NEWS RELEASE

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BNCCORP, INC. REPORTS THIRD-QUARTER NET INCOME OF $13.7 MILLION, OR $3.84 PER DILUTED SHARE

Highlights

- **2020 year-to-date net income through September 30, 2020 grew significantly to $32.2 million, or $9.02 per diluted share, from $8.7 million, or $2.45 per diluted share for the 2019 period.**
- **Return on assets and return on equity was 4.99% and was 44.88%, respectively for the quarter ended September 30, 2020, compared to 1.78% and 20.13%, respectively, for the 2019 period.**
- **Mortgage revenue rose to $23.9 million in the third quarter of 2020, from $9.0 million in the 2019 period.**
- **Provision for credit losses was $350 thousand in the third quarter of 2020, compared to $1.5 million in the second quarter of 2020 and $300 thousand in the 2019 period.**
- **Allowance for credit losses at September 30, 2020, was 1.92% of loans and leases held for investment excluding $85.7 million of Small Business Administration Paycheck Protection Program (PPP) loans, compared to 1.60% at December 31, 2019.**
- **Tangible book value increased $10.80 per share to $38.19 at September 30, 2020, from $27.39 at December 31, 2019.**
- **Tangible common equity increased to 12.28% of total assets at September 30, 2020, from 9.95% at December 31, 2019.**

BISMARCK, ND, October 29, 2020 – BNCCORP, INC. (BNC or the Company) (OTCQX Markets: BNCC), which operates community banking and wealth management businesses in North Dakota, Arizona, and Minnesota, and has mortgage banking offices in Illinois, Kansas, Missouri, Michigan, Arizona, and North Dakota, today reported financial results for the third quarter ended September 30, 2020.

Overview of Highlights

Net income in the third quarter of 2020, grew significantly to $13.7 million, compared to $4.6 million in the same period of 2019. Third-quarter 2020 earnings per diluted share rose 195.4% to $3.84 from $1.30 in the prior-year third quarter. The increase in net income from the year-ago period primarily reflected higher net interest income and significantly increased mortgage revenues, partially offset by lower gains on sales of debt securities and higher non-interest expense.

Third-quarter 2020 net interest income increased by $599 thousand to $7.9 million, or 8.2%, from the comparable 2019 quarter. Third quarter 2020 interest income decreased by $1.0 million from the 2019 third quarter as the impact of loan growth including PPP loans was offset by lower yields on loans and lower balances and yields on debt securities. Third quarter 2020 interest expense decreased by $1.6 million, or 65.4%, due to a reduction in the cost of deposits and borrowings, and the redemption of $10.0 million of subordinated debt in the fourth quarter 2019.

Non-interest income in the third quarter of 2020 grew by $13.3 million, or 111.0%, from the same period in 2019. In the third quarter of 2020, mortgage banking revenues were $23.9 million, $14.9 million higher than the same period a year ago. Mortgage banking revenues were driven primarily by refinance activity stemming from continuing favorable interest rates. Mortgage-related margins also increased relative to the year-ago period. Gains on sales of debt securities declined by $1.7 million. Gains and losses on sales of assets can vary significantly from period to period.

Non-interest expense in the 2020 third quarter increased by $1.7 million, or 13.5%, versus the third quarter of 2019 due primarily to increases in mortgage banking operating costs partially offset by lower marketing expenses due to a reduction in purchased leads. The third quarter of 2020 included non-recurring expenses aggregating $1.3 million related to a previously announced leadership change in addition to an impairment charge of a property.

The Company's provision for credit losses was $350 thousand in the 2020 third quarter and $300 thousand in the third quarter of 2019. The provision for credit losses in the third quarter of 2020 was primarily attributed to qualitative risks identified in certain loan portfolio segments that are impacted by the COVID-19 pandemic. The Company continues to monitor key industry data and will prudently adjust its provision for credit losses as appropriate.

To assist borrowers through the COVID-19 pandemic, BNC modified approximately $205 million of loans consistent with Section 4013 of the CARES Act. At September 30, 2020, approximately $158 million of these modified loans had reached expiration of their initial payment deferral period. Borrowers have communicated they will not be requesting additional assistance for loans aggregating $129 million. The remaining $47 million of CARES Act modified loans will reach the end of their initial payment deferral period by the end of 2020. Economic conditions, including pandemic-related challenges, may result in the Company agreeing to additional loan modifications to assist our borrowers.

