



# 2012 ANNUAL SHAREHOLDER MEETING

MAKING A DIFFERENCE,  
ONE CUSTOMER AT A TIME





# Board Nominees

- William Lake
- William Hayes



# Introductions

- Spyros Degleris
- Sangeeta Kishore



# 2011 Highlights

- Regulatory Agreement
- Enterprise Risk Management
- Sustained Financial Performance
- Strengthened Balance Sheet
- Building the Team
- Market Share
- Shareholder Performance



# Regulatory Agreement

TKISH

The slide features a dark blue background with a pattern of lighter blue, pointed, overlapping shapes that resemble a stylized sunburst or fan. On the left side, there is a vertical bar composed of four colored rectangular segments: yellow at the top, red, cyan, and green at the bottom. The letters 'K', 'I', 'S', and 'H' are stacked vertically in a large, blue, serif font, each partially overlapping its respective colored segment. The main title 'Enterprise Risk Management' is centered in the upper half of the slide in a white, serif font.

# Enterprise Risk Management

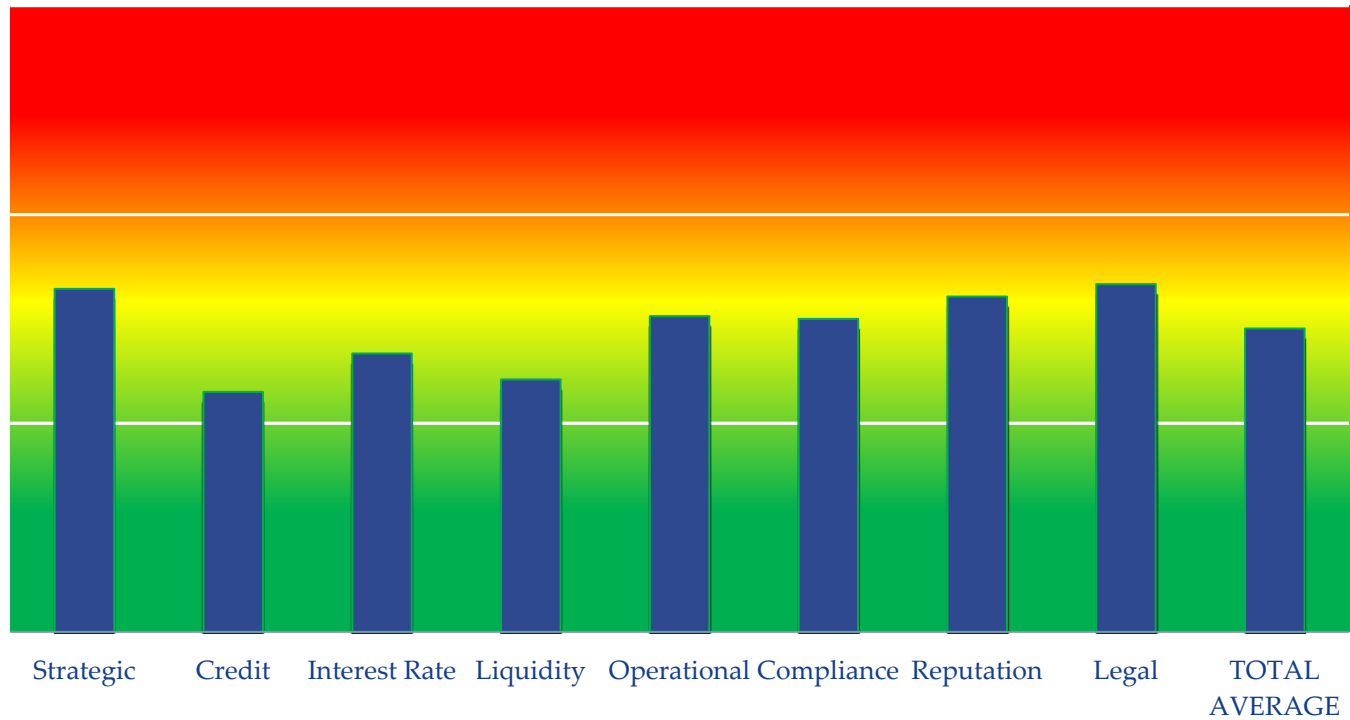
K  
I  
S  
H



# Risk Categories

- Strategic
- Credit
- Interest Rate
- Liquidity
- Operational
- Compliance
- Reputation
- Legal

