



**Great Southern Bancorp, Inc.**

2006 ANNUAL REPORT FOR SHAREHOLDERS



P O I N T S   O F   I M P A C T

## ANNUAL MEETING

The 18th Annual Meeting of Shareholders will be held at 10:30 a.m. on Wednesday, May 16, 2007, at the Hilton Garden Inn, Independence, Missouri.



## CORPORATE PROFILE

Great Southern Bancorp, Inc. ("GSBC" or the "Company") is the holding company for Great Southern Bank (the "Bank"), which converted from a mutual to a stock company in December 1989. In June 1998, the Bank converted from a federal savings bank charter to a Missouri chartered trust company.

Great Southern was founded in 1923 with a \$5,000 investment, 4 employees and 936 members, and has grown to over \$2.2 billion in assets, with more than 725 employees and in excess of 159,000 customers.

The Bank is headquartered in Springfield, Mo., and operates 37 banking centers in 16 counties across Missouri; 13 in Springfield.

A community-oriented company, GSBC and its subsidiaries offer a full range of banking, lending, investment, insurance and travel services.

## CORPORATE MISSION

The Company's mission is to build winning relationships with our customers, associates, shareholders and communities. We carry out our mission through our core values of teamwork, mutual respect, doing what's right and uncompromising ethical standards.

We are deeply committed to our relationships with our four constituencies.

We build winning relationships with our customers and help them make their lives better and easier with our products and services.

We build winning relationships with our associates, who have chosen our company to share their skills and talents and who deserve the opportunity to reach their full potential.

We build winning relationships with our shareholders, who have entrusted us with their wealth and financial future, and with our communities, upon which our company's strength, prosperity and future rest.

## STOCK INFORMATION

The Company's Common Stock is listed on The NASDAQ Global Select Market under the symbol "GSBC".

As of December 31, 2006, there were 13,676,965 total shares outstanding and approximately 2,650 shareholders of record.

The last sale price of the Company's Common Stock on December 31, 2006 was \$29.51.

HIGH/LOW STOCK PRICE	Year Ended December 31, 2006		Year Ended December 31, 2005	
	High	Low	High	Low
First Quarter	\$30.04	\$27.15	\$36.99	\$29.96
Second Quarter	31.00	25.05	33.15	28.45
Third Quarter	30.65	26.10	35.77	28.61
Fourth Quarter	32.14	26.58	32.61	26.32

DIVIDEND DECLARATIONS	Year Ended December 31, 2006	Year Ended December 31, 2005
	First Quarter	\$.140
Second Quarter	.150	.130
Third Quarter	.150	.130
Fourth Quarter	.160	.140

## GENERAL INFORMATION

**CORPORATE HEADQUARTERS**  
1451 E. Battlefield  
Springfield, MO 65804  
1 (800) 749-7113

**MAILING ADDRESS**  
P.O. Box 9009, Springfield, MO 65808

**DIVIDEND REINVESTMENT**  
For details on the automatic reinvestment of dividends in common stock of the Company call:  
1 (800) 725-6651 or write:

Great Southern Bancorp, Inc.  
Shareholder Relations  
P.O. Box 9009  
Springfield, MO 65808

**FORM 10-K**  
The Annual Report on Form 10-K filed with the Securities and Exchange Commission may be obtained from the Company's Web site at [www.greatsouthernbank.com](http://www.greatsouthernbank.com) or without charge by request to:

Rex Copeland  
Treasurer  
Great Southern Bancorp, Inc.  
P.O. Box 9009, Springfield, MO 65808

**INVESTOR RELATIONS**  
Teresa Chasteen-Calhoun  
or Kelly Polonus  
Great Southern Bank  
P.O. Box 9009, Springfield, MO 65808

**AUDITORS**  
BKD, LLP  
Hammons Tower  
P.O. Box 1190  
Springfield, MO 65801

**LEGAL COUNSEL**  
Silver, Freedman & Taff, L.L.P.  
3299 K St., NW, Suite 100  
Washington, DC 20007  
Carnahan, Evans, Cantwell & Brown  
P.O. Box 10009  
Springfield, MO 65808

**TRANSFER AGENT AND REGISTRAR**  
Registrar & Transfer Company  
10 Commerce Drive  
Cranford, NJ 07016

# POINTS OF IMPACT



## **2** CHAIRMAN'S LETTER TO SHAREHOLDERS

We'll reveal some remarkable numbers relative to those served by Great Southern.



## **4** PRESIDENT'S MESSAGE TO SHAREHOLDERS

We are committed to our long-term growth strategy and have an intense focus on areas that can make the greatest impact.



## **8** CUSTOMER

Our involvement in customer service and attention is genuine, and our customers know it.



## **12** GEOGRAPHIC

The ripple effect. When you take great care of your customers, word gets around.



## **18** COMMUNITY

Great Southern's ability and desire to create points of impact in the communities we serve is powerful.

## **22** INTERNAL

An environment that respects and empowers the individual, recognizes outstanding performance and encourages professional growth.

## **26** BOTTOM LINE

Our dedication to helping people succeed in life takes full measure within each of our constituencies.

## **28** LEADERSHIP

Great Southern Bancorp, Inc. and Great Southern Bank Directors and Officers.



# Chairman's Letter to Shareholders

As we prepared this annual report and reflected on our company's results for 2006, we felt it important to highlight our renewed focus on the customer and the customer experience.

I fear too many financial institutions have gotten caught up in viewing their customers merely as credit scores, fee generators or profitability tiers. Whereas we strive to daily impact the lives of thousands (albeit one quality relationship at a



time) with products, technology and service, all with unfailing reliability. Walt Disney always talked about "moments of truth" with guests. Our mission is very similar; we just like to refer to those opportunities as Great Southern's "points of impact".

There's an old equation in broadcast media that says reach + frequency = IMPACT. Throughout the pages that follow, we'll break down the various components of this equation. We'll look at it from both ends of the spectrum - on one hand we'll reveal some remarkable numbers relative to those served by Great Southern, but we'll also look at the individuals behind the numbers and their personal testimonials. Both are a reflection of the exponential impact of our involvement and commitment to our customers and communities, as well as factors in our ability to continue to reward you, our shareholders.

It's our people that drive this success. This year our associates stepped up to deliver on some tremendous initiatives and goals and we want to share their successes with you as well.

2006 was a challenging year for the industry and for Great Southern. However, many different factors - both external market dynamics and internal initiatives - converged to make this another record year for Great Southern Bancorp.

Our earnings for the twelve months ended

December 31, 2006, were \$2.22 per diluted share (\$30,743,000) compared to the \$1.63 per diluted share (\$22,671,000) the Company earned during the prior year.

We also realized growth in a number of areas that we believe will drive earnings and create value over the long run: total assets were \$2.24 billion (up 7.6%); gross loans receivable were \$1.70 billion (up 10.5%); and total deposits were \$1.70 billion (up 9.9%).

Stockholders' equity at December 31, 2006, was \$175.6 million (7.8% of total assets), equivalent to a book value of \$12.84 per share.

In 2006, NASDAQ reclassified the companies listed on their exchange and GSBC was selected for inclusion in the new Global Select Market. This market has the highest initial listing standards of any exchange in the world based on financial and liquidity requirements.

While recent stock performance hasn't matched historical success, over the last five years the value of our stock (assuming all dividends were reinvested and including adjustment for our two-for-one stock split in 2004) has increased 112%. And since going public (1989), each dollar invested in the initial public offering has now grown to approximately \$38 in market value.

Our industry is notorious for compiling lists, reports and surveys that enable investors, analysts and customers to see how our performance compares to national and local peers.

In the third quarter 2006, Great Southern ranked 73rd best on efficiency ratio among the largest 500 US bank holding companies with an efficiency ratio of 47.95%.

Locally, we continued to better our market share position in our home base of operations - Greene and Christian counties. Based on the June 30, 2006, FDIC data, we have 21.90% of the combined counties' eligible deposits. The institutions ranking second and third, Commerce Bank and Bank of America had market share figures of 9.84% and 9.63%, respectively.

For the fourth consecutive year, Great Southern was named the "Best Bank" in the *Springfield News-Leader's* Best of the Ozarks readers' poll. Best Mortgage Company and Best Travel Agency honors were also bestowed upon us, as well as runner-up in the Investment Services/Brokerage category.

During 2006, our primary focus was core deposit growth to fund continued strong loan growth. To that end, we rolled out two new programs that have significant, ongoing potential to acquire new deposits. First, our *Great Access Deposit Direct* - remote deposit capture program - allows a business to scan checks at their office and transmit a deposit electronically instead of physically making a trip to the bank. Thus, loan production offices that don't currently take deposits now have a solution to offer

borrowers for securing their deposits as part of the total relationship.

