



GREAT AMERICAN BANCORP, INC.

NEWS RELEASE

FOR IMMEDIATE RELEASE

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GREAT AMERICAN BANCORP, INC. UNAUDITED RESULTS FOR THIRD QUARTER 2008 – NET INCOME OF \$872,000

Champaign, Illinois - Great American Bancorp, Inc. (Over-the-Counter Bulletin Board/GTPS), the holding company for First Federal Savings Bank of Champaign-Urbana, reported net income of \$872,000 for the nine months ended September 30, 2008, which is a decrease of \$88,000, or 9.2% from the \$960,000 reported for the first nine months of 2007. Basic earnings per share were \$1.50 for the nine months ended September 30, 2008 and \$1.47 for the nine months ended September 30, 2007, while fully diluted earnings per share were \$1.48 for the nine months ended September 30, 2008 and \$1.46 for the same period in 2007. Earnings per share were higher in 2008 due to a reduction in average common shares outstanding in 2008 compared to 2007. Average common shares outstanding declined in 2008 due to the Company repurchasing shares in 2008.

Net income was lower in 2008 compared to 2007 primarily due to a decrease in net interest income offset by lower income tax expense. Net interest income was \$4,155,000 for the nine months ended September 30, 2008; decreasing \$186,000 or 4.3% from \$4,341,000 reported for the nine months ended September 30, 2007. Interest income was \$6,106,000 for the nine months ended September 30, 2008 compared to \$6,508,000 for the period ending September 30, 2007, decreasing \$402,000 or 6.2%, due to decreases in interest income from loans, securities and financial institutions and other. Total loan income decreased \$91,000 or 1.5% from \$5,897,000 for the first nine months of 2007 to \$5,806,000 for the first nine months of 2008. This decrease was primarily in interest generated on

commercial business and commercial mortgage loans. Interest income from securities decreased \$47,000 in 2008 due mainly to the maturity of a U.S. Agency security in October 2007. Interest income from deposits with financial institutions and other, which are all over-night or short-term deposits, decreased \$237,000 or 47.9% due mainly to a reduction in market interest rates during the last quarter of 2007 and in the first nine months of 2008. During this period, the Federal Funds Target Rate, as established by the Federal Open Market Committee, declined 275 basis points. The average yield on deposits with financial institutions and other declined from 5.01% for the first nine months of 2007 to 2.44% for the nine months ended September 30, 2008, a decrease of 257 basis points.

Interest expense decreased \$216,000 or 10.0% in 2008, from \$2,167,000 for the nine months ended September 30, 2007 to \$1,951,000 for the nine months ended September 30, 2008. Interest expense on deposits decreased \$231,000 or 14.0% in 2008, due primarily to decreases in interest expense on Insured Money Market Accounts (“IMMA”) and certificates of deposit. Interest expense on IMMA deposits decreased \$63,000 in 2008 due to management lowering the offering rates on these deposits during 2008. The average rate paid on IMMA deposits decreased from 2.85% during 2007 to 2.09% in 2008. Interest expense on certificates of deposit decreased \$170,000 in 2008, due mainly to a reduction in the average balance of total certificates of deposit. The average balance of total certificates of deposit declined from \$38.86 million for the nine months ended September 30, 2007 to \$36.83 million for the nine months ended September 30, 2008. This decline was mainly due to depositors transferring maturing longer-term certificates to IMMA and NOW accounts during the latter part of 2007 and in 2008 in response to declining certificate of deposit rates. The average rate accrued on certificates of deposit was 4.15% for the first nine months of 2008 compared to 3.75% for the first nine months of 2007. The average balance of total IMMA accounts increased from \$17.59 million during the first nine months of 2007 to \$19.93 million for the nine months ended September 30, 2008, while the total average balance of NOW deposits increased from \$21.72 million for 2007 to \$22.63 million for 2008.

Interest expense on Federal Home Loan Bank advances was \$22,000 higher in 2008 due to an increase in average outstanding advances during the first nine months of 2008 compared to the same period in 2007 and a slight increase in the weighted average rate accrued on advances. Total Federal Home Loan Bank advances averaged \$13.91 million during 2008 compared to \$13.62 million during 2007. The average rate accrued on Federal Home Loan Bank advances was 4.92% for the nine months ended September 30, 2008 and 4.82% for the period ended September 30, 2007.

The Company recorded no provision for loan losses for either of the periods ended September 30, 2008 and 2007. Management's analyses of the allowance for loan losses during both years determined that no additional allocation to the allowance was warranted.