The ratio of nonperforming assets to total assets was 0.34% at September 30, 2020, compared to 0.21% at December 31, 2019. The allowance for credit losses was 1.65% of loans and leases held for investment at September 30, 2020, compared to 1.60% at December 31, 2019. The allowance for credit losses was 1.92% excluding $85.7 million in PPP loans at September 30, 2020.

Tangible book value per common share at September 30, 2020, was $38.19, compared to $27.39 at December 31, 2019, an increase of $10.80 per common share. Tangible common equity increased to 12.28% of total assets at September 30, 2020, from 9.95% at December 31, 2019.

Management Commentary

Daniel J. Collins, BNC's Interim President and Chief Executive Officer stated, "Building on our solid second-quarter performance, we delivered strong earnings in the third quarter, despite economic uncertainty and continuing challenges from COVID-19. Mortgage banking and PPP loan origination drove our meaningful year-over-year gains. While the global pandemic and its potential impact on our markets continues to evolve, we enter the fourth quarter with a stronger balance sheet, and a continued commitment to asset quality and exercising fiscal prudence while maximizing growth opportunities.

"Despite potential headwinds, we are proud of our customers' resiliency and, now more than ever, are dedicated to providing the relationship-based community banking critical to the health of their businesses and communities."

2020 Versus 2019 Third-Quarter Comparison

Net interest income for the third quarter of 2020 was $7.9 million, an increase of $599 thousand, or 8.2%, from $7.3 million in the same period of 2019. The gain primarily reflected the impact of increases in loans held for sale and loans and leases held for investment, including PPP loans, the reduction of debt securities, reduced cost of deposits, and the redemption of $10.0 million of subordinated debt in the fourth quarter of 2019. Net interest margin increased to 3.09% in the 2020 third quarter, compared to 2.98% in the year-earlier period.

Third-quarter interest income decreased $963 thousand, or 9.9%, to $8.7 million in 2020, compared to $9.7 million in the third quarter of 2019. A portion of the decrease is a result of the impact of higher average loan balances and a reduction in loan yields due to growth in mortgage loans held for sale and PPP loans. Additionally, interest income from debt securities decreased as balances were liquidated to support increased loan activity. Yield on average interest-earning assets was 3.42% in the third quarter of 2020, compared to 3.92% in the 2019 third quarter.

The average balance of interest-earning assets in the 2020 third quarter increased by $43.6 million versus the same period of 2019, primarily due to increased cash and cash equivalents, loans held for sale, and loans and leases held for investment including PPP loans, offset by decreased average debt securities. The average balance of loans and leases held for investment increased by $118.7 million, yielding $29 thousand of additional interest income. Average PPP loans, largely funded in April 2020, accounted for $89.2 million of the $118.7 million increase. The average balance of mortgage loans held for sale was $188.3 million, $99.8 million higher than the same period of 2019, resulting in $493 thousand of additional interest income. The average balance of debt securities in the third quarter of 2020 was $188.0 million or $207.4 million lower than in the third quarter of 2019, resulting in $1.4 million of lower interest income than the prior year.

Interest expense in the third quarter of 2020 was $827 thousand, a decrease of $1.6 million, or 65.4% from the 2019 period. The cost of interest-bearing liabilities was 0.43% during the quarter, compared to 1.20%

in the same period of 2019. The cost of core deposits in the third quarters of 2020 and 2019 were 0.33% and 0.89%, respectively. Additionally, interest expense was $159 thousand lower in the 2020 third quarter due to the redemption of $10.0 million of subordinated debt in the fourth quarter of 2019.

At the end of the 2020 third quarter, credit metrics remained relatively stable with a 0.34% nonperforming loans-to-total-asset ratio. While credit risks have not yet manifested in significantly increased nonperforming loan levels, the Company recorded a $350 thousand provision for credit losses in the third quarter 2020 due to the uncertain economic impact of COVID-19, compared to $300 thousand recorded in the third quarter of 2019. As previously stated, the Company continues to monitor the loan portfolio and will prudently evaluate its allowance for credit losses as appropriate.