*NetGain* is a retail deposit acquisition strategy that is based on focusing direct mail to prospects with certain financial personalities that reside within a five mile proximity of one of our banking centers. Response rates exceeded industry standards and the bank's return on investment was realized in 15 months or less making it a desirable strategy that will be expanded and accelerated in '07.

Keeping on our pace of adding two banking centers a year, we opened our first banking center in a metro area outside our southern Missouri footprint - Lee's Summit. Putting to rest any doubts about our ability to be successful outside our home territory, Lee's Summit proceeded to break all previous new facility records surpassing the \$12 million deposit mark in just six short months.

Christian County

continues to be one of the fastest growing areas in Missouri. To better serve the northeast quadrant of the county, this fall we opened our second banking center in Ozark.

Columbia, Missouri was the site of this year's expansion within our LPO office network. In addition, Great Southern Travel acquired two agencies: Global Travel in Columbia and Classic Cruise and Travel in Lee's Summit.

Over the past couple of years we've talked a great deal about associate engagement and this continued to be a priority with the implementation of a new training course for middle management supervisors.

In addition, our Leadership Team is championing a "Great to Greater" vision that all associates can identify with, take ownership of, and adopt as a playbook for their business units. At Great Southern, we've always approached the process of

strategy as figuring out where the industry/business/consumer is going and working backwards to position ourselves to be there.

As the area's largest home-owned community bank, we know the importance of giving back to the communities that have been so faithful to patronize our business. In 2006, we re-invested over \$300,000 in non-advertising related contributions, sponsorships and underwriting.

We have over a 30-year relationship with the Missouri State University Athletics program, so when plans were announced for a new, state-of-the art arena to be ready for the 2008-09 season, Great Southern met the challenge and gave a gift to fund the purchase of a \$1.8 million scoreboard for the JQH Arena - named after long-time friend and customer, John Q. Hammons.

As we head into 2007, we're mindful of the challenges facing our Company, the industry and

the economy as a whole. Our associates, however, have done a commendable job of moving the profitability of our Company to consistently higher levels by focusing on relationship banking and operating efficiency.

I have every confidence in our strategy going forward and in the more than 700 hard-working, passionate people I am fortunate to work alongside. Everything we do, and the manner in which we do it, reinforces our 84 years of knowledge, dedication and commitment to customers, communities and enhancing shareholder value. I look forward to updating you on our progress throughout the year. Thank you for your continued support and investment in our Company.

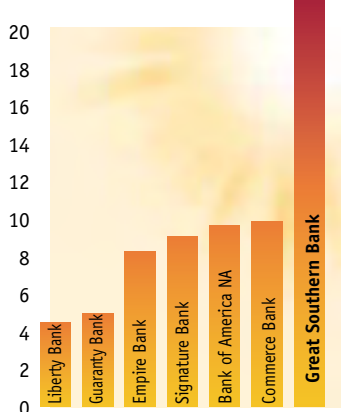
Sincerely,



William V. Turner  
Chairman

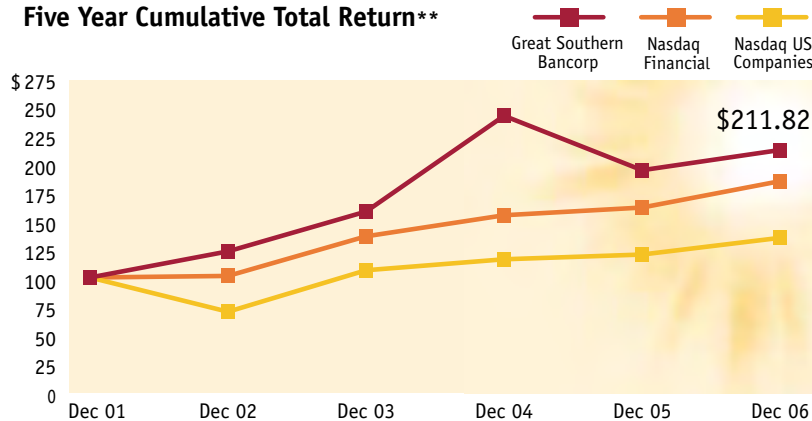
### Market Share\*

Based on Deposits in Greene & Christian Counties



\* Data Source: FDIC Website  
Data as of: June 30, 2006.

### Five Year Cumulative Total Return\*\*



\*\* The graph above compares the cumulative total stockholder return on GSBC Common Stock to the cumulative total returns of the Nasdaq U.S. Stock Index and the Nasdaq Financial Stocks Index for the period from December 31, 2001 through December 31, 2006. The graph assumes that \$100 was invested in GSBC Common Stock on December 31, 2001 and that all dividends were reinvested.

# President's Message to Shareholders

The theme of this year's annual report, *Points of Impact*, brings to mind the power of our Company to make a positive impact on the lives of our customers, associates, shareholders and communities. For instance, the impact comes at the point when our more than 700 associates come together to make our customers' lives better and easier. It happens at the point when Great Southern associates are given the opportunity to be challenged and grow in their professional lives, or when

the Company provides charitable dollars to a local non-profit organization so that it can address a need in the community. Our ability to create *Points of Impact* day after day ultimately translates into the Company's financial performance and serves as a measure of our success year after year. When this happens, our shareholders will be rewarded with a superior return on their long-term investment in our Company.

I'm proud to report that 2006 proved to be a successful year for Great Southern by several important measures that were indeed *Points of Impact*. We achieved record earnings which were driven primarily by our growth and expansion efforts.

Loans increased 11%, or \$162 million, from 2005, with growth mainly in commercial and residential construction lending from both our primary and loan production markets. While loan demand continued to be strong in our primary

markets, our loan production offices (LPOs) in Overland Park, Kan., Rogers, Ark., Columbia, Mo. and St. Louis, Mo., performed especially well in 2006 and are making a significant contribution in our overall loan production. Our total loan production resulted in a 13% rise in operating net interest income, our strongest driver in earnings growth. Also important in 2006, our operating net interest margin improved slightly to 3.48% from 3.37% in 2005.

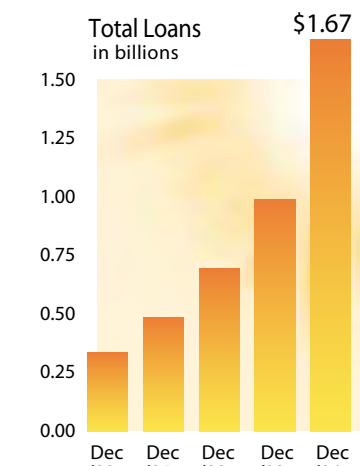
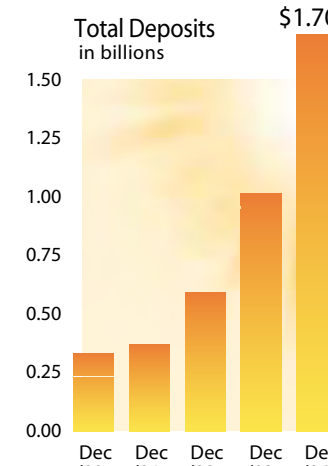
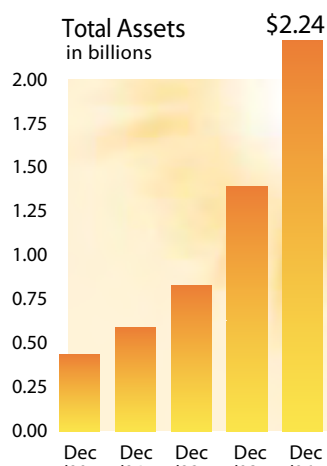
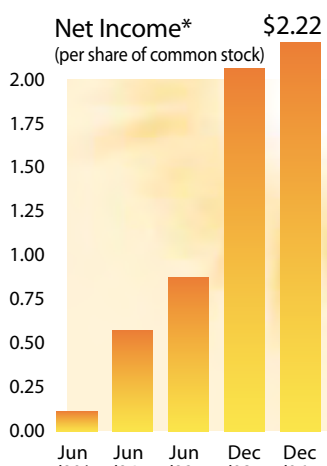
Core deposits (excluding brokered and national certificates of deposit) also grew in 2006 in a very competitive market with average balances gaining 14%, or \$114 million, from the previous year. For the year ended December 31, 2006, consumer and commercial demand and savings average balances increased by 11% and non-brokered CD average balances rose by 23% compared to 2005.