# Risk Ratings



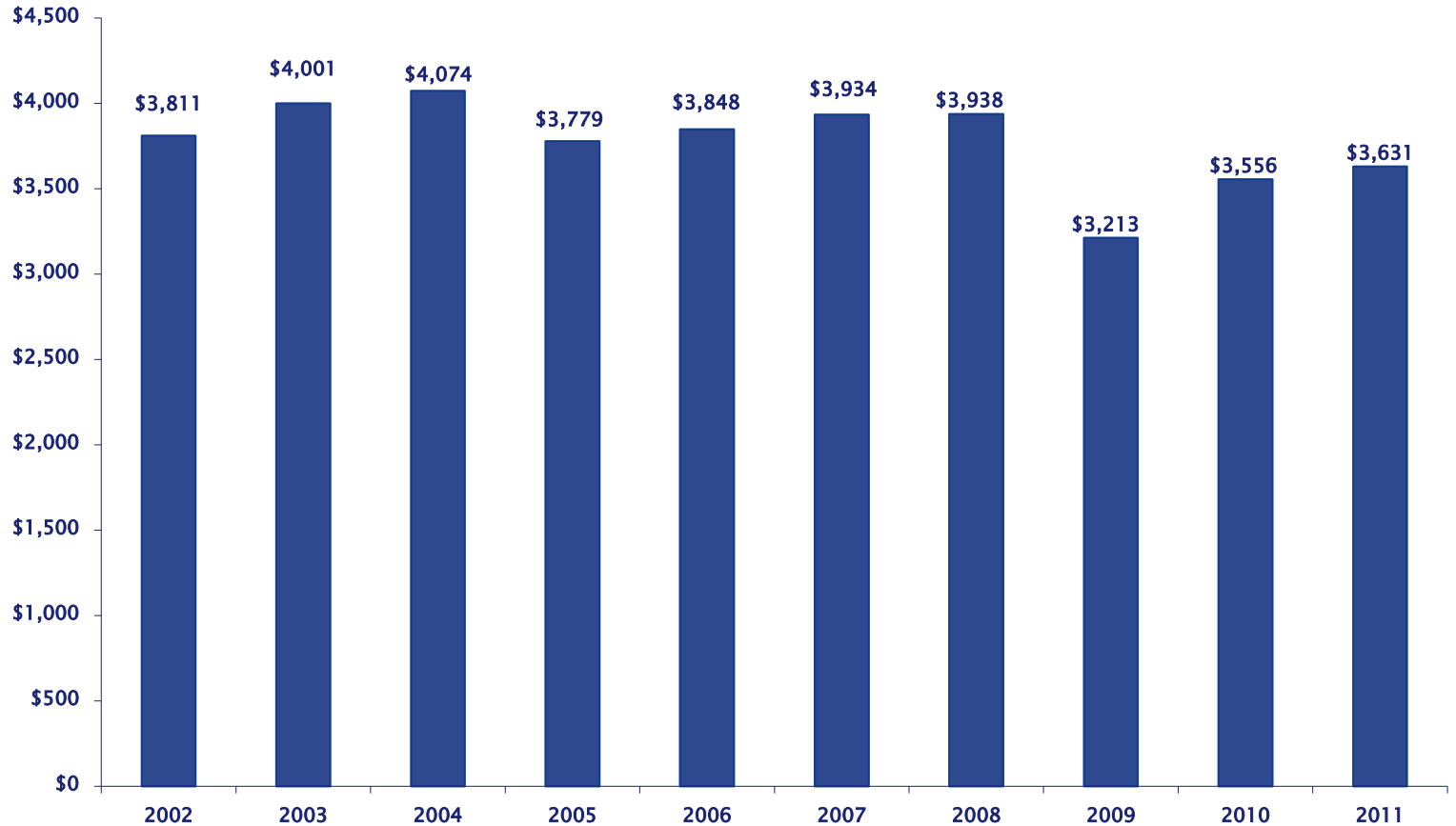


The background features a vertical bar on the left side, divided into four colored segments: yellow, red, cyan, and green. The rest of the background is a dark blue field with a pattern of lighter blue, triangular rays emanating from the left, creating a sunburst effect.

