



## **Kish Bancorp, Inc. Announces Third Quarter Financial Results**

State College, Pennsylvania (KISB) – October 31, 2016 – William P. Hayes, Chairman, President and CEO of Kish Bank and Kish Bancorp, has announced unaudited financial results for the period ending September 30, 2016.

“Third quarter results demonstrated continued growth in the loan portfolio, which increased to \$480.8 million, a 9.7% increase from this time last year,” Hayes said. He added, “Continued strong loan growth, combined with a growing mortgage business that generated noninterest revenue growth of 9.75% compared to the same period last year, produced a solid third quarter for the Corporation.”

Net income for the first nine months of 2016 was \$3.34 million, a modest decrease of \$33 thousand, or 0.99%, compared to \$3.37 million in 2015. For the year, the net interest margin was 3.30%, compared to 3.29% for 2015. Net interest income after allowance rose to \$15.04 million, an increase of \$631 thousand, or 4.38%, from \$14.41 million the prior year. An additional provision of \$180 thousand was made to the loan loss reserve in the third quarter of 2016 to support the growth in the portfolio. The allowance for loan losses at \$6.18 million represented 1.29% of total loans outstanding. The continued adequacy of the reserve was supported by strong asset quality, reflected in the level of classified loans and low loan delinquencies.

Noninterest income was \$5.239 million for the nine months ending September 30, 2016, an increase of \$270 thousand from \$4.969 million as of September 2015. The increase in noninterest income came largely from higher gains from both the sale of residential loans and the sale of investment securities. “Noninterest income continued to benefit from increased revenue from other business units, including insurance and travel,” Hayes added.

Year-to-date, noninterest expense increased by \$1.0 million, or 6.73%, from \$15.5 million as of September 2015 to \$16.5 million as of September 2016. Primary drivers of the increase were higher compensation expenses related to additions to the sales force and increased employee benefits expenses. 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 \$0.43 per share, payable October 31, 2016 to shareholders of record as of October 17, 2016.

### ***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 fourteen 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](http://www.kishbank.com). KISB is the stock ticker symbol for Kish Bancorp, Inc.*