



NEWS RELEASE

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Great American Bancorp, Inc. Announces Earnings for Third 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 \$619 thousand for the nine months ended September 30, 2018, which is an increase of \$47 thousand, or 8.2% from \$572 thousand reported for the first nine months of 2017. Basic and fully diluted earnings per share were \$1.42 for the nine months ended September 30, 2018 compared to \$1.29 for the same period in 2017. The return on average assets ("ROA") and the return on average equity ("ROE") were 0.48% and 4.75% for the nine months ended September 30, 2018, increasing from 0.43% ROA and 4.38% ROE for the nine months ended September 30, 2017.

Net income increased in the first nine months of 2018 compared to the first nine 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 \$376 thousand higher in the first nine months of 2018 due primarily to a \$282 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 September 2017. The FOMC increased the Federal funds target rate in December 2017, March 2018, June 2018, and September 2018.

Noninterest income decreased \$149 thousand in the first nine months of 2018, from \$2.48 million for the nine months ended September 30, 2017 to \$2.33 million in the first nine months of 2018 due primarily to a decrease in net gain on sales of loans. Net gains on sales of loans were \$112 thousand lower in the first nine months of 2018 compared to the same period in 2017 due to the Company selling \$12.73 million in loans during the first nine months of 2017 compared to \$8.22 million in loans sold in the first nine months of 2018.

Total noninterest expense increased \$328 thousand, from \$5.56 million for the first nine months of 2017 to \$5.89 million for the first nine months of 2018, primarily due to salaries and employee benefits and other real estate expense.

Net income decreased \$5 thousand for the three months ended September 30, 2018 compared to the third quarter of 2017 primarily due to an increase in other real estate owned expense, offset by a decrease in income tax expense.

Total assets at September 30, 2018 were \$165.92 million compared to \$173.68 million at December 31, 2017, decreasing \$7.76 million. Total net loans, including loans held for sale, were \$101.41 million at September 30, 2018, decreasing \$1.13 million or 1.1% from total net loans of \$102.54 million at December 31, 2017. Total deposits decreased \$7.94 million, from \$152.92 million at December 31, 2017 to \$144.98 million at September 30, 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."

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GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Balance Sheets

September 30, 2018 and December 31, 2017

(in thousands, except share data)

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

	September 30, 2018	December 31, 2017
<i>Assets</i>		
Cash and due from banks	\$ 3,754	\$ 3,799
Interest-bearing demand deposits	52,930	59,006
Cash and cash equivalents	56,684	62,805
Certificates of deposit investments	-	249
Securities available for sale	115	138
Securities held to maturity	12	15
Federal Home Loan Bank stock, at cost	273	278
Loans held for sale	390	176
Loans, net of allowance for loan losses of \$942 in 2018 and \$943 in 2017	101,020	102,368
Premises and equipment, net	4,088	4,248
Goodwill	485	485
Other real estate owned	719	816
Other assets	2,137	2,099
Total assets	<u>\$ 165,923</u>	<u>\$ 173,677</u>
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 28,642	\$ 27,880
Interest-bearing	116,333	125,039
Total deposits	144,975	152,919
Advances from borrowers for taxes and insurance	113	300
Other liabilities	3,255	3,186
Total liabilities	<u>148,343</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	32,152	31,716
Accumulated other comprehensive income	46	46
Common stock in treasury, at cost (2018 - 565,679 shares; 2017 - 561,794 shares)	(17,938)	(17,810)
Total stockholders' equity	<u>17,580</u>	<u>17,272</u>
Total liabilities and stockholders' equity	<u>\$ 165,923</u>	<u>\$ 173,677</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Nine Months Ended September 30, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 3,768	\$ 3,682
Securities	4	4
Dividends on Federal Home Loan Bank stock	3	4
Deposits with financial institutions and other	773	491
Total interest and dividend income	<u>4,548</u>	<u>4,181</u>
Interest Expense		
Deposits	91	101
Other	4	3
Total interest expense	<u>95</u>	<u>104</u>
Net Interest Income	4,453	4,077
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>4,453</u>	<u>4,077</u>
Noninterest Income		
Insurance sales commissions	1,168	1,171
Customer service fees	450	495
Other service charges and fees	269	259
Net gain on sales of loans	165	277
Loan servicing fees, net of amortization of mortgage servicing rights	111	103
Other	170	177
Total noninterest income	<u>2,333</u>	<u>2,482</u>
Noninterest Expense		
Salaries and employee benefits	3,279	3,155
Occupancy expense	466	439
Equipment expense	586	647
Professional fees	194	191
Marketing expense	211	213
Printing and office supplies	139	120
Directors and committee fees	123	120
Other real estate owned expense, net	196	54
FDIC deposit insurance expense	40	43
Other	657	581
Total noninterest expense	<u>5,891</u>	<u>5,563</u>
Income Before Income Taxes	895	996
Income tax expense	276	424
Net Income	<u>\$ 619</u>	<u>\$ 572</u>
Earnings per share, basic and diluted	<u>\$ 1.42</u>	<u>\$ 1.29</u>
Dividends Declared per Share	<u>\$ 0.42</u>	<u>\$ 0.42</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended September 30, 2018 and 2017

(unaudited, in thousands, except share data)

	2018	2017
Interest and Dividend Income		
Loans	\$ 1,269	\$ 1,269
Securities	1	1
Dividends on Federal Home Loan Bank stock	1	1
Deposits with financial institutions and other	277	192
Total interest and dividend income	<u>1,548</u>	<u>1,463</u>
Interest Expense		
Deposits	29	33
Other	2	1
Total interest expense	<u>31</u>	<u>34</u>
Net Interest Income	1,517	1,429
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,517</u>	<u>1,429</u>
Noninterest Income		
Insurance sales commissions	398	356
Customer service fees	145	177
Other service charges and fees	91	86
Net gain on sales of loans	55	107
Loan servicing fees, net of amortization of mortgage servicing rights	37	31
Other	41	58
Total noninterest income	<u>767</u>	<u>815</u>
Noninterest Expense		
Salaries and employee benefits	1,086	1,057
Occupancy expense	160	150
Equipment expense	192	213
Professional fees	60	57
Marketing expense	62	78
Printing and office supplies	40	42
Directors and committee fees	40	40
Other real estate owned expense, net	111	10
FDIC deposit insurance expense	13	14
Other	216	204
Total noninterest expense	<u>1,980</u>	<u>1,865</u>
Income Before Income Taxes	304	379
Income tax expense	94	164
Net Income	<u>\$ 210</u>	<u>\$ 215</u>
Earnings per share, basic and diluted	<u>\$ 0.48</u>	<u>\$ 0.49</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 September 30, 2018	As of December 31, 2017
Total assets	\$ 165,923	\$ 173,677
Total loans, net	101,410	102,544
Loan loss reserve	942	943
Non-performing loans	827	317
Non-performing loans to total assets	0.50%	0.18%
Allowance for loan losses to total non-performing loans	113.91%	297.48%
Allowance for loan losses to total assets	0.57%	0.54%
Other real estate owned	719	816
Investment securities	115	153
Total deposits	144,975	152,919
Checking deposits	68,166	70,990
Money market deposits	25,699	30,356
Savings deposits	34,280	32,474
Certificates of deposit	16,830	19,099
Total stockholders' equity	17,580	17,272

	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
		(unaudited)		
Net interest margin (annualized)	3.81%	3.46%	3.68%	3.26%
Return on average assets (annualized)	0.49%	0.49%	0.48%	0.43%
Return on average equity (annualized)	4.76%	4.88%	4.75%	4.38%