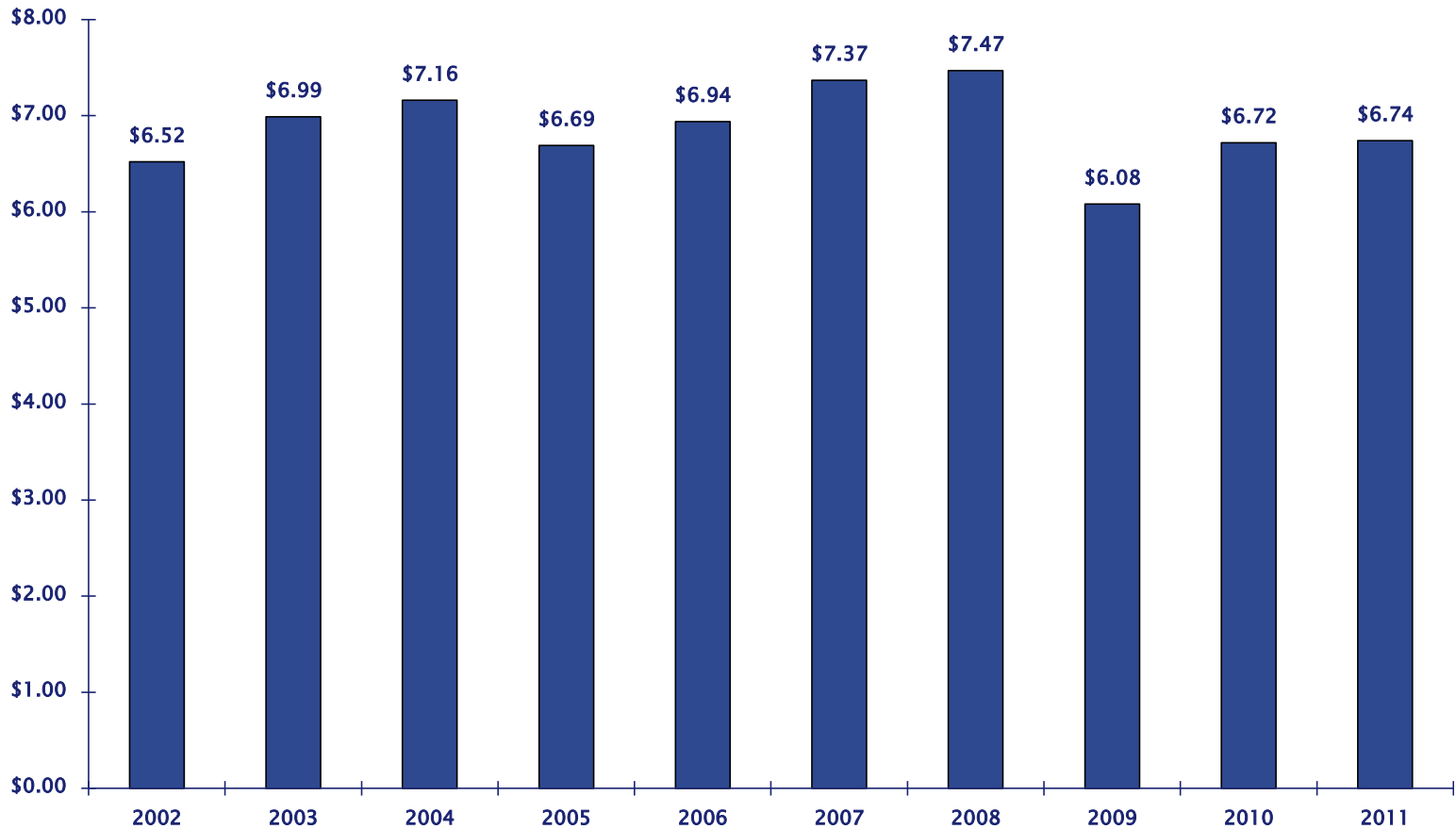
# Financial Highlights

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# Net Income (\$ in thousands)

