trading volume	**5,774,008**	**5,078,531**	**8,115,882**	**2,958,102**

	2001 Quarters			
(dollars in thousands, except per share data)	4th	3rd	2nd	1st
Net interest income	$72,652	$70,939	$68,266	$67,939
Net interest income (TE)	73,944	72,258	69,628	69,331
Provision for loan losses	6,500	8,000	2,500	2,500
Noninterest income (excluding securities transactions)	20,282	25,002	21,816	23,944
Securities transactions	96	-	32	37
Noninterest expense	56,644	58,866	60,720	62,874
Income tax expense	10,090	9,719	8,792	7,980
Net income	$19,796	$19,356	$18,102	$18,566
Average balances				
Total assets	$7,034,722	$6,825,004	$6,813,065	$6,649,303
Earning assets	6,503,952	6,306,997	6,290,430	6,108,016
Loans	4,491,247	4,450,095	4,451,840	4,507,874
Deposits	5,726,667	5,548,850	5,548,425	5,366,320
Shareholders' equity	725,826	702,134	689,272	674,556
Ratios				
Return on average assets	1.12%	1.13%	1.07%	1.13%
Return on average equity	10.82	10.94	10.53	11.16
Net interest margin	4.52	4.56	4.43	4.58
Earnings per share				
Basic	$.50	$.49	$.46	$.47
Diluted	.49	.48	.46	.47
Cash dividends per share	.27	.25	.25	.25
Trading data				
High closing price	$31.27	$32.56	$31.27	$27.58
Low closing price	26.17	26.84	25.67	24.00
End-of-period closing price	29.23	28.67	31.27	26.38
Trading volume	3,187,866	3,230,252	4,097,418	3,449,813

All closing prices represent closing sales prices as reported on The NASDAQ Stock Market.
Share and per share data give effect to the 3-for-2 stock split effective April 9, 2002.

WHITNEY HOLDING COPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(dollars in thousands)	*December 31* **2002**	2001
ASSETS		
Cash and due from financial institutions	**$ 326,124**	$ 271,512
Federal funds sold and short-term investments	**4,327**	494,908
Loans held for sale	**65,572**	59,453
Investment in securities		
Securities available for sale	**1,773,591**	1,440,527
Securities held to maturity, fair values of $209,506 and $195,712, respectively	**202,107**	191,813
Total investment in securities	**1,975,698**	1,632,340
Loans, net of unearned income	**4,455,412**	4,495,085
Allowance for loan losses	**(66,115)**	(71,633)
Net loans	**4,389,297**	4,423,452
Bank premises and equipment	**151,620**	167,419
Goodwill	**69,164**	68,952
Other intangible assets	**28,807**	34,653
Accrued interest receivable	**28,649**	32,461
Other assets	**58,623**	58,500
Total assets	**$ 7,097,881**	$ 7,243,650
LIABILITIES		
Noninterest-bearing demand deposits	**$ 1,692,939**	$ 1,634,258
Interest-bearing deposits	**4,089,940**	4,315,902
Total deposits	**5,782,879**	5,950,160
Short-term borrowings	**453,415**	511,517
Accrued interest payable	**7,383**	14,946
Accrued expenses and other liabilities	**53,721**	49,139
Total liabilities	**6,297,398**	6,525,762
SHAREHOLDERS' EQUITY		
Common stock, no par value		
Authorized --100,000,000 shares		
Issued -- 40,067,783 and 39,667,248 shares, respectively	**2,800**	2,800
Capital surplus	**167,235**	154,397
Retained earnings	**607,235**	556,241
Accumulated other comprehensive income	**30,104**	10,104
Treasury stock at cost	**-**	-
Unearned restricted stock compensation	**(6,891)**	(5,654)
Total shareholders' equity	**800,483**	717,888
Total liabilities and shareholders' equity	**$ 7,097,881**	$ 7,243,650

The accompanying notes are an integral part of these financial statements.
Share data gives effect to the 3-for-2 stock split effective April 9, 2002.

WHITNEY HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31		
(dollars in thousands, except per share data)	**2002**	2001	2000
INTEREST INCOME			
Interest and fees on loans	**$ 273,737**	$ 343,397	$ 360,480
Interest and dividends on investments			
Mortgage-backed securities	**55,243**	41,070	30,144
U.S. agency securities	**21,723**	31,372	38,882
Obligations of states and political subdivisions	**6,843**	7,745	9,921
U.S. Treasury securities	**6,160**	6,215	7,438
Other securities	**2,432**	2,015	1,853
Interest on federal funds sold and short-term investments	**4,771**	9,331	3,543
Total interest income	**370,909**	441,145	452,261
INTEREST EXPENSE			
Interest on deposits	**71,857**	146,215	148,886
Interest on short-term borrowings	**3,844**	15,134	36,295
Total interest expense	**75,701**	161,349	185,181
NET INTEREST INCOME	**295,208**	279,796	267,080
PROVISION FOR LOAN LOSSES	**7,500**	19,500	12,690
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	**287,708**	260,296	254,390
NONINTEREST INCOME			
Service charges on deposit accounts	**38,327**	35,275	30,312
Credit card income	**8,219**	14,002	15,349
Trust service fees	**8,814**	9,384	9,206
Secondary mortgage market operations	**9,045**	7,575	2,118
Other noninterest income	**20,369**	24,808	17,285
Securities transactions	**411**	165	850
Total noninterest income	**85,185**	91,209	75,120
NONINTEREST EXPENSE			
Employee compensation	**107,021**	104,806	95,838
Employee benefits	**21,966**	17,604	15,939
Total personnel expense	**128,987**	122,410	111,777
Equipment and data processing expense	**18,876**	23,040	23,346
Net occupancy expense	**19,907**	20,179	19,115
Credit card processing services	**2,161**	8,134	10,354
Telecommunication and postage	**8,281**	8,582	8,714
Legal and professional fees	**6,083**	8,712	6,686
Amortization of intangibles	**5,846**	7,430	6,027
Ad valorem taxes	**7,557**	7,045	6,554
Other noninterest expense	**33,228**	33,572	30,606
Total noninterest expense	**230,926**	239,104	223,179
INCOME BEFORE INCOME TAXES	**141,967**	112,401	106,331
INCOME TAX EXPENSE	**46,644**	36,581	33,489
NET INCOME	**$ 95,323**	$ 75,820	$ 72,842
EARNINGS PER SHARE			
Basic	**$ 2.39**	$ 1.92	$ 1.89
Diluted	**2.38**	1.90	1.89
WEIGHTED-AVERAGE SHARES OUTSTANDING			
Basic	**39,848,881**	39,550,723	38,475,984
Diluted	**40,121,544**	39,836,047	38,568,699
CASH DIVIDENDS PER SHARE	**$ 1.11**	$ 1.03	$ .96

The accompanying notes are an integral part of these financial statements.

Share and per share data give effect to the 3-for-2 stock split effective April 9, 2002.

WHITNEY HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(dollars in thousands, except per share data)	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Unearned Restricted Stock Compensation	Total
Balance at December 31, 1999	$2,800	$158,618	$484,830	$ (5,293)	$ (40,678)	$(4,073)	$596,204
Comprehensive income:							
Net income	-	-	72,842	-	-	-	72,842
Other comprehensive income:							
Unrealized net holding gain on securities, net of reclassification adjustments and taxes	-	-	-	6,950	-	-	6,950
Total comprehensive income	-	-	72,842	6,950	-	-	79,792
Cash dividends, $.96 per share	-	-	(32,872)	-	-	-	(32,872)
Cash dividends, pooled entities	-	-	(3,580)	-	-	-	(3,580)
Stock issued in purchase business combination	-	(344)	-	-	22,497	-	22,153
Stock issued to dividend reinvestment and employee retirement plans	-	46	-	-	3,034	-	3,080
Long-term incentive plan stock activity:							
Restricted grants and related activity	-	140	-	-	797	(243)	694
Options exercised	-	(51)	-	-	240	-	189
Directors' compensation plan stock activity	-	-	-	-	120	-	120
Stock transactions, pooled entities	-	(326)	-	-	310	-	(16)
Balance at December 31, 2000	2,800	158,083	521,220	1,657	(13,680)	(4,316)	665,764
Comprehensive income:							
Net income	-	-	75,820	-	-	-	75,820
Other comprehensive income:							
Cumulative effect of accounting change	-	-	-	(4,175)	-	-	(4,175)
Unrealized net holding gain on securities, net of reclassification adjustments and taxes	-	-	-	12,622	-	-	12,622
Total comprehensive income	-	-	75,820	8,447	-	-	84,267
Cash dividends, $1.03 per share	-	-	(40,597)	-	-	-	(40,597)
Cash dividends, pooled entities	-	-	(202)	-	-	-	(202)
Stock issued to dividend reinvestment and employee retirement plans	-	1,613	-	-	1,535	-	3,148
Long-term incentive plan stock activity:							
Restricted grants and related activity	-	5,273	-	-	(934)	(1,338)	3,001
Options exercised	-	2,103	-	-	-	-	2,103
Directors' compensation plan stock activity	-	42	-	-	101	-	143
Treasury stock issued in pooling business combination	-	(12,978)	-	-	12,978	-	-
Stock transactions, pooled entities	-	261	-	-	-	-	261
Balance at December 31, 2001	2,800	154,397	556,241	10,104	-	(5,654)	717,888
Comprehensive income:							
Net income	**-**	**-**	**95,323**	**-**	**-**	**-**	**95,323**
Other comprehensive income:							
Unrealized net holding gain on securities, net of reclassification adjustments and taxes	**-**	**-**	**-**	**20,000**	**-**	**-**	**20,000**
Total comprehensive income	**-**	**-**	**95,323**	**20,000**	**-**	**-**	**115,323**
Cash dividends, $1.11 per share	**-**	**-**	**(44,329)**	**-**	**-**	**-**	**(44,329)**
Stock issued to dividend reinvestment and employee retirement plans	**-**	**1,490**	**-**	**-**	**-**	**-**	**1,490**
Long-term incentive plan stock activity:							
Restricted grants and related activity	**-**	**4,451**	**-**	**-**	**(243)**	**(1,237)**	**2,971**
Options exercised	**-**	**6,355**	**-**	**-**	**31**	**-**	**6,386**
Directors' compensation plan stock activity	**-**	**255**	**-**	**-**	**212**	**-**	**467**
Stock transactions, pooled entities	**-**	**287**	**-**	**-**	**-**	**-**	**287**
Balance at December 31, 2002	**$2,800**	**$167,235**	**$607,235**	**$30,104**	**$ -**	**$(6,891)**	**$800,483**

The accompanying notes are an integral part of these financial statements.
Per share data gives effect to the 3-for-2 stock split effective April 9, 2002.

