



NEWS RELEASE

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January 23, 2019

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Great American Bancorp, Inc. Announces Earnings – Fiscal 2018 and Fourth Quarter 2018

Champaign, Illinois - Great American Bancorp, Inc. (OTC Pink®/GTPS), the holding company for First Federal Savings Bank of Champaign-Urbana, reported net income of \$955 thousand for the year ended December 31, 2018, which is an increase of \$471 thousand, or 97.3% from \$484 thousand reported for the year ended December 31, 2017. Basic and fully diluted earnings per share were \$2.19 for 2018 compared to \$1.10 for 2017. The return on average assets (“ROA”) and the return on average equity (“ROE”) were 0.56% and 5.47% for 2018, increasing from 0.27% ROA and 2.77% ROE for 2017.

Net income increased in fiscal 2018 compared to fiscal 2017 due to higher net interest income and a decrease in income taxes, offset by a decrease in noninterest income and an increase in noninterest expense.

Net interest income was \$468 thousand higher in fiscal 2018 due primarily to a \$402 thousand increase in interest income from deposits with financial institutions and other, which are mostly overnight deposits maintained at the Federal Reserve Bank and the Federal Home Loan Bank (“FHLB”). Interest income earned on deposits with financial institutions and other was higher in 2018 due to the Federal Open Market Committee (“FOMC”) increasing the Federal funds target rate four times since December 2017. The FOMC increased the Federal funds target rate in March 2018, June 2018, September 2018, and December 2018.

Noninterest income decreased \$83 thousand in fiscal 2018, from \$3.16 million for fiscal 2017 to \$3.07 million in fiscal 2018 due primarily to a decrease in net gain on sales of loans. Net gains on sales of loans were \$59 thousand lower in 2018 compared to 2017 due to the Company selling \$15.33 million in loans during 2017 compared to \$10.62 million in loans sold in 2018.

Total noninterest expense increased \$272 thousand, from \$7.29 million for 2017 to \$7.57 million for 2018, primarily due to salaries and employee benefits and other real estate expense.

Income tax expense decreased \$358 thousand, from \$786 thousand for fiscal 2017 to \$428 thousand for fiscal 2018. In fiscal 2017, an additional tax expense of \$246 thousand was recorded as a result of the Tax Cuts and Job Act of 2017 (the "Act") to reduce the balance of Great American Bancorp, Inc.'s deferred tax assets and deferred tax liabilities to account for the change in the federal tax rates under the Act. The federal tax rate for fiscal 2017 was 34% compared to 21% for fiscal 2018.

Net income increased \$424 thousand for the three months ended December 31, 2018 compared to the fourth quarter of 2017 primarily due to an increase interest income from deposits with financial institutions and other, as well as, a decrease in income tax expense.

Total assets at December 31, 2018 were \$167.44 million compared to \$173.68 million at December 31, 2017, decreasing \$6.24 million. Total net loans, including loans held for sale, were \$99.48 million at December 31, 2018, decreasing \$3.09 million or 3.0% from total net loans of \$102.57 million at December 31, 2017. Total deposits decreased \$6.67 million, from \$152.92 million at December 31, 2017 to \$146.25 million at December 31, 2018.

First Federal Savings Bank of Champaign-Urbana is headquartered in Champaign, Illinois, and operates through its administrative/branch office in Champaign and through one additional full service branch located in Urbana, Illinois. 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 OTC Pink[®], under the symbol, "GTPS."

GTPS-pr-2019-01

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Balance Sheets

December 31, 2018 and 2017

(in thousands, except share data)

(unaudited except for amounts reported as of December 31, 2017)

