



Kish Bancorp, Inc. Announces First Quarter Financial Results

Highlight Summary

- Kish's first quarter net income of \$1.13 million represented an increase of \$283 thousand, or 33.4%, from \$846 thousand in 2014.
- Total assets for the period increased to \$670 million, an increase of \$29 million, or 4.5%, compared to total assets of \$641 million at March 31, 2014.
- Total loans for the period increased by \$23 million, or 5.7%, to \$425 million, and total deposits increased by \$34 million to \$528 million, an increase of 6.8% from a year ago.
- Revenue from noninterest sources continued at healthy levels.

Release

State College, Pennsylvania (KISB) – April 30, 2015 – William P. Hayes, Chairman, President and CEO of Kish Bank and Kish Bancorp, has announced unaudited financial results for the period ending March 31, 2015.

"It pleases me to note a strong first quarter, with positive gains in earnings, loans, and deposits, as well as revenues from the Corporation's related affiliates, Kish Financial Solutions, Kish Insurance, and Kish Travel," Hayes said.

The Corporation's total assets ended the quarter at \$670 million, an increase of \$29 million, or 4.5%, compared to total assets of \$641 million as of March 31, 2014. Asset growth was driven by strong growth in loans. Year-over-year, gross loans increased by \$23 million, or 5.7%, to \$425 million from \$402 million at the end of March 2014. Total deposits grew by \$34 million to \$528 million, an increase of 6.8% from \$494 million a year ago. Borrowings decreased by \$12 million to \$86 million compared to \$99 million at the end of March 2014.

Net income at the end of the first quarter 2015 was \$1.13 million, an increase of \$283 thousand, or 33.43%, compared to \$846 thousand during the same period in 2014. The primary component of the increase was growth in net interest income, which, at \$4.8 million, increased by \$299 thousand, or 6.62%, from \$4.5 million the prior year. An additional provision of \$90 thousand was made towards the loan loss reserve in the first quarter of 2015. The allowance for loan losses at \$6.126 million represented 1.44% of total loans outstanding.

“The adequacy of the reserve is supported by strong asset quality, reflected in loan charge-offs that remained near zero,” Hayes said. He also noted that the levels of classified loans and loan delinquencies at Kish Bank are low when compared to peers.

Noninterest income was \$1.63 million for the quarter ending March 2015, an increase of \$327 thousand from \$1.31 million as of March 2014. The biggest impact came from gains realized from the sale of investment securities, which increased by \$249 thousand to \$159 thousand compared to a realized loss of \$90 thousand in the first quarter of 2014. Noninterest income also benefitted from positive results from the sale of residential mortgage loans, and increased revenue from other business units, including property and casualty insurance, wealth management, and travel.

Noninterest expense was \$5.14 million in the first quarter of 2015, representing a quarter-to-date increase of \$260 thousand, or 5.33%, from \$4.9 million during the same period in 2014. The primary drivers of the increase in the first quarter were higher compensation expense and expenses related to higher state shares tax accruals. Hayes said the increase was offset to some degree by reduced data processing expenses. Most other expense categories were well controlled when compared to the prior year, he said.

The Board declared a quarterly dividend in the amount of \$0.43 per share, payable April 30, 2015 to shareholders of record as of April 15, 2015.

About Kish Bancorp, Inc.

Kish Bancorp, Inc. is a diversified financial services corporation headquartered in Belleville, PA. Kish Bank, a subsidiary of Kish Bancorp, Inc., operates thirteen banking offices and financial centers in Centre, Huntingdon, and Mifflin Counties. In addition to Kish Bank, other business units include: Kish Insurance, Kish Financial Solutions, and Kish Travel. For additional information, please visit Kish Bancorp, Inc. online at www.kishbank.com. KISB is the stock ticker symbol for Kish Bancorp, Inc.