

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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FILER

GREAT WESTERN BANCORPORATION INC

CIK: **1088381** | IRS No.: **420867112** | State of Incorporation: **IA** | Fiscal Year End: **0630**
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SIC: **6021** National commercial banks

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

for the quarterly period ended March 31, 2005

TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission File Number: 001-15215

GREAT WESTERN BANCORPORATION, INC.

(Exact name of registrant as specified in its charter)

Iowa
(State or other jurisdiction of
incorporation or organization)

42-0867112
(I.R.S. Employer
Identification No.)

10834 Old Mill Road, Suite One, Omaha, NE 68154

(Address of principal executive office) (Zip code)

(402) 333-8330

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Class

Outstanding at May 2, 2005

Common Stock, \$1.00 par value

123,650 shares

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PERIOD ENDED MARCH 31, 2005

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FORWARD-LOOKING STATEMENTS

This report includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements can include words such as “may”, “believe”, “will”, “anticipated”, “estimated”, “projected”, “could”, “should”, “plan” or similar expressions. Forward-looking statements are based on management’s current expectations. Factors that might cause future results to differ from management’s expectations include, but are not limited to: fluctuations in interest rates, inflation, the effect of regulatory or government legislative changes, expected cost savings and revenue growth not fully realized, the progress of strategic initiatives and whether realized within expected time frames, general economic conditions, adequacy of allowance for loan losses, costs or difficulties associated with restructuring initiatives, changes in accounting policies or guidelines, changes in the quality or composition of Great Western Bancorporation, Inc. (“Great Western”) loan and investment portfolios, technology changes and competitive pressures in the geographic and business areas where Great Western conducts its operations.

These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning Great Western and its business, including other factors that could materially affect Great Western’s financial results, is included in Great Western’s filings with the Securities and Exchange Commission.

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**PART I
FINANCIAL INFORMATION**

ITEM 1: FINANCIAL STATEMENTS

GREAT WESTERN BANCORPORATION, INC.

Condensed Consolidated Balance Sheets

(In thousands, except share data)

	<u>March 31,</u> <u>2005</u>	<u>June 30,</u> <u>2004</u>
	<u>(unaudited)</u>	
Assets		
Cash and due from banks	\$59,482	\$49,768
Federal funds sold and FHLB overnight deposits	21,910	26,642
Cash and cash equivalents	81,392	76,410
Certificates of deposit	–	99
Securities available for sale	392,467	364,847
Investment in affiliates	2,631	3,262
Loans, net of allowance for loan losses of \$25,411 and \$22,643	2,036,168	1,832,215
Premises and equipment, net	53,722	47,890
Accrued interest receivable	16,531	14,309
Core deposit intangible and other, net	3,203	2,897
Goodwill, net	53,558	51,847

Mortgage servicing rights, net	16,097	14,557
Other assets	22,489	21,576
Total assets	\$2,678,258	\$2,429,909
Liabilities and Stockholders' Equity		
Liabilities		
Deposits		
Noninterest bearing	\$286,624	\$252,759
Interest bearing	1,832,257	1,661,305
Total deposits	2,118,881	1,914,064
Federal funds purchased and securities sold under agreements to repurchase	90,802	95,810
FHLB advances and other borrowings	174,395	115,355
Notes payable	36,700	36,700
Subordinated debentures	87,631	108,662
Accrued interest and other liabilities	16,747	16,124
Total liabilities	2,525,156	2,286,715
Minority interests	4,358	4,074

Stockholders' equity

Preferred stock, \$100 par value; authorized 500,000 shares; issued and outstanding: 9,000 shares of 8% cumulative, nonvoting; 8,000 shares of 10% noncumulative, nonvoting; none and 100,000 shares of variable rate, noncumulative, nonvoting	1,700	11,700
Common stock, \$1.00 par value, authorized 1,000,000 shares, issued and outstanding 123,650 shares and 123,802 shares	124	124
Additional paid-in capital	2,029	2,032
Retained earnings	149,810	129,106
Accumulated other comprehensive loss	(4,919)	(3,842)
Total stockholders' equity	148,744	139,120
Total liabilities and stockholders' equity	\$2,678,258	\$2,429,909

See Notes to Condensed Consolidated Financial Statements.

