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BEO Bancorp
PO Box 39
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NEWS RELEASE

BEO Bancorp Reports 1ST Quarter Earnings

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Heppner, Oregon, (April 14, 2021) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced 1st quarter 2021 consolidated net income of \$1,337,000 or \$1.11 per share, compared to \$1,110,000 or \$0.94 per share for first quarter 2020. Total assets were \$710.5 million, up 46.38% year over year. Net loans of \$508.6 million were up 20.08% from the same period in 2020, while deposits were at \$650.7 million up 48.88% year over year.

“The first quarter of 2021 has in some ways been a continuation of what we all had to endure in 2020, but in most of our trade areas we are seeing signs of a return to a “new normal” with businesses opening up and some restrictions easing. We have also seen another round of economic stimulus, with payments hitting bank accounts, as well as another round of PPP lending through the Small Business Administration. I applaud our team of bankers that have spent countless hours working with existing and new customers to help them navigate the new lending programs and get those funds disbursed to help our communities,” said President and CEO Jeff Bailey.

Chief Financial Officer Mark Lemmon said, “Shareholder equity is up 10.5% over the past year; Return on Average Assets and Return on Average Equity are 0.78% and 12.73% respectively.” Lemmon added, “The various government stimulus programs over the past year have put a tremendous amount of liquidity into the financial system. This has been the primary cause of our significant increase in assets.”

Chief Operations Officer Becky Kindle said, “We are very pleased with the new banking relationships that our teams have developed over the past year along with maintaining our existing customer base. Employees have worked very hard to make sure customers’ financial needs were met during very trying times.”

“Year over year the bank has seen growth across all branches and loan offices. The strategic addition of personnel and locations over the past few years has complimented our existing operations and expanded our brand of banking to many new customers and communities. We are grateful for the trust that our existing and new customers have in our bank and team members,” concluded Bailey.

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

About BEO Bancorp

BEO Bancorp is the holding company for Bank of Eastern Oregon, which operates 20 branches and five loan production offices in 12 eastern Oregon and five 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; and Colfax, Dayton, LaCrosse, Pasco, and Pomeroy WA; loan production offices are located in Ontario, Pendleton, Madras, OR, Pomeroy, WA, and Caldwell, ID. 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 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.