WHITNEY HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
OPERATING ACTIVITIES			
Net income	**$ 95,323**	$ 75,820	$ 72,842
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of bank premises and equipment	**15,336**	19,201	20,258
Amortization of purchased intangibles	**5,846**	7,430	6,027
Restricted stock compensation earned	**4,951**	3,758	2,307
Premium amortization (discount accretion), net	**4,338**	302	497
Provision for losses on loans and foreclosed assets	**7,634**	19,579	12,779
Net gains on sales of foreclosed assets and surplus property	**(1,269)**	(4,542)	(2,436)
Net gains on sales of investment securities	**(411)**	(165)	(850)
Deferred tax benefit	**(811)**	(5,619)	(4,941)
Net (increase) decrease in loans originated and held for sale	**21,342**	(45,399)	(6,241)
Increase (decrease) in accrued income taxes	**(744)**	2,155	614
(Increase) decrease in accrued interest receivable and prepaid expenses	**5,030**	12,842	(8,209)
Increase (decrease) in accrued interest payable and other accrued expenses	**(6,777)**	(7,168)	13,329
Net cash provided by operating activities	**149,788**	78,194	105,976
INVESTING ACTIVITIES			
Proceeds from maturities of investment securities held to maturity	**40,710**	206,034	173,789
Purchases of investment securities held to maturity	**(51,368)**	-	(14,476)
Proceeds from maturities of investment securities available for sale	**588,067**	562,282	72,409
Proceeds from sales of investment securities available for sale	**56,375**	140,305	1,294
Purchases of investment securities available for sale	**(950,507)**	(1,004,264)	(157,635)
Net (increase) decrease in loans	**(5,356)**	157,698	(565,448)
Net (increase) decrease in federal funds sold and short-term investments	**490,581**	(456,988)	4,389
Proceeds from sales of foreclosed assets and surplus banking property	**10,915**	8,078	7,055
Purchases of bank premises and equipment	**(7,678)**	(10,501)	(13,334)
Net cash paid in business acquisitions	**-**	(35,933)	(45,141)
Other, net	**(3,768)**	(1,080)	(2,646)
Net cash provided by (used in) investing activities	**167,971**	(434,369)	(539,744)
FINANCING ACTIVITIES			
Net increase in transaction account and savings account deposits	**148,904**	683,648	18,429
Net increase (decrease) in time deposits	**(316,185)**	(212,110)	408,153
Net increase (decrease) in short-term borrowings	**(58,102)**	(82,421)	60,070
Proceeds from issuance of common stock	**7,385**	5,096	3,316
Purchases of common stock	**(2,256)**	(847)	(1,705)
Cash dividends	**(42,893)**	(38,800)	(35,486)
Net cash provided by (used in) financing activities	**(263,147)**	354,566	452,777
Increase (decrease) in cash and cash equivalents	**54,612**	(1,609)	19,009
Cash and cash equivalents at beginning of year	**271,512**	273,121	254,112
Cash and cash equivalents at end of year	**$ 326,124**	$ 271,512	$ 273,121
Cash received during the year for:			
Interest income	**$ 374,721**	$ 452,887	$ 445,411
Cash paid during the year for:			
Interest expense	**83,264**	169,895	176,006
Income taxes	**46,600**	39,842	36,992
Noncash investing activities:			
Loans transferred to held for sale	**27,461**	2,927	-
Foreclosed assets received in settlement of loans	**4,707**	1,249	983

The accompanying notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1
NATURE OF BUSINESS

Whitney Holding Corporation is a Louisiana bank holding company headquartered in New Orleans, Louisiana. Its principal subsidiary is Whitney National Bank (the Bank), which represents virtually all its operations and net income.

The Bank, which has been in continuous operation since 1883, engages in community banking in its market area stretching across the five-state Gulf Coast region, including southern Louisiana; the Houston, Texas metropolitan area; the coastal region of Mississippi; central and south Alabama; and the panhandle of Florida. The Bank, together with its wholly-owned subsidiary, Whitney Securities L.L.C., offers commercial and retail banking products and services, including trust products and investment services, to the customers in the communities it serves.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS

Whitney Holding Corporation and its subsidiaries (the Company or Whitney) follow accounting and reporting policies that conform with accounting principles generally accepted in the United States of America and those generally practiced within the banking industry. The following is a summary of the more significant accounting policies.

Basis of Presentation

The consolidated financial statements include the accounts of Whitney Holding Corporation and its subsidiaries. All significant intercompany balances and transactions have been eliminated. Whitney reports the balances and results of operations from business combinations accounted for as purchases from the respective dates of acquisition (see Note 3). Certain financial information for prior years has been reclassified to conform to the current year's presentation, including the segregation of information relating to loans held for sale.

In the first quarter of 2002, Whitney declared a three-for-two split of its common stock that was effective on April 9, 2002. All share and per share data in this annual report give effect to this stock split.

Use of Estimates

In preparing the consolidated financial statements, the Company is required to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Investment in Securities

Securities are classified as trading, held to maturity or available for sale. Management determines the classification of securities when they are purchased and reevaluates this classification periodically as conditions change that could require reclassification.

Trading account securities are bought and held principally for resale in the near term. They are carried at fair value with realized and unrealized gains or losses reflected in noninterest income. Trading account securities are immaterial in each period presented and have been included in other assets on the consolidated balance sheets.

Securities which the Company both positively intends and has the ability to hold to maturity are classified as securities held to maturity and are carried at amortized cost. Intent and ability to hold are not considered satisfied when a security is available to be sold in response to changes in interest rates, prepayment rates, liquidity needs or other reasons as part of an overall asset/liability management strategy.

Securities not meeting the criteria to be classified as either trading securities or securities held to maturity are classified as available for sale and are carried at fair value. Net unrealized holding gains or losses are excluded from net income and are recognized, net of tax, in other comprehensive income and in accumulated other comprehensive income, a separate component of shareholders' equity.

Interest and dividend income earned on securities either held to maturity or available for sale are recognized in interest income, including amortization of premiums and accretion of discounts computed using the interest method. Realized gains and losses on sales of these securities are computed based upon specifically identified amortized cost and are reported as a component of noninterest income.

Loans Held for Sale

Loans originated for sale are carried at the lower of either cost or market value. At times, management may decide to sell loans that were not originated for that purpose. These loans are reclassified as held for sale when that decision is made and also are carried at the lower of cost or market. The cost of such loans at reclassification is their carrying value, which includes remaining principal, deferred fees or costs and the applicable allowance for loan losses.

Loans

Loans are carried at the principal amounts outstanding net of unearned income. Interest on loans and accretion of unearned income, including deferred loan fees, are computed in a manner that approximates a level rate of return on recorded principal.

Interest is no longer accrued on a loan when the borrower's ability to meet contractual payments is in doubt. For commercial and real estate loans, a loan is placed on nonaccrual status generally when it is ninety days past due as to principal or interest, and the loan is not otherwise both well secured and in the process of collection. When a loan is placed on nonaccrual status, any accrued but uncollected interest is reversed against interest income. Interest payments on nonaccrual loans are used to reduce the reported loan principal under the cost recovery method when the collectibility of the remaining principal is not reasonably assured; otherwise, such payments are recognized as interest income in the period in which they are received. A loan on nonaccrual status may be reinstated to accrual status when full payment of contractual principal and interest is expected and this expectation is supported by current sustained performance.

A loan is considered impaired when it is probable that all amounts will not be collected as they become due according to the contractual terms of the loan agreement. Generally, impaired loans are accounted for on a nonaccrual basis. The extent of impairment is measured based upon a comparison of the recorded investment in the loan with either the expected cash flows discounted using the loan's original effective interest rate or, in the case of certain collateral-dependent loans, the fair value of the underlying collateral. The amount of impairment is included in the allowance for loan losses.

Allowance for Loan Losses

The allowance for loan losses is maintained at a level that, in the opinion of management, is adequate to absorb probable losses inherent in the loan portfolio as of the balance sheet date. The adequacy of the allowance is evaluated on an ongoing basis. Management considers various sources of information including analyses of specific loans reviewed for impairment, statistics from the internal credit risk rating process, reports on the payment performance of portfolio segments not subject to individual risk ratings, historical loss experience and reports on general and local economic conditions. Management also forms a judgment about the level of accuracy inherent in the evaluation process. Changes in management's evaluation over time are reflected in the provision for loan losses charged to operating expense.

As actual loan losses are incurred, they are charged against the allowance. Subsequent recoveries are added back to the allowance when collected.

Bank Premises and Equipment

Bank premises and equipment are carried at cost, less accumulated depreciation. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets and over the shorter of the lease terms or the estimated lives of leasehold improvements. Useful lives range principally from fifteen to thirty years for buildings and improvements and from three to ten years for furnishings and equipment, including data processing equipment and software. Additions to bank premises and equipment and major replacements or improvements are capitalized.

Foreclosed Assets and Surplus Property

Collateral acquired through foreclosure or in settlement of loans and surplus property are reported with other assets in the consolidated balance sheets. With the exception of grandfathered property interests, which are assigned a nominal book value, these assets are recorded at estimated fair value, less estimated selling costs, if this value is lower than the carrying value of the related loan or property asset. The initial reduction in the carrying amount of a loan to the fair value of the collateral received is charged to the allowance for loan losses. Losses arising from the transfer of bank premises and equipment to surplus property are charged to current earnings. Subsequent valuation adjustments for either foreclosed assets or surplus property are also included in current earnings, as are the revenues and expenses associated with managing these assets prior to sale.

Goodwill and Other Intangible Assets

Whitney has recognized intangible assets in connection with its purchase business combinations. Identifiable intangible assets acquired by the Company have mainly represented the value of the deposit relationships purchased in these transactions. Goodwill represents the purchase price premium over the fair value of the net assets of an acquired business, including identifiable intangible assets.

Beginning in 2002, goodwill is no longer subject to amortization but is subject to at least an annual assessment for impairment, unless interim events or circumstances make it more likely than not that an impairment loss has occurred. Impairment is defined as the amount by which the implied fair value of the goodwill contained in any reporting unit within a company is less than the goodwill's carrying value. The Company has assigned all goodwill to one reporting unit that represents Whitney's overall banking operations. This reporting unit is the same as the operating segment identified below, and its operations constitute substantially all of the Company's consolidated operations. Impairment losses identified after a transition period that ended in 2002 would be charged to operating expense.

Identifiable intangible assets with finite lives continue to be amortized over the periods benefited and are evaluated for impairment similar to other long-lived assets. If the useful life of an identifiable intangible asset is indefinite, the recorded asset is not amortized but tested for impairment by comparison to its estimated fair value. Unidentifiable intangibles other than goodwill that were recognized in certain earlier banking industry acquisitions not meeting the definition of a business combination also continue to be amortized in accordance with accounting guidance that existed at the acquisition date.

Stock-Based Compensation

At December 31, 2002, the Company had two incentive compensation plans that incorporate stock-based compensation, as is more fully described in Note 12. Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," as amended by SFAS No. 148, established a fair value-based method of accounting for stock-based compensation. As provided for in SFAS No. 123, however, the Company elected to continue to follow Accounting Principles Board Opinion (APB) No. 25 and related interpretations to measure and recognize stock-based compensation expense. Under this Opinion, Whitney recognizes no compensation expense with respect to fixed awards of stock options. The Company grants options with an exercise price equal to the stock's market price. As such, the options have no intrinsic value on the award date, which is also the measurement date for compensation expense. The compensation expense recognized under APB No. 25 for the Company's restricted stock grants is the same as that determined under SFAS No. 123, as amended.

The following shows the effect on net income and earnings per share if Whitney had applied the fair value recognition provisions of SFAS No. 123 to measure and recognize stock-based compensation expense for all awards:

(dollars in thousands, except per share data)	**2002**	2001	2000
Net income	**$95,323**	$75,820	$72,842
Stock-based compensation expense included in reported net income, net of related tax effects	**3,218**	2,442	1,500
Stock-based compensation expense determined under fair value-based method for all awards, net of related tax effects	**(6,228)**	(4,497)	(3,102)
Pro forma net income	**$92,313**	$73,765	$71,240
Earnings per share:			
Basic - as reported	**$2.39**	$1.92	$1.89
Basic - pro forma	**2.32**	1.87	1.85
Diluted - as reported	**2.38**	1.90	1.89
Diluted - pro forma	**2.30**	1.85	1.85
Weighted-average fair value of options awarded during the year	**$7.91**	$6.40	$5.43

The fair values of the stock options were estimated as of the grant dates using the Black-Sholes option-pricing model. The Company made the following significant assumptions in applying the option-pricing model: (a) an expected annualized volatility for Whitney's common stock of 25.25% in 2002, 24.17% in 2001, and 23.43% in 2000; (b) an average option life of seven years before exercise; (c) an expected annual dividend yield of 3.44% in 2002, 3.64% in 2001, and 4.20% in 2000; and (d) a weighted-average risk-free interest rate of 4.94% in 2002, 5.28% in 2001, and 6.30% in 2000.

Income Taxes

The Company and its subsidiaries file a consolidated federal income tax return. Income taxes are accounted for using the asset and liability method. Under this method the expected tax consequences of temporary differences that arise between the tax bases of assets or liabilities and their reported amounts in the financial statements represent either deferred tax liabilities to be settled in the future or deferred tax assets that will be realized as a reduction of future taxes payable. Currently enacted tax rates and laws are used to calculate the expected tax consequences. Valuation allowances are established against deferred tax assets if, based on all available evidence, it is more likely than not that some or all of the assets will not be realized.

