



NEWS RELEASE

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Great American Bancorp, Inc. Announces Earnings for Third Quarter 2020

Champaign, Illinois - Great American Bancorp, Inc. (OTC Pink[®]/GTPS), the holding company for First Federal Savings Bank of Champaign-Urbana, reported net income of \$1.004 million for the nine months ended September 30, 2020, which is a decrease of \$302 thousand, or 23.1% from \$1.306 million reported for the nine months ended September 30, 2019. Basic and fully diluted earnings per share were \$2.38 for the nine months ended September 30, 2020 compared to \$3.05 for the same period in 2019. The return on average assets ("ROA") and the return on average equity ("ROE") were 0.71% and 7.24% for the nine months ended September 30, 2020, decreasing from 1.02% ROA and 9.61% ROE for the same period in 2019.

Net interest income decreased \$848 thousand in the first nine months of 2020 compared to the same period in 2019 due to a \$795 thousand decrease 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 lower in 2020 due to the Federal Open Market Committee ("FOMC") decreasing the Federal funds target rate three times in 2019 (August, September, and October), as well as two times in March 2020 as a result of the COVID-19 pandemic.

Noninterest income increased \$443 thousand in the first nine months of 2020, from \$2.700 million for the first nine months of 2019 to \$3.143 million in the first nine months of 2020. The increase in noninterest income is due to the increase in net gains on sales of loans offset by a decrease in most other categories. Net gain on sales of loans increased \$840 thousand in the first nine months of 2020 compared to the same period in 2019 due to the Company selling \$37.524 million in loans during the first nine months of 2020 compared to \$12.382 million in loans during the same period in 2019. Customer service fees decreased \$129 thousand during the first nine months of 2020 compared to the same period in 2019 due to less overdraft fees as a result of customers carrying higher average balances.

Total noninterest expense decreased \$29 thousand, from \$5.469 million for the first nine months in 2019 to \$5.440 million for the same period in 2020, primarily due to a decrease in salaries and employee benefits, offset by an increase in professional fees and FDIC deposit insurance expense. Salaries and employee benefits decreased \$57 thousand due to reduced part-time employee hours as a result of the Bank's lobbies being closed. During the first nine months of 2019, the Bank was notified by the FDIC that small banks (total consolidated assets of less than \$10 billion) were awarded assessment credit for the portion of their assessment that contributed to the growth in the reserve ratio. The one-time credit was recorded in the first nine months of 2019. In addition, the Company incurred additional professional fees during the first nine months of 2020 related to collection efforts regarding nonperforming loans.

Net income for the three months ended September 30, 2020 was \$435 thousand, which is an increase of \$93 thousand from \$342 thousand reported for the same period in 2019 primarily due to an increase in net gain on sales of loans offset by a decrease in interest income and customer service fees. Net interest income decreased \$270 thousand in the three months ended September 30, 2020 compared to the same period in 2019 primarily due to the decrease in the Federal funds target rate as a result of the COVID-19 pandemic. Customer service fees decreased \$54 thousand in the three months ended September 30, 2020 compared to the same period in 2019 due to fewer overdraft fees charged to customers. Net gain on sales of loans increased \$480 thousand in the three months ended September 30, 2020 compared to the same period in 2019 due to the Company selling \$16.240 million in loans during the three months ended September 30, 2020 compared to \$5.602 million in loans during the same period in 2019.

Total assets at September 30, 2020 were \$199.131 million compared to \$172.678 million at December 31, 2019, increasing \$26.453 million. Total net loans, including loans held for sale, were \$93.774 million at September 30, 2020, decreasing \$1.548 million or 1.62% from total net loans of \$95.322 million at December 31, 2019. Total deposits increased \$22.337 million, from \$150.276 million at December 31, 2019 to \$172.613 million at September 30, 2020.

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."

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Balance Sheets
September 30, 2020 and December 31, 2019

(in thousands, except share data)

(unaudited except for amounts reported as of December 31, 2019)

	September 30, 2020	December 31, 2019
<i>Assets</i>		
Cash and due from banks	\$ 4,690	\$ 4,300
Interest-bearing deposits	92,269	65,596
Cash and cash equivalents	96,959	69,896
Securities available for sale	80	87
Securities held to maturity	9	10
Federal Home Loan Bank stock, at cost	258	258
Loans held for sale	3,311	647
Loans, net of allowance for loan losses of \$990 in 2020 and \$944 in 2019	90,463	94,675
Premises and equipment, net	4,071	3,852
Goodwill	485	485
Other real estate owned	946	295
Other assets	2,549	2,473
Total assets	\$ 199,131	\$ 172,678
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 43,793	\$ 34,241
Interest-bearing	128,820	116,035
Total deposits	172,613	150,276
Advances from borrowers for taxes and insurance	54	253
Federal Home Loan Bank advance	4,000	-
Other liabilities	3,614	3,744
Total liabilities	180,281	154,273
<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	34,392	33,605
Accumulated other comprehensive income	(339)	(339)
Common stock in treasury, at cost (2020 - 584,335 shares; 2019 - 572,963 shares)	(18,523)	(18,181)
Total stockholders' equity	18,850	18,405
Total liabilities and stockholders' equity	\$ 199,131	\$ 172,678

