

7/27/2020

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

# NEWS RELEASE

## **BEO Bancorp Reports 1<sup>ST</sup> Quarter Earnings**

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**Heppner, Oregon, (April 21, 2020)** BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced 1<sup>st</sup> quarter 2020 consolidated net income of \$1,110,000 or \$0.94 per share, compared to \$1,094,000 or \$0.92 per share for first quarter 2019. Total assets were \$485.4 million, up 3.65% year over year. Net loans of \$423.6 million were up 24.5% from the same period in 2019, while deposits were at \$432.7 million up 2.66% year over year.

“The positive results for 1Q2020 are overshadowed by the current events associated with the COVID-19 pandemic. The illnesses and loss of life across our nation and the world cause us all to realign our priorities and the things that we hold dear. We are fortunate to live where we do...a place where people look out for each other; a place where businesses band together to do the right thing by supporting one another. While none of us know when the travel restrictions and the stay home orders will end, we do know that each day brings us closer to whatever the “new normal” will be,” said President and CEO Jeff Bailey.

Chief Financial Officer Mark Lemmon said, “Shareholder equity is up 6.8% over the past year; Return on Average Assets and Return on Average Equity 0.91% and 11.72% respectively.” Lemmon added, “The Federal Reserve has dropped interest rates considerably over the course of the quarter to try and offset the negative impact on the economy brought on by the pandemic, but the bottom line is that the jobless numbers will dictate how long the economic slowdown lasts.”

Chief Operations Officer Gary Prophetter said, “Loan growth has come from across our system, but more so from Pasco, Hermiston, Pendleton, and LaGrande. Deposits are relatively flat in comparison.”

“As part of the government’s economic stimulus package, the Small Business Administration has provided loan programs with very favorable terms. By partnering with SBA, we were able to help a significant number of customers across our footprint. It is another example of doing what our Bank has done for over 75 years. We continue to work with our neighbors and friends during these trying times. I truly appreciate the dedication of our customers and the hard work of our employees, as we move forward towards brighter times,” 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 twelve eastern Oregon and five eastern Washington counties. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, Hermiston, and LaGrande, OR; and Colfax, Dayton, LaCrosse, Pasco, and Pomeroy WA; loan production offices are located in Ontario, Pendleton, Lakeview, Madras, OR and Pomeroy, WA. 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.