Non-interest income for the third quarter of 2020 was $25.2 million, an increase of $13.3 million, or 111.0%, from $11.9 million in the 2019 third quarter. Mortgage banking revenues were $23.9 million in the third quarter of 2020, an increase of $14.9 million, or 167.1%, compared to $9.0 million in the third quarter of 2019. The increase was driven by lower interest rates facilitating higher mortgage banking origination activity in addition to increased margins relative to the year-ago period. In the third quarter of 2020, BNC funded 2,345 loans with combined balances of $831.6 million, compared to 1,298 loans with combined balances of $451.2 million in the third quarter of 2019. There were no gains on sales of debt securities in the third quarter of 2020, compared to gains of $1.7 million in the same period of 2019.

Non-interest expense for the third quarter of 2020 increased $1.7 million, or 13.5%, to $14.6 million, from $12.9 million in the third quarter of 2019. The increase is primarily attributed to increased mortgage operations activity partially offset by lower marketing expenses due to a reduction in purchased leads. The third quarter of 2020 included non-recurring expenses aggregating $1.3 million as previously detailed above.

Net income was $13.7 million, or $3.84 per diluted share, in the third quarter of 2020. Net income in the third quarter of 2019 was $4.6 million, or $1.30 per diluted share.

Nine-Month Results

Net interest income in the first nine months of 2020 was $23.8 million, an increase of $2.5 million, or 11.7%, from $21.3 million in the 2019 period. The increase primarily reflected the positive impact of decreased cost of deposits and borrowings, and the redemption of $10.0 million of subordinated debt in the fourth quarter of 2019. The net interest margin increased to 3.22% in the first nine months of 2020, compared to 2.98% in the first nine months of 2019.

Interest income decreased to $27.3 million for the nine-month period of 2020, compared to $28.2 million in 2019 period. The decrease reflected the impact of higher average loan balances offset by lower loan yields due the growth in mortgage loans held for sale and PPP loans. In addition, interest income from debt securities decreased as debt securities balances were liquidated to provide for increased loan activity. The yield on average interest-earning assets was 3.70% in the 2020 nine-month period, compared to 3.93% in 2019. The average balance of interest-earning assets in the first nine months of 2020 increased by $30.4 million compared to the 2019 period. Increases in average loans and cash balances, were largely offset by the decrease in average debt securities.

The average balance of loans and leases held for investment grew by $93.6 million, yielding $1.6 million of additional interest income on a period over period basis. The average balance of mortgage loans held for sale was $147.3 million during the first nine months of 2020, or $93.9 million higher than the same period of 2019, resulting in $1.8 million of additional interest income. The average balance of debt securities in the first nine months of 2020 was $214.8 million, or $198.6 million lower than in the first nine months of 2019. Associated interest income was $4.1 million lower than the prior period as debt securities decreased to support increased loan balances.

Interest expense in the first nine months of 2020 was $3.5 million, a decrease of $3.4 million, or 49.2%, from 2019. The cost of interest-bearing liabilities was 0.62% in the first nine months, compared to 1.17% in the same period of 2019. Interest expense on deposits decreased as a result of decreased cost of deposits. The cost of core deposits in the first nine months of 2020 and 2019 was 0.47% and 0.88%, respectively. Interest expense also was $476 thousand lower in the 2020 first nine months due to the redemption of $10.0 million of subordinated debt in the fourth quarter of 2019, and $341 thousand lower on a period over period basis due to lower cost of borrowings and lower volume and cost of FHLB advances.

The Company recorded a $2.4 million provision for credit losses in the first nine months of 2020. This compares to $500 thousand recorded in the first nine months of 2019.

Non-interest income for the 2020 nine months was $62.3 million, an increase of $38.8 million, or 165.2%, from $23.5 million in 2019. Mortgage banking revenues were $57.6 million for the 2020 nine-month period, an increase of $40.3 million, compared to $17.3 million in the first nine months of 2019, as lower interest rates continued to support higher mortgage banking origination activity and margins increased relative to the year-ago period. In the first nine months of 2020, BNC funded 5,774 loans with combined balances of $2.1 billion, compared to 2,544 loans with combined balances of $842.4 million in the first nine months of 2019. Gains on sales of debt securities were $1.1 million for the 2020 period, compared to gains of $2.0 million in 2019. Debt securities balances can fluctuate from period to period dependent on liquidity requirements for loan growth or other corporate purposes. Therefore, gains and losses on sales of assets and earnings from certain investments can also vary significantly.