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GREAT WESTERN BANCORPORATION, INC.
Condensed Consolidated Statements of Income
For The Three Months Ended
(In thousands, except share and per share data)
(unaudited)

	March 31, 2005	March 31, 2004
Interest and Dividend Income		
Loans	\$32,769	\$27,408
Taxable securities	3,249	2,778
Nontaxable securities	384	398
Dividends on securities	133	78
Federal funds sold and other	52	51
Trust common securities	45	40
Total interest and dividend income	36,632	30,753
Interest Expense		
Deposits	8,796	6,961
Federal funds purchased and securities sold under agreements to repurchase	341	182
FHLB advances and other borrowings	1,400	1,155
Notes payable	582	471

Subordinated debentures	1,500	1,571
Total interest expense	12,619	10,340
Net Interest Income	24,013	20,413
Provision for Loan Losses	1,175	869
Net Interest Income After Provision for Loan Losses	22,838	19,544
Noninterest Income		
Service charges and other fees	4,485	3,690
Net gain from sale of loans	858	934
Loan servicing fees	1,040	960
Gain (loss) on sale of securities, net	(37)	229
Trust department income	564	593
Other	1,231	1,034
Total noninterest income	8,141	7,440
Noninterest Expense		
Salaries and employee benefits	10,245	8,875

Occupancy expenses, net	1,405	1,133
Data processing	1,086	935
Equipment expenses	867	720
Advertising	1,338	1,031
Professional fees	792	725
Communication expense	669	551
Amortization of core deposit and other intangibles	439	399
Amortization and valuation adjustments of mortgage servicing rights	663	571
Other	1,727	1,813
Total noninterest expense	19,231	16,753
Income Before Income Taxes and Minority Interests	11,748	10,231
Provision for Income Taxes	4,036	3,697
Income Before Minority Interests	7,712	6,534
Minority Interests	171	153
Net Income	\$7,541	\$6,381
Basic Earnings Per Common Share	\$58.47	\$49.07

Cash Dividends Per Share Declared on Common Stock	\$1.85	\$1.65
Weighted Average Shares Outstanding	123,694	123,913

See Notes to Condensed Consolidated Financial Statements.

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GREAT WESTERN BANCORPORATION, INC.
Condensed Consolidated Statements of Income
For The Nine Months Ended
(In thousands, except share and per share data)
(unaudited)

	March 31, 2005	March 31, 2004
Interest and Dividend Income		
Loans	\$94,671	\$81,864
Taxable securities	9,462	7,660
Nontaxable securities	1,149	1,262
Dividends on securities	305	222
Federal funds sold and other	206	197
Trust common securities	137	40
Total interest and dividend income	105,930	91,245
Interest Expense		
Deposits	24,886	21,740
Federal funds purchased and securities sold under agreements to repurchase	905	522
FHLB advances and other borrowings	3,706	3,261
Notes payable	1,616	1,491

Subordinated debentures	4,578	4,211
Total interest expense	35,691	31,225
Net Interest Income	70,239	60,020
Provision for Loan Losses	3,267	3,156
Net Interest Income After Provision for Loan Losses	66,972	56,864
Noninterest Income		
Service charges and other fees	13,201	10,742
Net gain from sale of loans	2,797	4,620
Loan servicing fees	3,150	2,485
Gain (loss) on sale of securities, net	(23)	1,296
Trust department income	1,577	1,549
Other	2,618	2,909
Total noninterest income	23,320	23,601
Noninterest Expense		
Salaries and employee benefits	29,375	26,404

Occupancy expenses, net	3,854	3,283
Data processing	3,192	2,726
Equipment expenses	2,492	2,189
Advertising	3,502	3,080
Professional fees	2,568	2,376
Communication expense	1,804	1,670
Amortization of core deposit and other intangibles	1,202	1,131
Amortization and valuation adjustments of mortgage servicing rights	2,038	1,998
Other	5,269	5,453
Total noninterest expense	55,296	50,310
Income Before Income Taxes and Minority Interests	34,996	30,155
Provision for Income Taxes	12,251	10,958
Income Before Minority Interests	22,745	19,197
Minority Interests	490	432
Net Income	\$22,255	\$18,765
Basic Earnings Per Common Share	\$174.70	\$145.47

Cash Dividends Per Share Declared on Common Stock	\$5.55	\$4.95
Weighted Average Shares Outstanding	123,766	124,608

See Notes to Condensed Consolidated Financial Statements.