Earnings Per Share

Basic earnings per share is computed by dividing income applicable to common shares (net income in all periods presented) by the weighted-average number of common shares outstanding for the applicable period. Shares outstanding are adjusted for restricted shares issued to employees under the long-term incentive compensation plan and for certain shares that will be issued under the directors' compensation plan. Diluted earnings per share is computed using the weighted-average number of shares outstanding increased by the number of restricted shares in which employees would vest based on current performance and by the number of additional shares that would have been issued if potentially dilutive stock options were exercised, each as determined using the treasury stock method.

Statements of Cash Flows

The Company considers only cash on hand and balances due from financial institutions as cash and cash equivalents for purposes of the consolidated statements of cash flows.

Operating Segment Disclosures

Statement of Financial Accounting Standards (SFAS) No. 131, "Disclosures about Segments of an Enterprise and Related Information," established standards for reporting information about a company's operating segments using a "management approach." Reportable segments are identified in this statement as those revenue-producing components for which separate financial information is produced internally and which are subject to evaluation by the chief operating decision maker in deciding how to allocate resources to segments. Consistent with its stated strategy that is focused on providing a consistent package of community banking products and services throughout a coherent market area, Whitney has identified its overall banking operations as its only reportable segment. Because the overall banking operations comprise substantially all of the consolidated operations, no separate segment disclosures are presented.

Other

Assets held by the Bank in a fiduciary capacity are not assets of the Bank and are not included in the consolidated balance sheets. Generally, certain minor sources of income are recorded on a cash basis, which does not differ materially from the accrual basis.

Recent Pronouncements

In late 2002 and early 2003 the Financial Accounting Standards Board (FASB) issued two interpretations of existing accounting principles. FASB Interpretation (FIN) No. 45 elaborated on disclosures an entity should make about its obligations under certain guarantees and clarified that a guarantor should recognize a liability for the fair value of the obligations when a guarantee is first issued. The only significant guarantees issued by Whitney that are subject to the guidance in FIN No. 45 are its standby letters or credit. Note 14 provides information, including the FIN No. 45 disclosures, on these and other guarantees and off-balance-sheet financial instruments. The requirement to recognize a liability is effective for those guarantees issued or modified beginning in 2003. Based on the current level and type of guarantees issued, this requirement should have no significant impact on the Company's financial position or results of operations.

FIN No. 46 was issued in response to perceived weaknesses in the accounting for special-purpose entities, in particular the possibility that a controlling financial interest in such an entity might not result in consolidation of the entity with the holder of the interest. The specific entities to which FIN No. 46 refers are called "variable interest entities," and the interpretation explains how to identify a variable interest entity and how an enterprise should assess its interest in such an entity to decide whether consolidation is appropriate. Whitney has no interests that would fall under the guidance of FIN No. 46.

SFAS No. 142, "Goodwill and Other Intangible Assets," was issued in June 2001. Under this accounting standard, goodwill is no longer amortized, although amortization continued for existing goodwill through the end of 2001. Beginning in 2002, goodwill is subject to at least an annual assessment for impairment. In transitioning to the this new guidance, the Company was required to assess during 2002 whether there was an indication that goodwill in its reporting unit was impaired at the date of adoption. See Note 9 for the results of this transitional assessment. Impairment losses identified after the transition period are charged to operating expense.

Under SFAS No. 142, identifiable intangible assets that have finite lives continue to be amortized over their estimated useful lives to their estimated residual values, if any. They are reviewed for impairment in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets."

When SFAS No. 142 was issued, questions arose concerning the continued appropriateness of the accounting for unidentifiable intangible assets that had been recognized in certain banking-industry acquisitions under existing accounting principles. SFAS No. 147, "Acquisitions of Certain Financial Institutions," which was issued in October 2002, brought all acquisitions completed after October 1, 2002, except for transactions between mutual enterprises, under the guidance of SFAS No 141, "Business Combinations," and SFAS No. 142. It also required reclassification to goodwill of any unidentifiable intangible asset that was acquired in a business combination. If an unidentifiable intangible asset was recognized in the purchase of net assets and activities that did not constitute a business, it was not reclassified to goodwill and continues to be amortized in accordance with the previous guidance. Implementing SFAS

No. 147 did not impact Whitney's accounting for unidentifiable intangibles.

SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," was issued in December 2002, mainly to provide alternative methods of transition for entities that elect to change to the fair value method of accounting for stock-based compensation that was introduced with SFAS No. 123. The standard also required prominent disclosure, in both annual and interim financial information, of how an entity's accounting policy decision with respect to stock-based compensation impacts reported net income. Whitney's accounting policy for stock-based compensation and its impact on reported net income are discussed above in the section on Stock-Based Compensation.

NOTE 3
MERGERS AND ACQUISITIONS

Whitney entered into no business combinations during 2002. Information about mergers and acquisitions in the two preceding years follows.

Purchase Transactions

In October, 2001, Whitney purchased Redstone Financial, Inc. and one of its subsidiary banks, Northwest Bank, N.A., for cash of approximately $34 million. Northwest Bank had two offices in Houston, Texas with approximately $170 million in total assets, including $74 million in loans, and $145 million in deposits. Applying purchase accounting to this transaction, the Company recorded approximately $25 million in intangible assets, with $7.5 million assigned to the value of deposit relationships with an eight-year life and the remainder to goodwill.

During 2000, Whitney completed two business acquisitions, both of which were accounted for as purchases. In mid-February 2000, Bank of Houston was acquired for cash of $58 million. At acquisition, Bank of Houston had $180 million in assets, including $44 million in loans, and $142 million in deposits at its two locations in the metropolitan Houston area. In early November 2000, the Company purchased First Ascension Bancorp, Inc. and its subsidiary, First National Bank of Gonzales, which had $90 million in total assets, including $60 million in loans, and $77 million in deposits in four locations in Ascension Parish, Louisiana. The Company issued 970,893 shares of common stock in this transaction that was valued at approximately $22 million. Intangible assets acquired in these transactions totaled $59 million, with $12 million assigned to the value of deposit relationships with an estimated life of approximately nine years and $47 million to goodwill.

The Company's financial statements include the results from these acquired operations since the respective acquisition dates. The pro forma impact of these acquisitions on Whitney's results of operations is insignificant. All acquired banking operations have been merged into Whitney National Bank.

Poolings of Interests

In January 2001, Whitney completed two acquisitions that were accounted for as poolings of interests: American Bank in Houston, Texas (American) and Prattville Financial Services Corporation (PFSC), whose principal subsidiary was Bank of Prattville. American had five locations in the Houston area with $275 million in total assets and $247 million in deposits. American shareholders received 2,722,485 shares in this transaction. Bank of Prattville had approximately $160 million in total assets and $136 million of deposits in its three locations in the metropolitan area of Montgomery, Alabama. The Company exchanged 1,590,205 shares of its common stock in this transaction. Prior period financial statements were restated to reflect the balances and operating results of these pooled entities.

NOTE 4
INVESTMENT IN SECURITIES

Summary information about securities available for sale and securities held to maturity follows:

Securities Available for Sale				
(dollars in thousands)	Amortized Cost	Unrealized Gains	Unrealized (Losses)	Fair Value
December 31, 2002				
Mortgage-backed securities	**$1,128,912**	**$28,363**	**$ -**	**$1,157,275**
U.S. agency securities	**354,173**	**9,845**	-	**364,018**
U.S. Treasury securities	**158,075**	**6,010**	-	**164,085**
Obligations of states and political subdivisions	**32,942**	**1,521**	-	**34,463**
Other securities	**53,378**	**372**	-	**53,750**
Total	**$1,727,480**	**$46,111**	**$ -**	**$1,773,591**
December 31, 2001				
Mortgage-backed securities	$ 827,623	$ 5,616	$(3,221)	$ 830,018
U.S. agency securities	444,302	10,335	(254)	454,383
U.S. Treasury securities	61,799	2,471	(28)	64,242
Obligations of states and political subdivisions	39,782	592	(203)	40,171
Other securities	51,258	455	-	51,713
Total	$1,424,764	$19,469	$(3,706)	$1,440,527

Securities Held to Maturity				
(dollars in thousands)	Amortized Cost	Unrealized Gains	Unrealized (Losses)	Fair Value
December 31, 2002				
U.S. agency securities	**$ 32,847**	**$1,108**	**$ -**	**$ 33,955**
U.S. Treasury securities	**10,323**	**292**	**-**	**10,615**
Obligations of states and political subdivisions	**158,937**	**6,316**	**(317)**	**164,936**
Total	**$202,107**	**$7,716**	**$(317)**	**$209,506**
December 31, 2001				
U.S. agency securities	$ 40,032	$1,551	$ -	$ 41,583
U.S. Treasury securities	30,911	738	-	31,649
Obligations of states and political subdivisions	120,870	2,252	(642)	122,480
Total	$191,813	$4,541	$(642)	$195,712

The following table shows the amortized cost and estimated fair value of securities available for sale and held to maturity grouped by contractual maturity. Debt securities with scheduled repayments, such as mortgage-backed securities, and equity securities are presented in separate totals.

Securities Available for Sale		
(dollars in thousands)	Amortized Cost	Fair Value
December 31, 2002		
Within one year	$ 194,165	$ 197,532
One to five years	322,577	335,636
Five to ten years	27,955	28,787
After ten years	3,003	3,121
Debt securities with single maturities	547,700	565,076
Mortgage-backed securities	1,128,912	1,157,275
Equity and other debt securities	50,868	51,240
Total	$1,727,480	$1,773,591

Securities Held to Maturity		
(dollars in thousands)	Amortized Cost	Fair Value
December 31, 2002		
Within one year	$ 52,102	$ 53,565
One to five years	32,007	33,894
Five to ten years	57,973	61,361
After ten years	60,025	60,686
Total	$202,107	$209,506

The expected maturity of a security may differ from its contractual maturity, particularly for certain U.S. agency securities and obligations of states and political subdivisions, because of the exercise of call options.

Securities with carrying values of $867 million and $987 million at December 31, 2002 and 2001, respectively, were sold under repurchase agreements, pledged to secure public deposits and trust deposits or pledged for other purposes. In these totals were $84 million in 2002 and $78 million in 2001 for securities pledged at the Federal Reserve discount window in connection with the Company's overall contingency funding plans.

NOTE 5
LOANS

The composition of the Company's loan portfolio follows:

	December 31			
(dollars in thousands)	**2002**		2001	
Commercial, financial and agricultural	**$1,917,859**	**43.0%**	$1,852,497	41.2%
Real estate loans - commercial and other	**1,584,099**	**35.6**	1,576,817	35.1
Real estate loans - retail mortgage	**638,703**	**14.3**	761,355	16.9
Loans to individuals	**314,751**	**7.1**	304,416	6.8
Total	**$4,455,412**	**100.0%**	$4,495,085	100.0%

The Bank makes loans in the normal course of business to directors and executive officers of the Company and the Bank and to their associates. Loans to such related parties carry substantially the same terms, including interest rates and collateral requirements, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than normal risks of collectibility when originated. An analysis of the changes in loans to related parties during 2002 follows:

(dollars in thousands)	2002
Beginning balance	$ 42,798
Additions	62,934
Repayments	(63,790)
Net increase from changes in related parties	17,564
Ending balance	$59,506

Outstanding unfunded commitments and letters of credit to related parties totaled $85 million and $39 million at December 31, 2002 and 2001, respectively.