Non-interest expense for the first nine months of 2020 increased $8.1 million, or 24.7%, to $41.1 million, from $33.0 million in 2019 period. Substantially all of the increase is directly attributed to increased volume in mortgage operations. During the first nine months of 2020, lower expenses with respect to banking operations were largely offset by $1.3 million of non-recurring expenses during the third quarter of 2020 previously discussed.

During the nine-month period ended September 30, 2020, income tax expense was $10.4 million, compared to $2.6 million in the first nine months of 2019. The effective tax rate was 24.5% in the first nine months of 2020, compared to 23.0% in the same period of 2019. The increase in the effective tax rate for the full year of 2020 is due to higher pre-tax revenues and lower non-taxable interest income from municipal securities.

Net income rose significantly to $32.2 million, or $9.02 per diluted share, for the nine months ended September 30, 2020. Net income in the first nine months of 2019 was $8.7 million, or $2.45 per diluted share.

Assets and Liabilities

Total assets were $1.1 billion at September 30, 2020, an increase of $134.2 million, compared to $966.8 million at December 31, 2019. This increase is primarily due to increased mortgage loans held for sale and loans and leases held for investment balances, as a result of PPP loan originations offset by decreased balances of cash and debt securities. PPP loan balances of $85.7 million largely drove a $97.9 million, or

19.2%, increase in loans and leases held for investment compared to December 31, 2019. As of September 30, 2020, $20.1 million of PPP loans had been submitted to the SBA for forgiveness consideration.

Total loans and leases held for investment aggregated $606.4 million at September 30, 2020. Loans held for sale as of September 30, 2020, were higher by $101.9 million when compared to December 31, 2019, due to higher mortgage origination activity in 2020. Debt securities decreased $78.7 million from year-end 2019, while cash and cash equivalent balances decreased $1.1 million.

Total deposits increased $60.5 million to $881.0 million at September 30, 2020, from $820.5 million at December 31, 2019. In the first quarter of 2020, the Company exercised its ability to bring back deposits previously moved off its balance sheet in fourth quarter of 2019 deleveraging activities. Deposit growth was supported by PPP loan customers depositing loan proceeds with BNC prior to utilization offset by a reduction of certificates of deposit.

At September 30, 2020, there were $44.6 million FHLB advances, compared to $17.0 million at December 31, 2019, as the Company used FHLB advances as a flexible means of supporting the increase in mortgage loans held for sale at the end of the third quarter of 2020.

Trust assets under management or administration decreased 5.0%, or $18.9 million, to $358.9 million at September 30, 2020, from $377.8 million at December 31, 2019. This decrease is due to volatility and declines in financial markets related to COVID-19 concerns, which may reduce wealth management revenues in future periods.

Asset Quality

The allowance for credit losses was $10.0 million at September 30, 2020, compared to $8.1 million at December 31, 2019. The allowance as a percentage of loans and leases held for investment at September 30, 2020, increased to 1.65% from 1.60% at December 31, 2019. Excluding PPP loans, which are 100% guaranteed by the SBA, the allowance for credit losses as a percentage of loans and leases held for investment at September 30, 2020, increased to 1.92%. The increase was primarily attributed to pandemic-related qualitative risks identified in certain loan portfolio segments, specifically hospitality, restaurants, fitness and retail sectors, as well as commercial real estate.

Nonperforming assets, consisting of loans, were $3.7 million at September 30, 2020, and $2.0 million at December 31, 2019. The ratio of nonperforming assets to total assets was 0.34% at September 30, 2020, and 0.21% at December 31, 2019.

At September 30, 2020, BNC had $10.6 million of classified loans and $3.7 million of loans on non-accrual. At December 31, 2019, BNC had $9.3 million of classified loans and $2.0 million of loans on non-accrual. BNC had $10.2 million of potentially problematic loans, which are risk rated "watch list", at September 30, 2020, compared with $9.2 million as of December 31, 2019. As of September 30, 2020, classified and non-accrual loans include two commercial real estate loans with balances of $1.1 million where the underlying properties have subsequently been sold or are pending sale and the sales proceeds are anticipated to fully satisfy their existing loan balances without additional write-downs. The Company did not hold any other real estate owned or repossessed assets at September 30, 2020, or December 31, 2019.