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GREAT WESTERN BANCORPORATION, INC.
Condensed Consolidated Statements of Cash Flows
For The Nine Months Ended
(In thousands)
(unaudited)

	March 31, 2005	March 31, 2004
Net Cash Provided By Operating Activities	\$28,107	\$9,623
Investing Activities		
Proceeds from maturities of certificate of deposit	239	-
Proceeds from sales and maturities of securities available for sale	96,186	118,052
Purchase of securities available for sale	(111,856)	(189,921)
Proceeds from sale of other real estate owned	1,163	2,860
Purchase of trust common securities	-	(1,467)
Proceeds from redemption of trust common securities	631	-
Net increase in loans	(149,558)	(103,366)
Proceeds from sale of premises and equipment	129	856
Purchase of premises and equipment	(7,414)	(5,827)
Cash and cash equivalents received from business acquisitions	4,766	82,398
Purchase of mortgage servicing rights	(1,310)	(2,321)

Net cash used in investing activities

(167,024) (98,736)

Financing Activities

Retirement of subordinated debentures

(21,031) –

Proceeds from issuance of preferred securities and subordinated debentures

– 48,867

Net increase in deposits

128,131 28,094

Net increase (decrease) in federal funds purchased and securities sold under agreements to repurchase

(7,057) 17,689

Net increase (decrease) in FHLB advances and other borrowings

59,040 (503)

Principal payments on notes payable

(337) –

Payment of other liabilities

(3,094) (6,451)

Debt issuance cost incurred

– (63)

Dividends paid, including (\$199) and (\$146) paid to minority interests, respectively

(1,519) (1,400)

Retirement of common stock

(234) (1,182)

Retirement of preferred stock

(10,000) –

Net cash provided by financing activities

143,899 85,051

Net increase (decrease) in cash and cash equivalents

4,982 (4,062)

Cash and cash equivalents:

Cash and Cash Equivalents - Beginning of Year

76,410 107,159

Cash and Cash Equivalents - End of Quarter

\$81,392 \$103,097

Supplemental Disclosures of Cash Flow Information:

Cash payments for interest

\$34,436 \$32,024

Cash payments for income taxes

11,243 11,773

Supplemental Schedules of Noncash Investing and Financing Activities:

Net change in unrealized (loss) on securities available for sale, net of deferred income taxes

(1,077) (2,040)

Purchase of mortgage servicing rights for other liabilities

2,271 6,180

Loans transferred to other real estate owned and other assets

1,281 2,635

Business acquisitions, net of cash and cash equivalents acquired, allocated to:

Assets

Certificate of deposit

\$140 -

Securities

14,035 -

Loans, net

53,555 31,972

Other assets

2,066 249

Premises and equipment

1,444 1,870

Core deposit intangibles and other

1,509 1,184

Goodwill	1,711	5,917
Liabilities assumed		
Deposits	(76,686)	(123,133)
Notes payable	(2,386)	-
Other liabilities	(154)	(457)
Net cash and cash equivalents (received)	<u>\$(4,766)</u>	<u>\$(82,398)</u>

See Notes to Condensed Consolidated Financial Statements.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of presentation.

The consolidated financial statements include the accounts of Great Western Bancorporation, Inc. ("Great Western") and its subsidiaries. All material intercompany accounts and transactions with subsidiaries are eliminated in consolidation.

The consolidated subsidiaries are as follows: Great Western Bank (100.0% owned), which is chartered in Omaha, Nebraska; Great Western Bank, (96.1% owned), which is chartered in Watertown, South Dakota; Great Western Bank, (100.0% owned), which is chartered in Clive, Iowa; Great Western Service Corporation, (100.0% owned by bank subsidiaries, excluding Great Western Bank, Omaha), a data processing organization. Great Western Bank, Omaha also owns 100.0% of GW Leasing, Inc., a leasing company.

The June 30, 2004 consolidated balance sheet has been derived from Great Western's audited balance sheet as of that date. The consolidated financial statements as of March 31, 2005 and for the three months and nine months ended March 31, 2005 and 2004 are unaudited but include all adjustments (consisting only of normal recurring adjustments), which Great Western considers necessary for a fair presentation of financial position and results of its operations and its cash flows for those periods. Certain information and note disclosures normally included in Great Western's annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in Great Western's Form 10-K annual report for 2004 filed with the Securities and Exchange Commission. Results for the three and nine months ended March 31, 2005 are not necessarily indicative of the results to be expected for future periods.

2. Earnings per common share.

Earnings per share have been computed on the basis of weighted average number of common shares outstanding during each period presented. Dividends accumulated or declared on cumulative and noncumulative preferred stock, which totaled \$308,000 and \$300,000 in the three months ended March 31, 2005 and March 31, 2004 and totaled \$633,000 and \$638,000 for the nine months ended March 31, 2005 and March 31, 2004, reduced earnings available to common stockholders in the computation. Great Western has no common stock equivalents.

3. Comprehensive Income.

Comprehensive income was \$3,175,000 and \$8,499,000 for the three months ended March 31, 2005 and March 31, 2004 and \$21,178,000 and \$16,725,000 for the nine months ended March 31, 2005 and March 31, 2004. The difference between comprehensive income and net income presented in the Condensed Consolidated Statements of Income is attributed solely to the change in unrealized gains and losses on securities available for sale during the periods presented.