Noninterest income totaled \$2,464,000 for the nine months ended September 30, 2008, \$9,000 lower than the \$2,473,000 recorded for the same period in 2007. This decrease occurred primarily in insurance sales commissions, offset by increases in customer service fees, net gains on sales of loans and other income. Insurance sales commissions decreased \$299,000 in 2008 due to GTPS Insurance Agency losing several smaller commercial accounts to local competitors, a general decline in industry premiums which affects commission income, and a decrease in contingent commissions. A contingent commission is a commission paid by an insurance company that is based on the overall

profit and/or volume of business placed with that insurance company. Customer service fees increased \$149,000 in 2008 due mainly to an increase in overdraft fees. Overdraft fees were \$138,000 higher in 2008 due to the Bank implementing an overdraft protection service in May 2007. For customers with this service, called "Overdraft Privilege," the Bank may elect to pay overdrawn items rather than returning the items unpaid. Net gains on sales of loans were \$65,000 higher in 2008 due to the Company selling \$9.83 million in loans during the nine months ended September 30, 2008 compared to \$7.17 million in the first nine months of 2007. The increase in other income of \$55,000 in 2008 was primarily brokerage commissions which were \$54,000 higher in 2008.

Noninterest expense was \$5,255,000 for the nine months ended September 30, 2008, decreasing \$17,000 from the \$5,272,000 recorded for the same period in 2007. This decrease was primarily in professional fees, marketing expense, and other expenses, offset by increases in salaries and employee benefits expense and equipment expense.

Income tax expense was \$492,000 for the nine months ended September 30, 2008 compared to \$582,000 for the same period in 2007. The effective tax rates for the nine months ended September 30, 2008 and 2007 were 36.1% and 37.7% respectively.

Net income for the quarter ended September 30, 2008 was \$251,000, \$47,000 or 15.8% lower than net income for the quarter ended September 30, 2007 of \$298,000. Net interest income was \$1,379,000 for the quarter ended September 30, 2008, \$79,000 or 5.4% lower than the \$1,458,000 reported for the quarter ended September 30, 2007, mainly due to lower interest income from loans and deposits with financial institutions and other, offset by a decrease in interest expense on deposits. Noninterest income for the third quarter of 2008 was \$722,000, \$49,000 lower than the \$771,000 reported for the third quarter of 2007. This decrease was primarily in insurance sales commissions. Noninterest expense was \$1,713,000 for the third quarter of 2008 compared to \$1,752,000 for the three months ended September 30, 2007.

Total assets at September 30, 2008 were \$138.96 million compared to \$144.25 million at December 31, 2007. Total cash and cash equivalents decreased from \$18.06 million at December 31, 2007 to \$13.26 million at September 30, 2008 mainly due to cash required to fund a decline in total deposits and to fund treasury stock repurchases. Total net loans decreased only slightly, from \$115.64 million at December 31, 2007 to \$115.11 million at September 30, 2008, mainly one-to-four family residential mortgage loans and commercial mortgage loans, offset by increases in multi-family residential mortgage loans, construction loans and consumer loans. Total deposits decreased from \$110.80 million at December 31, 2007 to \$106.55 million at September 30, 2008, mainly longer term certificates of deposit, IMMA deposits and NOW accounts.

First Federal Savings Bank of Champaign-Urbana is head quartered in Champaign, Illinois, and operates through its administrative/branch office in Champaign and through two other full service branches located in Champaign and Urbana. The Bank also provides full service brokerage activities through a third-party broker-dealer. The Bank's subsidiary, Park Avenue Service Corporation, sells insurance products through the GTPS Insurance Agency. The Bank's deposits are insured by the Federal Deposit Insurance Corporation.

This earnings report may contain certain forward-looking statements which are based on

management's current expectations regarding economic, legislative, and regulatory issues that may impact the Company's earnings in future periods. Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values, and competition, changes in accounting principles, policies, or guidelines, changes in legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors affecting the Company's operations, pricing, products and services. Great American Bancorp, Inc. stock is traded on the Over-the-Counter Bulletin Board system under the symbol "GTPS."

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Great American Bancorp, Inc.
Consolidated Balance Sheets
September 30, 2008 and December 31, 2007
(in thousands, except share data)

	September 30, 2008 (Unaudited)	December 31, 2007
Assets		
Cash and due from banks	\$ 4,157	\$ 5,259
Interest-bearing demand deposits	6,100	8,804
Federal Home Loan Bank term deposit	3,000	4,000
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Cash and cash equivalents	13,257	18,063
Securities available for sale	1,090	1,423
Securities held to maturity	107	120
Federal Home Loan Bank stock, at cost	1,210	1,210
Loans held for sale	259	402
Loans, net of allowance for loan losses of \$952 and \$953	114,850	115,237
Premises and equipment, net	5,383	5,321
Goodwill	485	485
Other assets	2,321	1,989
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Total assets	\$ 138,962	\$ 144,250
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Liabilities and Stockholders' Equity		
Liabilities		
Deposits		
Noninterest-bearing	\$ 14,681	\$ 14,107
Interest-bearing	91,865	96,696
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Total deposits	106,546	110,803
Federal Home Loan Bank advances	14,000	14,000
Advances from borrowers for taxes and insurance	105	290
Other liabilities	2,827	2,897
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Total liabilities	123,478	127,990
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Commitments and contingencies		
Stockholders' Equity		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized; none issued	--	--
Common stock, \$0.01 par value; 1,000,000 shares authorized and issued	10	10
Additional paid-in-capital	3,310	3,310
Retained earnings	26,222	25,583
Unearned incentive plan shares	(55)	(55)
Accumulated other comprehensive loss	(162)	(182)
Common stock in treasury, at cost, (2008-429,325 shares; 2007-385,259 shares)	(13,841)	(12,406)
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Total stockholders' equity	15,484	16,260
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Total liabilities and stockholders' equity	\$ 138,962	\$ 144,250
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GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Income