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Nine Months Ended September 30, 2020 and 2019

(unaudited, in thousands, except share data)

	2020	2019
Interest and Dividend Income		
Loans	\$ 3,564	\$ 3,648
Securities	3	4
Dividends on Federal Home Loan Bank stock	5	4
Deposits with financial institutions and other	260	1,055
Total interest and dividend income	<u>3,832</u>	<u>4,711</u>
Interest Expense		
Deposits	53	83
Other	3	4
Total interest expense	<u>56</u>	<u>87</u>
Net Interest Income	3,776	4,624
Provision (Credit) for Loan Losses	50	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>3,726</u>	<u>4,624</u>
Noninterest Income		
Insurance sales commissions	1,314	1,375
Customer service fees	309	438
Other service charges and fees	261	273
Net gain on sales of loans	1,102	262
Loan servicing fees, net of amortization of mortgage servicing rights	31	92
Net gain (loss) on sale of other real estate owned	(11)	97
Other	137	163
Total noninterest income	<u>3,143</u>	<u>2,700</u>
Noninterest Expense		
Salaries and employee benefits	3,269	3,326
Occupancy expense	467	480
Equipment expense	608	597
Professional fees	229	183
Marketing expense	130	168
Printing and office supplies	84	83
Directors and committee fees	132	133
Other real estate owned expense, net	24	26
FDIC deposit insurance expense	39	(10)
Other	458	483
Total noninterest expense	<u>5,440</u>	<u>5,469</u>
Income Before Income Taxes	1,429	1,855
Income tax expense	425	549
Net Income	<u>\$ 1,004</u>	<u>\$ 1,306</u>
Earnings per share, basic and diluted	<u>\$ 2.38</u>	<u>\$ 3.05</u>
Dividends Declared per Share	<u>\$ 0.51</u>	<u>\$ 0.51</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended September 30, 2020 and 2019

(unaudited, in thousands, except share data)

	2020	2019
Interest and Dividend Income		
Loans	\$ 1,220	\$ 1,194
Securities	1	1
Dividends on Federal Home Loan Bank stock	2	1
Deposits with financial institutions and other	22	332
Total interest and dividend income	<u>1,245</u>	<u>1,528</u>
Interest Expense		
Deposits	16	28
Other	1	2
Total interest expense	<u>17</u>	<u>30</u>
Net Interest Income	1,228	1,498
Provision (Credit) for Loan Losses	50	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,178</u>	<u>1,498</u>
Noninterest Income		
Insurance sales commissions	404	388
Customer service fees	104	158
Other service charges and fees	94	93
Net gain on sales of loans	592	112
Loan servicing fees, net of amortization of mortgage servicing rights	5	23
Net gain (loss) on sale of other real estate owned	(4)	(1)
Other	40	71
Total noninterest income	<u>1,235</u>	<u>844</u>
Noninterest Expense		
Salaries and employee benefits	1,068	1,112
Occupancy expense	167	158
Equipment expense	209	200
Professional fees	72	60
Marketing expense	31	55
Printing and office supplies	27	23
Directors and committee fees	44	44
Other real estate owned expense, net	13	16
FDIC deposit insurance expense, net	16	12
Other	148	172
Total noninterest expense	<u>1,795</u>	<u>1,852</u>
Income Before Income Taxes	618	490
Income tax expense	183	148
Net Income	<u>\$ 435</u>	<u>\$ 342</u>
Earnings per share, basic and diluted	<u>\$ 1.04</u>	<u>\$ 0.80</u>
Dividends Declared per Share	<u>\$ 0.17</u>	<u>\$ 0.17</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Selected Financial Data

(unaudited, in thousands, except share data)

	As of September 30, 2020	As of December 31, 2019
Total assets	\$ 199,131	\$ 172,678
Total loans, net	93,774	95,322
Loan loss reserve	990	944
Non-performing loans	2,544	3,594
Non-performing loans to total assets	1.28%	2.08%
Allowance for loan losses to total non-performing loans	38.92%	26.27%
Allowance for loan losses to total assets	0.50%	0.55%
Other real estate owned	946	295
Investment securities	89	97
Total deposits	172,613	150,276
Checking deposits	91,982	80,183
Money market deposits	29,651	23,306
Savings deposits	38,412	33,470
Certificates of deposit	12,568	13,317
Total stockholders' equity	18,850	18,405

	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Net interest margin (annualized)	2.61%	3.74%	2.83%	3.85%
Return on average assets (annualized)	0.87%	0.80%	0.71%	1.02%
Return on average equity (annualized)	9.27%	7.34%	7.24%	9.61%