4. Legal Proceedings.

Great Western and its subsidiary banks are from time to time parties to various legal actions arising in the normal course of business. Management believes there is no proceeding threatened or pending against Great Western or its subsidiaries, which, if determined adversely, would have a material adverse effect on its financial condition or results of operations.

5. Business Acquisition.

On July 7, 2004, Great Western Bancorporation, Inc. entered into a contract to acquire all of the common voting and nonvoting stock of Oak Bancorporation and its subsidiaries. Oak Bancorporation owned 100% of Oakland State Bank, Oakland, Iowa, and Security State Bank, Red Oak, Iowa. The purchase closed on November 5, 2004. Oak Bancorporation was merged into Great Western Bancorporation, Inc., Oakland State Bank was merged into Great Western Bank, Omaha, and Security State Bank was merged into Great Western Bank, Clive on the date of closing.

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The final purchase price is contingent upon the actual collection of certain classified loans and the settlement of any liabilities not disclosed on the books of Oak Bancorporation at closing. The final purchase price will be determined on November 5, 2005. The amount of goodwill recognized for the purchase of Oakland Bancorporation may be adjusted based upon the final purchase price.

Great Western expects the acquisition will enhance its operating market and reduce costs through economies of scale. The results of operation of Oak Bancorporation after the date of acquisition are included in the consolidated financial statements. The average amortization period for the core deposit and other intangible assets is five years.

A summary of the fair value of net assets acquired and net cash and cash equivalents received (in thousands) on the date of acquisition is as follows:

	Oak Bancorporation
Assets acquired:	
Certificate of deposit	\$ 140
Securities	13,972
Loans, net	53,555
Other assets	2,066
Premises and equipment	1,444
Core deposit intangible and other	1,241
Goodwill	1,711
Liabilities assumed:	
Deposits	(76,686)
Notes payable	(2,386)
Other liabilities	(154)

Net cash and cash equivalents received	\$ (5,097)
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On June 28, 2004, Great Western Bank, Omaha, entered into an agreement to merge with First State Bancorp, Inc., and its subsidiary, Farmers Bank of Portageville. The closing date was December 9, 2004. Pursuant to the terms of the agreement to merge, Great Western Bank, Omaha retained the Federal Home Loan Bank Stock and the Missouri banking charter of First State Bancorp, Inc. All other assets and liabilities were assumed by a third party.

As a result of the acquisition, Great Western Bank, Omaha is authorized to operate a banking business in the State of Missouri.

A summary of the fair value of net assets acquired and net cash paid (in thousands) on the date of acquisition is as follows:

	First State Bancorp, Inc.
Assets acquired:	
Securities	\$ 63
Other intangible assets	268
Net cash paid	\$ 331

6. Financing Activities.

On August 18, 2004, Great Western redeemed \$21,031,000 of Debentures from GWB Capital Trust I. GWB Capital Trust I redeemed all outstanding Common Securities (63,093 shares) and Preferred Securities (2,040,000 shares) at the \$10 par value plus accumulated and unpaid distributions. Great Western owned 100% of the Common Securities. The accumulated and unpaid distributions on the Common and Preferred Securities on August 18, 2004 were \$6,000 and \$187,000, respectively. The total distributions for the redemption of the Common Securities were \$637,000 and the total distributions for the Preferred Securities were \$20,587,000. The distributions were made from cash on hand.

On February 4, 2005, Great Western Bancorporation, Inc. redeemed, at par, 100,000 shares of its \$100 Par, Floating Rate, Series 3, Non-voting, Non-cumulative, Perpetual Preferred Stock. The redemption slightly decreased Great Western's leverage ratio, Tier 1 risk-based capital ratio, and total risk-based capital ratio.

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7. Recent Accounting Pronouncements.

Effective March 31, 2004, Emerging Issues Task Force Issue No. 03-1 “The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments” (“EITF 03-1”) was issued. EITF 03-1 provides guidance for determining the meaning of “other-than-temporarily impaired” and its application to certain debt and equity securities within the scope of Statement of Financial Accounting Standards No. 115 “Accounting for Certain Investments in Debt and Equity Securities” (“SFAS 115”) and investments accounted for under the cost method. The guidance requires that investments which have declined in value due to credit concerns or solely due to changes in interest rates must be recorded as other-than-temporarily impaired unless the corporation can assert and demonstrate its intention to hold the security for a period of time sufficient to allow for a recovery of fair value up to or beyond the cost of the investment, which might mean maturity. This Issue also requires disclosures assessing the ability and intent to hold investments in instances in which an investor determines that an investment with a fair value less than cost is not other-than-temporarily impaired.

