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BEO Bancorp
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NEWS RELEASE

Bank of Eastern Oregon to acquire branches from Umpqua Bank

CONTACT:

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Heppner, Oregon, (November 2, 2018) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced today that they have entered into a definitive agreement to acquire four branch locations from Umpqua Bank (NASDAQ: UMPQ). The branch locations are Colfax, Dayton, Lacrosse, and Pomeroy.

Jeff Bailey, President and CEO for Bank of Eastern Oregon said, “Our expansion into Washington began nearly five years ago when we acquired Bank Reale in Pasco. We see the addition of these Umpqua branches as a natural progression of expanding our brand of banking to rural communities in eastern Washington.”

Bank of Eastern Oregon, based in Heppner, OR, was founded in 1945 as Gilliam County Bank in Arlington, OR. Since that time the bank has expanded to 14 branches and seven loan production offices located in 12 eastern Oregon counties and three eastern Washington counties. The bank was founded by farmers and ranchers, and views agricultural lending as key to it’s historical as well as future success.

“As customer preferences change how we deliver banking services, Umpqua remains strongly committed to supporting our communities,” said Brian Read, Umpqua’s executive vice president of retail banking. “We’re pleased that Bank of Eastern Oregon has agreed to purchase these four locations and will continue serving customers locally.”

The transaction is expected to close during first quarter 2019, following final regulatory approval. The terms of the transaction are not being disclosed. Upon closing of the transaction, the branches will operate as Bank of Eastern Washington, branches of Bank of Eastern Oregon. Keenan & Partners served as facilitator of this transaction.

About BEO Bancorp

BEO Bancorp is the holding company for Bank of Eastern Oregon, which operates 14 branches and seven loan production offices in twelve eastern Oregon and three eastern Washington counties. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, and Pasco; loan production offices are located in Ontario, Pendleton, Island City, Lakeview, Madras, Pomeroy, and Dayton. Bank of Eastern Oregon also has a mortgage division and

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operates the Washington locations under the name of Bank of Eastern Washington. The bank's web site is www.beobank.com.