



NEWS RELEASE

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Great American Bancorp, Inc. Announces Earnings for Second 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 \$409,000 for the six months ended June 30, 2018, which is an increase of \$52,000, or 14.6% from the \$357,000 reported for the first six months of 2017. Basic and fully diluted earnings per share were \$0.93 for the six months ended June 30, 2018 compared to \$0.81 for the same period in 2017. The return on average assets ("ROA") and the return on average equity ("ROE") were 0.47% and 4.75% for the six months ended June 30, 2018, increasing from a 0.40% ROA and 4.13% ROE for the six months ended June 30, 2017.

Net income increased in the first six months of 2018 compared to the first six months of 2017 due to higher net interest income and a decrease in income taxes as a result of the Tax Cuts and Job Act of 2017, offset by a decrease in noninterest income and an increase in noninterest expense.

Net interest income was \$288,000 higher in the first six months of 2018 due primarily to a \$197,000 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 three times since June 2017. The FOMC increased the Federal funds target rate in December 2017, March 2018 and June 2018.

Noninterest income decreased \$101,000 in the first six months of 2018, from \$1,667,000 for the six months ended June 30, 2017 to \$1,566,000 in the first six months of 2018 due primarily to a decrease in insurance sales commissions, mainly contingency commission income and a decrease in the net gain on sales of loans. 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 the insurance company. These

commissions are usually paid in the first quarter of each year for the prior year's results and were \$60,000 lower in the first six months of 2018 compared to the same period in 2017. Net gains on sales of loans were \$60,000 lower in the first six months of 2018 compared to the same period in 2017 due to the Company selling \$8.1 million in loans during the first six months of 2017 compared to \$5.7 million in loans sold in the first six months of 2018.

Total noninterest expense increased \$213,000, from \$3,698,000 for the first six months of 2017 to \$3,911,000 for the first six months of 2018, primarily due to salaries and employee benefits, other real estate expense, and other expenses.

Net income was \$41,000 higher in the three months ended June 30, 2018 compared to the second quarter of 2017 primarily due to an increase in net interest income and a decrease in income taxes, offset by a decrease in noninterest income and an increase in noninterest expenses.

Total assets at June 30, 2018 were \$173.50 million compared to \$173.68 million at December 31, 2017, decreasing \$177,000. Total net loans, including loans held for sale, were \$103.38 million at June 30, 2018, increasing \$835,000 or 0.8% from total net loans of \$102.54 million at December 31, 2017. Total deposits decreased \$478,000, from \$152.92 million at December 31, 2017 to \$152.44 million at June 30, 2018. Decreases in money market deposits and time deposits were offset by increases in checking deposits and savings deposits.

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."

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GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Balance Sheets
June 30, 2018 and December 31, 2017

(in thousands, except share data)

	June 30, 2018	December 31, 2017
<i>Assets</i>		
Cash and due from banks	\$ 3,720	\$ 3,799
Interest-bearing demand deposits	58,402	59,006
Cash and cash equivalents	62,122	62,805
Certificates of deposit investments	-	249
Securities available for sale	124	138
Securities held to maturity	13	15
Federal Home Loan Bank stock, at cost	273	278
Loans held for sale	380	176
Loans, net of allowance for loan losses of \$940 in 2018 and \$943 in 2017	102,999	102,368
Premises and equipment, net	4,151	4,248
Goodwill	485	485
Other real estate owned	767	816
Other assets	2,186	2,099
Total assets	\$ 173,500	\$ 173,677
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 31,024	\$ 27,880
Interest-bearing	121,417	125,039
Total deposits	152,441	152,919
Advances from borrowers for taxes and insurance	257	300
Other liabilities	3,275	3,186
Total liabilities	155,973	156,405
<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	32,003	31,716
Accumulated other comprehensive income	46	46
Common stock in treasury, at cost (2018 - 562,794 shares; 2017 - 561,794 shares)	(17,842)	(17,810)
Total stockholders' equity	17,527	17,272
Total liabilities and stockholders' equity	\$ 173,500	\$ 173,677

