



NEWS RELEASE

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Great American Bancorp, Inc. Announces Earnings – Fiscal 2019 and Fourth Quarter 2019

Champaign, Illinois - Great American Bancorp, Inc. (OTC Pink®/GTPS), the holding company for First Federal Savings Bank of Champaign-Urbana, reported net income of \$1.47 million for the year ended December 31, 2019, which is an increase of \$513 thousand, or 53.7% from \$955 thousand reported for the year ended December 31, 2018. Basic and fully diluted earnings per share were \$3.43 for 2019 compared to \$2.19 for 2018. The return on average assets (“ROA”) and the return on average equity (“ROE”) were 0.86% and 8.03% for the 2019, increasing from 0.56% ROA and 5.47% ROE for 2018.

Net income increased in fiscal 2019 compared to the fiscal 2018 due to higher net interest income, increase in insurance sales commissions, and a decrease in noninterest expenses.

Net interest income was \$165 thousand higher in fiscal 2019 due primarily to a \$231 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 2019 due to the Federal Open Market Committee (“FOMC”) increasing the Federal funds target rate four times in 2018 slightly offset by three Federal funds target rate decreases in 2019.

Noninterest income increased \$309 thousand in fiscal 2019, from \$3.07 million for fiscal 2018 to \$3.38 million in fiscal 2019. Insurance sales commissions increased \$198 thousand in fiscal 2019 compared to fiscal 2018 primarily due to a \$144 thousand increase in contingency commission income. 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. Net gains on sales of loans increased \$84 thousand in fiscal 2019 compared to fiscal 2018 due to the Company selling \$17.26 million in loans during 2019 compared to \$10.62 million in loans during 2018.

Total noninterest expense decreased \$242 thousand, from \$7.56 million for 2018 to \$7.32 million for 2019, primarily due a decrease in other real estate owned expenses.

Net income for the three months ended December 31, 2019 was \$162 thousand, which is a decrease of \$174 thousand from \$336 thousand reported for the same period in 2018. Interest income decreased \$77 thousand in the three months ended December 31, 2019 compared to the same period in 2018 primarily due to the decrease in the Federal funds target rate. The Federal funds target rate ranged between 2.00% and 2.50% in the fourth quarter of 2018 compared to a range between 1.50% and 2.00% in the fourth quarter of 2019. Total noninterest expense increased \$113 thousand, from \$1.74 million for the three months ending December 31, 2018 to \$1.85 million for the same period in 2019, primarily due to an increase in salaries and employee benefits.

Total assets at December 31, 2019 were \$172.68 million compared to \$167.44 million at December 31, 2018, increasing \$5.24 million. Total net loans, including loans held for sale, were \$95.32 million at December 31, 2019, decreasing \$4.16 million or 4.18% from total net loans of \$99.48 million at December 31, 2018. Total deposits increased \$4.03 million, from \$146.25 million at December 31, 2018 to \$150.28 million at December 31, 2019.

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

December 31, 2019 and December 31, 2018

(in thousands, except share data)

(unaudited except for amounts reported as of December 31, 2018)

	December 31, 2019	December 31, 2018
<i>Assets</i>		
Cash and due from banks	\$ 4,300	\$ 3,963
Interest-bearing demand deposits	65,596	56,342
Cash and cash equivalents	69,896	60,305
Securities available for sale	87	107
Securities held to maturity	10	12
Federal Home Loan Bank stock, at cost	258	273
Loans held for sale	647	-
Loans, net of allowance for loan losses of \$944 in 2019 and \$945 in 2018	94,675	99,476
Premises and equipment, net	3,852	4,090
Goodwill	485	485
Other real estate owned	295	582
Other assets	2,473	2,112
Total assets	<u>\$ 172,678</u>	<u>\$ 167,442</u>
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 34,241	\$ 28,886
Interest-bearing	116,035	117,364
Total deposits	150,276	146,250
Advances from borrowers for taxes and insurance	253	240
Other liabilities	3,744	3,245
Total liabilities	<u>154,273</u>	<u>149,735</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	33,605	32,428
Accumulated other comprehensive income	(339)	(19)
Common stock in treasury, at cost (2019 - 572,963 shares; 2018 - 568,129 shares)	(18,181)	(18,022)
Total stockholders' equity	<u>18,405</u>	<u>17,707</u>
Total liabilities and stockholders' equity	<u>\$ 172,678</u>	<u>\$ 167,442</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Years Ended December 31, 2019 and 2018

(unaudited, in thousands, except share data)