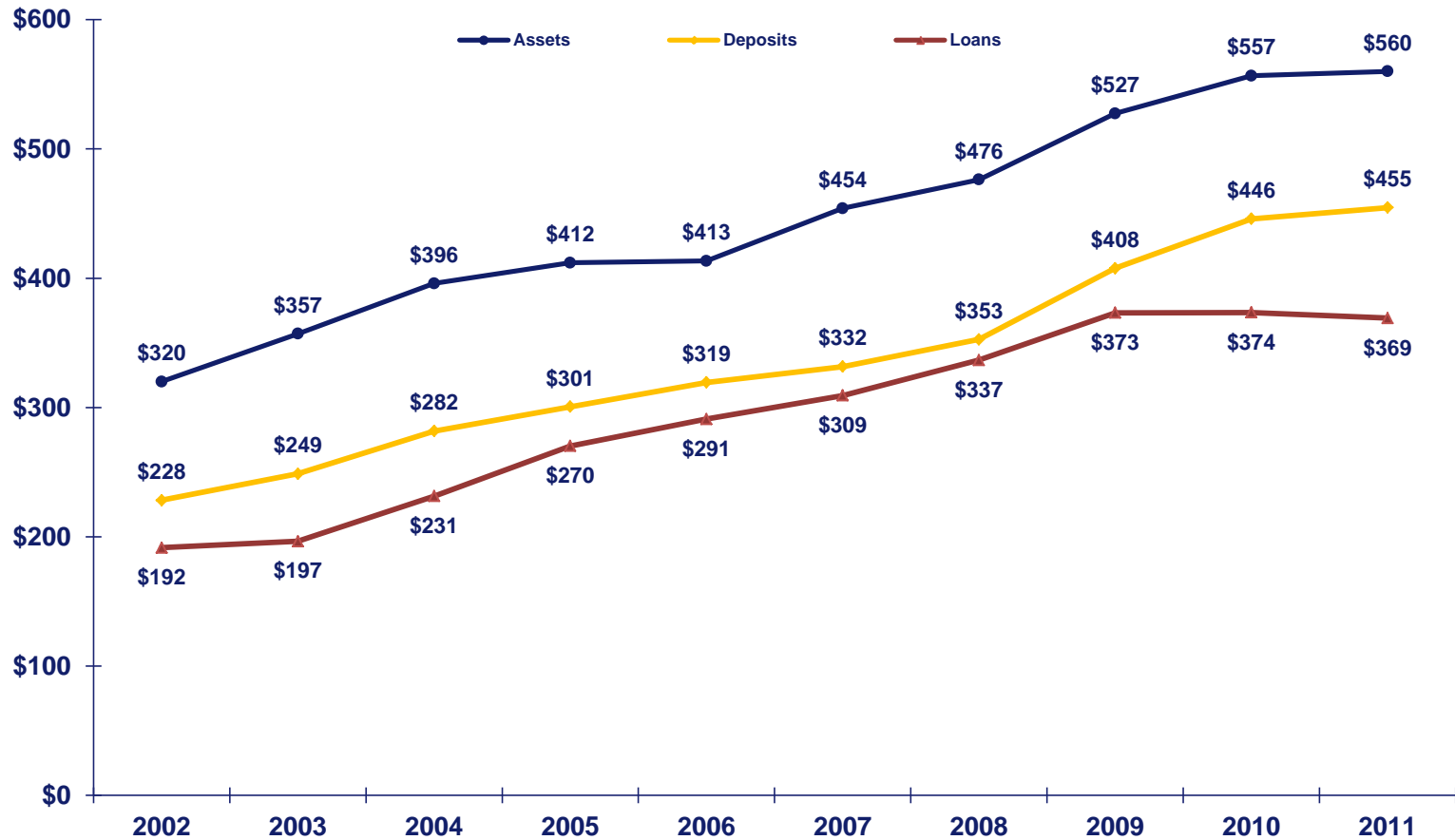


# Earnings Per Share



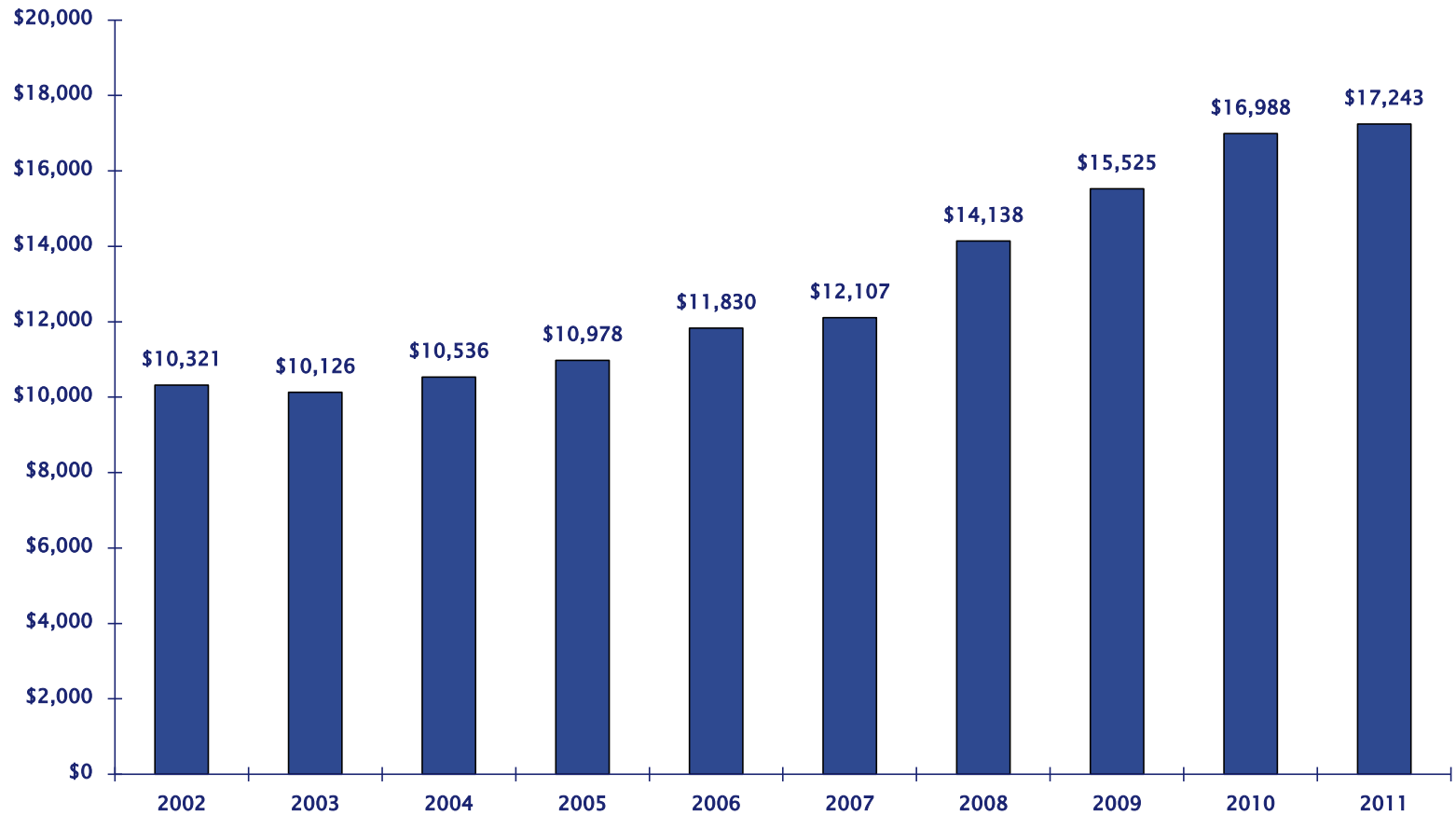
# Balance Sheet Trends

(\$ in millions)

