FORM 10QSB

Optional form for quarterly and transition reports of small business issuers under section 13 or 15(d)

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FILER

GBC BANCORP INC

CIK:**1026231**| State of Incorp.:**GA** | Fiscal Year End: **1231**
Type: **10QSB** | Act: **34** | File No.: **000-50265** | Film No.: **04970300**
SIC: **6022** State commercial banks

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7709950000

U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended JUNE 30, 2004

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

COMMISSION FILE NUMBER: 000-50265

GBC Bancorp, Inc.
(Exact name of small business issuer as specified in its charter)

Georgia	58-2265327
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

165 NASH STREET, LAWRENCEVILLE, GEORGIA 30045
(Address of principal executive offices)

(770) 995-0000
(Issuer's telephone number)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

State the number of shares outstanding of each of the issuer's classes of common equity, as of August 1, 2004: 1,719,108; $1 par value

Transitional Small Business Disclosure Format Yes [ ] No [X]

GBC BANCORP, INC. AND SUBSIDIARY

INDEX

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PART I - FINANCIAL INFORMATION

ITEM I - FINANCIAL STATEMENTS

GBC BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET
JUNE 30, 2004
(UNAUDITED)

<TABLE>

<S>	<C>
ASSETS	
Cash and due from banks	$ 4,298,005
Federal funds sold	7,122,000
Securities available-for-sale, at fair value	28,692,182
Loans	234,445,539
Less allowance for loan losses	3,442,858
Loans, net	231,002,681
Premises and equipment	441,316
Other assets	9,561,935
TOTAL ASSETS	$281,118,119
LIABILITIES AND STOCKHOLDERS' EQUITY	
DEPOSITS	
Noninterest-bearing	$ 24,770,677
Interest-bearing	228,719,825
TOTAL DEPOSITS	253,490,502
Securities sold under repurchase agreements	813,791
Other liabilities	2,601,759
TOTAL LIABILITIES	256,906,052
COMMITMENTS AND CONTINGENCIES	
STOCKHOLDERS' EQUITY	
Common stock, par value $1; 3,000,000 shares authorized; 1,719,108 shares issued and outstanding	1,719,108
Capital surplus	18,146,504
Retained earnings	4,674,894
Accumulated other comprehensive income	(328,439)
TOTAL STOCKHOLDERS' EQUITY	24,212,067
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$281,118,119

</TABLE>

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

GBC BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
THREE MONTHS ENDED JUNE 30, 2004 AND 2003 AND
SIX MONTHS ENDED JUNE 30, 2004 AND 2003
(UNAUDITED)

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2004	2003	2004	2003
<S>	<C>	<C>	<C>	<C>
INTEREST INCOME				
Loans	$3,685,362	$3,035,537	$7,160,986	$5,905,987
Taxable securities	199,845	146,429	395,020	309,258
Nontaxable securities	48,550	29,310	97,351	53,466
Federal funds sold	15,938	22,263	30,592	41,671
TOTAL INTEREST INCOME	3,949,695	3,233,539	7,683,949	6,310,382
INTEREST EXPENSE				
Deposits	1,274,372	1,230,250	2,522,021	2,422,333
Repurchase agreements	2,000	2,955	3,000	6,956
TOTAL INTEREST EXPENSE	1,276,372	1,233,205	2,525,021	2,429,289
NET INTEREST INCOME	2,673,323	2,000,334	5,158,928	3,881,093
PROVISION FOR LOAN LOSSES	294,775	355,209	466,012	522,929
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	2,378,548	1,645,125	4,692,916	3,358,164
OTHER INCOME				
Service charges on deposit accounts	86,611	49,245	182,659	86,423
Other operating income	351,753	367,987	545,515	622,943
TOTAL OTHER INCOME	438,364	417,232	728,174	709,366
OTHER EXPENSES				
Salaries and employee benefits	1,140,821	850,497	2,246,884	1,694,527
Equipment and occupancy expenses	221,732	222,384	453,509	445,377
Other operating expenses	449,421	358,715	822,434	691,687
TOTAL OTHER EXPENSES	1,811,974	1,431,596	3,522,827	2,831,591
NET INCOME BEFORE INCOME TAXES	1,004,938	630,761	1,898,263	1,235,939
INCOME TAX EXPENSE	360,000	203,000	648,000	403,000
NET INCOME	644,938	427,761	1,250,263	832,939
OTHER COMPREHENSIVE INCOME :				
Unrealized gains 9losses) on securities available-for-sale arising during period, net of tax	(576,948)	76,806	(425,474)	11,662
COMPREHENSIVE INCOME	$ 67,990	$ 504,567	$ 824,789	$ 844,601
BASIC EARNINGS PER SHARE	$ 0.38	$ 0.25	$ 0.73	$ 0.49
DILUTED EARNINGS PER SHARE	$ 0.36	$ 0.24	$ 0.70	$ 0.47
CASH DIVIDENDS PER SHARE	$ -	$ -	$ -	$ -