The level of credit losses that may eventually result from the effects of COVID-19 is not clear. The Company anticipates the provision for credit losses in future periods may be higher than in the recent past as certain sub-segments of its loan portfolio are more impacted by unemployment and business interruption.

As stated above, the Company continues to assist borrowers through the COVID-19 pandemic. To this end, the Company modified loans consistent with Section 4013 of the CARES Act. These loans were current as of December 31, 2019, and as a result, are not currently subject to troubled debt restructuring accounting standards. Section 4013 of the CARES Act expires on December 31, 2020.

The SBA Payment Relief Program provided monthly payments for a six month period on qualified SBA loans. As of quarter ended September 30, 2020, the Company had approximately $30.5 million of SBA loans receiving payment pursuant to this program. The six-month payment period for all the eligible SBA loans will be completed by the end of October 2020. Some portion of these SBA loans may require additional payment deferrals prior to the expiration of Section 4013 of the CARES Act.

BNC's loans and leases held for investment are concentrated geographically in North Dakota and Arizona which comprise 58% and 28% of the total loan portfolio, respectively. The North Dakota economy is influenced by the energy and agriculture industries. An extended period of low energy prices may negatively impact credit quality in North Dakota. The Arizona economy is influenced by leisure and travel. An extended slowdown in these industries may negatively impact credit quality in Arizona. BNC's portfolio is constructed of various sized loans spread over a large number of industry sectors, although concentrations of loans in hospitality and real estate make up notable percentages of the portfolio.

The following table approximates the Company's significant concentrations by industry, excluding PPP loans, as of September 30, 2020 (in millions):

Loans and Leases Held For Investment By Industry Sector

	September 30, 2020			
Non-owner Occupied Commercial Real Estate (not otherwise categorized)	$	141.3	27	%
Hotels		80.7	15	
Consumer, not otherwise categorized		76.1	15	
Healthcare and Social Assistance		35.6	7	
Agriculture, Forestry, Fishing and Hunting		30.8	6	
Retail Trade		24.6	5	
Transportation and Warehousing		23.3	4	
Non-Hotel Accommodation and Food Service		22.1	4	
Mining, Oil and Gas Extraction		18.6	4	
Construction Contractors		13.0	2	
Manufacturing		11.4	2	
Other Service		8.3	2	
Real Estate and Rental and Leasing Support Services		8.6	2	
Art, Entertainment and Recreation		7.4	1	
All Other		20.0	4	
Gross Loans and Leases Held For Investment (Excluding PPP Loans)	$	521.8	100	%

The hospitality industry is experiencing unprecedented low hotel occupancy and restaurant utilization. The hospitality industry began to rebound early in May 2020, only to be impacted by the summer surge of COVID-19, especially in Arizona. The oil and gas industry is experiencing low oil prices due to COVID-19 related demand issues that are further impacted by geo-political disagreements. Oil prices have improved but not at a level to sustain and re-energize oil and gas activity in North Dakota. These COVID-19 influenced economic conditions are expected to negatively impact various industry sectors.

The extent and timing of the pandemic is not determinable at this point. Prolonged periods of COVID-19 pandemic disruption to business production, consumer goods and services consumption and employment could have a material adverse impact on the Company's loan portfolio and operating results. The resulting impact on BNC and its customers will be significantly influenced by the success of currently enacted and possible future government support programs.

Capital

Banks and bank holding companies operate under separate regulatory capital requirements. At September 30, 2020, the Company's capital ratios exceeded all regulatory capital thresholds, including the capital conservation buffer.

A summary of BNC's capital ratios at September 30, 2020, and December 31, 2019, is presented below:

	September 30, 2020	December 31, 2019
BNCCORP, INC. (Consolidated)		
Tier 1 leverage	12.94%	10.65%
Common equity tier 1 risk based capital	17.04%	13.76%
Tier 1 risk based capital	19.05%	15.95%
Total risk based capital	20.30%	17.13%
Tangible common equity	12.28%	9.95%
BNC National Bank		
Tier 1 leverage	10.88%	9.81%
Common equity tier 1 risk based capital	16.01%	14.69%
Tier 1 risk based capital	16.01%	14.69%
Total risk based capital	17.26%	15.88%

The Common Equity Tier 1 ratio, which is generally a comparison of a bank's core equity capital to its total risk weighted assets, is a measure of the current risk profile of the Bank's asset base from a regulatory perspective. The Tier 1 leverage ratio, which is based on average assets, does not consider the mix of risk-weighted assets.