NOTE 6
ALLOWANCE FOR LOAN LOSSES

A summary analysis of changes in the allowance for loan losses follows:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Balance at beginning of year	**$ 71,633**	$ 61,017	$ 47,543
Allowance acquired in bank purchases	-	1,196	2,388
Allowance on loans transferred to held for sale	**(895)**	(651)	-
Provision for loan losses	**7,500**	19,500	12,690
Loans charged off	**(17,211)**	(15,502)	(8,481)
Recoveries	**5,088**	6,073	6,877
Net charge-offs	**(12,123)**	(9,429)	(1,604)
Balance at end of year	**$ 66,115**	$ 71,633	$ 61,017

NOTE 7
IMPAIRED LOANS, NONPERFORMING LOANS, FORECLOSED ASSETS AND SURPLUS PROPERTY

Information on loans evaluated for possible impairment losses follows:

	December 31	
(dollars in thousands)	**2002**	2001
Impaired loans at year end		
Requiring a loss allowance	**$24,852**	$22,141
Not requiring a loss allowance	**6,265**	2,504
Total recorded investment in impaired loans	**$31,117**	$24,645
Total impairment loss allowance required at year end	**$10,084**	$8,607
Average recorded investment in impaired loans during the year	**$29,172**	$22,478

The following is a summary of nonperforming loans and foreclosed assets and surplus property:

	December 31	
(dollars in thousands)	**2002**	2001
Loans accounted for on a nonaccrual basis	**$37,959**	$33,412
Restructured loans	**336**	383
Total nonperforming loans	**$38,295**	$33,795
Total foreclosed assets and surplus property	**$3,854**	$991

Interest income is recognized on certain nonaccrual loans as payments are received. Interest payments on other nonaccrual loans are accounted for under the cost recovery method, but this interest may later be recognized in income when loan collections exceed expectations or when workout efforts result in fully rehabilitated credits. The following compares contractual interest income on nonaccrual loans and restructured loans with the cash-basis and cost-recovery interest actually recognized on these loans:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Contractual interest	**$3,394**	$ 2,752	$1,927
Interest recognized	**1,119**	945	2,586
Increase (decrease) in reported interest income	**$(2,275)**	$(1,807)	$ 659

The Bank and a subsidiary own a variety of property interests that it acquired in routine banking transactions generally before 1933. No ready market for these assets existed when they were initially acquired; and, as was general banking practice at the time, they were written down to a nominal value. The property includes ownership interests in scattered undeveloped acreage, various mineral interests, and a few commercial and residential sites primarily in southeast Louisiana.

The revenues and direct expenses related to these grandfathered property interests that are included in the statements of income follow:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Revenues	**$983**	$1,365	$1,314
Direct expenses	**154**	211	41

NOTE 8
BANK PREMISES AND EQUIPMENT

An analysis of bank premises and equipment by asset classification follows:

	December 31	
(dollars in thousands)	**2002**	2001
Land	**$ 36,483**	$ 39,861
Buildings and improvements	**171,903**	175,326
Furnishings and equipment	**100,764**	107,191
	309,150	322,378
Accumulated depreciation	**(157,530)**	(154,959)
Total bank premises and equipment	**$151,620**	$ 167,419

Provisions for depreciation included in noninterest expense were as follows:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Buildings and improvements	**$ 6,794**	$ 7,099	$ 6,672
Furnishings and equipment	**8,542**	12,102	13,586
Total depreciation expense	**$15,336**	$19,201	$20,258

At December 31, 2002, the Bank was obligated under a number of noncancelable operating leases. Certain of these leases have escalation clauses and renewal options. Total rental expense, net of immaterial sublease rentals, was $4.0 million in 2002, $3.8 million in 2001, and $3.9 million in 2000.

As of December 31, 2002, the future minimum rentals under noncancelable operating leases having an initial lease term in excess of one year were as follows:

(dollars in thousands)	
2003	$3,629
2004	3,561
2005	3,462
2006	2,894
2007	2,401
Later years	11,749
Total	$27,696

NOTE 9
GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets consist of identifiable intangibles, such as the value of deposit relationships; goodwill acquired in business combinations accounted for as purchases; and unidentifiable intangibles acquired in certain banking-industry transactions that did not meet the criteria for business combinations.

As is discussed in Note 2, the accounting for goodwill and other intangible assets is now governed by SFAS No. 142, "Goodwill and Other Intangible Assets," that was issued in June 2001. Under this standard, there is no goodwill amortization in 2002 and later years.

Beginning in 2002, goodwill must be tested for impairment at least annually. No indication of goodwill impairment was identified in either the preliminary initial assessment required by SFAS No. 142 or in the first annual assessment as of September 30, 2002.

Identifiable intangible assets with finite lives continue to be amortized under SFAS No. 142. The Company's only significant identifiable intangible assets reflect the value of deposit relationships, all of which have finite lives. Remaining lives ranged from five to seven years at December 31, 2002. The weighted-average remaining life of identifiable intangible assets was approximately six years. Unidentifiable intangible assets are being amortized over a remaining life of approximately five years.

The carrying value of intangible assets subject to amortization was as follows:

(dollars in thousands)	**December 31, 2002**			December 31, 2001		
	Purchase Value	Accumulated Amortization	Carrying Value	Purchase Value	Accumulated Amortization	Carrying Value
Deposit relationships and other identifiable intangibles	**$37,261**	**$16,591**	**$20,670**	$37,261	$12,458	$24,803
Unidentifiable intangibles	**11,321**	**3,184**	**8,137**	11,321	1,471	9,850
Total	**$48,582**	**$19,775**	**$28,807**	$48,582	$13,929	$34,653

Amortization of intangible assets included in noninterest expense was as follows:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Deposit relationships and other identifiable intangibles	**$4,133**	$3,352	$2,681
Unidentifiable intangibles	**1,713**	453	453
Goodwill	**-**	3,625	2,893
Total amortization	**$5,846**	$7,430	$6,027

Approximately $2.5 million of the goodwill amortization in 2001 was not deductible for income tax purposes. The balance of goodwill that will not generate future tax deductions was $60 million at December 31, 2002.

The following shows estimated amortization expense for the five succeeding years calculated based on current amortization schedules.

(dollars in thousands)	
2003	$5,332
2004	5,152
2005	5,113
2006	5,107
2007	4,419

The following table shows net income and earnings per share adjusted to show the impact of the elimination of goodwill amortization.

	Years Ended December 31		
(dollars in thousands, except per share data)	**2002**	2001	2000
Net income	**$95,323**	$75,820	$72,842
Eliminate goodwill amortization, net of tax	**-**	3,227	2,495
Adjusted net income	**$95,323**	$79,047	$75,337
Basic earnings per share	**$2.39**	$1.92	$1.89
Effect of eliminating goodwill amortization	**-**	.08	.07
Adjusted basic earnings per share	**$2.39**	$2.00	$1.96
Diluted earnings per share	**$2.38**	$1.90	$1.89
Effect of eliminating goodwill amortization	**-**	.08	.06
Adjusted diluted earnings per share	**$2.38**	$1.98	$1.95

NOTE 10
SHORT-TERM BORROWINGS

Short-term borrowings consisted of the following:

	December 31	
(dollars in thousands)	**2002**	2001
Securities sold under agreements to repurchase	**$349,305**	$371,416
Federal funds purchased	**64,886**	100,101
Treasury Investment Program	**39,224**	40,000
Total short-term borrowings	**$453,415**	$511,517

The Bank has the ability to exercise legal authority over the securities that serve as collateral for the securities sold under repurchase agreements. The estimated fair value and carrying value of securities sold under repurchase agreements at December 31, 2002, by term of the underlying borrowing agreement, were as follows:

(dollars in thousands)	Overnight	Up to 30 days
December 31, 2002		
Fair and carrying value:		
U.S. agency securities	$271,306	$341
U.S. Treasury securities	78,454	-
Total fair and carrying value	$349,760	$341
Outstanding borrowings	$348,965	$340

Additional information about securities sold under repurchase agreements follows:

(dollars in thousands)	**2002**	2001
Average effective yield on December 31	**.52%**	.68%
Average for the year		
Effective yield	**.71%**	2.67%
Balance	**$352,603**	$396,664
Maximum month-end outstanding	**$403,775**	$435,319

Additional information about federal funds purchased follows:

(dollars in thousands)	**2002**	2001
Average effective yield on December 31	**.75%**	1.27%
Average for the year		
Effective yield	**1.51%**	3.84%
Balance	**$69,249**	$91,548
Maximum month-end outstanding	**$95,397**	$114,977

Under the Treasury Investment Program, temporary excess U.S. Treasury receipts are loaned to participating financial institutions at 25 basis points under the federal funds rate. Repayment of these borrowed funds can be demanded at any time. The Company limited its participation to $40 million and has pledged securities with a comparable value as collateral for borrowings under this program.

NOTE 11
EMPLOYEE BENEFIT PLANS
Retirement Plans

Whitney has a noncontributory qualified defined benefit pension plan covering substantially all of its employees. The benefits are based on an employee's total years of service and his or her highest five-year level of compensation during the final ten years of employment. Contributions are made in amounts sufficient to meet funding requirements set forth in federal employee benefit and tax laws plus such additional amounts as the Company may determine to be appropriate. No funding was required and no contributions were made in any of the three years ended December 31, 2002.

The following table details the changes both in the actuarial present value of the pension benefit obligation and in the plan's assets for the years ended December 31, 2002 and 2001. The table also shows the funded status of the plan at each year end and identifies amounts recognized and unrecognized in the Company's consolidated balance sheets.

(dollars in thousands)	**2002**	2001
Benefit obligation, beginning of year	**$ 77,734**	$ 74,706
Service cost for benefits	**3,893**	3,020
Interest cost on benefit obligation	**5,451**	4,843
Net actuarial (gain) loss	**9,124**	(1,117)
Benefits paid	**(4,211)**	(3,718)
Benefit obligation, end of year	**91,991**	77,734
Plan assets at fair value, beginning of year	**94,822**	100,039
Actual return on plan assets	**(5,560)**	(1,181)
Benefits paid	**(4,211)**	(3,718)
Plan expenses	**(315)**	(318)
Plan assets at fair value, end of year	**84,736**	94,822
Benefit obligation (in excess of) less than plan assets, end of year	**(7,255)**	17,088
Unrecognized net actuarial (gains) losses	**12,137**	(10,065)
Unrecognized net implementation asset	**(283)**	(689)
Unrecognized prior service cost resulting from plan amendments	**(631)**	(956)
Prepaid pension asset	**$3,968**	$ 5,378

The Company recognized a net pension expense in 2002 and a net pension benefit in each of the two previous years. The components of the net pension expense or benefit were as follows:

(dollars in thousands)	**2002**	2001	2000
Service cost for benefits during the period	**$3,893**	$ 3,020	$ 3,458
Interest cost on benefit obligation	**5,451**	4,843	4,905
Expected return on plan assets	**(7,421)**	(7,857)	(8,002)
Amortization of:			
Unrecognized net actuarial gains	**-**	(1,149)	(999)
Unrecognized net implementation asset	**(405)**	(405)	(405)
Unrecognized prior service cost	**(108)**	(124)	(124)
Net pension expense (benefit)	**$1,410**	$(1,672)	$(1,167)

The weighted-average discount rate used in determining the actuarial present value of the pension benefit obligation was 6.50% for 2002, 6.75% for 2001 and 7.25% for 2000. For all periods presented, the Company assumed an 8% expected long-term rate of return on plan assets and an annual rate of increase in future compensation levels of 4%.

The pension plan held 257,200 shares of Whitney common stock at December 31, 2002, 322,200 shares at December 31, 2001, and 329,700 at December 31, 2000.

Whitney also has a nonqualified defined benefit plan that provides retirement benefits to designated executive officers. These benefits are calculated using the qualified plan's formula, but without applying the restrictions imposed on qualified plans by certain provisions of the Internal Revenue Code. Benefits that become payable under the nonqualified plan would be reduced by amounts paid from the qualified plan. At December 31, 2002, the actuarial present value of the excess benefit obligation was $4.4 million and the recorded accrued pension liability was $3.6 million. The net pension expense for the excess benefit plan was approximately $.6 million in 2002 and 2001 and $.5 million in 2000.

Whitney sponsors an employee savings plan under Section 401(k) of the Internal Revenue Code that covers substantially all full-time employees. Beginning in 2001, the matching percentage increased to 4%. Through 2000, the Company annually matched the savings of each participant up to 3% of his or her compensation. Tax law imposes limits on total annual participant savings. Participants are fully vested in their savings and in the matching Company contributions at all times. The expense of the Company's matching contributions, including those made by pooled entities with comparable plans, was approximately $2.7 million in 2002, $2.5 million in 2001 and $1.9 million in 2000.