</TABLE>

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

GBC BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2004 AND 2003
(UNAUDITED)

<TABLE>
<CAPTION>

<S>	2004	2003
OPERATING ACTIVITIES		
Net income	$ 1,250,263	$ 832,939
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	101,658	128,921
Provision for loan losses	466,012	522,929
Increase in interest receivable	(157,878)	(118,853)
Increase (decrease) in interest payable	73,797	(40,500)
Increase (decrease) in taxes payable	548,292	(370,109)
Net other operating activities	(688,740)	(17,793)
Net cash provided by operating activities	1,593,404	937,534
INVESTING ACTIVITIES		
Purchases of securities available-for-sale	(10,655,485)	(3,235,000)
Proceeds from maturities of securities available-for-sale	3,778,318	6,164,186
Net (increase) decrease in federal funds sold	(5,586,000)	6,677,000
Net increase in loans	(19,360,746)	(31,134,148)
Purchase of life insurance	(768,289)	(1,458,000)
Purchase of premises and equipment	(47,357)	(33,488)
Net cash used in investing activities	(32,639,559)	(23,019,450)
FINANCING ACTIVITIES		
Net increase in deposits	31,439,461	22,917,947
Net increase in securities sold under repurchase agreements	460,992	72,027
Net proceeds from exercise of stock options	70,200	-
Net cash provided by financing activities	31,970,653	22,989,974
Net increase in cash and due from banks	924,498	908,058
Cash and due from banks at beginning of period	3,373,507	3,360,345
Cash and due from banks at end of period	$ 4,298,005	$ 4,268,403
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period for :		
Interest	$ 2,598,818	$ 2,469,789
Income taxes	$ 1,077,808	$ 773,073

</TABLE>

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

GBC BANCORP, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

The consolidated financial information for GBC Bancorp, Inc. (the "Company") included herein is unaudited; however, such information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim period.

The results of operations for the three and six month periods ended June 30, 2004 are not necessarily indicative of the results to be expected for the full year.

NOTE 2. STOCK COMPENSATION PLAN

At June 30, 2004, the Company had a stock-based employee compensation plan. The Company accounts for this plan under the recognition and measurement principles of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related Interpretations. No stock-based employee compensation cost is reflected in net income, as all options granted under this plan had an exercise price equal to the market value of the underlying stock on the date of grant. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of SFAS Statement No. 123, Accounting for Stock-Based Compensation, to stock-based employee compensation.

	THREE MONTHS ENDED JUNE 30, 2004	THREE MONTHS ENDED JUNE 30, 2003
Net income, as reported	$ 644,938	$ 427,761
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards	(344,897)	(314,337)
Pro forma net income	$ 300,041	$ 113,424
Earnings per share:		
Basic - as reported	$ .38	$ .25
Basic - pro forma	$ .17	$ .07
Diluted - as reported	$ .36	$ .24
Diluted - pro forma	$ .17	$ .06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 2. STOCK COMPENSATION PLAN (CONTINUED)

	SIX MONTHS ENDED JUNE 30, 2004	SIX MONTHS ENDED JUNE 30, 2003
Net income, as reported	$ 1,250,263	$ 832,939
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards	(344,897)	(314,337)
Pro forma net income	$ 905,366	$ 518,602
Earnings per share:		
Basic - as reported	$ .73	$ .49
Basic - pro forma	$ .53	$ .30

Diluted - as reported	$ .70	$ .47
Diluted - pro forma	$ .50	$ .29

</TABLE>

NOTE 3. EARNINGS PER SHARE

Presented below is a summary of the components used to calculate basic and diluted earnings per common share.