The Company routinely evaluates the sufficiency of its capital in order to ensure compliance with regulatory capital standards and to provide a source of strength for the Bank. The Company manages capital by assessing the composition of capital and the amounts available for growth, risk, or other purposes. During the third quarter of 2020, BNC National Bank paid a dividend of $15 million to the Company to be utilized for general corporate purposes which may include dividends and/or common share repurchases.

The ratio of tangible common equity to total assets for the Company was 12.28% as of September 30, 2020, compared to 9.95% at December 31, 2019.

Tangible book value per common share of the Company was $38.19 as of September 30, 2020, compared to $27.39 at December 31, 2019.

About BNCCORP, INC.

BNCCORP, INC., headquartered in Bismarck, N.D., is a registered bank holding company dedicated to providing banking and wealth management services to businesses and consumers in its local markets. The Company operates community banking and wealth management businesses in North Dakota, Arizona and Minnesota from 13 locations. BNC also conducts mortgage banking from 11 locations in Illinois, Kansas, Missouri, Michigan, Arizona and North Dakota.

This news release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of BNC. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of our management and on information currently available to management are generally identifiable by the use of words such as “expect”, “believe”, “anticipate”, “at the present time”. “plan”, “optimistic”, “intend”, “estimate”, “may”, “will”, “would”, “could”, “should”, “future” and other expressions relating to future periods. Examples of forward-looking statements include, among others, statements we make regarding our expectations regarding future market conditions and our ability to capture opportunities and pursue growth strategies, our expected operating results such as revenue growth and earnings and our expectations of the effects of the regulatory environment or the Coronavirus / COVID-19 pandemic on our earnings for the foreseeable future. Forward-looking statements are neither historical facts nor assurances of future performance. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, but are not limited to: the impact of the Coronavirus / COVID-19 pandemic, the impact of current and future regulation; the risks of loans and investments, including dependence on local and regional economic conditions; competition for our customers from other providers of financial services; possible adverse effects of changes in interest rates, including the effects of such changes on mortgage banking revenues and derivative contracts and associated accounting consequences; risks associated with our acquisition and growth strategies; and other risks which are difficult to predict and many of which are beyond our control. In addition, all statements in this news release, including forward-looking statements, speak only of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

This press release contains references to financial measures, which are not defined in GAAP. Such non-GAAP financial measures include tangible common equity to total period end assets ratio. These non-GAAP financial measures have been included as the Company believes they are helpful for investors to analyze and evaluate the Company's financial condition.

(Financial tables attached)

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BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended September 30, 2020	For the Quarter Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
SELECTED INCOME STATEMENT DATA				
Interest income	$ 8,735	$ 9,698	$ 27,308	$ 28,225
Interest expense	827	2,389	3,522	6,938
Net interest income	7,908	7,309	23,786	21,287
Provision for credit losses	350	300	2,400	500
Non-interest income	25,191	11,938	62,318	23,497
Non-interest expense	14,603	12,871	41,101	32,962
Income before income taxes	18,146	6,076	42,603	11,322
Income tax expense	4,446	1,450	10,438	2,604
Net income	$ 13,700	$ 4,626	$ 32,165	$ 8,718
EARNINGS PER SHARE DATA				
Basic earnings per common share	$ 3.84	$ 1.31	$ 9.03	$ 2.47
Diluted earnings per common share	$ 3.84	$ 1.30	$ 9.02	$ 2.45