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Six Months Ended June 30, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 2,499	\$ 2,413
Securities	3	3
Dividends on Federal Home Loan Bank stock	2	3
Deposits with financial institutions and other	496	299
Total interest and dividend income	<u>3,000</u>	<u>2,718</u>
Interest Expense		
Deposits	62	68
Other	2	2
Total interest expense	<u>64</u>	<u>70</u>
Net Interest Income	2,936	2,648
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>2,936</u>	<u>2,648</u>
Noninterest Income		
Insurance sales commissions	770	815
Customer service fees	305	318
Other service charges and fees	178	173
Net gain on sales of loans	110	170
Loan servicing fees, net of amortization of mortgage servicing rights	74	72
Other	129	119
Total noninterest income	<u>1,566</u>	<u>1,667</u>
Noninterest Expense		
Salaries and employee benefits	2,193	2,098
Occupancy expense	306	289
Equipment expense	394	434
Professional fees	134	134
Marketing expense	149	135
Printing and office supplies	99	78
Directors and committee fees	83	80
Other real estate owned expense, net	85	44
FDIC deposit insurance expense	27	29
Other	441	377
Total noninterest expense	<u>3,911</u>	<u>3,698</u>
Income Before Income Taxes	591	617
Income tax expense	<u>182</u>	<u>260</u>
Net Income	<u>\$ 409</u>	<u>\$ 357</u>
Earnings per share, basic and diluted	<u>\$ 0.93</u>	<u>\$ 0.81</u>
Dividends Declared per Share	<u>\$ 0.28</u>	<u>\$ 0.28</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended June 30, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 1,275	\$ 1,207
Securities	2	2
Dividends on Federal Home Loan Bank stock	1	1
Deposits with financial institutions and other	268	175
Total interest and dividend income	<u>1,546</u>	<u>1,385</u>
Interest Expense		
Deposits	31	34
Other	1	1
Total interest expense	<u>32</u>	<u>35</u>
Net Interest Income	1,514	1,350
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,514</u>	<u>1,350</u>
Noninterest Income		
Insurance sales commissions	337	316
Customer service fees	148	167
Other service charges and fees	90	88
Net gain on sales of loans	73	127
Loan servicing fees, net of amortization of mortgage servicing rights	36	35
Other	66	63
Total noninterest income	<u>750</u>	<u>796</u>
Noninterest Expense		
Salaries and employee benefits	1,101	1,035
Occupancy expense	162	141
Equipment expense	203	216
Professional fees	67	67
Marketing expense	80	77
Printing and office supplies	45	34
Directors and committee fees	43	40
Other real estate owned expense, net	36	38
FDIC deposit insurance expense	13	14
Other	221	201
Total noninterest expense	<u>1,971</u>	<u>1,863</u>
Income Before Income Taxes	293	283
Income tax expense	<u>90</u>	<u>121</u>
Net Income	<u>\$ 203</u>	<u>\$ 162</u>
Earnings per share, basic and diluted	<u>\$ 0.46</u>	<u>\$ 0.37</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 June 30, 2018	As of December 31, 2017
Total assets	\$ 173,500	\$ 173,677
Total loans, net	103,379	102,544
Loan loss reserve	940	943
Non-performing loans	197	317
Non-performing loans to total assets	0.11%	0.18%
Allowance for loan losses to total non-performing loans	477.16%	297.48%
Allowance for loan losses to total assets	0.54%	0.54%
Other real estate owned	767	816
Investment securities	137	153
Total deposits	152,441	152,919
Checking deposits	72,347	70,990
Money market deposits	27,263	30,356
Savings deposits	34,813	32,474
Certificates of deposit	18,018	19,099
Total stockholders' equity	17,527	17,272

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	(unaudited)			
Net interest margin (annualized)	3.69%	3.23%	3.61%	3.16%
Return on average assets (annualized)	0.46%	0.36%	0.47%	0.40%
Return on average equity (annualized)	4.67%	3.72%	4.75%	4.13%