<TABLE>
<CAPTION>

<S>	THREE MONTHS ENDED JUNE 30, 2004 <C>	2003 <C>
Basic Earnings Per Share:		
Weighted average common shares outstanding	1,717,209	1,711,083
Net income	$ 644,938	$ 427,761
Basic earnings per share	$ .38	$ .25
Diluted Earnings Per Share:		
Weighted average common shares outstanding	1,717,209	1,711,083
Net effect of the assumed exercise of stock options based on the treasury stock method using average market prices for the year	88,620	62,979
Total weighted average common shares and common stock equivalents outstanding	1,805,829	1,774,062
Net income	$ 644,938	$ 427,761
Diluted earnings per share	$ .36	$ .24

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 3. EARNINGS PER SHARE (CONTINUED)

<TABLE>
<CAPTION>

<S>	SIX MONTHS ENDED JUNE 30, 2004 <C>	2003 <C>
Basic Earnings Per Share:		
Weighted average common shares outstanding	1,716,250	1,771,083
Net income	$ 1,250,263	$ 832,939
Basic earnings per share	$ .73	$ .49
Diluted Earnings Per Share:		
Weighted average common shares outstanding	1,716,250	1,711,083
Net effect of the assumed exercise of stock options based on the treasury stock method using average market prices for the year	82,667	62,675
Total weighted average common shares and common stock equivalents outstanding	1,798,917	1,733,758
Net income	$ 1,250,263	$ 832,939
Diluted earnings per share	$ .70	$ .47

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</TABLE>

NOTE 4. CURRENT ACCOUNTING DEVELOPMENTS

There are no recent accounting pronouncements that have had, or are expected to have, a material effect on the Company's financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

The following is management's discussion and analysis of certain significant factors which have affected the financial position and operating results of GBC Bancorp, Inc. and its bank subsidiary, Gwinnett Banking Company, during the periods included in the accompanying consolidated financial statements. The purpose of this discussion is to focus on information about our financial condition and results of operations that are not otherwise apparent from our unaudited consolidated financial statements as of and for the three months and six months ended June 30, 2004. Reference should be made to those financial statements for an understanding of the following discussion and analysis.

FORWARD-LOOKING STATEMENTS

We may from time to time make written or oral forward-looking statements, including statements contained in our filings with the Securities and Exchange Commission and reports to stockholders. Statements made, other than those concerning historical information, should be considered forward-looking and subject to various risks and uncertainties. Such forward-looking statements are made based upon management's belief as well as assumptions made by, and information currently available to, management pursuant to "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Our actual results may differ materially from the results anticipated in forward-looking statements due to a variety of factors, including governmental monetary and fiscal policies, deposit levels, loan demand, loan collateral values, securities portfolio values, interest rate risk management, the effects of competition in the banking business from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market funds and other financial institutions operating in our market area and elsewhere, including institutions operating through the Internet, changes in governmental regulation relating to the banking industry, including regulations relating to branching and acquisitions, failure of assumptions underlying the establishment of allowance for loan losses, including the value of collateral underlying delinquent loans and other factors. We caution that such factors are not exclusive. We do not undertake to update any forward-looking statements that may be made from time to time by, or on our behalf.

OVERVIEW

Our results for the second quarter of 2004 were highlighted by continued increased profitability to approximately $645,000, compared to approximately $427,000 for the second quarter of 2003, along with continued quality growth of over $13 million in total assets during the quarter.

CRITICAL ACCOUNTING POLICIES

We have adopted various accounting policies which govern the application of accounting principles generally accepted in the United States in the preparation of our financial statements. Our significant accounting policies are described in the footnotes to the consolidated financial statements at December 31, 2003, as filed in our annual report on Form 10-KSB.