Our investment, insurance and travel divisions posted a 5% increase in commission

revenues in 2006. In particular, Great Southern Travel had an eventful year as it acquired two travel agencies: Classic Cruise and Travel in Lee's Summit, Mo., and Global Travel and Vacations in Columbia, Mo.

The Company's banking center network expanded to 37 with the addition of two new banking centers. We opened a new banking center in Lee's Summit, Mo., in mid-September, which marked our first retail presence in the Kansas City metropolitan market. By early March 2007, this banking center generated more than 800 new deposit account relationships with balances exceeding \$12 million, our most successful banking center opening to date. During the same time period, a second full-service banking facility opened in Ozark, Mo., a fast growing southwest Missouri community where our market share continues to strengthen.

We also expanded our product line-up in 2006. Our most significant product

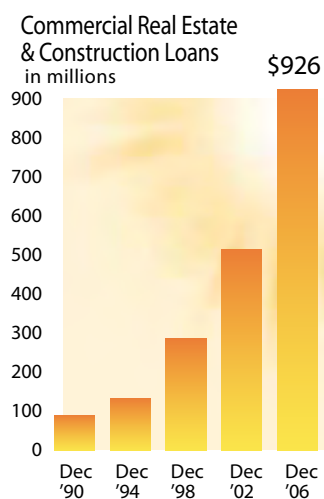


† Figure stated is as if the Company was publicly traded for all of the fiscal year 1990 (conversion was in Dec. 1989).

\*All per share amounts have been adjusted to reflect stock splits. The Company converted to a calendar year in December 1998; therefore prior years' net income numbers will reflect a June 30 fiscal year end.

addition for the year was the introduction of *Great Access Deposit Direct*, a remote capture deposit product for customers. Many industry experts have touted this product to be as revolutionary as the introduction of the ATM. With *Deposit Direct*, customers have the ability from any U.S. geographical location to make non-cash deposits to their bank account from the convenience of their computer desktop via the Internet. *Deposit Direct* is being aggressively marketed to LPO clients as well as business clients in our current retail footprint and is expected to generate significant deposits for the Company in the future.

Looking ahead, we expect 2007 to be a challenging year and we anticipate some headwinds with the current interest rate environment and competitive market pressures. But we are also looking at 2007 with optimism and with the understanding that we have a continuous opportunity to



expand and enhance our business, one customer at a time.

In 2007, we will begin executing a new corporate-wide strategic plan, which will serve as a roadmap to reach our growth goals. Moving forward, we'll continue to concentrate on quality asset and core deposit growth. We anticipate opening two to four banking centers a year and will likely enter or increase our presence in larger metropolitan markets. We also expect to open loan

production offices in new metropolitan markets.

Specific corporate priorities have been identified by our management team that require our focused attention in order for us to accomplish our long-term goals. Strategic initiatives and tactics will be implemented around each of the corporate priorities which include: customer acquisition and retention, associate attraction and retention, funding (core and non-core funding) strategies,

expense management, mergers/acquisitions strategy, and a metropolitan market entry model strategy.

In light of our strategic plan, expansion opportunities that fit within our business model will be explored in 2007. A new banking center in the southwest Springfield, Mo., market will open in late spring and two more banking centers will likely begin construction before the end of the year. An additional LPO site in a new metropolitan market is also

## SELECTED CONSOLIDATED FINANCIAL DATA

	December 31,				
	2006	2005	2004	2003	2002
<b>Summary Statement of Condition Information:</b>	(Dollars in thousands)				
Assets	\$2,240,308	\$2,081,155	\$1,851,214	\$1,544,052	\$1,405,256
Loans receivable, net	1,674,618	1,514,170	1,334,508	1,146,571	1,048,644
Allowance for loan losses	26,258	24,549	23,489	20,844	21,288
Available-for-sale securities	344,192	369,316	355,104	259,600	236,269
Held-to-maturity securities	1,470	1,510	1,545	1,570	1,590
Foreclosed assets held for sale, net	4,768	595	2,035	9,034	4,328
Deposits	1,703,804	1,550,253	1,298,723	1,138,625	1,016,997
Total borrowings	325,900	355,052	401,625	276,584	268,494
Stockholders' equity (retained earnings substantially restricted)	175,578	152,802	140,837	121,679	109,636
Average loans receivable	1,653,162	1,458,438	1,263,281	1,106,714	1,042,199
Average total assets	2,179,192	1,987,166	1,704,703	1,437,869	1,344,989
Average deposits	1,646,370	1,442,964	1,223,895	1,057,798	963,255
Average stockholders' equity	165,794	150,029	130,600	113,822	95,728
Number of deposit accounts	91,470	85,853	76,769	74,822	73,861
Number of full service offices	37	35	31	29	29

The tables on pages 5, 6, and 7 set forth selected consolidated financial information and other financial data of the Company. The selected balance sheet and statement of income data, insofar as they relate to the years ended December 31, 2006, 2005, 2004, 2003 and 2002, are derived from our consolidated financial statements, which have been audited by BKD, LLP. The amounts for 2004, 2003 and 2002 are restated amounts. See Item 6, "Selected Consolidated Financial Data - Restatement of Previously Issued Consolidated Financial Statements," Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8, "Financial Statements and Supplementary Information" in the Company's Annual Report on Form 10-K. Results for past periods are not necessarily indicative of results that may be expected for any future period. All share and per share amounts have been adjusted for the two-for-one stock split in the form of a stock dividend declared in May 2004.



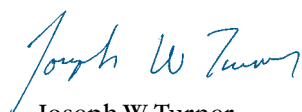
## President's Message

under consideration.

As you can see, 2007 and beyond will be busy and exciting times for Great Southern. We are committed to our long-term growth strategy and have an intense focus on areas that can make the greatest impact. Of course, none of this would be possible without our associates and their commitment to our Company. I am certainly humbled to have the chance to lead this talented group of people. I thank each and every associate for their hard work and for the skills and talents they bring to our Company, and the *Points of Impact* they create each and every day.

I would also like to thank our customers, who let us serve their financial needs and give us an opportunity to help make their lives a little better and easier. Our success, even our very existence, over the last 84 years is because of them. And finally, I thank you, our shareholders, for the confidence you've placed in us. Without your investment in our Company none of what we describe in the subsequent pages of this report would be possible.

I welcome your thoughts and suggestions ... and encourage you to learn more about how our Company makes and will continue to make *Points of Impact*.



Joseph W. Turner  
President and Chief  
Executive Officer

## SELECTED CONSOLIDATED FINANCIAL DATA

	For the Year Ended December 31,				
	2006	2005	2004	2003	2002
<b>Summary Income Statement Information:</b>	(Dollars in thousands)				
Interest income:					
Loans	\$133,094	\$98,129	\$74,162	\$66,739	\$67,351
Investment securities and other	16,987	16,366	12,897	9,440	12,810
	<u>150,081</u>	<u>114,495</u>	<u>87,059</u>	<u>76,179</u>	<u>80,161</u>
Interest expense:					
Deposits	65,733	42,269	28,952	25,147	29,344
Federal Home Loan Bank advances	8,138	7,873	6,091	5,400	6,852
Short-term borrowings	5,648	4,969	1,580	588	555
Subordinated debentures issued to capital trust	1,335	986	610	594	686
	<u>80,854</u>	<u>56,097</u>	<u>37,233</u>	<u>31,729</u>	<u>37,437</u>
Net interest income	69,227	58,398	49,826	44,450	42,724
Provision for loan losses	5,450	4,025	4,800	4,800	5,800
Net interest income after provision for loan losses	<u>63,777</u>	<u>54,373</u>	<u>45,026</u>	<u>39,650</u>	<u>36,924</u>
Noninterest income:					
Commissions	9,166	8,726	7,793	5,859	5,786
Service charges and ATM fees	14,611	13,309	12,726	11,214	8,430
Net realized gains on sales of loans	944	983	992	2,187	1,575
Net realized gains (losses) on sales of available-for-sale securities	(1)	85	(373)	795	3,443
Realized impairment of available-for-sale securities	---	(734)	---	---	---
Net gain (loss) on sales of fixed assets	167	30	403	161	57
Late charges and fees on loans	1,567	1,430	872	771	723
Change in interest rate swap fair value net of change in hedged deposit fair value	1,498	---	---	---	---
Change in interest rate swap fair value	---	(6,600)	1,136	(3,089)	9,569
Interest rate swap net settlements	---	3,408	8,881	7,352	6,136
Other income	1,680	922	879	1,004	463
	<u>29,632</u>	<u>21,559</u>	<u>33,309</u>	<u>26,254</u>	<u>36,182</u>
Noninterest expense:					
Salaries and employee benefits	28,285	25,355	22,007	18,739	15,842
Net occupancy expense	7,645	7,589	7,247	6,335	5,337
Postage	2,178	1,954	1,784	1,691	1,426
Insurance	876	883	761	683	514
Advertising	1,201	1,025	794	735	622
Office supplies and printing	931	903	811	855	828
Telephone	1,387	1,068	903	797	769
Legal, audit and other professional fees	1,127	1,410	1,309	1,078	808
Expense on foreclosed assets	119	268	485	1,939	597
Write-off of trust preferred securities issuance costs	783	---	---	---	---
Other operating expenses	4,275	3,743	3,160	2,901	2,245
	<u>48,807</u>	<u>44,198</u>	<u>39,261</u>	<u>35,753</u>	<u>28,988</u>
Income before income taxes	44,602	31,734	39,074	30,151	44,118
Provision for income taxes	13,859	9,063	12,675	9,856	15,313
Net income	<u>\$ 30,743</u>	<u>\$ 22,671</u>	<u>\$ 26,399</u>	<u>\$ 20,295</u>	<u>\$ 28,805</u>



