

## **Heartland BancCorp Announces 20% Jump in Quarterly Earnings and Boosts Quarterly Dividend by 15%**

**For Immediate Release:**

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Tiney M. McComb, Chairman, President & CEO of Heartland BancCorp, reported strong 3<sup>rd</sup> quarter and year to date 2002 earnings for Heartland BancCorp. Record quarterly earnings for 3<sup>rd</sup> quarter 2002 of \$896,298 represent a 20% increase when compared to earnings of \$745,338 for the 3<sup>rd</sup> quarter 2001. Basic and diluted earnings per common share of \$.67 are up 12 cents or 22% compared to \$.55 for the 3<sup>rd</sup> quarter of 2001. The strong 3<sup>rd</sup> quarter earnings reflect strong asset growth combined with increased levels of operating income including net interest and non-interest income. The stable interest rate trend thus far in 2002 has enabled Heartland Bank to improve its net interest margin throughout the year as interest rates on both loans and deposits have adjusted to current levels. Declining yields in the bond market during 3<sup>rd</sup> quarter 2002 has provided Heartland the opportunity to record gains from sales of securities for a total of \$164,165. Earnings for the 9 months ending September 30, 2002 of \$2,258,863 are up 8% over earnings of \$2,091,633 for the same period in 2001. Basic and diluted earnings per common share of \$1.69 for the year improved 16 cents or 10% over \$1.53 for the first nine months of 2001.

At September 30, 2002 assets totaled \$303,070,164, an increase of \$23,423,225 or 8% compared to total assets of \$279,646,939 in 2001. Net loans outstanding of \$219,690,408 at September 30, 2002 have increased 7% compared to \$204,630,933 in 2001. Securities available for sale increased to \$52,363,813 representing a 19% increase over \$43,969,365 at September 30, 2001. The increase in earning assets was supported by strong year-over-year deposit growth especially in demand deposits that increased 13% in the 12-month period ending September 30, 2002. McComb noted that the opening of Heartland's ninth branch banking office in the city of Westerville was a major contributing factor in the deposit growth thus far in 2002. The Westerville branch has made an immediate and positive contribution to deposits and sales of deposit related services even though the branch has been open for less than a year. Heartland's growth strategy continues to focus upon providing the personal attention and services of a community bank within central Ohio. Our commitment to excellent customer service strengthens the long-term stability of our company. Fulfilling customer needs is what drives our organization, McComb stated.

Shareholders' equity of \$25,030,971 or 8.26% of total assets increased in excess of \$2.2 million or 10% as of September 30, 2002 compared to Shareholder's equity of \$22,772,386 or 8.14% of total assets at September 30, 2001. McComb noted that Heartland's continued strong financial results has enabled us to repurchase a total of 37,000 shares or approximately 2.7% of Heartland BancCorp's

common shares outstanding since inception of the buy back program contributing to an increase in the market value of our remaining outstanding shares.

I am further pleased to announce that Heartland BancCorp's Board of Directors approved a 15% increase in the quarterly dividend rate and declared a fourth quarter 2002 cash dividend of 8.92 cents per share to shareholders of record December 25, 2002, payable January 10, 2003.

Heartland Bank provides a complete line of insured deposit products from short-to long-term, accessible from any of our banking offices and ATMs, as well as from home or office using Heartland's telephone banking at 416-BANK or internet banking at [www.heartlandbank.com](http://www.heartlandbank.com)

Heartland BancCorp is a registered Ohio bank holding company and the parent of Heartland Bank, which operates nine full- service banking offices. Heartland Bank operates its wholly-owned subsidiary, Heartland Mortgage Corporation. Alternative investment services are provided through Great American Advisors Inc. Heartland Bank is a member of the Federal Reserve, a member of the FDIC and an Equal Housing Lender. Heartland BancCorp is currently quoted on the over-the-counter (OTC) Bulletin Board Service under the symbol HLAN.

[HEARTLAND BANCCORP EARNINGS PROFILE ATTACHED]

**Heartland BancCorp**  
**Earnings Profile**  
**Third Quarter and Year To Date**  
**September 30, 2002 and 2001**

<b>Third Quarter</b>	<b>2002</b>	<b>2001</b>
Revenues	\$6,039,187	\$6,194,142
Net Income	\$896,298	\$745,338
Basic Earnings Per Share	\$0.67	\$0.55
Diluted Earnings Per Share	\$0.67	\$0.55
<b>Year To Date</b>		
Revenues	\$17,568,881	\$18,835,692
Net Income	\$2,258,863	\$2,091,633
Basic Earnings Per Share	\$1.69	\$1.53
Diluted Earnings Per Share	\$1.69	\$1.53