Certain accounting policies involve significant judgments and assumptions by us which have a material impact on the carrying value of certain assets and liabilities. We consider these accounting policies to be critical accounting policies. The judgments and assumptions we use are based on historical experience and other factors, which we believe to be reasonable under the circumstances. Because of the nature of the judgments and assumptions we make, actual results could differ from these judgments and estimates which could have a material impact on our carrying values of assets and liabilities and our results of operations.

We believe the allowance for loan losses is a critical accounting policy that requires the most significant judgments and estimates used in preparation of our consolidated financial statements. Please see the portion of this discussion that addresses our allowance for loan losses for a description of our processes and methodology for determining our allowance for loan losses.

LIQUIDITY AND CAPITAL RESOURCES

The purpose of liquidity management is to ensure that there are sufficient cash flows to satisfy demands for credit, deposit withdrawals, and our other needs. Traditional sources of liquidity include asset maturities and growth in core deposits. A company may achieve its desired liquidity objectives from the management of assets and liabilities and through funds provided by operations. Funds invested in short-term marketable instruments and the continuous maturing of other earning assets are sources of liquidity from the asset perspective. The liability base provides sources of liquidity through deposit growth, the maturity structure of liabilities, and accessibility to market sources of funds.

Scheduled loan payments are a relatively stable source of funds, but loan payoffs and deposit flows fluctuate significantly, being influenced by interest rates and general economic conditions and competition. We attempt to price deposits to meet asset/liability objectives consistent with local market conditions.

Our liquidity is monitored on a periodic basis by management and State and Federal regulatory authorities. We monitor our liquidity requirements under two categories, operational needs and emergency needs. The operational needs category establishes the cash requirements to sufficiently fund our deposit reserve requirements and pay operating expenses. The emergency need category establishes sufficient cash requirements to fund the volatility of deposits. As determined under these categories, our liquidity as of June 30, 2004 was considered satisfactory.

In the future, the primary source of funds available to us will be the payment of dividends by the Bank. Banking regulations limit the amount of the dividends that may be paid without prior approval of the Bank's regulatory agency. Currently, the Bank could pay us a $322,000 dividend without regulatory approval.

At June 30, 2004, our capital ratios were adequate based on regulatory minimum capital requirements. The minimum capital requirements and the actual capital ratios on a consolidated and bank-only basis are as follows:

<TABLE>
<CAPTION>

	ACTUAL		
	CONSOLIDATED	BANK	REGULATORY MINIMUM REQUIREMENT
<S>	<C>	<C>	<C>
Leverage capital ratios	9.23%	8.99%	5.00%
Risk-based capital ratios:			
Core capital	10.00	9.75	6.00
Total capital	11.25	11.00	10.00

</TABLE>

These ratios may decline as asset growth continues, but are expected to exceed regulatory minimum requirements. We believe that anticipated future earnings will assist in keeping these ratios at satisfactory levels.

OFF-BALANCE SHEET ARRANGEMENTS

We are a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of our customers. These financial instruments include commitments to extend credit and standby letters of credit. Such commitments involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amount recognized in the balance sheets.

Our exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. We use the same credit policies in making commitments and conditional obligations as we do for on-balance sheet instruments. A summary of our commitments is as follows:

	JUNE 30, 2004
Commitments to extend credit	$ 90,441,818
Letters of credit	5,191,041
	$ 95,632,859

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained, if deemed necessary by us upon extension of credit, is based on our credit evaluation of the customer.

Standby letters of credit are conditional commitments issued by us to guarantee the performance of a customer to a third party. Those letters of credit are primarily issued to support public and private borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loans to customers. Collateral is required in instances which we deem necessary.

RELATED PARTY TRANSACTIONS

We lease our main office banking facilities under a noncancelable operating lease agreement from GBC Properties, LLC, a limited liability company formed by our organizers. The lease term is for 15 years with the monthly rental payment adjusting every fifth year for changes in the Consumer Price Index. The lease agreement requires us to pay normal operating and occupancy expenses of the facilities.