Health and Welfare Plans

Whitney maintains health care and life insurance benefit plans for retirees and their eligible dependents. Participant contributions are required under the health plan. All health care benefits are covered under contracts with health maintenance or preferred provider organizations or insurance contracts. The Company recognizes the expected cost of providing these postretirement benefits during the period employees are actively working. The Company funds its obligations under these plans as contractual payments come due.

The net postretirement benefit liability reported with other liabilities in the consolidated balance sheets was $8.1 million at December 31, 2002 and $7.6 million at December 31, 2001. The net periodic postretirement benefit expense was approximately $1.1 million for 2002 and 2001 and $.7 million for 2000. This expense includes components for the portion of the expected benefit obligation attributed to current service, for interest on the accumulated benefit obligation, and for amortization of unrecognized actuarial gains or losses. No component was individually significant for any period reported.

For the actuarial calculation of its postretirement benefit obligations at December 31, 2002, 2001 and 2000, the Company assumed annual health care cost increases beginning at 10.00%, 11.00% and 7.20%, respectively, with each decreasing to a 5.00% rate over a four to seven year period. Discount rates of 6.50% in 2002, 6.75% in 2001 and 7.25% in 2000 were used in determining the present value of benefit obligations at the end of each period. A 1% rise in the assumed health care cost trend rates would increase the accumulated benefit obligation by approximately $1.7 million and the periodic net benefit expense by approximately $310,000. A 1% fall in these trend rates would decrease the accumulated benefit obligation by $1.4 million and the periodic net benefit expense by $260,000.

NOTE 12
STOCK-BASED COMPENSATION

Whitney maintains two incentive compensation plans that incorporate stock-based compensation, the long-term incentive plan (LTIP) for key employees and the directors' compensation plan. Each of these plans has been approved by the Company's shareholders. The Compensation Committee of the Board of Directors administers the LTIP, designates who will participate and authorizes the awarding of grants. Under this plan, participants may receive stock options, restricted stock subject to a vesting period, performance shares, phantom shares and stock appreciation rights. To date, the Company has awarded only stock options and restricted stock. The Company may issue up to 7% of its outstanding common shares in connection with LTIP awards. The directors' compensation plan provides for the annual award of stock grants and stock options to each nonemployee director. Under this plan, Whitney is authorized to issue an aggregate number of common shares not exceeding 3% of the Company's outstanding shares but in no event more than 1,125,000 shares. At December 31, 2002, future awards covering the issuance of 607,481 shares could be made under the LTIP and 1,045,950 shares under the directors' plan.

The following schedule summarizes the stock grants awarded under these plans during 2002, 2001 and 2000:

(dollars in thousands)		Initial	Market Value
		Shares	of Award on
Year	Plan	Awarded	Grant Date
2002	**Employee**	**137,775**	**$4,666**
	Director	**6,750**	**208**
2001	Employee	123,300	3,436
	Director	6,300	196
2000	Employee	117,750	2,909
	Director	6,300	145

Employees forfeit their shares if they terminate employment within three years of the award date and they are prohibited from transferring or otherwise disposing of the shares during this period. In addition, the employee grants are subject to adjustment based on the Company's performance, as measured by its return on assets and return on equity over the restriction period, in relation to that of a designated peer group. Depending on the performance adjustment, the actual number of shares that vest can range from 0% to 200% of the initial grants. All restrictions on employee shares would lapse upon a change in control of the Company. The directors' shares are awarded without any significant restrictions and are not subject to future adjustment.

The Company initially measures the compensation expense related to a stock grant as the market value of the shares awarded on the grant date. This expense is recognized ratably over the restriction period, if any. Adjustments are made for forfeitures as they occur. The Company periodically re-measures compensation expense for grants for changes both in the estimate of the shares to which employees will ultimately become entitled and in the market value of Whitney's stock. Differences from previous compensation expense measurements are recognized prospectively over the remaining restriction periods. Compensation expense related to common stock awards was $5.0 million in 2002, $3.8 million in 2001, and $2.5 million in 2000.

The following table summarizes stock option activity under the LTIP and under the directors' compensation plan for each of the three years in the period ended December 31, 2002. The exercise price for all options is set at the market price on the grant date. All options are fully exercisable six months after the grant date and expire after ten years.

	LTIP		Directors	
	Number	Weighted-Average Exercise Price	Number	Weighted-Average Exercise Price
Outstanding at				
December 31, 1999	942,608	$26.78	132,000	$24.88
Options granted	309,177	24.77	21,000	22.96
Options exercised	(10,651)	15.93	-	-
Options forfeited	(58,887)	29.30	-	-
Outstanding at				
December 31, 2000	1,182,247	26.22	153,000	24.61
Options granted	335,812	27.87	21,000	31.12
Options exercised	(77,144)	21.38	(1,500)	20.33
Options forfeited	(19,500)	30.15	-	-
Outstanding at				
December 31, 2001	1,421,415	26.82	172,500	25.44
Options granted	388,825	33.87	45,000	30.79
Options exercised	(237,193)	23.09	(6,000)	27.84
Options forfeited	(9,825)	30.30	-	-
Outstanding and exercisable at				
December 31, 2002	1,563,222	$29.12	211,500	$26.51

The following table summarizes certain information about the stock options outstanding under these plans at December 31, 2002:

Range of Exercise Prices	Number of Shares Under Option	Weighted-Average Years to Expiration	Weighted-Average Exercise Price
$12.95-$19.25	96,407	2.1	$18.31
$20.00-$24.79	340,509	6.2	23.15
$26.21-$28.29	676,231	6.7	27.72
$30.79-$36.67	661,575	8.2	34.36
$12.95-$36.67	1,774,722	6.9	$28.81

SFAS No. 123, "Accounting for Stock-Based Compensation," established a fair value-based method of accounting for stock-based compensation, including the award of stock options. As provided for in SFAS No. 123, however, the Company elected to continue to follow Accounting Principles Board Opinion No. 25 and related interpretations to measure and recognize stock-based incentive compensation expense. The impact of this election is discussed in Note 2.

NOTE 13
REGULATORY MATTERS
Regulatory Capital Requirements

Measures of regulatory capital are an important tool used by regulators to monitor the financial health of insured financial institutions. The primary quantitative measures used by regulators to gauge capital adequacy are the ratio of Tier 1 regulatory capital to average total assets, also known as the leverage ratio, and the ratios of total and Tier 1 regulatory capital to risk-weighted assets. The regulators define the components and computation of each of these ratios. The minimum capital ratios for both the Company and the Bank are generally 4% leverage, 8% total capital and 4% Tier 1 capital. However, regulators may set higher capital requirements for an individual institution when particular circumstances warrant.

The actual capital amounts and ratios and the minimum and well-capitalized required capital amounts for the Company and the Bank are presented in the following tables:

(dollars in thousands) **December 31, 2002**	Actual Amount	Ratio	Minimum[(a)]	Well-Capitalized[(b)]
Leverage (Tier 1 Capital to Average Assets):				
Company	**$672,408**	**9.76%**	**$275,470**	***(c)***
Bank	**550,041**	**8.00**	**275,115**	**$343,894**
Total Capital (to Risk-Weighted Assets):				
Company	**738,523**	**13.93**	**424,141**	***(c)***
Bank	**616,156**	**11.64**	**423,490**	**529,363**
Tier 1 Capital (to Risk-Weighted Assets):				
Company	**672,408**	**12.68**	**212,071**	***(c)***
Bank	**550,041**	**10.39**	**211,745**	**317,618**
December 31, 2001				
Leverage (Tier 1 Capital to Average Assets):				
Company	$604,179	8.72%	$277,245	*(c)*
Bank	536,597	7.75	276,982	$346,227
Total Capital (to Risk-Weighted Assets):				
Company	668,057	13.09	408,198	*(c)*
Bank	600,363	11.79	407,472	509,340
Tier 1 Capital (to Risk-Weighted Assets):				
Company	604,179	11.84	204,099	*(c)*
Bank	536,597	10.54	203,736	305,604

(a) Minimum capital required for capital adequacy purposes.

(b) Capital required for well-capitalized status.

(c) Not applicable.

To evaluate capital adequacy, regulators compare an institution's regulatory capital ratios with their agency guidelines as well as with the guidelines established as part of the uniform regulatory framework for prompt corrective supervisory action toward insured institutions. In reaching an overall conclusion on capital adequacy or assigning an appropriate classification under the uniform framework, regulators must also consider other subjective and quantitative assessments of risk associated with the institution. Regulators will take certain mandatory as well as possible additional discretionary actions against institutions they judge to be inadequately capitalized. These actions could materially impact the institution's financial position and results of operations.

Under the regulatory framework for prompt corrective action, the capital levels of banks are categorized into one of five classifications ranging from well-capitalized to critically under-capitalized. For an institution to qualify as well-capitalized, its total capital, Tier 1 capital and leverage ratios must be at least 10%, 6% and 5%, respectively. Maintaining capital ratios at the well-capitalized levels avoids certain restrictions that, for example, could impact the FDIC insurance premium rate. As of December 31, 2002 and 2001, the Bank was categorized as well-capitalized, and there have been no events since December 31, 2002 that management believes would cause this status to change.

Other Regulatory Matters

Dividends received from the Bank represent the primary source of funds available to the Company for the declaration and payment of dividends to Whitney's shareholders. There are various regulatory and statutory provisions that limit the amount of dividends that the Bank may distribute to the Company. As of December 31, 2002, the Bank had paid to the Company, with prior regulatory approval, approximately $81 million in dividends in excess of these limits. As a result, the Bank will be required to seek continuing approval to declare future dividends until it reestablishes dividend capacity under those provisions. This should not impair the Company's ability to declare regular quarterly dividends. The Company had approximately $128 million in cash and demand notes from the Bank available at the end of 2002 to provide liquidity for future dividend payments and other corporate purposes.

Under current Federal Reserve regulations, the Bank is limited in the amounts it may lend to the Company to a maximum of 10% of its capital and surplus, as defined in the regulations. Any such loans must be collateralized from 100% to 130% of the loan amount, depending upon the nature of the underlying collateral. The Bank made no loans to the Company during 2002 and 2001.

Banks are required to maintain currency and coin or a noninterest-bearing balance with the Federal Reserve Bank to meet reserve requirements based on a percentage of deposits. During 2002 as in 2001, the Bank covered its reserve maintenance requirement with balances of coin and currency.

NOTE 14
OFF-BALANCE-SHEET FINANCIAL INSTRUMENTS

To meet the financing needs of its customers, the Bank issues financial instruments which represent conditional obligations that are not recognized on the consolidated balance sheets. These financial instruments include commitments to extend credit under loan facilities and letters of credit and similar financial guarantees. Such instruments expose the Bank to varying degrees of credit and interest rate risk in much the same way as funded loans.

Commitments under loan facilities, including credit card and related lines, obligate the Bank to make loans to customers as long as there is no violation of the conditions established in the underlying contracts. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Substantially all of the letters of credit and similar financial guarantees are standby agreements that obligate the Bank to fulfill a customer's financial commitments to a third party if the customer is unable to perform. The Bank issues standby letters of credit primarily to provide credit enhancement to its customers' commercial or public financing arrangements and to help customers demonstrate the financial capacity required to obtain essential goods and services, such as insurance services. The majority of standby letters of credit at year-end 2002 have a term of one year or less.

The Bank's exposure to credit losses from these financial instruments is represented by their contractual amounts. Because loan commitments and financial guarantees may, and many times do, expire without being drawn upon, however, the contractual amounts should not be understood to represent actual future funding requirements. The Bank follows its standard credit policies in making loan commitments and financial guarantees and requires collateral support if warranted. The collateral required could include cash instruments, marketable securities, accounts receivable, inventory, property, plant and equipment, and income-producing commercial property. Approximately $160 million of outstanding letters of credit and similar guarantees were issued without specific collateral support.