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per-share data)	For the Quarter Ended September 30, 2020	For the Quarter Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
ANALYSIS OF NON-INTEREST INCOME				
Bank charges and service fees	$ 581	$ 637	$ 1,761	$ 1,962
Wealth management revenues	464	431	1,319	1,306
Mortgage banking revenues	23,913	8,952	57,627	17,267
Gains on sales of loans, net	96	46	99	152
Gains on sales of debt securities, net	-	1,700	1,128	2,020
Other	137	172	384	790
Total non-interest income	$ 25,191	$ 11,938	$ 62,318	$ 23,497
ANALYSIS OF NON-INTEREST EXPENSE				
Salaries and employee benefits	$ 7,228	$ 6,402	$ 21,500	$ 16,895
Professional services	2,140	1,606	5,260	3,555
Data processing fees	1,200	1,094	3,523	3,194
Marketing and promotion	998	1,361	3,967	3,414
Occupancy	522	517	1,580	1,610
Regulatory costs	77	122	182	379
Depreciation and amortization	352	368	1,066	1,090
Office supplies and postage	111	141	361	405
Other	1,975	1,260	3,662	2,420
Total non-interest expense	$ 14,603	$ 12,871	$ 41,101	$ 32,962
WEIGHTED AVERAGE SHARES				
Common shares outstanding (a)	3,567,980	3,529,999	3,563,204	3,522,665
Incremental shares from assumed conversion of options and contingent shares	439	28,355	2,018	34,413
Adjusted weighted average shares (b)	3,568,419	3,558,354	3,565,222	3,557,078

(a) Denominator for basic earnings per common share
(b) Denominator for diluted earnings per common share

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except share, per-share and full-time equivalent data)	As of September 30, 2020	As of December 31, 2019	As of September 30, 2019
SELECTED BALANCE SHEET DATA			
Total assets	$ 1,100,998	$ 966,750	$ 1,084,651
Loans held for sale-mortgage banking	239,033	137,114	147,107
Loans and leases held for investment	606,429	508,569	490,150
Total loans	845,462	645,683	637,257
Allowance for credit losses	(10,005)	(8,141)	(7,967)
Debt securities available for sale	186,535	265,278	386,158
Earning assets	1,028,812	907,089	1,022,729
Total deposits	880,982	820,547	883,382
Core deposits (1)	887,187	825,112	887,308
Other borrowings	65,809	36,571	90,833
Cash and cash equivalents	9,421	10,523	11,644
OTHER SELECTED DATA			
Net unrealized gains in accumulated other comprehensive income	$ 7,961	$ 1,470	$ 1,299
Trust assets under administration	$ 358,872	$ 377,782	$ 357,921
Total common stockholders' equity	$ 135,214	$ 96,278	$ 94,559
Tangible book value per common share (2)	$ 38.19	$ 27.39	$ 26.95
Tangible book value per common share excluding accumulated other comprehensive income, net	$ 35.94	$ 26.97	$ 26.58
Full time equivalent employees	313	282	277
Common shares outstanding	3,540,650	3,514,770	3,508,298
CAPITAL RATIOS			
Tier 1 leverage (Consolidated)	12.94%	10.65%	10.44%
Common equity Tier 1 risk-based capital (Consolidated)	17.04%	13.76%	13.64%
Tier 1 risk-based capital (Consolidated)	19.05%	15.95%	15.83%
Total risk-based capital (Consolidated)	20.30%	17.13%	18.46%
Tangible common equity (Consolidated)	12.28%	9.95%	8.71%
Tier 1 leverage (Bank)	10.88%	9.81%	10.51%
Common equity Tier 1 risk-based capital (Bank)	16.01%	14.69%	15.95%
Tier 1 risk-based capital (Bank)	16.01%	14.69%	15.95%
Total risk-based capital (Bank)	17.26%	15.88%	17.12%
Tangible common equity (Bank)	11.62%	10.65%	10.21%

(1) Core deposits consist of all deposits and repurchase agreements with customers.
(2) Tangible book value per common share is equal to book value per common share.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended September 30, 2020	For the Quarter Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
AVERAGE BALANCES				
Total assets	$ 1,092,390	$ 1,032,363	$ 1,057,051	$ 1,015,190
Loans held for sale-mortgage banking	188,311	88,484	147,323	53,464
Loans and leases held for investment	604,513	485,863	568,555	474,989
Total loans	792,824	574,347	715,878	528,453
Debt securities available for sale	188,026	395,413	214,823	413,463
Earning assets	1,016,600	973,050	986,270	955,869
Total deposits	918,214	879,054	900,447	877,555
Core deposits	925,178	883,183	906,906	883,021
Total equity	128,022	92,581	113,812	85,232
Cash and cash equivalents	50,959	15,986	69,525	27,320
KEY RATIOS				
Return on average common stockholders' equity (a)	44.88%	20.13%	39.40%	13.25%
Return on average assets (b)	4.99%	1.78%	4.06%	1.15%
Net interest margin	3.09%	2.98%	3.22%	2.98%
Efficiency ratio (Consolidated)	44.12%	66.88%	47.73%	73.60%
Efficiency ratio (Bank)	42.20%	62.91%	46.11%	69.94%