## SELECTED CONSOLIDATED FINANCIAL DATA

	At or For the Year Ended December 31,				
	2006	2005	2004	2003	2002
	(Dollars in thousands, except per share data)				
<b>Per Common Share Data:</b>					
Basic earnings per common share	\$ 2.24	\$1.65	\$1.93	\$1.48	\$ 2.10
Diluted earnings per common share	2.22	1.63	1.89	1.46	2.07
Cash dividends declared	0.60	0.52	0.44	0.36	0.35
Book value	12.84	11.13	10.28	8.88	7.99
Average shares outstanding	13,697	13,713	13,702	13,707	13,726
Year-end actual shares outstanding	13,677	13,723	13,699	13,703	13,714
Year-end fully diluted shares outstanding	13,825	13,922	13,995	13,887	13,880
<b>Earnings Performance Ratios:</b>					
Return on average assets <sup>(1)</sup>	1.41%	1.14%	1.55%	1.41%	2.14%
Return on average stockholders' equity <sup>(2)</sup>	18.54	15.11	20.21	17.83	30.09
Non-interest income to average total assets	1.36	1.08	1.95	1.83	2.69
Non-interest expense to average total assets	2.23	2.21	2.27	2.35	2.11
Average interest rate spread <sup>(3)</sup>	2.83	2.73	2.81	2.98	2.98
Year-end interest rate spread	2.95	3.05	2.63	2.88	3.05
Net interest margin <sup>(4)</sup>	3.39	3.13	3.10	3.27	3.30
Efficiency ratio <sup>(5)</sup>	49.37	55.28	47.23	50.57	36.74
Net overhead ratio <sup>(6)</sup>	0.88	1.14	0.35	0.66	(0.53)
Common dividend pay-out ratio	27.03	31.90	23.28	24.32	16.79
<b>Asset Quality Ratios:</b>					
Allowance for loan losses/year-end loans	1.54%	1.59%	1.73%	1.78%	1.99%
Non-performing assets/year-end loans and foreclosed assets	1.46	1.09	0.48	1.40	1.75
Allowance for loan losses/non-performing loans	129.71	151.44	524.43	282.02	146.60
Net charge-offs/average loans	0.23	0.20	0.17	0.47	0.56
Gross non-performing assets/year-end assets	1.12	0.81	0.35	1.06	1.34
Non-performing loans/year-end loans	1.19	1.05	0.33	0.63	1.36
<b>Balance Sheet Ratios:</b>					
Loans to deposits	98.29%	97.67%	102.76%	100.70%	103.11%
Average interest-earning assets as a percentage of average interest-bearing liabilities	114.26	113.05	112.56	112.30	111.22
<b>Capital Ratios:</b>					
Average stockholders' equity to average assets	7.6%	7.6%	7.7%	7.9%	7.1%
Year-end tangible stockholders' equity to assets	7.8	7.2	7.6	7.9	7.8
Great Southern Bank:					
Tier 1 risk-based capital ratio	10.2	10.1	10.7	11.0	10.8
Total risk-based capital ratio	11.5	11.3	11.9	12.3	12.0
Tier 1 leverage ratio	8.9	8.3	8.5	9.0	8.6
<b>Ratio of Earnings to Fixed Charges:<sup>(7)</sup></b>					
Including deposit interest	1.55x	1.57x	2.05x	1.95x	2.18x
Excluding deposit interest	3.95x	3.29x	5.72x	5.58x	6.45x

(1) Net income divided by average total assets.

(2) Net income divided by average stockholders' equity.

(3) Yield on average interest-earning assets less rate on average interest-bearing liabilities.

(4) Net interest income divided by average interest-earning assets.

(5) Non-interest expense divided by the sum of net interest income plus non-interest income.

(6) Non-interest expense less non-interest income divided by average total assets.

(7) In computing the ratio of earnings to fixed charges: (a) earnings have been based on income before

income taxes and fixed charges, and (b) fixed charges consist of interest and amortization of debt discount and expense including amounts capitalized and the estimated interest portion of rents.

## CUSTOMER IMPACT



### Exploring new ways to take care of our customers.

Customer Appreciation Days at any of Great Southern's thirty-seven banking centers have all the elements of a family reunion and a neighborhood cookout. Each location chooses a date, hangs up its banner, and issues personal invitations to customers to stop by, say hello, and enjoy refreshments. Associates do the cooking and serving while customers – as well as family, friends, and neighbors – get to relax and enjoy the day.



#### **A competitive perspective.**

Consumer research notes the growing national trend for people to think of their banks in terms of their bank cards. Eager to generate new customer relationships, big bank marketers have packaged their identities and touted their cards as an easy-to-make – and deliver – handshake of introduction. But if the success of such a strategy is measured by card distribution alone, the

begging question may be “at what cost to the bank’s own identity?” In the effort to make it simple for new customers to sign on, does a bank forfeit the perception of a broader relationship with customers in its contest for card carriers? Are consumer expectations of the relationship actually diminished as they become defined more and more by the benefits of the card?

A big part of this consumer perception, of

course, is very real. Universally-available credit, debit and gift cards – along with online banking and bill-paying conveniences – not only serve to level the playing field for competing banks, but also support a broader consumer trend toward self-reliance, doing-it-yourself and the idea that having multiple options is, by itself, an expression of independence. Or put another way – “freedom from reliance on a

relationship” - hardly the traditional view, where a bank relationship is seen as one of the more important ones to develop.

But as banks become their cards, the concept of “relationship” is oversimplified to perhaps its most impersonal form. Building a real relationship with customers is much

harder than that. More involved. More rewarding. And something we’re especially good at.

### **Our familiar face.**

In Great Southern Country, relationship is everything. “Building Winning Relationships” is not only our stated corporate mission, it’s how

we’re known. By more than a bank card. By more, even, than our bank. Great Southern Insurance has been a local fixture in casualty protection since 1952. Great Southern Financial Services celebrates its 25th year, and has been named Runner-up or Best Investment Securities/Brokerage Firm in three of the last four annual *Springfield News-Leader* reader polls. Great Southern Travel enjoys its own reputation as the area’s biggest and best travel agency, and ranks among the nation’s Top 75. And of course, Great Southern Banking Centers and ATM signs are familiar and welcome sights everywhere. We’ve been named “Best Bank in the Ozarks” for four years running, but nobody’s thinking just bank. Around here, the whole is greater than the sum of our parts, and we’re referred to, simply, as Great Southern.

### **Known by the company we keep.**

Today a customer will enter one of our Banking Centers and open an account - one of 1,560 we’ll open in a month. Another will head to a teller window to conduct one of nearly 245,000 transactions our tellers will handle this month, while another pulls up to an ATM and makes one of 35,000 transactions our 177 cash machines will handle this week. Customer Service will answer more than 480 calls today, our switchboard another 340, and our automated PhoneBank system will

## **EXCEPTIONAL IMPACT**

*In appreciation for their business and celebrating their recent retirement, Financial Advisor Steve Brooks treated Donetta and Harry Clouse (foreground) to their first Springfield Cardinals game in style at our Hammons Field box. Harry says simply,*



*“Since we met him three years ago, Steve has managed our investments better than any other financial advisor we’ve known.”*

*Steve reflects, “While managing the occasional ‘home run’ stock sale or windfall inheritance for a client can be fun, real satisfaction - day-in and day-out satisfaction - comes from knowing I’ve helped earnest, hardworking people like Harry and Donetta achieve their financial goals so they can retire comfortably and securely, for life.”*

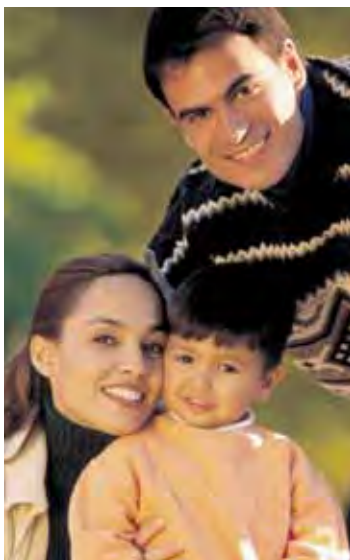


Great Southern Travel is recognized among the nation’s top producers by a long list of leading leisure vendors, including MLT Worry Free Vacations, Classic Custom Vacations, Ensemble Travel Group, Holland America, Apple Vacations and Funjet - and for an unprecedented second year-in-a-row, garnered Disney Travel Company’s “Agency of the Year” award.



