



Kish Bancorp, Inc. Announces First Quarter Financial Results

State College, Pennsylvania (KISB) – April 30, 2018 – William P. Hayes, Chairman, President and CEO of Kish Bancorp, Inc., has announced unaudited financial results for the period ending March 31, 2018.

“First quarter results reflect the strong momentum created by the excellent growth and balance sheet repositioning achieved in 2017, sustained 2018 expansion in loans and deposits, new and existing sources of non-bank revenues, and the positive impact of the Tax Cuts and Jobs Act,” Hayes said.

The Corporation’s total assets ended the first quarter at \$819 million, an increase of \$73.7 million, or 9.90%, compared to total assets of \$745 million as of March 31, 2017. Asset growth continued to be driven by strong growth in lending activities, with loans rising year-over-year by \$82.1 million to \$589 million, or 16.18%, partially offset by a decrease in investment securities of \$19.3 million, or 12.17%.

Total deposits grew by \$75.8 million to \$653 million, an increase of 13.12% from \$578 million a year ago. Due to strong deposit growth and a reduction in the securities portfolio, borrowings decreased to \$101 million, compared to \$108 million at the end of March 2017.

“I am pleased to note that net income for the first quarter of 2018 increased by 36.91% to \$1.36 million, compared to \$1.00 million in the first quarter of 2017,” Hayes said. He explained that this was prior to an additional downward adjustment of \$75 thousand required by new FASB mark-to-market rules for recognizing unrealized gains or losses on equity securities.

For the quarter, robust growth in loans and core deposits supported the expansion of net interest income to \$6.19 million, an increase of \$697 thousand, or 12.70%, compared to \$5.49 million at the end of March 2017. Contributions to the loan loss reserve equaled \$225 thousand for the quarter ending March 2018, supporting the growth in loans, compared to \$150 thousand in March 2017.

Noninterest income was \$1.82 million for the quarter ending March 31, 2018, an increase of \$162 thousand, or 9.75%, from \$1.66 million in 2017. “The increase in noninterest income came from fees derived from lending activities, sustained strength in the insurance and wealth management units, and the addition of revenues from Kish’s new employee benefits practice,” said Hayes.

Noninterest expense increased by \$456 thousand, or 7.77%, to \$6.33 million as of March 31, 2018 from \$5.87 million the prior year. The increase reflects higher compensation expenses, higher occupancy costs, increased data processing costs necessary to support higher levels of customer activity, and costs related to investments in low income housing projects. Most other expense categories were well controlled when compared to the prior year.

The Board of Directors declared a quarterly dividend in the amount of \$0.46 per share, payable April 30, 2018, to shareholders of record as of April 16, 2018.

About Kish Bancorp, Inc.

Kish Bancorp, Inc. is a diversified financial services corporation headquartered in Belleville, PA, where it was founded in 1900. Kish Bank, a subsidiary of Kish Bancorp, Inc., operates fifteen 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, Benefit Management Group, and Kish Travel. For additional information, please visit www.kishbank.com. KISB is the OTC stock ticker symbol for Kish Bancorp, Inc.