	2018	2017
<i>Assets</i>		
Cash and due from banks	\$ 3,963	\$ 3,799
Interest-bearing demand deposits	56,342	59,006
Cash and cash equivalents	60,305	62,805
Certificates of deposit investments	-	249
Securities available for sale	107	138
Securities held to maturity	12	15
Federal Home Loan Bank stock, at cost	273	278
Loans held for sale	-	176
Loans, net of allowance for loan losses of \$945 in 2018 and \$943 in 2017	99,476	102,390
Premises and equipment, net	4,090	4,248
Goodwill	485	485
Other real estate owned	582	816
Other assets	2,112	2,077
Total assets	<u>\$ 167,442</u>	<u>\$ 173,677</u>
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 28,886	\$ 27,880
Interest-bearing	117,364	125,039
Total deposits	146,250	152,919
Advances from borrowers for taxes and insurance	240	300
Other liabilities	3,245	3,186
Total liabilities	<u>149,735</u>	<u>156,405</u>
<i>Stockholders' Equity</i>		
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	32,428	31,716
Accumulated other comprehensive income	(19)	46
Common stock in treasury, at cost (2018 - 568,129 shares; 2017 - 561,794 shares)	(18,022)	(17,810)
Total stockholders' equity	<u>17,707</u>	<u>17,272</u>
Total liabilities and stockholders' equity	<u>\$ 167,442</u>	<u>\$ 173,677</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Years Ended December 31, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 4,906	\$ 4,853
Securities	5	6
Dividends on Federal Home Loan Bank stock	5	5
Deposits with financial institutions and other	1,085	683
Total interest and dividend income	<u>6,001</u>	<u>5,547</u>
Interest Expense		
Deposits	119	133
Other	5	5
Total interest expense	<u>124</u>	<u>138</u>
Net Interest Income	5,877	5,409
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>5,877</u>	<u>5,409</u>
Noninterest Income		
Insurance sales commissions	1,468	1,456
Customer service fees	598	668
Other service charges and fees	362	345
Net gain on sales of loans	268	327
Loan servicing fees, net of amortization of mortgage servicing rights	152	140
Other	224	219
Total noninterest income	<u>3,072</u>	<u>3,155</u>
Noninterest Expense		
Salaries and employee benefits	4,389	4,226
Occupancy expense	626	581
Equipment expense	780	848
Professional fees	253	251
Marketing expense	254	300
Printing and office supplies	180	172
Directors and committee fees	163	160
Other real estate owned expense, net	216	74
FDIC deposit insurance expense	50	56
Other	655	626
Total noninterest expense	<u>7,566</u>	<u>7,294</u>
Income Before Income Taxes	1,383	1,270
Income tax expense	428	786
Net Income	<u>\$ 955</u>	<u>\$ 484</u>
Earnings per share, basic and diluted	<u>\$ 2.19</u>	<u>\$ 1.10</u>
Dividends Declared per Share	<u>\$ 0.56</u>	<u>\$ 0.56</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended December 31, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 1,208	\$ 1,215
Securities	1	2
Dividends on Federal Home Loan Bank stock	2	1
Deposits with financial institutions and other	312	192
Total interest and dividend income	<u>1,523</u>	<u>1,410</u>
Interest Expense		
Deposits	28	32
Other	1	2
Total interest expense	<u>29</u>	<u>34</u>
Net Interest Income	1,494	1,376
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,494</u>	<u>1,376</u>
Noninterest Income		
Insurance sales commissions	300	285
Customer service fees	148	173
Other service charges and fees	93	86
Net gain on sales of loans	103	50
Loan servicing fees, net of amortization of mortgage servicing rights	41	37
Other	54	42
Total noninterest income	<u>739</u>	<u>673</u>
Noninterest Expense		
Salaries and employee benefits	1,058	1,017
Occupancy expense	160	142
Equipment expense	194	201
Professional fees	59	60
Marketing expense	43	87
Printing and office supplies	41	52
Directors and committee fees	40	40
Other real estate owned expense, net	20	20
FDIC deposit insurance expense	10	13
Other	120	143
Total noninterest expense	<u>1,745</u>	<u>1,775</u>
Income Before Income Taxes	488	274
Income tax expense	152	362
Net Income	<u>\$ 336</u>	<u>\$ (88)</u>
Earnings per share, basic and diluted	<u>\$ 0.78</u>	<u>\$ (0.20)</u>
Dividends Declared per Share	<u>\$ 0.14</u>	<u>\$ 0.14</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Selected Financial Data

(unaudited, in thousands, except share data)

	As of December 31, 2018	As of December 31, 2017
Total assets	\$ 167,442	\$ 173,677
Total loans, net	99,476	102,566
Loan loss reserve	945	943
Non-performing loans	932	317
Non-performing loans to total assets	0.56%	0.18%
Allowance for loan losses to total non-performing loans	101.39%	297.48%
Allowance for loan losses to total assets	0.56%	0.54%
Other real estate owned	582	816
Investment securities	119	153
Total deposits	146,250	152,919
Checking deposits	72,453	70,989
Money market deposits	25,340	30,356
Savings deposits	32,854	32,475
Certificates of deposit	15,603	19,099
Total stockholders' equity	17,707	17,272

	Three Months Ended December 31, 2018	Three Months Ended December 31, 2017	Year Ended December 31, 2018	Year Ended December 31, 2017
		(unaudited)		
Net interest margin (annualized)	3.81%	3.37%	3.67%	3.26%
Return on average assets (annualized)	0.80%	(0.20%)	0.56%	0.27%
Return on average equity (annualized)	7.58%	(1.99%)	5.47%	2.77%