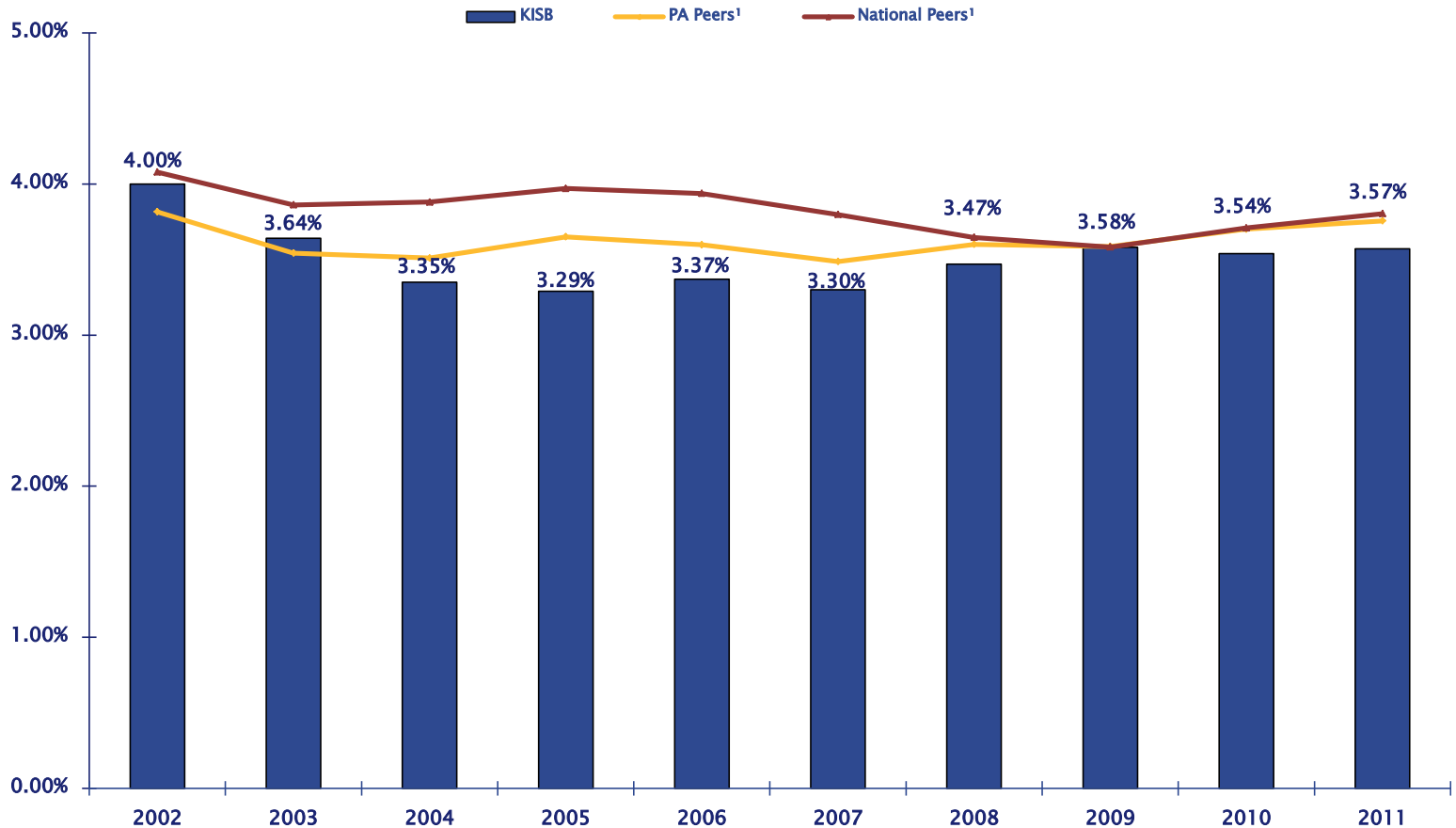


# Net Interest Income

(\$ in thousands)