On September 30, 2004, the FASB decided to delay the effective date for the measurement and recognition guidance contained in Issue 03-1. This delay does not suspend the requirement to recognize other-than-temporary impairments as required by existing authoritative literature. The disclosure guidance in Issue 03-1 was not delayed.

ITEM 2: MANAGEMENT’ S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Great Western is a multi-bank holding company organized under the laws of Iowa whose primary business is providing trust, commercial, consumer, and mortgage banking services through its Nebraska, South Dakota and Iowa based subsidiary banks. Substantially all of Great Western’ s income is generated from banking operations.

The Company’ s fiscal year end is June 30.

CRITICAL ACCOUNTING POLICIES

Great Western’ s critical accounting policies involving the more significant judgments and assumptions used in the preparation of the consolidated financial statements as of March 31, 2005, have remained unchanged from June 30, 2004. These policies involve the provision and allowance for loan losses, and valuation of mortgage servicing rights and intangibles. Disclosure of these critical accounting policies is incorporated by reference under Item 7, “Management’ s Discussion and Analysis of Financial Condition and Results of Operations” in Great Western’ s Annual report on Form 10-K for Great Western’ s fiscal year ended June 30, 2004.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Average assets were \$2,566,345,000 for the nine months ended March 31, 2005 compared to \$2,217,567,000 (as revised to be comparable to current year calculations) for the nine months ended March 31, 2004, representing a 15.73% increase. Average interest-earning assets were \$2,370,339,000 for the nine months ended March 31, 2005 and \$2,049,806,000 (as revised to be comparable to current year calculations) for the nine months ended March 31, 2004, representing a 15.64% increase. Average assets and average interest-earning assets increased due to internal growth and acquisitions.

Total assets were \$2,678,258,000 at March 31, 2005, an increase of \$248,349,000 or 10.22% from June 30, 2004. The increase in total assets is due to a \$27,620,000 or 7.57% increase in securities available for sale, a \$203,953,000 or 11.13% increase in loans, net of unearned fees and allowance for loan losses, and a \$5,832,000 or 12.18% increase in premises and equipment, net. The increase in securities available for sale, loans, net of unearned fees and allowance for loans losses, and premises and equipment, net, is a result of internal growth and acquisitions.

Securities available for sale were \$392,467,000 at March 31, 2005, and \$364,847,000 at June 30, 2004. The increase of \$27,620,000 or 7.57% was due to internal growth and acquisitions. Securities available for sale with unrealized losses were \$329,185,000 at March 31, 2005 with total unrealized losses of \$9,283,000. Securities available for sale

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with unrealized losses were \$278,210,000 at June 30, 2004 with total unrealized losses of \$8,203,000. The unrealized losses for longer than twelve continuous months were \$2,119,000 at March 31, 2005 and \$620,000 at June 30, 2004. The losses for all such securities are a direct result of changes in interest rates. Great Western has the ability and intent to hold these securities for a period of time sufficient to allow for a recovery in fair value.

Loans, net of unearned fees, grew by \$203,953,000 or 11.13% during the nine months ended March 31, 2005 due to internal growth and acquisitions. Included are loans originated for resale of \$9,448,000 at March 31, 2005, a decrease of \$2,892,000 when compared to \$12,340,000 at June 30, 2004. The decrease in loans originated for resale is due to the decline in the volume of mortgages originated during the nine months ended March 31, 2005.

Premises and equipment, net were \$53,722,000 at March 31, 2005, an increase of \$5,832,000 or 12.18%, from June 30, 2004. The increase is a result of internal growth and acquisitions. Premises and equipment, net acquired from Oak Bancorporation were \$1,444,000 and six de novo branches were opened during the nine months ended March 31, 2005.

Mortgage servicing rights, net, were \$16,097,000 at March 31, 2005, an increase of \$1,540,000 or 10.58%, from June 30, 2004. Mortgage servicing rights increased due to purchases of \$3,580,000, less valuation adjustments and amortization expense of \$2,040,000 recognized during the nine months ended March 31, 2005.

The allowance for loan losses increased by \$2,768,000 to \$25,411,000 at March 31, 2005 from \$22,643,000 at June 30, 2004. The increase primarily resulted from the acquisition of \$2,026,000 in allowance for loan losses from Oak Bancorporation. The allowance represented 1.23% and 1.22% of loans, net of unearned fees as of March 31, 2005 and June 30, 2004.