(Top) Ozark North Banking Center manager Donna Morris was delighted when her Grand Opening prize winner turned out to be a long-time customer of our other Ozark location. Victoria Oxner won a Caribbean Cruise for two.

(Bottom) Great Southern welcomes a growing Hispanic population with free checking, bilingual associates, 24-hour phone banking in Spanish and dedicated lending officers to help them realize their American dreams of home and business ownership.





# CUSTOMER IMPACT

handle some 1,850 other customer inquiries. Business Support Services will process 150-200 customer wires totaling \$100-\$150 million before the day's out, and our Cash Vault will process nearly 6,500 rolls of coin for our merchant, correspondent and banking center customers.

If it's an average day, we'll also sell 209 airline tickets, make more than 90 hotel reservations and book 21 cruises and tours for our customers.

Our full-spectrum involvement in the daily lives of our customers is equally evident and high-energy away from the office. Every day, dedicated Great Southern associates spread out into their communities, delivering personal, business

and VIP services and exploring new ways to take care of customers at every touch point. Our Consumer Lending department has grown to serve customers both directly and indirectly, supporting a growing network of more than 100 area auto, boat and RV dealers with on-the-spot

financing assistance.

For businesses with lots of checks to deposit, our Corporate Services team introduced *Great Access Deposit Direct*, a state-of-the-art service that lets them scan and deposit checks to their accounts from the convenience of their desktop, securely, at will,

(Right, top) To help introduce the concept of *Deposit Direct* to business clients and prospects, Corporate Services mailed die-cut-to-actual-size brochure cards showing the machine's small desktop footprint, along with "interactive" check inserts demonstrating how it works.

(Right, bottom) The Summit Club celebrated its 20th anniversary with more than fourteen thousand active members. Southern Missouri's largest bank club, Summit Club offers exclusive banking, travel, insurance, and investment benefits to customers age 50 or better. Some seventeen hundred members and their guests attended the club's annual birthday party last year at the Juanita K. Hammons Hall for Performing Arts.

(Opposite page, top) Commercial lending partnerships – like Hilton's 200-room *Promenade at Branson* boutique hotel at Branson Landing – keep the Great Southern sun prominent with forward-thinking area developers.

(Opposite page, bottom) Consumer Lending effectively adds 100 convenient locations for Great Southern financing through an indirect network of local auto, boat, motorcycle and RV dealers.





without leaving the office.

As our communities have grown, we've grown with them, both in service and physical convenience. Our Thayer branch celebrated its 30th year in the community as a full-fledged banking center, bringing our long-time friends and neighbors there the same sophisticated

client service and depth of support we offer to all Great Southern customers.

Lebanon welcomed our expanded banking and travel center there in a Grand Re-Opening blitz that brought in 64 new CDs, 24 new customers and \$720,000 in deposits in just two days. And on the heels of a stellar



Grand Opening in Lee's Summit (we're saving that for later - skip to page 17 for results), we opened a second banking center for our Ozark customers in early September with equally grand results. By year end, Ozark North customers had opened 222 accounts, representing a balance of \$1.88 million in new deposits.

Importantly, our involvement in customer service and attention is genuine, and our customers know it. They see it every day, even rely on it, and are not surprised to note that free public seminars on the impact of Medicare Part D are sponsored by the Summit Club, that a timely *Parents Magazine* article on "Money Matters" is authored by a Great Southern associate they know, or that news of a special FHLB grant to help non-homeowners own their own homes comes first from Great Southern. They note with some pride that our Financial Services partnership with Raymond James is helping make a new \$67 million arena for Missouri State University a reality, and that our Community Development Corporation is driving a resurgence in downtown development.

Our involvement is appreciated. And the feeling is mutual. 🌟

## EXCEPTIONAL IMPACT



*As a reminder of the impact superior service can have, our home office loan team keeps a board full of handwritten notes from customers, like this one:*

*"Thank you, Chris! Congratulations and many 'Thanks' for your labor on our project with Great Southern Bank. We realize many hands were involved in the workmanship of our 'reverse mortgage loan' but your leadership is what stands out in our minds.*

*You were 199% professional at all times.*

*We will have no problem recommending you and the staff at G.S.B. to anyone we may have the occasion to talk with."*

*Vern & Hildred Carpenter*

## GEOGRAPHIC IMPACT



### The ripple effect.

When you take great care of your customers, word gets around. In addition to helping us expand services to existing clients, the power of a winning customer relationship comes sharply into focus as we explore new growth opportunities outside our primary market area. Both by referral and in

partnership with us on their own projects, long-time customers have played a visible role in the success of our loan production efforts in targeted growth markets like Northwest Arkansas, Kansas City, St. Louis, Branson and Central Missouri.

In only its third year of

operation, our Rogers, Ark. office originated \$75 million in commercial loans for the year, with \$150 million in loans outstanding. Rogers has proven to be a smart choice for Great Southern attention, and was recently ranked best performing city in the nation by the 2006 Milken Report. High-visibility

Bentonville's Oak Tree development offers spectacular custom home sites on one-third to 2-acre lots set among centuries-old majestic oaks.





partnerships - including buildings for Kimberly-Clark and Wal-Mart/Sam's egg supplier Country Creek, the impressive 200-acre Oak Tree gated community development in west

Bentonville and the recently-completed Northwest Arkansas children's clinic in Rogers - are making Great Southern a familiar and welcome neighbor in the burgeoning Northwest

Arkansas corridor ... and beyond. Our relationship with Bella Vista and Branson West developer Cooper Communities even takes us to Orange Beach, Alabama, where the bank is partnering with Arkansas National Bank on the 20-story beachfront condo "Escapes!"

Also in its third year, our LPO in Overland Park serving the Kansas City area mirrors the impact we've been able to achieve in Arkansas, recording \$75 million in commercial loan originations for the year and outstanding loan balances of \$184 million. Our reputation for top-notch service and assistance with residential development projects - like The National Golf Club, the upscale 1819 Lofts in Kansas City's arts district and the Metropolitan Condominiums on 8th Street - has helped us secure new retail development business in the area as well. Like the 65,000 sq. ft. Belton Marketplace taking



(Top) A luxurious 20-story condo rises over the waterfront in Orange Beach, Alabama, where Great Southern is partnering with Arkansas National Bank to make Cooper Communities' dream for "Escapes!" come true.

(Bottom) The new UAMS Center for Children - just our kind of project. Great Southern is proud to partner in commercial projects serving regional growth and progress, especially those which so broadly impact our community's quality of life.

## EXCEPTIONAL IMPACT

*With seven assisted living facilities spread across Illinois, Ohio and Indiana, Provision Living President Todd Spittal especially appreciates the convenience of Great Access Deposit Direct. Each facility has its own desktop deposit machine and account, which automatically sweep each day into an operating account at his St. Louis headquarters.*



*"The bank comes to me - I love it."*

*Todd Spittal  
President - Provision Living, LLC*

# GEOGRAPHIC IMPACT

shape on Hwy. 58 just west of Hwy. 71 for Office Depot, Hibbett Sports, Starbucks, Verizon and other big-name tenants.

The Great Southern sun has enjoyed a warm welcome in our St. Louis target from the outset. Barely two years old, our lending office in Creve Coeur produced \$194 million in loan originations for 2006, with \$213 million in outstanding loan balances at year end. Significant partnerships are making a

major impact in the revitalization of St. Louis' downtown business district, including renovation of the historic 475,000 sq. ft. Missouri Pacific Building on 13th Street, along with six other LPO projects just four blocks away lining Washington Avenue. Across town to the west, in the rolling hills surrounding Eureka near Six Flags, a secluded 400-acre community of luxury homes with spacious yards and room to breathe is taking

root in Ashton Woods under the fertile Great Southern sun.