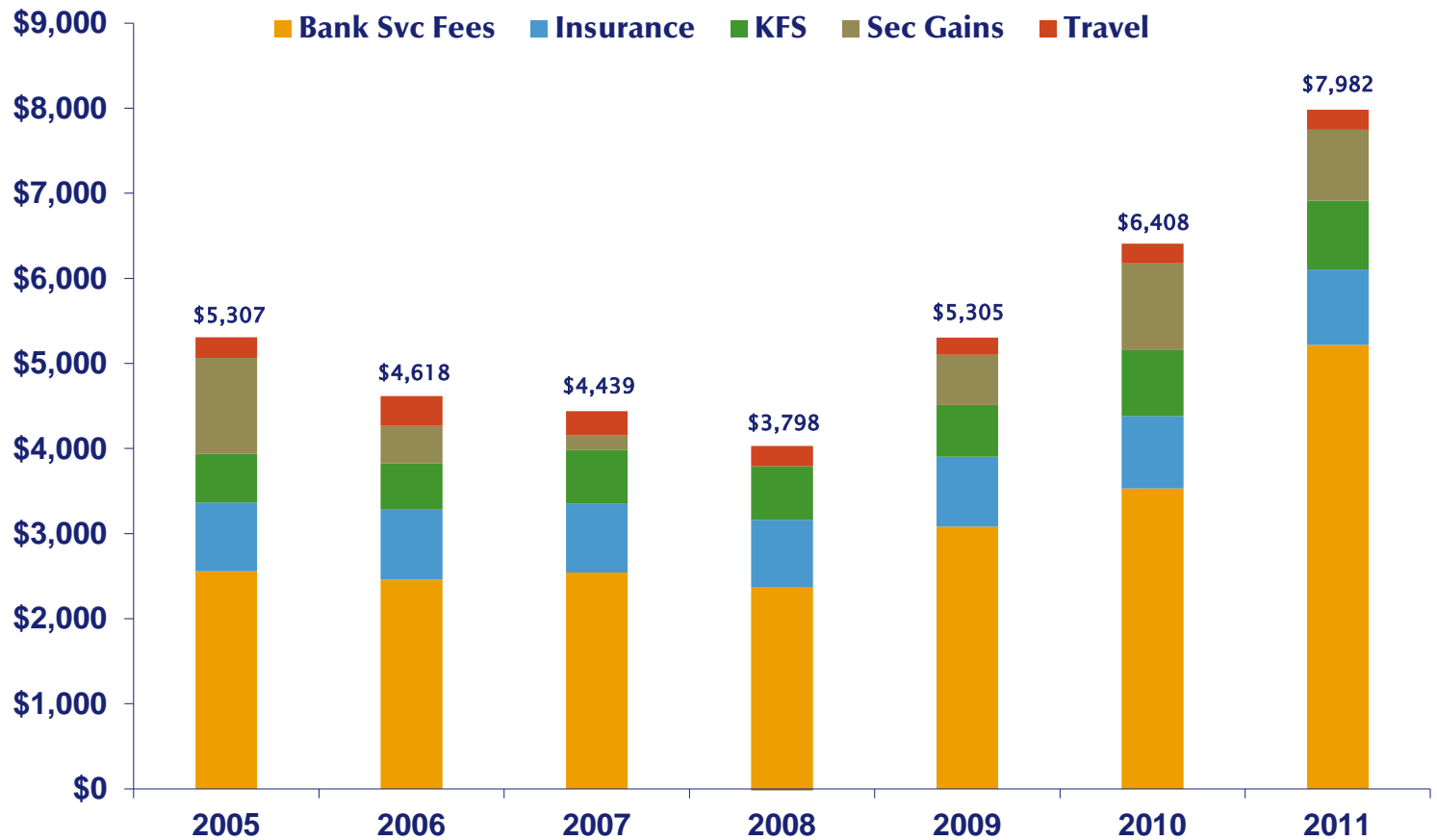
# Net Interest Margin



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