For the nine months ended March 31, 2005, Great Western's annualized return on average assets ("ROA") was 1.16%, compared to 1.13% for the nine months ended March 31, 2004. Return on average stockholders' equity ("ROE") for the nine months ended March 31, 2005 and 2004 was 19.74% and 18.98% (as revised to be comparable to current year calculations), respectively. The increases in ROA and ROE are due to an 18.60% increase in net income for the nine months ending March 31, 2005 compared to a 15.73% increase in average assets and a 14.03% increase in average equity from the same period a year ago.

Cash and cash equivalents, certificates of deposit and securities available for sale totaled \$473,859,000 or 17.69% of total assets at March 31, 2005, compared to \$441,356,000 or 18.16% at June 30, 2004.

At March 31, 2005, the Company's leverage ratio was 5.86%, Tier 1 risk-based capital ratio was 6.92%, and total risk-based capital ratio was 11.26%, compared to minimum required levels of 4% for leverage and Tier 1 risk-based capital ratios and 8% for total risk-based capital ratio, subject to change at the discretion of regulatory authorities to impose higher standards in individual cases. At March 31, 2005, the Company had net risk-weighted assets of \$2,192,510,000.

RESULTS OF OPERATIONS

Comparison of the Three Months Ended March 31, 2005 and March 31, 2004.

Net Interest Income

Total interest income for the three months ended March 31, 2005 was \$36,632,000, a 19.12% increase from \$30,753,000 for the three months ended March 31, 2004. The increase was due to an increase of \$5,361,000 in interest earned on loans and an increase of \$471,000 in interest earned on taxable securities. The primary cause for these increases is the increase in average interest-earning assets from internal growth and acquisitions. Average interest-earning assets were \$2,444,059,000 for the three months ended March 31, 2005, an increase of \$324,695,000 or 15.32% from \$2,119,364,000 for the three months ended March 31, 2004.

Total interest expense for the three months ended March 31, 2005 was \$12,619,000, a 22.04% increase from \$10,340,000 for the three months ended March 31, 2004. The increase is primarily due to a \$1,835,000 increase in interest expense on deposits and a \$245,000

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increase in interest expense on FHLB advances and other borrowings. The primary cause for these increases is the increase in average interest-bearing liabilities from internal growth and acquisitions. Average interest-bearing liabilities were \$2,202,769,000 for the three months ended March 31, 2005, an increase of \$286,048,000 or 14.92% from \$1,916,721,000 for the three months ended March 31, 2004.

Net interest income was \$24,013,000 for the three months ended March 31, 2005, compared to \$20,413,000 for the same period in 2004, an increase of 17.64%. Great Western's net interest margin increased to 3.93% for the three months ended March 31, 2005 from 3.85% for the three months ended March 31, 2004. The increase in the net interest margin was caused by a larger increase in interest income when compared to the increase in interest expense.

Provision for Loan Losses

The provision for loan losses for the three months ended March 31, 2005 was \$1,175,000, compared to \$869,000 for the three months ended March 31, 2004. The increase was due to an increase in estimated loan losses for the current period and the growth in loans.

Noninterest Income

Noninterest income for the three months ended March 31, 2005 was \$8,141,000, an increase of \$701,000 or 9.42% over the same period last fiscal year. The increase resulted primarily from a \$795,000 increase in services charges and other fees. The increase in service charges and other fees is a function of the increased number and type of deposit accounts that resulted from acquisitions, internal growth, and de novo branch expansion.

Noninterest Expense

Noninterest expense for the three months ended March 31, 2005 was \$19,231,000, an increase of \$2,478,000 or 14.79% over the same period last fiscal year. The increase resulted primarily from a \$1,370,000 increase in salaries and employee benefits expense, a \$272,000 increase in occupancy expense, and a \$307,000 increase in advertising expense.

Salaries and employee benefits expense increased by \$1,370,000 or 15.44%, to \$10,245,000 for the three months ended March 31, 2005 from \$8,875,000 for the three months ended March 31, 2004. Contributing to this increase is the increase in staffing levels as a result of acquisitions and expansion through de novo branches.

Occupancy expense increased by \$272,000 or 24.01%, to \$1,405,000 for the three months ended March 31, 2005 from \$1,133,000 for the three months ended March 31, 2004. The increase is a result of acquisitions and expansion through de novo branches.

Advertising expense increased by \$307,000 or 29.78% to \$1,338,000 for the three months ended March 31, 2005 from \$1,031,000 for the three months ended March 31, 2004. The increase is due to promotion of new branches and new products.

Income Taxes

Income taxes for the three months ended March 31, 2005 and March 31, 2004 were \$4,036,000 and \$3,697,000. The increase is due to a 14.82% or \$1,517,000 increase in pretax net income, offset by a decrease in the effective tax rate. The effective tax rates for the three months ended March 31, 2005 and March 31, 2004, were 34.36% and 36.14%, respectively. The effective income tax rates are lower for the 2005 period compared to the 2004 period due to higher levels of tax-exempt interest income and tax credits.