A summary of off-balance-sheet financial instruments follows:

	December 31	
(dollars in thousands)	**2002**	2001
Commitments to extend credit	**$1,532,160**	$1,305,091
Letters of credit and similar financial guarantees written	**263,220**	161,525
Credit card and related lines	**338,463**	303,262

The Company has had no investments in financial instruments or agreements whose value is linked to or derived from changes in the value of some underlying asset or index. Such instruments or agreements include futures, forward contracts, option contracts, interest-rate swap agreements and other financial arrangements with similar characteristics and are commonly referred to as derivatives.

NOTE 15
ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS

SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," requires the disclosure of estimated fair value information about certain on- and off-balance-sheet financial instruments where it is practicable to estimate those values. If quoted market prices are not available, which is true for many of Whitney's financial instruments, the Company estimates fair value using present value or other valuation techniques. The assumptions used in applying these techniques, such as those concerning appropriate discount rates and estimates of future cash flows, require considerable judgment and significantly affect the resulting fair value estimates. In addition, no value estimate is assigned to future business opportunities from long-term customer relationships underlying certain financial instruments. Accordingly, the derived fair value estimates may not indicate the amount the Company could realize in a current settlement of the financial instruments. Reasonable comparability of fair value estimates between financial institutions may not be possible due to the wide range of permitted valuation techniques and numerous assumptions involved. The aggregate fair value amounts presented do not, and are not intended to, represent an aggregate measure of the underlying fair value of the Company.

The following significant methods and assumptions were used by the Company to estimate the fair value of financial instruments:

Cash and short-term investments – The carrying amount is a reasonable estimate of the fair value of cash and due from financial institutions, federal funds sold and short-term investments.

Investment in securities – Fair values of securities are based on quoted market prices obtained from independent pricing services.

Loans – Loans with no significant change in credit risk and with rates that are repriced in coordination with movements in market rates are valued at carrying amounts. The fair values of other loans are estimated by discounting scheduled cash flows to maturity using current rates at which loans with similar terms would be made to borrowers of similar credit quality. Appropriate adjustments are made to reflect probable credit losses.

Deposits – SFAS No. 107 requires that deposits without a stated maturity, such as noninterest-bearing demand deposits, NOW account deposits, money market deposits and savings deposits, be assigned fair values equal to the amounts payable upon demand (carrying amounts). Deposits with a stated maturity were valued by discounting contractual cash flows using a discount rate approximating current market rates for deposits of similar remaining maturity.

Short-term borrowings – Short-term borrowings are valued fairly at their carrying amounts.

Off-balance-sheet financial instruments – Off-balance-sheet financial instruments include commitments to extend credit, letters of credit and other financial guarantees. The fair values of such instruments are estimated using fees currently charged for similar arrangements in the market, adjusted for changes in terms and credit risk as appropriate. The estimated fair values of these instruments are not material.

The estimated fair values of the Company's financial instruments follow:

	December 31, 2002		December 31, 2001	
(dollars in thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
ASSETS:				
Cash and short-term investments	**$ 330,451**	**$ 330,451**	$ 766,420	$ 766,420
Investment in securities	**1,975,698**	**1,983,097**	1,632,340	1,636,239
Loans held for sale	**65,572**	**67,534**	59,453	59,453
Loans, net	**4,389,297**	**4,429,790**	4,423,452	4,483,053
LIABILITIES:				
Deposits	**5,782,879**	**5,790,908**	5,950,160	5,964,834
Short-term borrowings	**453,415**	**453,415**	511,517	511,517

NOTE 16
CONTINGENCIES

The Company and its subsidiaries are parties to various legal proceedings arising in the ordinary course of business. After reviewing pending and threatened actions with legal counsel, management believes that the ultimate resolution of these actions will not have a material effect on the Company's financial condition, results of operations or cash flows.

NOTE 17
OTHER NONINTEREST INCOME

The components of other noninterest income were as follows:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
ATM fees	**$ 4,861**	$ 4,281	$ 4,089
Investment services income	**4,257**	3,906	2,681
Other fees and charges	**6,047**	4,285	3,959
Other operating income	**2,993**	3,529	3,689
Net gains on sales and other revenue from foreclosed assets	**1,714**	1,963	1,714
Net gains on disposals of surplus property	**497**	3,274	1,153
Gain on sale of merchant processing agreements	**-**	3,570	-
Total	**$20,369**	$24,808	$17,285

NOTE 18
OTHER NONINTEREST EXPENSE

The components of other noninterest expense were as follows:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Security and other outsourced services	**$ 8,127**	$ 7,792	$ 6,830
Advertising	**4,769**	4,443	3,519
Stationery and supplies	**3,462**	4,315	4,169
Deposit insurance and regulatory fees	**1,971**	1,936	1,740
Miscellaneous operating losses	**1,429**	2,544	1,738
Other operating expense	**13,470**	12,542	12,610
Total	**$33,228**	$33,572	$30,606

NOTE 19
INCOME TAXES

The components of income tax expense (benefit) follow:

	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Included in net income			
Current			
Federal	**$46,573**	$41,063	$37,886
State	**882**	1,137	544
Total current	**47,455**	42,200	38,430
Deferred			
Federal	**(883)**	(5,567)	(5,059)
State	**72**	(52)	118
Total deferred	**(811)**	(5,619)	(4,941)
Total included in net income	**$46,644**	$36,581	$33,489
Included in shareholders' equity			
Deferred tax expense related to the change in the net unrealized gain on securities	**$10,563**	$4,581	$3,745
Current tax benefit related to nonqualified stock options and restricted stock	**(1,306)**	(512)	(28)
Total included in shareholders' equity	**$ 9,257**	$4,069	$3,717

Income tax expense was different from the amounts computed by applying the statutory federal income tax rates to pretax income as follows:

	Years Ended December 31		
(in percentages)	**2002**	2001	2000
Federal income tax expense	**35.00%**	35.00%	35.00%
Increase (decrease) resulting from			
Tax exempt income	**(2.14)**	(2.74)	(3.08)
Low income housing credit	**(.51)**	(.22)	(.05)
Subchapter S election and termination	**-**	(.84)	(1.35)
Nondeductible goodwill amortization	**-**	.77	.59
State income tax and miscellaneous items	**.51**	.58	.39
Effective tax rate	**32.86%**	32.55%	31.50%

Before its acquisition by Whitney in January 2001, American Bank had elected to be taxed under Subchapter S of the Internal Revenue Code. Under this election, American was not subject to income tax at the corporate level and reported no income tax expense; rather, its shareholders were taxed on their proportionate shares of corporate taxable income. The acquisition by the Company terminated the Subchapter S election, and income tax expense has been provided for earnings from the acquired operations subsequent to that date. In addition, the Company recorded a net deferred tax asset, and a corresponding deferred tax benefit, of approximately $1 million in 2001 to reflect the expected tax effects of the resolution of temporary differences that had accumulated in American Bank through the termination date. The impact of the Subchapter S election and subsequent termination on Whitney's effective tax rate is shown above.

Temporary differences arise between the tax bases of assets or liabilities and their reported amounts in the financial statements. The expected tax effects when these differences are resolved are recorded currently as deferred tax assets or liabilities. The components of the net deferred income tax asset, which is included in other assets on the consolidated balance sheets, follow:

	December 31	
(dollars in thousands)	**2002**	2001
Deferred tax assets**:**		
Allowance for losses on loans and foreclosed assets	**$22,761**	$24,473
Employee compensation and benefits	**7,528**	6,146
Unrecognized interest income	**2,197**	1,897
Net operating loss carryforward	**1,732**	2,820
Other	**3,079**	2,103
Total deferred tax assets	**37,297**	37,439
Deferred tax liabilities:		
Net unrealized gain on securities	**16,007**	5,444
Accumulated depreciation and amortization	**7,163**	9,261
Other	**2,986**	2,267
Total deferred tax liabilities	**26,156**	16,972
Net deferred tax asset	**$11,141**	$20,467

The change in the net deferred tax asset during 2002 includes the impact of adjustments of deferred tax assets and liabilities of acquired companies. This component of the overall change is not reflected in the deferred tax provisions for 2002.

At December 31, 2002, the Company had approximately $5 million in net operating loss carryforwards generated by acquired entities. Substantially all of the carryforwards expire by 2020.

NOTE 20
EARNINGS PER SHARE

The components used to calculate basic and diluted earnings per share are as follows:

	Years Ended December 31		
(dollars in thousands, except per share data)	**2002**	2001	2000
Numerator:			
Net income	**$95,323**	$75,820	$72,842
Effect of dilutive securities	**-**	-	-
Numerator for diluted earnings per share	**$95,323**	$75,820	$72,842
Denominator:			
Weighted-average shares outstanding	**39,848,881**	39,550,723	38,475,984
Effect of potentially dilutive securities and contingently issuable shares	**272,663**	285,324	92,715
Denominator for diluted earnings per share	**40,121,544**	39,836,047	38,568,699
Earnings per share:			
Basic	**$2.39**	$1.92	$1.89
Diluted	**2.38**	1.90	1.89
Antidilutive stock options	**424,461**	514,807	871,839

NOTE 21
PARENT COMPANY FINANCIAL STATEMENTS

The following financial statements are for the parent company only. For the statements of cash flows, cash and cash equivalents include noninterest-bearing and interest-bearing deposits in the Bank and the demand note receivable from the Bank.

BALANCE SHEETS	December 31	
(dollars in thousands)	**2002**	2001
ASSETS		
Investment in bank subsidiary	**$598,116**	$570,308
Note receivable - bank subsidiary	**128,400**	-
Interest-bearing deposit in bank subsidiary	**-**	62,830
Investments in nonbank subsidiaries	**1,210**	1,122
Notes receivable - nonbank subsidiaries	**80,394**	81,084
Dividends receivable	**-**	10,572
Other assets	**10,196**	7,245
Total assets	**$818,316**	$733,161
LIABILITIES		
Dividends payable	**$ 12,009**	$ 10,572
Other liabilities	**5,824**	4,701
Total liabilities	**17,833**	15,273
SHAREHOLDERS' EQUITY	**800,483**	717,888
Total liabilities and shareholders' equity	**$818,316**	$733,161

STATEMENTS OF INCOME	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
Dividend income from bank subsidiary	**$89,200**	$162,597	$62,982
Equity in undistributed earnings of subsidiaries			
Bank	**1,854**	(88,166)	8,814
Nonbanks	**68**	100	188
Other income, net of expenses	**4,201**	1,289	858
NET INCOME	**$95,323**	$75,820	$72,842

STATEMENTS OF CASH FLOWS	Years Ended December 31		
(dollars in thousands)	**2002**	2001	2000
OPERATING ACTIVITIES			
Net income	**$95,323**	$75,820	$72,842
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in undistributed earnings of subsidiaries	**(1,922)**	88,066	(9,002)
(Increase) decrease in dividends receivable	**10,572**	(2,165)	(957)
Other, net	**(1,073)**	48	409
Net cash provided by operating activities	**102,900**	161,769	63,292
INVESTING ACTIVITIES			
Investments in subsidiaries	**(20)**	(39,147)	(58,177)
Loans to nonbank subsidiaries, net of repayments	**690**	(80,248)	108
Other, net	**13**	376	105
Net cash used in investing activities	**683**	(119,019)	(57,964)
FINANCING ACTIVITIES			
Cash dividends	**(42,893)**	(38,598)	(32,399)
Proceeds from issuance of stock	**7,385**	5,096	3,316
Purchases of stock	**(2,256)**	(847)	(1,705)
Net cash used in financing activities	**(37,764)**	(34,349)	(30,788)
Increase (decrease) in cash and cash equivalents	**65,819**	8,401	(25,460)
Cash and cash equivalents at beginning of year	**62,886**	54,485	79,945
Cash and cash equivalents at end of year	**$128,705**	$62,886	$54,485

Whitney Holding Corporation issued common stock with a value of $22 million in connection with its purchase of First Ascension Bancorp, Inc. in November 2000.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The management of Whitney is responsible for the preparation and fair presentation of the consolidated financial statements and other financial information included in this annual report on Form 10-K. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and include amounts based on management's estimates and judgments where appropriate. Financial information appearing throughout this annual report on Form 10-K is consistent with that in the financial statements.