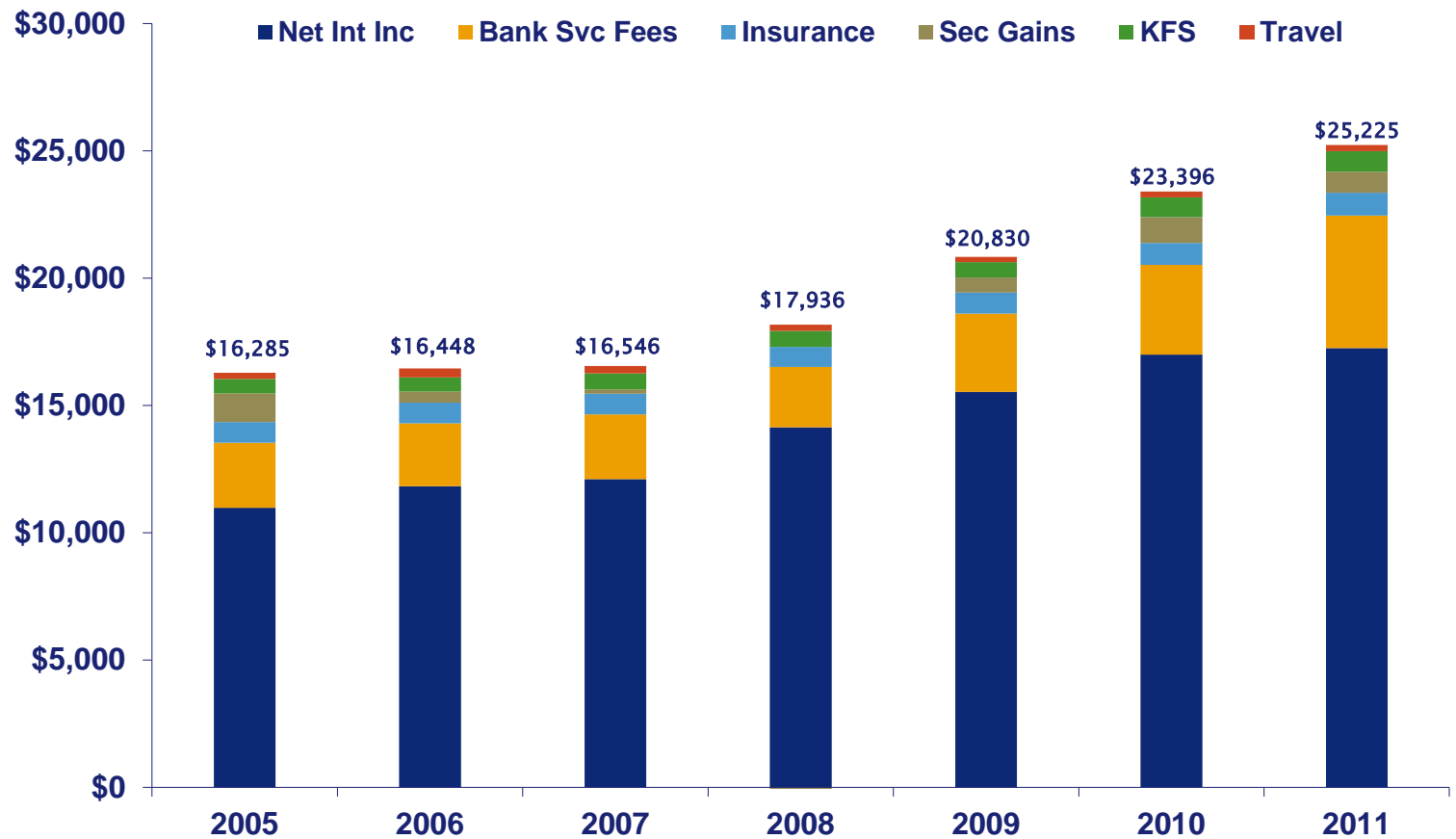
# Noninterest Income

(\$ in thousands)