Comparison of the Nine Months Ended March 31, 2005 and March 31, 2004.

Net Interest Income

Total interest income for the nine months ended March 31, 2005 was \$105,930,000, a 16.09% increase from \$91,245,000 for the nine months ended March 31, 2004. The increase was due to an increase of \$12,807,000 in interest earned on loans and an increase of \$1,802,000 in interest earned on taxable securities. The primary cause for these increases

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is the increase in average interest-earning assets from internal growth and acquisitions. Average interest-earning assets were \$2,370,339,000 for the nine months ended March 31, 2005, an increase of \$320,533,000 or 15.64% from \$2,049,806,000 for the nine months ended March 31, 2004.

Total interest expense for the nine months ended March 31, 2005 was \$35,691,000, a 14.30% increase from \$31,225,000 for the nine months ended March 31, 2004. The increase is due to a \$3,146,000 increase in interest expense on deposits and a \$445,000 increase in interest expense on FHLB advances and other borrowings. The primary cause for these increases is the increase in average interest-bearing liabilities from internal growth and acquisitions. Average interest-bearing liabilities were \$2,136,752,000 for the nine months ended March 31, 2005, an increase of \$313,953,000 or 17.22% from \$1,822,799,000 for the nine months ended March 31, 2004.

Net interest income was \$70,239,000 for the nine months ended March 31, 2005, compared to \$60,020,000 for the same period in 2004, an increase of 17.03%. Great Western's net interest margin increased to 3.95% for the nine months ended March 31, 2004 from 3.90% for the nine months ended March 31, 2004. The increase in the net interest margin was caused by a larger increase in interest income when compared to the increase in interest expense.

Provision for Loan Losses

The provision for loan losses for the nine months ended March 31, 2005, was \$3,267,000, compared to \$3,156,000 for the nine months ended March 31, 2004. The increase was due to an increase in estimated loan losses for the current period and the growth in loans.

Noninterest Income

Noninterest income for the nine months ended March 31, 2005 was \$23,320,000, a decrease of \$281,000 or 1.19% over the same period last fiscal year. The decrease resulted primarily from a \$1,823,000 decrease in gain on the sale of loans and a \$1,319,000 decrease in gain on the sale of securities, offset by a \$2,459,000 increase in service charges and other fees.

The decrease in the gain on the sale of loans is a result of the decrease in loans originated for resale. Loans originated for resale during the nine months ended March 31, 2005, were \$159,153,000, compared to \$237,936,000 during the nine months ended March 31, 2004.

Service charges and other fees increased by \$2,459,000 or 22.89%, to \$13,201,000 for the nine months ended March 31, 2005 from \$10,742,000 for the nine months ended March 31, 2004. The increase in service charges and other fees is a function of the increased number and type of deposit accounts that resulted from acquisitions, internal growth, and de novo branch expansion.

Noninterest Expense

Noninterest expense for the nine months ended March 31, 2005 was \$55,296,000, an increase of \$4,986,000 or 9.91% for the current fiscal period when compared to the same fiscal period one year ago. The increase resulted primarily from a \$2,971,000 increase in salaries and employee benefits expense, a \$571,000 increase in occupancy expense, a \$466,000 increase in data processing expense, and a \$422,000 increase in advertising expense.

Salaries and employee benefits expense increased by \$2,971,000 or 11.25%, to \$29,375,000 for the nine months ended March 31, 2005 from \$26,404,000 for the nine months ended March 31, 2004. Contributing to this increase is the increase in staffing levels as a result of acquisitions and expansion through de novo branches.

Occupancy expense increased by \$571,000 or 17.39% to \$3,854,000 for the nine months ended March 31, 2005 from \$3,283,000 for the nine months ended March 31, 2004. The increase is a result of acquisitions and expansion through de novo branches.

Data processing expenses increased by \$466,000 or 17.09% to \$3,192,000 for the nine months ended March 31, 2005 from \$2,726,000 for the nine months ended March 31, 2004. The increase is a result of acquisitions and expansion through de novo branches.

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Advertising expense increased by \$422,000 or 13.70% to \$3,502,000 for the nine months ended March 31, 2005 from \$3,080,000 for the nine months ended March 31, 2004. The increase is due to promotion of new branches and new products.