Great Southern territory spread into "Tiger Country" in March 2006 with the establishment of a regional mid-Missouri LPO based in Columbia. The office oversees our commercial lending efforts in Columbia, Jefferson City and the Lake of the Ozarks region, and supports a local loan team at our Osage Beach Banking Center. By year end the Columbia LPO generated

(Right)

"Proactive. Progressive. Responsive."

That's how Lake of the Ozarks developer Mark Kelly (*right*) sums up his working relationship with associates Curt Morgret, Columbia (*left*) and Mike Stuck, Osage Beach.

(Opposite page, top)

## MARKET MANAGERS

*Seated from left:* Ron Pender, Northwest Arkansas, Curt Morgret, Central Missouri and Craig Kesner, Branson.

*Standing from left:* Cyd Everett, Springfield, Kevin Baker, St. Louis and Henry Heimsoth, Kansas City.

(Opposite page, bottom)

The historic Grand City Building began a new legacy as office headquarters for Fortune 500 company SAIC during the year. Developer Tim Boyle partnered with Kevin Baker of our St. Louis LPO to keep the massive renovation project on time and on budget.







loan originations totaling \$26 million, with \$40 million in outstanding balances.

A dedicated loan office in Branson serves Missouri's other major lakes-area playground in the south, comprising Table Rock, Taneycomo, Beaver and Bull Shoals lakes and stretching deep into northern Arkansas. The rise of Branson Landing on Lake Taneycomo in downtown Branson has helped fuel a renaissance in planned development activity throughout the region, as a flourishing tourism economy continues to drive employment, retirement living and commercial and residential construction. Partnerships like the waterfront Majestic Condominiums, the Fieldstone at Branson Creek townhome community in Hollister and Hilton's unique Promenade at Branson boutique hotel on Branson Landing underscore our reputation as the area's lending authority, and helped our Branson office record \$143.7 million in new commercial, residential and consumer loans for the year, with outstanding balances of \$197 million.

While commercial lending expertise has been an effective calling card as we've explored new markets, other service divisions are introducing and extending our brand across the new market territory as well. With the acquisition of Columbia's Canterbury Travel & Tiger Travel Associates in 2005, our travel division began familiarizing area residents

## EXCEPTIONAL IMPACT

*Referring to the difficulties she and her husband experienced with other lenders while trying to refinance their mortgage during the holidays, Rita Hull praised Great Southern's attention, concluding:*



*"Ms. Warren, after dealing with Chase, I can't tell you how refreshing it was to have these two gentlemen offer such a professional, helpful and client friendly approach to refinancing our home mortgage. Our daughter, Aimee Olmstead, Great Southern Bank - Columbia, MO, gave us the contact information for Chris. We are so pleased she has joined such a people-friendly organization. We are certainly pleased with the experience with Chris Zimmerman and Billy Rude.*

*Thanks to you and your organization for providing such excellent service."*



# GEOGRAPHIC IMPACT

and businesses with the Great Southern name even before we established an LPO there in Spring 2006. A visible sponsor of University of Missouri sports at Mizzou Arena and the official travel agency of the MU Athletics Department, Great Southern Travel recently acquired Columbia's Global Travel & Vacations to expand its professional staff and market presence in mid-Missouri.

Our Corporate Services team is positioning full-time representatives in our St. Louis and Kansas City LPO offices to extend on-site business and deposit services to our commercial loan clients there. Expanding service. Building on winning relationships. Defining our brand.

Having a good name has a

ripple effect. It can also make a big splash. In terms of impact, our most rewarding new market venture during the year was the launching of a full-blown, full-service Great Southern Banking Center in Lee's Summit in August 2006. Far from home turf and in the backyard of some

(Right) 15,000 first-class mailing tubes nearly overwhelmed the local post office, but quickly became the talk of the town. Days later, recycled tubes were even showing up in creative new applications as classroom science projects.



(Opposite, top)  
SENIOR CREDIT COMMITTEE

Back row: Joe Turner, President and Chief Executive Officer, William V. Turner, Chairman of the Board and Steve Mitchem, Senior Vice President and Chief Lending Officer.  
Front row: Bob Ogden, Director of Quality Control, Cyd Everett, Commercial Loan Market Manager, and Cal Glasco, Commercial Credit Officer.

of our most imposing big-bank competitors, Lee's Summit promised both great potential and a huge challenge to our associates -

much like the promise Columbus felt in his own distant ventures. Not surprisingly, our entire team pitched in with enthusiasm,

working out the operational details, thinking ahead, sharing their expertise, planning ... and going all-out. Before we opened, we had a network of seven ATMs in place at convenient spots across town, along with a cream-of-the-crop staff of experienced local banking associates on the team; Great Southern Travel brought Lee's Summit's own Classic Cruise & Travel in-house for added customer convenience under the Great Southern banner; our corporate services and commercial lending teams hosted advance preview parties for area VIPs, and marketing taxed the local post office with 15,000 gold mailing tubes telling our story and inviting the public

to "Discover Great Southern."

The reward for all this team effort became apparent early Saturday of Grand Opening week as the lobby quickly filled with well-wishers and new customers. We opened 131 accounts during the week-long Columbus Day celebration alone, and finished the year with more than 570. Lee's Summit welcomed us with open arms. Columbus couldn't have been much prouder. 🌟



(Left) At times the lobby was so crowded at our Lee's Summit Grand Opening, people in line at our new accounts desks were taking numbers! Hopefully, that's the last time they'll ever have to be patient with their bank.





## Friends in Need.

Giving back to our communities is a part of everyday life at Great Southern. We do this with the understanding that our Company can only be as strong as the communities we serve. As a financial institution, Great Southern has the opportunity to play a unique role in creating positive points of impact in our communities. By the very nature of our business, we are able to touch thousands of lives and help communities grow and prosper just with the products, services and capital we can provide. But we don't stop there. As active participants in the welfare of the community, we serve our neighbors in even more meaningful ways everyday, through innovative community partnerships, associate volunteerism and involvement, and targeted financial support.

(Right) Grant Avenue Baptist Church minister Brent Smith and family moved from Oxford, Mississippi into their new home on North Grant, a rehab project made possible by our CDC in partnership with the Urban Neighborhoods Alliance.

(Opposite page) Great Southern volunteers stay involved in a broad variety of community service activities, from highly-visible annual fund-raising events to everyday behind-the-scenes involvements like reading to kids in local classrooms.

The Great Southern Community Development division continued its work to strengthen neighborhoods and to make an impact on the lives of people in the community. In its third year of operation, the Great Southern Community Development





Corporation (CDC) completed two capital projects in 2006. The CDC's inaugural project, a new downtown Springfield building, became the home of the Community Foundation of the Ozarks. Not only has this building provided an accessible and uniquely designed headquarters for this invaluable community organization, it has also greatly improved the landscape of this area of downtown Springfield. So much in fact that the building was recognized with the North Springfield Betterment Association's Beautification Award.

The second completed CDC project was a joint

effort with the Urban Neighborhoods Alliance (UNA), a non-profit CDC, to rehabilitate a 100-year-old abandoned house in a Springfield center city neighborhood. The house was renovated and subsequently sold to a family, which has already established roots in the neighborhood. This private/public partnership was a prime example of a collaborative effort to help revitalize part of a core center city neighborhood with the hope that it will serve as a catalyst for further rehabilitation work in the neighborhood.

In conjunction with several community partners, Great Southern Community

Development was also instrumental in getting several new community initiatives off the ground in 2006 and early 2007. An idea between Great Southern and UNA to encourage and recruit quality teachers to locate in neighborhoods where they teach became a reality with the development of the "Teacher on the Block" program. This innovative program, in collaboration with Freddie Mac and the Springfield R-12 School District, offers down payment and closing costs assistance for teachers who teach in center city Title 1 schools to purchase a home in their school's neighborhood. Great Southern is proud to be a participating lender in this program, and offer financial support to the program.

Great Southern also played a role in the creation of a regional community leadership program, which is sponsored by Missouri State University's Community and Social Issues Institute. The Company, with other community partners, developed this program to provide civic and non-profit leaders with the tools and skills they need to become more effective and proficient at building strong communities.

