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**BEO Bancorp**  
PO Box 39  
Heppner, OR 97836

# NEWS RELEASE

## **BEO Bancorp Reports First Quarter Earnings**

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**Heppner, Oregon, (April 10, 2024)** BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced first quarter 2024 consolidated net income of \$3,527,000 or \$2.87 per share, compared to \$3,313,000 or \$2.75 per share for first quarter 2023. Total assets were \$850.1 million, down 0.3% year over year. Net loans of \$531.8 million were up 10.9% from the same period in 2023, while deposits were at \$762.9 million, down 1.9% year over year.

“We are pleased with our first quarter results. Loans are increasing at a time when we see securities mature, adding to interest income. We see a slight decrease in deposits in line with industry trends. Everyone has an opinion on the direction of interest rates, as well as the speed at which the Fed will react to economic data. At this time, the Fed is holding steady until inflation is closer to their target,” said President and CEO Jeff Bailey.

Chief Financial Officer Mark Lemmon said, “The asset sensitive nature of our balance sheet along with good liquidity has supported our net interest income. Profits add to shareholder equity, which grew 24.7% year over year. Return on Average Assets and Return on Average Equity are 1.65% and 21.53% respectively.”

Chief Operations Officer Becky Kindle said, “We continue to open many new accounts across our system. In two of our market areas national banks have announced branch closures and we are welcoming new customers. We are confident that they will appreciate our banking model.”

“Our loan portfolio continues to perform well. Our modest addition to our provision for potential future loan losses is attributable to growth in the portfolio,” said Chief Credit Officer Ed Rollins.

Chief Lending Officer John Qualls added, “Growth in our portfolio has come from across our branch and loan office network. Even in this interest rate environment, we are seeing new opportunities and expansion of existing relationships.”

“I have said this before, but it bears repeating. Our business model is not complicated and our philosophy has not changed. We are true to our roots and here to serve the financial needs of our customers and provide the financial services they need. We are safe, sound,

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and have sufficient liquidity to continue serving our communities as we have for over 79 years,” concluded Bailey.

For further information on the Company or to access internet banking, please visit our website at <https://www.beobank.com>.

## **About BEO Bancorp**

BEO Bancorp is the holding company for Bank of Eastern Oregon. It operates 21 branches and three loan production offices in 11 eastern Oregon and four eastern Washington counties, and one western Idaho county. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, Hermiston, and La Grande, OR; Colfax, Dayton, LaCrosse, Pasco, and Pomeroy, WA; and Caldwell, ID. Loan production offices are located in Ontario, Pendleton, and Madras, OR.. Bank of Eastern Oregon also operates a mortgage division and operates the Washington locations under the name of Bank of Eastern Washington. The bank’s website is <https://www.beobank.com>.

## **Forward-Looking Statements**

The statements contained in this release that are not historical facts are forward-looking statements based upon management’s current expectations and beliefs concerning future developments and their potential effect on BEO Bancorp. There can be no assurances that future developments affecting BEO Bancorp will be the same as those anticipated by management.

Actual results may differ from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties. These risks and uncertainties include, but are not limited to:

- (1) Competitive pressures in the banking and financial industries.
- (2) Changes in interest rate environment.
- (3) General economic conditions, nationally, regionally, and in operating markets.
- (4) Changes in regulatory environment.
- (5) Changes in business conditions and inflation.
- (6) Changes in securities markets.
- (7) Future credit loss experience.