For the Nine Months Ended September 30, 2008 and 2007

(unaudited, in thousands, except share data)

	Nine Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2007
Interest and Dividend Income		
Loans	\$ 5,806	\$ 5,897
Securities	42	89
Federal Home Loan Bank stock	--	27
Deposits with financial institutions and other	258	495
Total interest and dividend income	<u>6,106</u>	<u>6,508</u>
Interest Expense		
Deposits	1,419	1,650
Federal Home Loan Bank advances	513	491
Other	19	26
Total interest expense	<u>1,951</u>	<u>2,167</u>
Net Interest Income	4,155	4,341
Provision for Loan Losses	--	--
Net Interest Income After Provision for Loan Losses	<u>4,155</u>	<u>4,341</u>
Noninterest Income		
Insurance sales commissions	1,172	1,471
Customer service fees	678	529
Other service charges and fees	233	212
Net gain on sales of loans	159	94
Loan servicing fees	100	100
Other	122	67
Total noninterest income	<u>2,464</u>	<u>2,473</u>
Noninterest Expense		
Salaries and employee benefits	3,222	3,193
Occupancy expense	451	454
Equipment expense	395	369
Professional fees	226	241
Marketing expense	208	236
Printing and office supplies	174	181
Directors and committee fees	103	103
Amortization of mortgage servicing rights	29	28
Other	447	467
Total noninterest expenses	<u>5,255</u>	<u>5,272</u>
Income Before Income Taxes	1,364	1,542
Income tax expenses	492	582
Net Income	<u>\$ 872</u>	<u>\$ 960</u>
Basic Earnings per Share	<u>\$ 1.50</u>	<u>\$ 1.47</u>
Diluted Earnings per Share	<u>\$ 1.48</u>	<u>\$ 1.46</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Income

For the Three Months Ended September 30, 2008 and 2007

(unaudited, in thousands, except share data)

	Three Months Ended Sept. 30, 2008	Three Months Ended Sept. 30, 2007
Interest and Dividend Income		
Loans	\$ 1,911	\$ 2,013
Securities	13	28
Federal Home Loan Bank stock	--	9
Deposits with financial institutions and other	53	144
Total interest and dividend income	<u>1,977</u>	<u>2,194</u>
Interest Expense		
Deposits	418	542
Federal Home Loan Bank advances	174	185
Other	6	9
Total interest expense	<u>598</u>	<u>736</u>
Net Interest Income	1,379	1,458
Provision for Loan Losses	--	--
Net Interest Income After Provision for Loan Losses	<u>1,379</u>	<u>1,458</u>
Noninterest Income		
Insurance sales commissions	303	375
Customer service fees	241	237
Other service charges and fees	77	69
Net gain on sales of loans	37	36
Loan servicing fees	34	33
Other	30	21
Total noninterest income	<u>722</u>	<u>771</u>
Noninterest Expense		
Salaries and employee benefits	1,047	1,042
Occupancy expense	154	146
Equipment expense	144	131
Professional fees	61	74
Marketing expense	72	72
Printing and office supplies	54	62
Directors and committee fees	34	34
Amortization of mortgage servicing rights	9	8
Other	138	183
Total noninterest expenses	<u>1,713</u>	<u>1,752</u>
Income Before Income Taxes	388	477
Income tax expenses	137	179
Net Income	<u>\$ 251</u>	<u>\$ 298</u>
Basic Earnings per Share	<u>\$ 0.44</u>	<u>\$ 0.46</u>
Diluted Earnings per Share	<u>\$ 0.44</u>	<u>\$ 0.46</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Selected Financial Data

(unaudited, in thousands, except share data)

	As of Sept. 30, 2008	As of Dec. 31, 2007
Total assets	\$ 138,962	\$ 144,250
Total loans, net	115,109	115,639
Loan loss reserve	952	953
Non-performing assets	113	11
Non-performing assets to total assets	0.08%	0.01%
Allowance for loan losses to total assets	0.69%	0.66%
Investment securities	1,197	1,543
Total deposits	106,546	110,803
Checking deposits	36,487	37,023
Money market deposits	18,958	20,666
Passbook savings deposits	15,921	15,338
Certificates of deposit	35,180	37,776
Federal Home Loan Bank advances	14,000	14,000
Total stockholders' equity	15,484	16,260

	Three Months Ended Sept. 30, 2008	Three Months Ended Sept. 30, 2007	Nine Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2007
	(unaudited)			
Net interest margin (annualized)	4.30%	4.53%	4.26%	4.48%
ROA (annualized)	0.71%	0.84%	0.81%	0.90%
ROE (annualized)	6.47%	6.92%	7.43%	7.43%