(a) Return on average common stockholders' equity is calculated by using net income as the numerator and average common equity (less accumulated other comprehensive income (loss)) as the denominator.
(b) Return on average assets is calculated by using net income as the numerator and average total assets as the denominator.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	As of September 30, 2020	As of December 31, 2019	As of September 30, 2019
ASSET QUALITY			
Loans 90 days or more delinquent and still accruing interest	$ -	$ -	$ -
Non-accrual loans	3,708	2,033	2,264
Total nonperforming loans	$ 3,708	$ 2,033	$ 2,264
Repossessed assets, net	-	-	41
Total nonperforming assets	$ 3,708	$ 2,033	$ 2,305
Allowance for credit losses	$ 10,005	$ 8,141	$ 7,967
Troubled debt restructured loans	$ 2,882	$ 3,245	$ 3,258
Ratio of total nonperforming loans to total loans	0.44%	0.31%	0.36%
Ratio of total nonperforming assets to total assets	0.34%	0.21%	0.21%
Ratio of nonperforming loans to total assets	0.34%	0.21%	0.21%
Ratio of allowance for credit losses to loans and leases held for investment	1.65%	1.60%	1.63%
Ratio of allowance for credit losses to total loans	1.18%	1.26%	1.25%
Ratio of allowance for credit losses to nonperforming loans	270%	400%	352%

(In thousands)	For the Quarter Ended September 30, 2020	For the Quarter Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
Changes in Nonperforming Loans:				
Balance, beginning of period	$ 4,163	$ 2,043	$ 2,033	$ 1,686
Additions to nonperforming	-	409	2,528	1,172
Charge-offs	-	(117)	(235)	(138)
Reclassified back to performing	(349)	-	(349)	(242)
Principal payments received	(106)	(30)	(264)	(168)
Transferred to repossessed assets	-	(41)	(5)	(46)
Balance, end of period	$ 3,708	$ 2,264	$ 3,708	$ 2,264

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended September 30, 2020	For the Quarter Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
Changes in Allowance for Credit Losses:				
Balance, beginning of period	$ 9,680	$ 7,891	$ 8,141	$ 7,692
Provision	350	300	2,400	500
Loans charged off	(32)	(230)	(556)	(269)
Loan recoveries	7	6	20	44
Balance, end of period	$ 10,005	$ 7,967	$ 10,005	$ 7,967
Ratio of net charge-offs to average total loans	(0.003)%	(0.039)%	(0.075)%	(0.043)%
Ratio of net charge-offs to average total loans, annualized	(0.013)%	(0.156)%	(0.100)%	(0.057)%

(In thousands)	As of September 30, 2020	As of December 31, 2019	As of September 30, 2019
CREDIT CONCENTRATIONS			
North Dakota			
Commercial and industrial	$ 49,601	$ 51,483	$ 46,323
Construction	2,809	897	2,615
Agricultural	29,289	29,909	31,001
Land and land development	6,258	6,373	6,706
Owner-occupied commercial real estate	35,578	38,127	37,206
Commercial real estate	101,872	106,835	112,867
Small business administration	51,195	4,737	5,810
Consumer	76,089	68,248	65,231
Subtotal loans and leases held for investment	$ 352,691	$ 306,609	$ 307,759
Consolidated			
Commercial and industrial	$ 72,790	$ 77,706	$ 73,091
Construction	19,113	12,656	13,423
Agricultural	29,634	29,914	31,039
Land and land development	9,630	10,449	11,024
Owner-occupied commercial real estate	58,975	54,972	50,713
Commercial real estate	196,646	193,203	180,125
Small business administration	135,306	46,799	48,921
Consumer	85,430	82,498	81,440
Total loans and leases held for investment	$ 607,524	$ 508,197	$ 489,776