Management has established and maintains a system of internal control that provides reasonable assurance as to the integrity and reliability of the Company's financial statements, the protection of assets from unauthorized use or disposition, and the prevention and detection of fraudulent financial reporting. The system of internal control provides for appropriate division of responsibility, is documented by written policies and procedures that are communicated to employees with significant roles in the financial reporting process, and is updated as necessary. The Company maintains a professional staff of internal auditors who independently assess the effectiveness of internal controls and make recommendations on policies and procedures. Management believes that, as of December 31, 2002, the Company's system of internal control is adequate to accomplish the objectives discussed above.

The Audit Committee of the Board of Directors, which is composed entirely of independent directors, has oversight responsibilities for the Company's financial reporting and internal controls. The Committee has appointed PricewaterhouseCoopers LLP as independent accountants to audit the financial statements in accordance with auditing standards generally accepted in the United States of America and to express an opinion as to the fairness of presentation of such financial statements. The Committee meets periodically with management, the independent accountants and internal auditors to review accounting, financial reporting and internal control matters. Both the independent accountants and internal auditors have direct access to the Committee.

REPORT OF INDEPENDENT ACCOUNTANTS

TO THE SHAREHOLDERS
AND BOARD OF DIRECTORS OF
WHITNEY HOLDING CORPORATION:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statement of income, changes in shareholders' equity and cash flows present fairly, in all material respects, the financial position of Whitney Holding Corporation and subsidiaries (the "Corporation") at December 31, 2002, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Corporation's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The financial statements of the Corporation as of December 31, 2001, and for each of the two years in the period ended December 31, 2001, prior to the revisions discussed in Notes 2 and 9, were audited by other independent accountants who have ceased operations. Those independent accountants expressed an unqualified opinion on those financial statements in their report dated January 16, 2002.

As discussed in Note 9 to the consolidated financial statements, the Corporation changed its method of accounting for goodwill and intangible assets on January 1, 2002.

As discussed above, the financial statements of the Corporation as of December 31, 2001, and for each of the two years in the period ended December 31, 2001, were audited by other independent accountants who have ceased operations. As described in Notes 2 and 9, these financial statements have been revised to include the transitional disclosures required by Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," which was adopted by the Corporation as of January 1, 2002 and to reflect a three-for-two stock split. We audited the transitional disclosures described in Note 9 and the three-for-two stock split described in Note 2. In our opinion, the transitional disclosures for 2001 and 2000 in Note 9 and the impact of the three-for-two stock split described in Note 2 are appropriate. However, we were not engaged to audit, review, or apply any procedures to the 2001 and 2000 financial statements of the Corporation other than with respect to such disclosures and, acccordingly, we do not express an opinion or any other form of assurance on the 2001 or 2000 financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

New Orleans, Louisiana
January 15, 2003

THE FOLLOWING REPORT IS A COPY OF A REPORT PREVIOUSLY ISSUED BY ARTHUR ANDERSEN LLP IN CONNECTION WITH WHITNEY'S FILING ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2001. THIS REPORT HAS NOT BEEN REISSUED BY ARTHUR ANDERSEN LLP IN CONNECTION WITH THIS FILING ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2002. FOR FURTHER DISCUSSION, SEE EXHIBIT 23.2 WHICH IS FILED HEREWITH.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS
AND BOARD OF DIRECTORS OF
WHITNEY HOLDING CORPORATION:

We have audited the consolidated balance sheets of Whitney Holding Corporation (a Louisiana corporation) and subsidiaries as of December 31, 2001 and 2000 and the related consolidated statements of operations, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Whitney Holding Corporation and subsidiaries as of December 31, 2001 and 2000, and the consolidated results of their operations and cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

As discussed in Note 2 to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 133 effective January 1, 2001.

ARTHUR ANDERSEN LLP

New Orleans, Louisiana
January 16, 2002

Item 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On May 22, 2002, Whitney Holding Corporation decided not to continue the engagement of Arthur Andersen LLP (Andersen) as the Company's independent accountants. This action was taken with the approval of Whitney's Board of Directors, which ratified the decision reached by its Audit Committee.

Andersen issued a report on the Company's consolidated financial statements for each of the two fiscal years in the period that ended December 31, 2001. Neither of these reports contained an adverse opinion or disclaimer of opinion, nor was either qualified or modified as to uncertainty, audit scope or accounting principles. During the two fiscal years that ended December 31, 2001 and continuing through May 22, 2002, Whitney and Andersen had no disagreements on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, that, if not resolved to Andersen's satisfaction, would have caused them to make reference to the matter of disagreement in their report on the financial statements.

Whitney provided Andersen with a copy of the foregoing disclosure, and a letter from Andersen stating its agreement with the statements in this disclosure was filed as an exhibit to Whitney's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 23, 2002.

None of the reportable events described under Item 304(a)(1)(v) of Regulation S-K occurred during Whitney's two fiscal years that ended December 31, 2001 and through May 22, 2002.

Also on May 22, 2002, Whitney appointed PricewaterhouseCoopers LLP (PwC) to replace Andersen as the Company's independent accountants. The Audit Committee's selection of PwC was also ratified by the Board of Directors. During the two fiscal years ended December 31, 2001, and the subsequent interim period through May 22, 2002, the Company did not consult with PwC regarding any of the matters or events set forth in Item 304(a)(2)(i) and (ii) of Regulation S-K.

PART III

Item 10: DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The names, ages and positions of the Company's directors and executive officers are listed below with their business experience during the past five years.

Name and Age	Principal Occupation	Director Since	Term Expires
Robert C. Baird, Jr., 52	Executive Vice President of the Company and Whitney National Bank since 1995; President, Avoca, Inc.	N/A	N/A
Harry J. Blumenthal, Jr., 57	President, Blumenthal Print Works, Inc. (textiles manufacturing)	1993	2004
Joel B. Bullard, Jr., 52	President, Joe Bullard Automotive Companies (automotive sales and service)	1994	2004
James M. Cain, 69	Former Vice Chairman, Entergy Corporation (utility holding company); former Chairman of the Board, Chief Executive Officer and President, Louisiana Power and Light Company (electric utility); former Director, Chief Executive Officer and President, New Orleans Public Service, Inc., retired 1993	1987	2007
Thomas L. Callicutt, Jr., 55	Executive Vice President and Chief Financial Officer of the Company and Whitney National Bank since 1999 and Treasurer of the Company since 2001; Senior Vice President and Comptroller of Whitney National Bank from 1998 to 1999; Executive Vice President, Controller and Principal Accounting Officer, First Commerce Corporation (bank holding company) from 1996 to 1998	N/A	N/A
Rodney D. Chard, 60	Executive Vice President of the Company and Whitney National Bank since 1996	N/A	N/A
Angus R. Cooper II, 60	Chairman and Chief Executive Officer, Cooper/T. Smith Corp. (shipping service company); Director, Friede Goldman Halter, Inc.	1994	2004

Name and Age	Principal Occupation	Director Since	Term Expires
Richard B. Crowell, 64	Attorney, Crowell & Owens; Director, CLECO Corporation	1983	2007
Joseph S. Exnicios, 47	Senior Vice President of Whitney National Bank since 1994	N/A	N/A
G. Blair Ferguson, 59	Executive Vice President of the Company and Whitney National Bank since 1993	N/A	N/A
William A. Hines, 66	Chairman of the Board, Nassau Holding Corporation (holding company of entities in the oil field service industry); Director, Unifab International, Inc.	1986	2006
John C. Hope III, 53	Executive Vice President of the Company since 1994 and of Whitney National Bank since 1998; Chairman of the Board, Energy South, Inc.	N/A	N/A
John J. Kelly, 68	Chairman, Louisiana Technology Council (nonprofit organization advancing technology in Louisiana); former President, Textron Marine and Land Systems (designs and builds advanced technology vehicles and craft), retired 1999	1986	2005
E. James Kock, Jr., 74	Former President, Bowie Lumber Associates, Downmans Associates, Jeanerette Lumber & Shingle Co., Ltd. and White Castle Lumber & Shingle Co., Ltd. (land and timber holdings, and investments), retired 1993	1965	2003
Alfred S. Lippman, 64	Managing Member, Lippman & Mahfouz, L.L.C., Attorneys at Law	1996	2006
Michael L. Lomax, 55	President, Dillard University since 1997	2002	2003
William L. Marks, 59	Chairman of the Board and Chief Executive Officer of the Company and Whitney National Bank since 1990; Director, Adtran, Inc.; Director, CLECO Corporation	1990	2005
R. King Milling, 62	President of the Company and Whitney National Bank since 1984	1979	2003

Name and Age	Principal Occupation	Director Since	Term Expires
Eric J. Nickelsen, 58	Real estate developer and part owner, John S. Carr & Company, Inc. (January 1998 to present); former Chairman of the Board, Chief Executive Officer and President, Barnett Bank of West Florida (December 1993 to January 1998)	2000	2005
John G. Phillips, 80	Former Chairman of the Board and Chief Executive Officer, The Louisiana Land and Exploration Company (oil and gas exploration and production), retired 1985; Director, Energy Partners, Ltd.	1972	2003
Lewis P. Rogers, 50	Senior Vice President of Whitney National Bank since 1998	N/A	N/A
Carroll W. Suggs, 64	Vice Chairman, National Ocean Industries Association (2002-2003) (trade association representing a broad base of offshore/ocean related industries); former Chairman, Chief Executive Officer and President, Petroleum Helicopters, Inc., retired 2001; Director, GlobalSantaFe Corporation; Director, Pogo Producing Company	1996	2006
Dean E. Taylor, 54	President (since 2001) and Chief Executive Officer (since 2002), Tidewater, Inc. (marine offshore supply); Executive Vice President, Tidewater, Inc. (2000-2001), Senior Vice President (1998-2000)	2002	2003
Thomas D. Westfeldt, 51	President, Westfeldt Brothers Inc., (green coffee importing firm)	2002	2003

In further response to this Item 10, registrant incorporates by reference the section entitled “Section 16(a) Beneficial Ownership Reporting Compliance” of its Proxy Statement dated March 14, 2003.

Item 11: EXECUTIVE COMPENSATION

In response to this item, registrant incorporates by reference the section entitled "Executive Compensation" of its Proxy Statement dated March 14, 2003.

Item 12: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

In partial response to this item, registrant incorporates by reference the sections entitled "Voting Securities and Principal Holders" and "Beneficial Ownership of Directors and Management and Other Information" of its Proxy Statement dated March 14, 2003.

The following table summarizes certain information regarding the registrant's equity compensation plans of December 31, 2002. The underlying compensation plans, which are more fully described in Note 12 to the consolidated financial statements included in Item 8, have been previously approved by a vote of the shareholders.

Equity Compensation Plan Information

	(a)	(b)	(c)
Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by shareholders	1,774,722	$28.81	1,653,431 (1),(2)
Equity compensation plans not approved by shareholders	---	---	---
Total	1,774,722	$28.81	1,653,431

(1) Includes 1,045,950 shares that remain available for future issuance under the 2001 Directors' Compensation Plan, including shares that will be issued with respect to common stock credits accumulated in deferred compensation accounts. The Company is authorized under this plan to issue an aggregate number of common shares not exceeding 3% of its shares issued and outstanding from time to time, but in no event more than 1,125,000 shares. Under this plan, the Company may award common stock in addition to awarding stock options and issuing shares for common stock credits.

(2) Includes 607,481 shares available for future issuance under the 1997 Long-Term Incentive Plan. The aggregate number of shares issued under the terms of this plan cannot exceed 7% of the total number of Company shares issued and outstanding from time to time. In addition to stock options, the Company may grant or award restricted stock, performance shares, phantom shares and stock appreciation rights under the plan.

Item 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In response to this item, registrant incorporates by reference the section entitled "Certain Transactions" of its Proxy Statement dated March 14, 2003.

Item 14: CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports it files under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. Such controls include those designed to ensure that material information is communicated to management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate to allow timely decisions regarding required disclosure.