Support of Downtown Springfield revitalization efforts and business development continued in 2006. Our Company partnered with Urban Districts Alliance and the Downtown Springfield Association to introduce "Downtown Dollars," a gift

## EXCEPTIONAL IMPACT



*"By participating in Downtown Dollars, Great Southern shows that they have a stakehold in not only their customers, but the community as well. It's a great feeling to know that we bank with a company that cares and supports local businesses."*

*Nicole and Dan Chilton  
Owners - Moxie Cinema*



## COMMUNITY IMPACT

certificate program for downtown businesses. To help kick-off the holiday shopping season, Great Southern sold the certificates at selected banking centers and handled certificate processing for more than 30 downtown businesses. Demand for the certificates exceeded expectations and underscored the great strides that have been made in downtown Springfield.

These are but a few examples of the points of impact that Great Southern made in 2006 through various community collaborations and partnerships. Another

significant way we create points of impact is through our more than 700 associates. We strongly encourage them to be involved in the community, whether it's sitting on a non-profit organization's board, volunteering at a community event, or going once a week to read to a child at the local school. In the spirit of our "Caring and Sharing" motto, our associates shared their skills and collectively gave thousands of hours of their time to worthy organizations that helped make our communities better and stronger.

While associates gave of their time all year long, more

than 80 associates chose one blistering hot August day to volunteer their time by participating in United Way's Day of Caring. Great Southern helped three of the 26 United Way agencies, doing such things as landscaping, sorting clothes, home repair and painting. The impact of this one day of volunteer work was invaluable both for the United Way agencies and for the participants. Work projects were accomplished that would not be possible otherwise and volunteers gained a better understanding of the needs in our community and the satisfaction that they indeed

(Right) Louie rocks on Great Southern ribs! Manned by our top outdoor barbeque chefs, the Great Southern cookout booth at "Rock-N-Ribs" is always a popular spot with the crowd. The annual event was held on the parking lot at Bass Pro Headquarters last year, with proceeds benefitting Boys & Girls Town, Big Brothers/Big Sisters, Boy Scouts, Ronald McDonald House and the Good Samaritan Boys Ranch.

(Opposite top) Our CDC's "Teacher on the Block" initiative encourages teachers to live close to work, with special home loan financing assistance on homes near their school.

(Opposite, bottom) The bank launched a public service campaign to help curb identity theft and promote awareness of the issue with an all-day public "ShredFest" on the lot at our Operations Center. Radio broadcasts invited the public to gather up sensitive, unneeded papers and "shred 'em to oblivion in our 'mother-of-all' paper shredders." Associates helped with heavy boxes, served refreshments, and passed out 7-point hot-sheets on the latest measures in ID theft prevention.





made a difference.

To complete the circle of Great Southern's impact in the community, the Company provides financial support to many community activities and charitable organizations. We believe our sponsorships and

contributions of more than \$300,000 last year effectively addressed many needs in our community, touched lives in meaningful ways, and enhanced the quality of life.

Our key sponsorship of the Springfield Cardinals, the

AA affiliate of the St. Louis Cardinals, enters a third season. We remain a major sponsor and the banking partner of the Springfield Cardinals and continue to reap the rewards of this affiliation.

We also continue in our tradition of backing area university and high school athletic programs, which are strongly supported by their respective communities. Our long-time association with Missouri State University Athletics keeps getting stronger. The University recently announced its new \$67 million sports venue, the JQH Arena, named in honor of Missouri State alumnus and Springfield, Mo. hotel developer John Q. Hammons. Great Southern has committed to purchase the new arena's state-of-the-art video scoreboard, which will proudly bear the Great Southern name and serve as a significant advertising medium for many years to come.

Great Southern's ability and desire to create points of impact in the communities we serve is powerful. Being a good corporate citizen is a commitment we take seriously and we are actively engaged in making our communities better places to live, work and do business. Giving back to our communities is a part of everyday life at Great Southern. Stronger communities make for more opportunities for our customers, associates and our shareholders. 🌟

## EXCEPTIONAL IMPACT



*"The Community Foundation of the Ozarks has benefited greatly from the completion of our new building. It has enhanced our visibility in the community, provided us with an opportunity to host a number of important community service discussions, and allowed us to be a part of the ongoing Center City redevelopment. We appreciate so much the leadership role that the Great Southern Community Development Corporation played in this effort."*

*Gary Funk  
President, Community  
Foundation of the Ozarks*





## Staying on the same page, one page ahead.

(Right) President Joe Turner hosts quarterly luncheons honoring associates who are celebrating a service anniversary.

(Opposite, top) Graduates of our 6-month-long Customer Relationship Academy share their experiences at a "picnic commencement" in Fassnight Park.

(Opposite, bottom) "Exploring Great Southern" associates get an inside look at the Operations Center item processing department.

It's through our more than 700 associates that Great Southern is able to make a meaningful impact in the lives of our customers, shareholders and communities. This happens because our associates share a common set of beliefs in how we serve and treat customers, how we support our communities, and how we keep the best interests of our shareholders in mind in all decisions we make. The foundation of these shared beliefs comes from our Company's core values of doing what's right, teamwork, mutual respect and uncompromising ethical standards, which guide our team in everything we do.

In order to create Points of Impact for the outside world, we know we must create points of impact inside our Company. That's why we commit to provide a fair and fulfilling workplace with competitive compensation and benefits. And why we strive to create an environment that respects and empowers the individual, recognizes outstanding performance and encourages professional growth through training and constructive feedback.



What Great Southern associates bring to the workplace every day – their skills, talents and dedication – is not taken for granted. A simple thank you, a show of sincere appreciation and recognition of a job well done can go a long way. As one way to show the Company's appreciation, quarterly service anniversary luncheons were introduced in 2006. Associates who are celebrating a service anniversary during a particular quarter are invited to a high-energy luncheon hosted by President and CEO Joe Turner, where they are publicly recognized and thanked for their loyalty.

For our team to achieve the right kinds of impact, our associates must know

and understand where the Company is strategically going and how we're going to get there. Targeted efforts are being made through a "Great to Greater" initiative to communicate the Company's growth strategy. The Company's long-term goals and strategic plan are communicated to associates at all levels of the organization, so that each associate understands the important role they play in the overall success of the Company. When all associates know and understand where we're going and how we're going to get there, that creates a powerful force.

Just as we want our associates to learn about our corporate strategy, it is





critical that we give our people opportunities to learn, grow and advance in their careers. In 2006, several new training initiatives were introduced to help with individual and team development. These classes supplement an already rich and comprehensive training curriculum provided by our experienced Training and Development staff.

"Achieving Extraordinary Customer Relations" is a program that offers associates various techniques and skills from many fields - psychology, sales training and scientific observation of behavior - that will add a new energy and warmth to their interactions with co-workers and our customers. This training supports Great Southern's use of extraordinary service to differentiate itself and create customer loyalty.

Another new course, a six-week supervisory training program, provides associates techniques to improve their supervisory effectiveness and performance. Each class is interactive with individual and team exercises as well as on-the-job assignments.

To support the pursuit of continual learning among all associates, a "Brown Bag Luncheon" series was developed. These short 45-minute luncheons are characterized by positive energy, team spirit, and activities that enhance motivation among all associates.

## EXCEPTIONAL IMPACT

*The axiom "treat your customers as you would like to be treated" took on special meaning for bank associates Emily and Jeff Patrick when their honeymoon was interrupted by a cancelled flight. In a follow-up letter thanking our travel division, Emily explains,*



*"It was about 5:30 in the morning so our agent wasn't in but we called the 800 number and explained our situation to the gal who answered the phone. She literally had us on a flight within 10 minutes that was actually leaving before our original flight and ended up being about \$20 per person cheaper. She also said that she had already taken care of the refund on the original flight, had our return flights re-booked as well, and to call her if we had any problems. "I know it doesn't seem that major on paper, but when you're on 'terminal hold' at the airport, it's really nice to just call one number and have it taken care of that quickly."*

# INTERNAL IMPACT

A formal investments sales training program was created to support the great partnership between the Company's investments division and the banking center network. The program offers a full curriculum of courses including Investments 101, referral training, fixed annuities training and call training.

Two innovative training initiatives that were introduced last year continue to provide positive results for our Company. "Explore Great Southern," a two-day associate workshop helps clarify how each division functions and inter-relates to support the whole organization. The "Customer Relationship Academy" develops associates' ability to build deeper relationships with customers across business lines. A select number of associates

throughout the Company participate in this six-month academy to learn about the organization's inner workings, and most importantly, how to work together more effectively to bring the full power of Great Southern to the customer.

At Great Southern, we understand it begins with our associates, and our commitment to their success is deeply rooted. We believe there is a connection between "inside" and "outside" Points of Impact. The work environment we create for our associates serves as a catalyst for the Points of Impact that are created outside the walls of Great Southern.