FINANCIAL CONDITION

Following is a summary of our balance sheets for the periods indicated:

	JUNE 30, 2004	DECEMBER 31, 2003
	(DOLLARS IN THOUSANDS)	
Cash and due from banks	$ 4,298	$ 3,374
Federal funds sold	7,122	1,536
Securities	28,692	22,501
Loans, net	231,003	212,108
Premises and equipment	441	496
Other assets	9,562	7,442
	$ 281,118	$ 247,457
Deposits	$ 253,490	$ 222,051
Securities sold under repurchase agreements	814	353
Other liabilities	2,602	1,735
Stockholders' equity	24,212	23,318
	$ 281,118	$ 247,457

	=========	=========

</TABLE>

Our total assets increased by 13.60% for the first six months of 2004. Deposit growth of $31,439,000 was invested primarily in the interest earning categories of loans and federal funds sold. Our loan to deposit ratio has decreased to 91.12 % at June 30, 2004 from 95.52% at December 31, 2003. Our total equity increased by year-to-date net income of $1,250,000, and decreased by the increase in unrealized losses on securities available-for-sale, net of tax, of $425,000 .

Our securities portfolio, consisting of U.S. Agency, State, County and Municipals, and mortgage-backed securities, amounted to $28,692,000 at June 30, 2004. Unrealized losses on securities amounted to $530,000 at June 30, 2004, as compared to an unrealized gains of $156,000 at December 31, 2003. Management has not specifically identified any securities for sale in future periods that, if so designated, would require a charge to operations if the market value would not be reasonably expected to recover prior to the time of sale.

We have 77% of our loan portfolio collateralized by real estate located in our primary market area of Gwinnett County, Georgia and surrounding counties. Our real estate construction portfolio consists of loans collateralized by loans to build one-to-four-family residential properties. We generally require that loans collateralized by real estate not exceed 80%-85% of the collateral value.

The remaining 23% of the loan portfolio consists of commercial, consumer, and other loans. We require collateral commensurate with the repayment ability and creditworthiness of the borrower.

The specific economic and credit risks associated with our loan portfolio, especially the real estate portfolio, include, but are not limited to, a general downturn in the economy which could affect unemployment rates in our market area, general real estate market deterioration, interest rate fluctuations, deteriorated or non-existing collateral, title defects, inaccurate appraisals, financial deterioration of borrowers, fraud, and any violation of banking protection laws. Construction lending can also present other specific risks to the lender such as whether the builders can obtain financing for the construction, whether the builders can sell the home to a buyer, and whether the buyer can obtain permanent financing. Currently, real estate values and employment trends in our market area are stable with no indications of a significant downturn in the local economy.

We attempt to reduce these economic and credit risks not only by adhering to loan to value guidelines, but also by investigating the creditworthiness of the borrower and monitoring the borrower's financial position. Also, we establish and periodically review our lending policies and procedures as well as having independent loan review. State banking regulations limit exposure by prohibiting secured loan relationships that exceed 25% of the Bank's statutory capital and unsecured loan relationships that exceed 15% of the Bank's statutory capital.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2004 AND 2003 AND FOR THE SIX MONTHS ENDED JUNE 30, 2004 AND 2003

Following is a summary of our operations for the periods indicated:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,	
	2004	2003
	(DOLLARS IN THOUSANDS)	
<S>	<C>	<C>
Interest income	$ 3,950	$ 3,234
Interest expense	1,276	1,233
	---------	---------
Net interest income	2,674	2,001

Provision for loan losses	295	355
Other income	438	417
Other expense	1,812	1,432
Pretax income	1,005	631
Income tax	360	203
Net income	$ 645	$ 428

</TABLE>

<TABLE>
<CAPTION>

	SIX MONTHS ENDED JUNE 30, 2004	2003
	(DOLLARS IN THOUSANDS)	
<S>	<C>	<C>
Interest income	$ 7,684	$ 6,310
Interest expense	2,525	2,429
Net interest income	5,159	3,881
Provision for loan losses	466	523
Other income	728	709
Other expense	3,523	2,831
Pretax income	1,898	1,236
Income tax	648	403
Net income	$ 1,250	$ 833

</TABLE>

Our net interest income increased by $673,000 and $1,278,000 for the second quarter and first six months of 2004, respectively, as compared to the same periods in 2003. Our net interest margin increased to 4.02% during the first six months of 2004 as compared to 3.64% for the first six months of 2003 and 3.83% for the entire year of 2003. The increase in net interest income is due primarily to the increased volume of average loans and related loan fees. The increase in the net interest margin is due to the decrease in cost of funds. Our cost of funds decreased to 2.13% in the first six months of 2004 as compared to 2.67% in the first six months of 2003.

