

**Heartland BancCorp Announces:  
Record Year 2003 Earnings,  
Increases Quarterly Cash Dividend For the 3<sup>rd</sup> Consecutive Quarter**

**For Immediate Release:**

**February 11, 2004 –**

**12:00 noon** *Contact: Tiney M. McComb – Chairman, President & CEO*

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Tiney M. McComb, Chairman, President & CEO of Heartland BancCorp, parent company of Heartland Bank, today reported record earnings and profitability for 2003.

In 2003, our 15<sup>th</sup> anniversary year, Heartland BancCorp achieved record earnings and continued a double-digit 15 year average asset growth. By all measures 2003 was an outstanding year for our company. For the year ended December 31, 2003 Heartland BancCorp reported net income per diluted share of \$2.63 up 22% from \$2.16 in 2002. Net income for 2003 was \$3.858 million up 22% from net income of \$3.158 million for 2002. Net interest income for the year grew 10% to \$12.574 million compared to \$11.448 million for 2002. The improvement in net interest income was primarily attributable to lower deposit costs as our cost of these funds declined 23% below the prior year. Non-interest income grew significantly for 2003 increasing 29% to \$5.813 million from \$4.522 million for the year earlier. This growth was due largely to the impact of lower interest rates and the trend for many homeowners to refinance their mortgages to secure lower interest rates. The higher volume of residential loan originations generated gains from the sales of loans totaling \$3.174 million for the year 2003, an increase of \$988 thousand or 45% from \$2.186 million for 2002. Other fee based lines of business including revenues from the sales of retail investment products further contributed to the increase in fee income in 2003.

Total assets outstanding increased 11% to \$346.160 million at year-end 2003 an increase of \$33.237 million from \$312.923 million at the end of 2002. Our 2003 financial results benefited from our ability to increase loans by 9% to \$244.312 million and to grow deposits by 12% to \$302.627 million at December 31, 2003. Loan growth, both in the retail as well as the commercial sector in 2003, was challenged by heightened loan prepayments fueled by continued historically low interest rates. Total shareholders' equity grew to \$28.266 million or \$19.51 per share, an increase of 10% from \$25.602 million or \$17.58 per share, at year-end 2002.

Our Directors raised our quarterly cash dividends for the third consecutive quarter as a result of this strong financial performance. This most recent increase of 10% results in a 41% increase in our quarterly cash

dividend since the 3<sup>rd</sup> quarter 2003. The Board of Directors declared a 1<sup>st</sup> quarter 2004 cash dividend of 11.90 cents per share to shareholders of record March 25, 2004, payable April 10, 2004.

Amid the many changes in the banking industry, Heartland remains focused on achieving the growth and goals that will enhance our shareholder's investment. Investor recognition of our 2003 operating results resulted in a 42% appreciation in our stock during 2003. We are proceeding to expand our service network and we are committed to meeting and exceeding our customer's expectations through superior service supported through enhanced technology and with new product offerings. Since our inception we have committed ourselves and our resources to building and expanding a solid, customer-friendly community bank.

As we move beyond this anniversary year and into 2004, we look forward to many opportunities to serve our new and existing customers. We remain committed to the central Ohio communities we serve and in which we continue to invest. On behalf of our directors and valued employees I would like to thank you for being our shareholders as well as our customers.

Heartland Bank provides a complete line of loan and deposit products from short to long term, and are 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**  
**Fourth Quarter and Year To Date**  
**December 31, 2003 and 2002**

**Fourth Quarter**

	<b>2003</b>	<b>2002</b>
Net Interest Income (after provision)	\$3,154,335	\$2,884,738
Non Interest Income	1,176,121	1,201,992
Net Income	945,464	899,563
Basic Earnings Per Share	\$0.65	\$0.62
Diluted Earnings Per Share	\$0.64	\$0.62

**Year To Date**

Net Interest Income (after provision)	\$12,574,323	\$11,447,637
Non Interest Income	5,813,025	4,521,689
Net Income	3,857,507	3,158,426
Basic Earnings Per Share	\$2.66	\$2.16
Diluted Earnings Per Share	\$2.63	\$2.16