Income Taxes

Income taxes for the nine months ended March 31, 2005 and March 31, 2004 were \$12,251,000 and \$10,958,000. The increase is due to a 16.05% or \$4,841,000 increase in pretax net income, offset by a decrease in the effective tax rate. The effective tax rates for the periods were 35.01% and 36.34%. The effective tax rates are lower for the 2005 period compared to the 2004 period due to higher levels of tax-exempt interest income and tax credits.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Asset/liability management refers to management's efforts to minimize fluctuations in net interest income caused by interest rate changes. This is accomplished by managing the repricing of interest rate sensitive interest earning assets and interest bearing liabilities. Controlling the maturity or repricing of an institution's liabilities and assets in order to minimize interest rate risk is commonly referred to as gap management. Close matching of the repricing of assets and liabilities will normally result in little change in net interest income when interest rates change. A mismatched gap position will normally result in changes in net interest income as interest rates change.

Management regularly monitors the interest sensitivity position and considers this position in its decisions with regard to the Company's interest rates and maturities for interest earning assets acquired and interest bearing liabilities accepted.

There has not been a material change in the interest rate sensitivity of the Company during the nine months ended March 31, 2005.

ITEM 4: CONTROLS AND PROCEDURES

Great Western's principal executive officer and principal financial officer have concluded, based on their evaluation as of the end of the period covered by this report, that Great Western's disclosure controls and procedures as defined in Exchange Act Rule 13a-14(c) are effective to ensure that information required to be disclosed by Great Western in the reports it files under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and that such information is accumulated and communicated to Great Western's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

There have been no significant changes in Great Western's internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation referred to above.

PART II
OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

None

ITEM 2: UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3: DEFAULTS UPON SENIOR SECURITIES

None

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

None

ITEM 5: OTHER INFORMATION

None

ITEM 6: EXHIBITS

(a). Exhibits:

- 31.1 - Chief Executive Officer' s Certification Pursuant to Rule 13(a) - 14 of the Securities and Exchange Act of 1934, as Amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (1)
- 31.2 - Chief Financial Officer' s Certification Pursuant to Rule 13(a) - 14 of the Securities and Exchange Act of 1934, as Amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (1)
- 32.1 - Chief Executive Officer' s Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 - Chief Financial Officer' s Certification 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:

The Company filed a current report on Form 8-K (Item 1.01) on January 31, 2005, and reported the Amendment to the Phantom Stock Long Term Incentive Plans with Daniel J. Brabec, Jeffory A. Erickson, and Daniel A. Hamann. The Amendments were deemed necessary or appropriate to comply with applicable requirements of Section 409A of the Internal Revenue Code and the regulations thereunder to assure that the benefits provided by the Agreements are not includable in the Employees' gross income before being paid pursuant to their Agreements.

The Company filed a current report on Form 8-K (Item 1.01) on January 31, 2005, and reported the Amendment to the Bonus Plans with Daniel J. Brabec and Jeffory A. Erickson. The Amendments were deemed necessary or appropriate to comply with applicable requirements of Section 409A of the Internal Revenue Code and the regulations thereunder to assure that the benefits provided by the Agreements are not includable in the Employees' gross income before being paid pursuant to their Agreements.

The Company filed a current report on Form 8-K (Item 8.01) on February 4, 2005, and reported the redemption, at par, 100,000 shares of Floating Rate, Series 3, Non-voting, Non-cumulative, Perpetual Preferred Stock.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GREAT WESTERN BANCORPORATION, INC.

Date: May 2, 2005

By: /s/ Deryl F. Hamann _____

Deryl F. Hamann, Chairman and Chief
Executive Officer
(Duly Authorized Representative)

(Authorized officer and principal financial officer of the registrant)

Date: May 2, 2005

By: /s/ James R. Clark _____

James R. Clark, CFO, Secretary
and Treasurer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO RULE 13 (a) - 14 OF THE SECURITIES AND
EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Deryl F. Hamann, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Western Bancorporation, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - (a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - (c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of this registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 2, 2005

/s/ Deryl F. Hamann _____

Deryl F. Hamann
Chief Executive Officer

**CERTIFICATION PURSUANT TO RULE 13(a) - 14 OF THE SECURITIES AND
EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, James R. Clark, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Western Bancorporation, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a. designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c. presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 2, 2005

/s/ James R. Clark _____

James R. Clark
Chief Financial Officer

**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 Great Western Bancorporation, Inc. ("Great Western") on Form 10-Q for the nine month period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Deryl F. Hamann, Chief Executive Officer of Great Western, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (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 Great Western.

/s/ Deryl F. Hamann

Deryl F. Hamann, Chairman

and Chief Executive Officer

**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 Great Western Bancorporation, Inc. ("Great Western") on Form 10-Q for the nine month period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James R. Clark, Chief Financial Officer of Great Western, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (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 Great Western.

/s/ James R. Clark

James R. Clark,

Chief Financial Officer