

2/15/2022

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

# NEWS RELEASE

## **BEO Bancorp Reports 2021 Earnings**

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**Heppner, Oregon, (February 15, 2022)** BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced consolidated year end 2021 earnings of \$6,917,000; average earnings per share of \$5.74. Total assets were \$821.6 million; net loans were \$466.5 million, while deposits ended the year at \$753.4 million.

“2021 continued where 2020 left off...pandemic, mandates, supply chain. All terms that we have become way too familiar with over the past two years. Throw a drought into the mix and the year included additional cause for concern. From a growth and net income perspective, the bank had a very strong year. A tremendous amount of fiscal stimulus money flowed into the economy via various government programs. These programs contributed to bank growth, especially in deposit and total asset growth,” said President and CEO, Jeff Bailey.

According to Chief Financial Officer, Mark Lemmon, “Net income rose 25.2% year over year. Return on Average Assets is 0.93% compared to 0.95% in 2020. Return on Average Equity is at 15.39%, up from 13.88% in 2020. Our book value per share is \$39.80 up 13.8% from last year’s \$34.96; while shareholder equity increased 14.3% year over year. All of these financial metrics reflect a good year for the bank.”

Chief Operations Officer, Becky Kindle said, “Deposits grew 24% year over year. This came from all areas of our branch network. The pandemic created various staffing challenges throughout 2021. We are very proud of our employees’ dedication to providing excellent customer service in sometimes less than ideal conditions. In 4Q 2021 we also converted to a new core processing system, which added to a chaotic year, but our employees met the challenges admirably.”

“Loan volume decreased 5.1% year over year, but if our SBA PPP loans are taken out of the equation, core loans are up 5.4% in 2021,” said Chief Lending Officer John Qualls.

Chief Credit Officer, Ed Rollins commented, “Our loan portfolio has performed quite well over the past year. While production for our ag producers was down, commodity prices, crop insurance and other stimulus programs helped avert what could have been a terrible year for our agricultural sector.”

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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. It operates 20 branches and four 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; and Colfax, Dayton, LaCrosse, Pasco, and Pomeroy WA; loan production offices are located in Ontario, Pendleton, and Madras, OR, 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](http://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.