The provision for loan losses decreased by $60,000 and $57,000 for the second quarter and first six months of 2004, respectively, as compared to the same periods in 2003. The amounts provided are due primarily to overall loan growth, as well as our assessment of the inherent risk in the loan portfolio. Based upon our evaluation of the loan portfolio, we believe the allowance for loan losses to be adequate to absorb losses on existing loans that may become uncollectable. Our evaluation considers significant factors relative to the credit risk and loss exposure in the loan portfolio, including past due and classified loans, past experience, underlying collateral values, and current economic conditions that may affect the borrower's ability to repay. The allowance for loan losses is evaluated by segmenting the loan portfolio into unclassified and classified loans. The unclassified loans are further segmented by loan type with an allowance percentage applied to each type in order to establish a general allowance for loan losses. The allowance percentage determined is based upon our experience specifically and the historical experience of the banking industry generally. Due to improvements in the economic environment, the historical experience of low losses and the maturing of the loan portfolio, management may decrease the general allowances for loan losses in the future. The classified loans, including impaired loans, are analyzed individually in order to establish a specific allowance for losses. The allowance for loan losses as a percentage of total loans was 1.47% at June 30, 2004 as compared to 1.41% at December 31, 2003.

Information with respect to nonaccrual, past due and restructured loans is as follows:

	June 30, 2004	June 30, 2003
	(DOLLARS IN THOUSANDS)	
Nonaccrual loans	$1,032	$ 538
Loans contractually past due ninety days or more as to interest or principal payments and still accruing	36	0
Restructured loans	304	0
Potential problem loans	3,899	3,159
Interest income that would have been recorded on nonaccrual and restructured loans under original terms	32	14
Interest income that was recorded on nonaccrual and restructured loans	0	0

Potential problem loans are defined as loans about which we have serious doubts as to the ability of the borrower to comply with the present loan repayment terms and which may cause the loan to be placed on nonaccrual status, to become past due more than ninety days, or to be restructured.

It is our policy to discontinue the accrual of interest income when, in the opinion of management, collection of interest becomes doubtful. This status is accorded interest when (1) there is a significant deterioration in the financial condition of the borrower and full repayment of principal and interest is not expected and (2) the principal or interest is more than ninety days past due, unless the loan is both well-secured and in the process of collection.

Loans classified for regulatory purposes as loss, doubtful, substandard, or special mention that have not been included in the table above do not represent or result from trends or uncertainties which management reasonably expects will materially impact future operating results, liquidity, or capital resources. These classified loans do not represent material credits about which management is aware of any information,

which causes management to have serious doubts as to the ability of such borrowers to comply with the loan repayment terms.

Information regarding certain loans and allowance for loan loss data is as follows:

	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
	(DOLLARS IN THOUSANDS)	
Average amount of loans outstanding	$ 222,998	$ 170,778
Balance of allowance for loan losses at beginning of period	$ 3,029	$ 2,174
Loans charged off		
Commercial and financial	$ 28	$ 0
Real estate construction	24	16
Installment	0	0
Other	0	0
	52	16
Loans recovered		
Commercial and financial	0	0
Real estate construction	0	0
Installment	0	0
	0	0

Net charge-offs	52	16
Additions to allowance charged to operating expense during period	466	523
Balance of allowance for loan losses at end of period	$ 3,443	$ 2,681
Ratio of net loans charged off during the period to average loans outstanding	.02%	.01%

</TABLE>

Other income increased by $21,000 and $19,000 for the second quarter and first six months of 2004, respectively, as compared to the same periods in 2003. Increased premiums on the sale of SBA loans of $52,000 offset by decreased mortgage origination fees of $65,000 accounted for the majority of the year-to-date increase.