The CEO and CFO, with the participation of management, have evaluated the effectiveness of Whitney's disclosure controls and procedures as of a date within ninety days before the filing date of this annual report on Form 10-K. Based on their evaluation, they have concluded that the disclosure controls and procedures are effective. There were no significant changes in the Company's internal controls or in other factors subsequent to the date of the evaluation that could significantly affect the operation of the disclosure controls and procedures.

PART IV

Item 15: EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)(1) The following consolidated financial statements and supplementary data of the Company and its subsidiaries are included in Part II Item 8 of this Form 10-K:

(a)(2) All schedules have been omitted because they are either not applicable or the required information has been included in the consolidated financial statements or notes to the consolidated financial statements.

(a)(3) Exhibits:

To obtain a copy of any listed exhibit send your request to the address below. The copy will be furnished upon payment of a fee.

Mrs. Shirley Fremin, Manager
Investor Relations
Whitney Holding Corporation
P. O. Box 61260
New Orleans, LA 70161-1260
(504) 586-3627 or toll free (800) 347-7272
E-mail: investor.relations@whitneybank.com

Exhibit 3.1 - Copy of the Company's Composite Charter (filed as Exhibit 3.1 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2000 (Commission file number 0-1026) and incorporated by reference).

Exhibit 3.2 – Copy of the Company's Bylaws (filed as Exhibit 3.2 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2000 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.1 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and William L. Marks (filed as Exhibit 10.3 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 1993 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.2 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and R. King Milling (filed as Exhibit 10.4 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 1993 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.3 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and G. Blair Ferguson (filed as Exhibit 10.7 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1993 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.4 - Executive agreement between Whitney Holding Corporation, Whitney Bank of Alabama (now Whitney National Bank) and John C. Hope III (filed as Exhibit 10.8 to the Company's annual report on Form 10-K for the year ended December 31, 1994 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.5 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and Robert C. Baird, Jr. (filed as Exhibit 10.9 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 1995 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.6 - Long-term incentive program (filed as Exhibit 10.7 to the Company's annual report on Form 10-K for the year ended December 31, 1991 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.6a - Long-term incentive plan (filed as a Proposal in the Company's Proxy Statement dated March 18, 1997 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.7 - Executive compensation plan (filed as Exhibit 10.8 to the Company's annual report on Form 10-K for the year ended December 31, 1991 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.8 – Form of restricted stock agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 19.1 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 1992 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.8a - Form of amendment to restricted stock agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 10.9a to the Company's annual report on Form 10-K for the year ended December 31, 2000 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.8b - Form of amendment to restricted stock agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 10.8b to the Company's annual report on Form 10-K for the year ended December 31, 2001 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.8c - Form of restricted stock agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 10.8c to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2002 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.9 – Form of stock option agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 19.2 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 1992 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.9a - Form of amendment to stock option agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 10.10a to the Company's annual report of Form 10-K for the year ended December 31, 2000 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.9b - Form of amendment to stock option agreement between Whitney Holding Corporation and certain of its officers (filed as Exhibit 10.9b to the Company's annual report of Form 10-K for the year ended December 31, 2001 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.10 - Directors' Compensation Plan (filed as Exhibit A to the Company's Proxy Statement dated March 24, 1994 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.10a - Amendment No. 1 to the Whitney Holding Corporation Directors' Compensation Plan (filed as Exhibit A to the Company's Proxy Statement dated March 15, 1996 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.10b – Whitney Holding Corporation 2001 Directors' Compensation Plan (filed as Appendix B to the Company's Proxy Statement dated March 15, 2001 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.11 - Retirement Restoration Plan effective January 1, 1995 (filed as Exhibit 10.16 to the Company's annual report on Form 10-K for the year ended December 31, 1995 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.12 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and Rodney D. Chard (filed as Exhibit 10.17 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1996 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.13 - Form of Amendment to Section 2.1e of the Executive agreements filed as Exhibits 10.1 through 10.5 herein (filed as Exhibit 10.18 to the Company's annual report on Form 10-K for the year ended December 31, 1996 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.14 – Form of Amendment adding subsection 2.1g to the Executive Agreements filed as Exhibits 10.1 through 10.5 and Exhibit 10.12 herein (filed as Exhibit 10.19 to the Company's quarterly report on Form 10-Q for the quarter ended March 31, 1998 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.15 - Executive agreement between Whitney Holding Corporation, Whitney National Bank and Thomas L. Callicutt, Jr. (filed as Exhibit 10.20 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1999 (Commission file number 0-1026) and incorporated by reference).

Exhibit 10.16 – Form of officer agreement between Whitney Holding Corporation, Whitney National Bank and Joseph S. Exnicios, executed May 11, 1993, and amended March 27, 1998, and Lewis P. Rogers, executed June 23, 1999 (filed as Exhibit 10.16 to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2002 (Commission file number 0-1026) and incorporated by reference).

Exhibit 16.1 – Letter from Arthur Andersen LLP dated May 22, 2002 (filed as Exhibit 16 to the Company's Form 8-K dated May 22, 2002 (Commission file number 0-1026) and incorporated by reference).

Exhibit 21 – Subsidiaries

Whitney Holding Corporation owns 100% of Whitney National Bank. All other subsidiaries considered in the aggregate would not constitute a significant subsidiary.

Exhibit 23.1 – Consent of PricewaterhouseCoopers LLP dated March 14, 2003.

Exhibit 23.2 – Notice Regarding Consent of Arthur Andersen LLP.

Exhibit 99.1 – Certification by the Company's Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports of Form 8-K

On a Form 8-K dated October 17, 2002, the registrant reported under Item 5 the release of its financial results for the quarter ended September 30, 2002. The news release covering the financial results was filed as an exhibit under Item 7.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WHITNEY HOLDING CORPORATION
(Registrant)

By:/s/ William L. Marks
William L. Marks
Chairman of the Board and
Chief Executive Officer

March 14, 2003
Date

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ William L. Marks William L. Marks	Chairman of the Board, Chief Executive Officer and Director	March 14, 2003
/s/ R. King Milling R. King Milling	President and Director	March 14, 2003
/s/ Thomas L. Callicutt, Jr Thomas L. Callicutt, Jr.	Executive Vice President and Chief Financial Officer (Principal Accounting Officer)	March 14, 2003
/s/ Harry J. Blumenthal, Jr. Harry J. Blumenthal, Jr.	Director	March 14, 2003
/s/ Joel B. Bullard, Jr. Joel B. Bullard, Jr.	Director	March 14, 2003
/s/ James M. Cain James M. Cain	Director	March 14, 2003
/s/ Angus R. Cooper II Angus R. Cooper II	Director	March 14, 2003
/s/ Richard B. Crowell Richard B. Crowell	Director	March 14, 2003

Signature	Title	Date
/s/ William A. Hines William A. Hines	Director	March 14, 2003
/s/ John J. Kelly John J. Kelly	Director	March 14, 2003
/s/ E. James Kock , Jr. E. James Kock, Jr.	Director	March 14, 2003
/s/ Alfred S. Lippman Alfred S. Lippman	Director	March 14, 2003
/s/ Michael L. Lomax Michael L. Lomax	Director	March 14, 2003
/s/ Eric J. Nickelsen Eric J. Nickelsen	Director	March 14, 2003
/s/ John G. Phillips John G. Phillips	Director	March 14, 2003
/s/ Carroll W. Suggs Carroll W. Suggs	Director	March 14, 2003
/s/ Dean E. Taylor Dean E. Taylor	Director	March 14, 2003
Thomas D. Westfeldt	Director	

CERTIFICATIONS

I, William L. Marks, certify that:

1. I have reviewed this annual report on Form 10-K of Whitney Holding Corporation;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
   c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ William L. Marks
William L. Marks
Chief Executive Officer

Date: March 14, 2003

I, Thomas L. Callicutt, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Whitney Holding Corporation;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
   c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Thomas L. Callicutt, Jr.
Thomas L. Callicutt, Jr.
Chief Financial Officer

Date: March 14, 2003

Exhibit 23.1

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Registration Statements on Forms S-3 (No. 33-52999, No. 33-55307, No. 333-56277 and No. 333-75676) of Whitney Holding Corporation and the Registrations Statements on Form S-8 (No. 333-56024, as amended, No. 333-68506, No. 333-30257, No. 333-87050 and No. 333-91358) of Whitney Holding Corporation of our report dated January 15, 2003 relating to the consolidated financial statements of Whitney Holding Corporation, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

New Orleans, Louisiana
March 14, 2003

Exhibit 23.2

Notice Regarding Consent of Arthur Andersen LLP

Section 11(a) of the Securities Act of 1933, as amended (the Securities Act), provides that if part of a registration statement at the time it becomes effective contains an untrue statement of a material fact, or omits a material fact required to be stated therein or necessary to make the statements therein not misleading, any person acquiring a security pursuant to such registration statement (unless it is proved that at the time of such acquisition such person knew of such untruth or omission) may assert a claim against, among others, every accountant who has consented to be named as having prepared or certified any report or valuation which is used in connection with the registration statement, report of valuation which purports to have been prepared or certified by the accountant.

The Annual Report on Form 10-K for the year ended December 31, 2002 (the Form 10-K) to which this notice is filed as an exhibit is incorporated by reference into the following registration statements (collectively, the Registration Statements) filed by Whitney Holding Corporation (the Company) with the Securities and Exchange Commission (the SEC), and, for purposes of determining any liability under the Securities Act, is deemed to be a new registration statement for each Registration Statement into which it is incorporated by reference:

Form S-3 No. 33-52999 (dated April 6, 1994)
Form S-3 No. 33-55307 (dated August 31, 1994)
Form S-3 No. 33-56277 (dated November 1, 1994)
Form S-3 MEF No. 333-75676 (dated December 21, 2001)
Form S-8 No. 333-56024, as amended (dated December 18, 1992)
Form S-8 No. 333-68506 (dated September 8, 1993)
Form S-8 No. 333-30257 (dated June 27, 1997)
Form S-8 No. 333-87050 (dated April 26, 2002)
Form S-8 No. 333-91358 (dated June 27, 2002)

On May 22, 2002, Whitney Holding Corporation decided not to continue the engagement of Arthur Andersen LLP (Andersen) as the Company's independent accountants. This action was taken with the approval of Whitney's Board of Directors, which ratified the decision reached by its Audit Committee. For additional information see the Company's Current Report on Form 8-K filed with the SEC on May 23, 2003. The Company understands that the staff of the SEC has taken the position that it will not accept consents from Andersen if the engagement partner and the manager for the Company's audit are no longer with Andersen. Both the engagement partner and the manager for the Company's audit are no longer with Andersen. As a result, the Company has been unable to obtain Andersen's written consent to the incorporation by reference into the Registration Statements of Andersen's audit report with respect to the Company's consolidated financial statements as of December 31, 2001 and 2000 and for the years then ended. Under these circumstances, Rule 437a under the Securities Act permits the Company to file this Form 10-K without a written consent from Andersen. As a result, however, Andersen will not have any liability under Section 11(a) of the Securities Act for any untrue statements of a material fact contained in the financial statements audited by Andersen or any omissions of a material fact required to be stated therein. Accordingly, purchasers of the Company's securities would be unable to assert a claim against Andersen under Section 11(a) of the Securities Act for any purchases of the Company's securities made on or after the date of this Form 10-K pursuant to the Registration Statements. To the extent provided in Section 11(b)(3)(C) of the Securities Act, however, other persons who are liable under Section 11(a) of the Securities Act, including the Company's officers and directors, may still rely on Andersen's original audit reports as being made by an expert for purposes of establishing a due diligence defense under Section 11(b) of the Securities Act.

Exhibit 99.1

Certification Pursuant to 18 U.S.C Section 1350,
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned officers of Whitney Holding Corporation (the "Company"), in the capacities and dates indicated below, hereby certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

(1) the Company's Annual Report on Form 10-K for the period ended December 31, 2002 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 14, 2003

By:/s/ William L. Marks
William L. Marks
Chairman of the Board and
Chief Executive Officer

Dated: March 14, 2003

By:/s/ Thomas L. Callicutt, Jr.
Thomas L. Callicutt, Jr.
Executive Vice President and
Chief Financial Officer