## AN INSIDER'S LOOK Where greatness lies.

One of the hallmarks of a successful organization is how it responds in crisis. Many organizations can

succeed when the sun shines and the wind is at their backs. A truer test of the strength and integrity of a company comes when adversity hits.

Shortly after the devastating ice storm in January '07 that left more than 400,000 Missourians without power, the following recap appeared in "The Link", Great Southern's intranet newsletter for associates. It speaks volumes about our internal culture, and is insightful reading for shareholders as well:



(Below, right) VIP kids. Supporting associates in their efforts to be here for customers dealing with the ice storm, VIP Banking associate Amy Bilstrand turned the Operations Center training room into an on-premise child care center.

(Below, left) Required equipment. Associates using alternative heating sources at home during the power outage were provided CO2 detectors to take home with them, just to be safe.





## ***Ice Storm - Great Southern responds.***

After the initial storm hit, a management team gathered at the Operations Center on Saturday morning to review contingency plans for responding to the anticipated challenges. Several generators were purchased over the weekend, and an assessment of each banking center was performed. With the power out at our Travel Center on National, a generator was hooked up to run the switchboard, and staff (including Director Kris Conley) answered phone calls all weekend to respond to panicked travelers trying to get into and out of Springfield. By first thing Monday morning, 33 out of our 37 banking centers were open for business ... four of them running on generators. Travel associates were

relocated to the Operations Center training room to help their customers. By mid-morning, half of our ATM network had been restored. We were open and ready for our customers when they needed us most. To better help our customers-to-be, Great Southern initiated one of its emergency policies to allow non-customers to cash checks up to \$50 with proper ID. With so many businesses off-line and unable to perform credit card transactions, cash was king - and we were there to help. By Tuesday morning, all but one of our banking centers were open and ready to assist our customers.

The managers of our company knew that many of our associates were also experiencing hardship with the continued onslaught of two more waves of ice

storms. Lunch was provided to associates on Monday and Tuesday due to the hazardous outside conditions and the limited number of restaurants open. Hundreds of gallons of kerosene were made available to associates at cost to help with their own personal needs. Cots were purchased and set up in the Operations Center for associates to have a place to stay if conditions were impossible at home. Several associates took advantage of the opportunity for a warm place to sleep. Children were allowed to be brought to work on Monday and Tuesday to accommodate families, and by Wednesday, a fully-staffed child care operation with 60 children (see pictures) was up and running at the Operations

Center. Supervisors were encouraged to be flexible with associates to help them take care of their many personal needs. The company also responded with offers to the community. A charitable donation was committed to one of the several shelters in Springfield to help with food. Several non-profits were offered the use of generators to bring power to their facilities. As further needs are assessed, our company will be there to help.

The initial response to the needs of our customers and associates demonstrated why Great Southern continues to be the leader among financial institutions in our markets. While the recovery and restoration for our families and communities is just beginning, rest assured that we will be there for our customers, associates, shareholders, and communities today, tomorrow, and for many years to come. 🌟



(Above) An ice storm so big they published a book.

# BOTTOM LINE IMPACT



## By the numbers.

*If what distinguishes our Company most had to be expressed in a word, customers and non-customers alike would find easy consensus on "involvement." Our dedication to helping people succeed in life takes full measure within each of our constituencies -- in customer service, in the well-being of our associates and shareholders, and in the quality of life in our communities.*



### New Accounts Opened

Breaking all our records, we opened more new accounts in 2006 than any previous year:

**18,720**

### PAVING THE WAY.

Our Community Development Corporation acts as a catalyst between neighborhood groups, financial institutions, developers and government entities to stimulate economic revitalization and community growth. CDC projects range from abandoned home rehabs to center city commercial development, and in response to recent tornadoes, have helped rebuild communities after the storm.

Community projects completed in 2006 sold for over **\$1.4 million**

Funding for historic renovation projects in 2006 exceeded **\$3 million**



Since 2001, our partnership with one of the area's largest children's charity has raised **\$132,380**



### Largest in Missouri

No other bank seniors' club in the state comes close to ours with

**14,071 Members**

### LOCATION, LOCATION, LOCATION.

Banking Centers .....	<b>37</b>
ATMs .....	<b>177</b>
Travel Retail Offices .....	<b>10</b>
Travel Corporate On-site Offices .....	<b>3</b>
Loan Production Offices.....	<b>4</b>
Building Square Footage .....	<b>312,000+</b>



**ATM**





## BUSINESS TO BUSINESS

From northern Missouri to the Alabama coast, our lending officers have helped businesses grow with

**1,671 Commercial Loans in 2006**

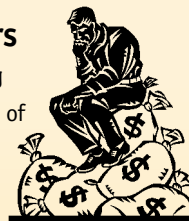
## Other conveniences from Great Southern:

**16,600 Online Banking Customers**  
**677,314 PhoneBank inquiries in 2006**  
**1,784,916 ATM transactions in 2006**

## Scoring Big Numbers with Investors

By offering a wide range of services and cross-selling with our established banking customers, the number of Great Southern Financial Services customers reached

**13,000**



## CHOICES. CHOICES. CHOICES.

With so many options and perks available to them, the number of our debit card customers increased to

**56,410**

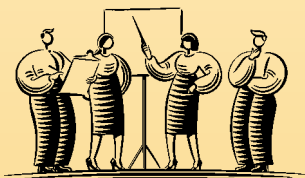
## Getting Down to Business

We're helping retail customers manage credit purchases and keep the cash flow going with **800 Merchant Services Accounts**



## For the Year

292,771	Loan transactions processed
744,000	Checking statements issued
60,000	Savings account statements
32,091,798	Items sorted and imaged



## 154 Associate Training classes

including our *Explore GS* program, Luncheon Series, and leadership building *GS Academy* are held year-round with

**1,277 Associates Attending**



**140,800**

## Travel tickets, rentals & reservations

for everything from executive business trips to family vacations were handled by Great Southern Travel this year.

## 450 VIP Banking Customers

at Great Southern enjoy a host of complimentary and preferred financial services, along with the convenience of a full-time point person, always on call to make things happen.



## Directors and Executive Officers

### DIRECTORS OF GREAT SOUTHERN BANCORP, INC. AND GREAT SOUTHERN BANK

#### *Back row*

**Earl A. Steinert, Jr.**  
Board Member  
Co-owner, EAS Investment  
Enterprises, Inc./CPA

**William V. Turner**  
Chairman of the Board

**Joseph W. Turner**  
President and  
Chief Executive Officer

**Larry D. Frazier**  
Board Member  
Retired - Hollister, MO

**Julie T. Brown**  
Board Member  
Shareholder, Carnahan, Evans,  
Cantwell & Brown, P.C.

#### *Front row*

**Thomas J. Carlson**  
Board Member  
Partner, Carlson Gardner, Inc.  
Mayor of Springfield, MO

**William E. Barclay**  
Board Member  
Retired - Springfield, MO



### EXECUTIVE OFFICERS OF GREAT SOUTHERN BANK

#### *Back Row*

**Rex Copeland**  
Senior Vice President and Chief  
Financial Officer/Treasurer

**Joseph W. Turner**  
President and  
Chief Executive Officer

**William V. Turner**  
Chairman of the Board

**Lin Thomason**  
Vice President and Director of  
Information Services

#### *Front row*

**Steve Mitchem**  
Senior Vice President and  
Chief Lending Officer

**Larry Larimore**  
Vice President and Compliance  
Officer/Secretary

**Doug Marrs**  
Vice President and  
Director of Operations





## Great Southern Leadership Team



Clockwise beginning at lower left:

**Teresa Chasteen-Calhoun**

Director of Marketing

**Kris Conley**

Managing Director of Travel

**Larry Larimore**

Compliance Officer/Secretary

**Kelly Polonus**

Director of Corporate Communications

**Lin Thomason**

Director of Information Services

**Steve Mitchem**

Chief Lending Officer

**Byron Robison**

Insurance Agency Manager

**Doug Marrs**

Director of Operations

**Barby Pohl**

Director of Retail Banking

**Brian Fogle**

Director of Community Development

**Matt Snyder**

Director of Human Resources

**Debbie Flowers**

Director of Credit Risk Administration

**Tammy Baurichter**


Controller

**Rex Copeland**

Chief Financial Officer/Treasurer

**Joe Turner**

President and  
Chief Executive Officer



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**im•pact** (im-pakt) *n.* 1. a forceful contact. 2. the force exerted when one body collides with another. 3. the force exerted by the influence of new ideas.

**Impact** (im-pakt) *v.* 1. to pack or drive firmly together. 2. to have an impact upon: make contact with.