Other expenses increased by $380,000 and $692,000 for the second quarter and first six months of 2004, respectively, as compared to the same periods in 2003. Salaries and employee benefits have increased by $290,000 and $552,000, respectively, during these periods due to an increase in the number of full time

equivalent employees to 43 as of June 30, 2004 from 37 as of June 30, 2003 and to other annual salary increases. Equipment and occupancy expenses have remained stable. Other operating expenses have increased by $91,000 and $131,000, respectively, during these periods due to our overall growth.

We have provided for income taxes at an effective tax rate of 34% for the first six months of 2004 as compared to 33% for the first six months of 2003.

We are not aware of any known trends, events or uncertainties, other than the effect of events as described above, that will have or that are reasonably likely to have a material effect on our liquidity, capital resources or operations. We are also not aware of any current recommendations by the regulatory authorities, which, if they were implemented, would have such an effect.

ITEM 3. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures in accordance with Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on this evaluation, our Chief Executive and Chief Financial Officer concluded that our disclosure controls and procedures are effective for gathering, analyzing and disclosing the information that we are required to disclose in the reports we file under the Exchange Act, within the time periods specified in the SEC's rules and forms. Our Chief Executive Officer and Chief Financial Officer also concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to our company required to be included in our periodic SEC filings. In connection with the new rules, we are in the process of further reviewing and documenting our disclosure controls and procedures, including our internal controls and procedures for financial reporting, and may from time to time make changes designed to enhance their effectiveness and to ensure that our systems evolve with our business.

There have been no significant changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

(a) The annual meeting of our stockholders was held on June 15, 2004.

(b) The following directors were selected at the meeting to serve terms for the upcoming year:

James B. Ballard	Douglas A. Langley
Jerry M. Boles	Norris J. Nash
W.H. Britt	J. Joseph Powell
Richard F. Combs	William S. Stanton, Jr.
William G. Hayes	Larry D. Key

The shares represented at the meeting (1,115,946 or 65.00%) voted as follows:

Name	For	Withheld
James B. Ballard	1,115,946	0
Jerry M. Boles	1,115,946	0
W. H. Britt	1,115,946	0
Richard F. Combs	1,115,946	0
William G. Hayes	1,115,946	0
Douglas A. Langley	1,115,946	0
Norris J. Nash	1,115,946	0
Joseph J. Powell	1,115,946	0
William S. Stanton, Jr.	1,115,946	0
Larry D. Key	1,115,946	0

(c) An amendment to the 1998 Stock Option Plan increasing the number of shares of common stock that may be issued under such plan to 428,000 shares was also approved at the annual meeting of our stockholders. Holders of 1,102,806 (64%) shares voted in favor, 1,900 (.11%) shares voted against and 11,240 (.65%) shares abstained. There were no broker non-votes.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits.

10.1 Amendment to the 1998 Stock Option Plan of GBC Bancorp, Inc., dated March 16, 2004 (incorporated by reference from Appendix A to the Company's definitive proxy statement filed on April 30, 2004).

31.1 Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) under the Security Exchange Act of 1934, as amended.

31.2 Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) under The Securities Exchange Act of 1934, as amended.

32 Certification of the Chief Executive Officer and Chief Financial Officer, Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K.

None.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GBC BANCORP, INC.
(Registrant)

DATE: August 10, 2004 BY: /s/ Larry D. Key

Larry D. Key, President and Chief Executive Officer
(Principal Executive Officer)

DATE: August 10, 2004 BY: /s/ John Hopkins

John Hopkins, Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

CERTIFICATIONS

I, Larry D. Key, President and C.E.O., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of GBC Bancorp, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer and I have

disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

August 10, 2004

/s/ Larry D. Key

Larry D. Key, President and C.E.O.
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, John Hopkins, Principal Financial and Accounting Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of GBC Bancorp, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer and I have

disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

August 10, 2004

/s/ John Hopkins

John Hopkins, Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of GBC Bancorp, Inc. (the "Company") on Form 10-QSB for the period ending June 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Larry D. Key, Chief Executive Officer of the Company, and I, John Hopkins, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Larry D. Key

Larry D. Key, President and C.E.O.
(Principal Executive Officer)

/s/ John Hopkins

John Hopkins, C.F.O.
(Principal Financial and Accounting Officer)

August 10, 2004