	2019	2018
Interest and Dividend Income		
Loans	\$ 4,830	\$ 4,906
Securities	5	5
Dividends on Federal Home Loan Bank stock	6	5
Deposits with financial institutions and other	1,316	1,085
Total interest and dividend income	<u>6,157</u>	<u>6,001</u>
Interest Expense		
Deposits	110	119
Other	5	5
Total interest expense	<u>115</u>	<u>124</u>
Net Interest Income	6,042	5,877
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>6,042</u>	<u>5,877</u>
Noninterest Income		
Insurance sales commissions	1,666	1,468
Customer service fees	587	598
Other service charges and fees	363	362
Net gain on sales of loans	352	268
Loan servicing fees, net of amortization of mortgage servicing rights	122	152
Net gain (loss) on sale of other real estate owned	90	(6)
Other	195	224
Total noninterest income	<u>3,375</u>	<u>3,066</u>
Noninterest Expense		
Salaries and employee benefits	4,428	4,389
Occupancy expense	627	626
Equipment expense	803	780
Professional fees	245	253
Marketing expense	224	254
Printing and office supplies	115	180
Directors and committee fees	177	163
Other real estate owned expense, net	53	210
FDIC deposit insurance expense	1	50
Other	645	655
Total noninterest expense	<u>7,318</u>	<u>7,560</u>
Income Before Income Taxes	2,099	1,383
Income tax expense	631	428
Net Income	<u>\$ 1,468</u>	<u>\$ 955</u>
Earnings per share, basic and diluted	<u>\$ 3.43</u>	<u>\$ 2.19</u>
Dividends Declared per Share	<u>\$ 0.68</u>	<u>\$ 0.56</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended December 31, 2019 and 2018

(unaudited, in thousands, except share data)

	2019	2018
Interest and Dividend Income		
Loans	\$ 1,182	\$ 1,208
Securities	1	1
Dividends on Federal Home Loan Bank stock	2	2
Deposits with financial institutions and other	261	312
Total interest and dividend income	<u>1,446</u>	<u>1,523</u>
Interest Expense		
Deposits	27	28
Other	1	1
Total interest expense	<u>28</u>	<u>29</u>
Net Interest Income	1,418	1,494
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,418</u>	<u>1,494</u>
Noninterest Income		
Insurance sales commissions	291	300
Customer service fees	149	148
Other service charges and fees	90	93
Net gain on sales of loans	90	103
Loan servicing fees, net of amortization of mortgage servicing rights	30	41
Net gain (loss) on sale of other real estate owned	(7)	(9)
Other	32	54
Total noninterest income	<u>675</u>	<u>730</u>
Noninterest Expense		
Salaries and employee benefits	1,102	1,058
Occupancy expense	147	160
Equipment expense	206	194
Professional fees	62	59
Marketing expense	56	43
Printing and office supplies	32	41
Directors and committee fees	44	40
Other real estate owned expense, net	27	11
FDIC deposit insurance expense, net	11	10
Other	162	120
Total noninterest expense	<u>1,849</u>	<u>1,736</u>
Income Before Income Taxes	244	488
Income tax expense	82	152
Net Income	<u>\$ 162</u>	<u>\$ 336</u>
Earnings per share, basic and diluted	<u>\$ 0.38</u>	<u>\$ 0.78</u>
Dividends Declared per Share	<u>\$ 0.17</u>	<u>\$ 0.14</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Selected Financial Data

(unaudited, in thousands, except share data)

	As of	As of
	December 31,	December 31,
	2019	2018
Total assets	\$ 172,678	\$ 167,442
Total loans, net	95,322	99,476
Loan loss reserve	944	945
Non-performing loans	3,594	932
Non-performing loans to total assets	2.08%	0.56%
Allowance for loan losses to total non-performing loans	26.27%	101.39%
Allowance for loan losses to total assets	0.55%	0.56%
Other real estate owned	295	582
Investment securities	97	119
Total deposits	150,276	146,250
Checking deposits	80,183	72,453
Money market deposits	23,306	25,340
Savings deposits	33,470	32,854
Certificates of deposit	13,317	15,603
Total stockholders' equity	18,405	17,707

	Three Months	Three Months	Year	Year
	Ended	Ended	Ended	Ended
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Net interest margin (annualized)	3.53%	3.81%	3.77%	3.67%
Return on average assets (annualized)	0.38%	0.80%	0.86%	0.56%
Return on average equity (annualized)	3.44%	7.58%	8.03%	5.47%