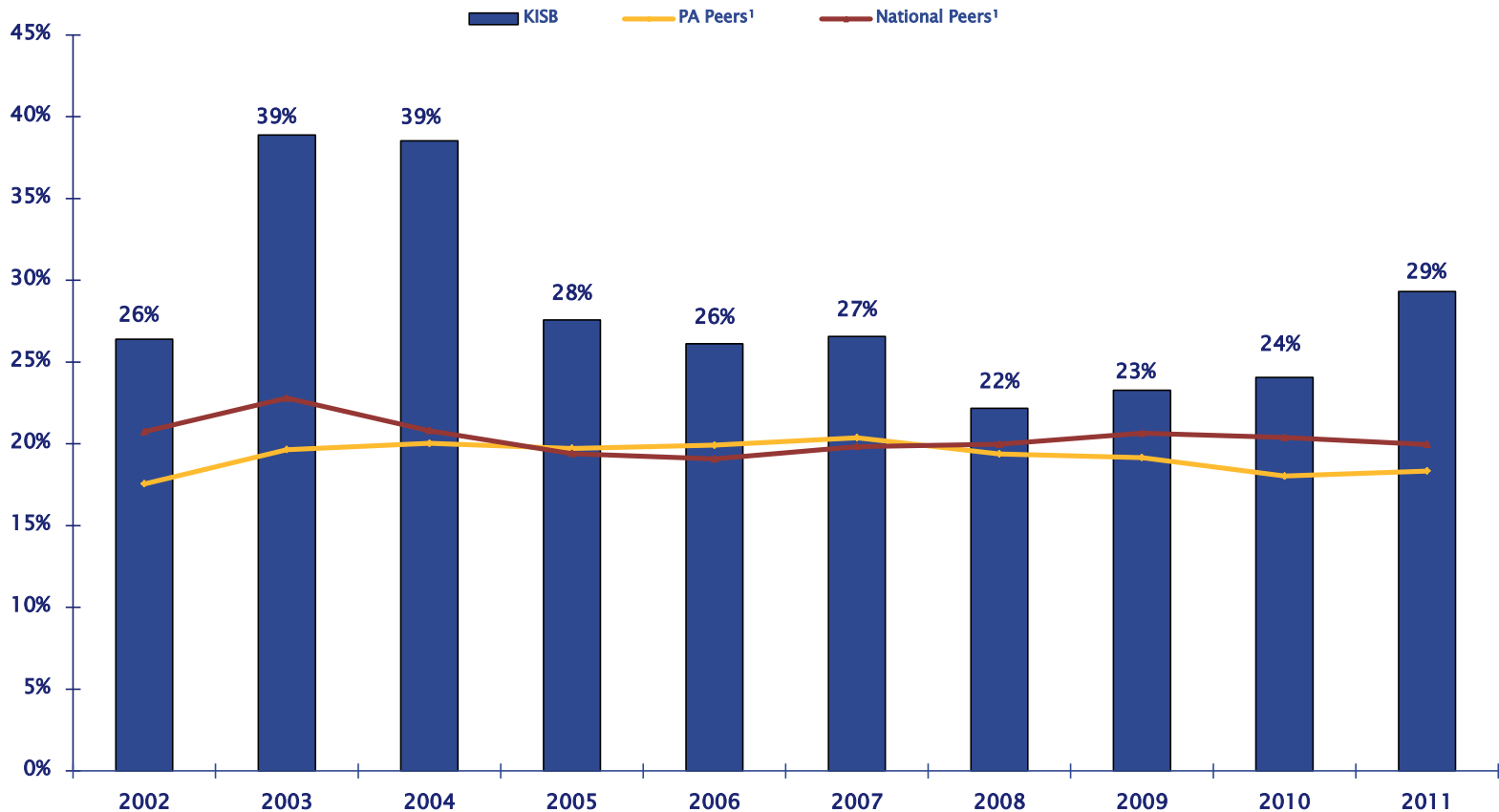
# Total Revenue Mix

(\$ in thousands)





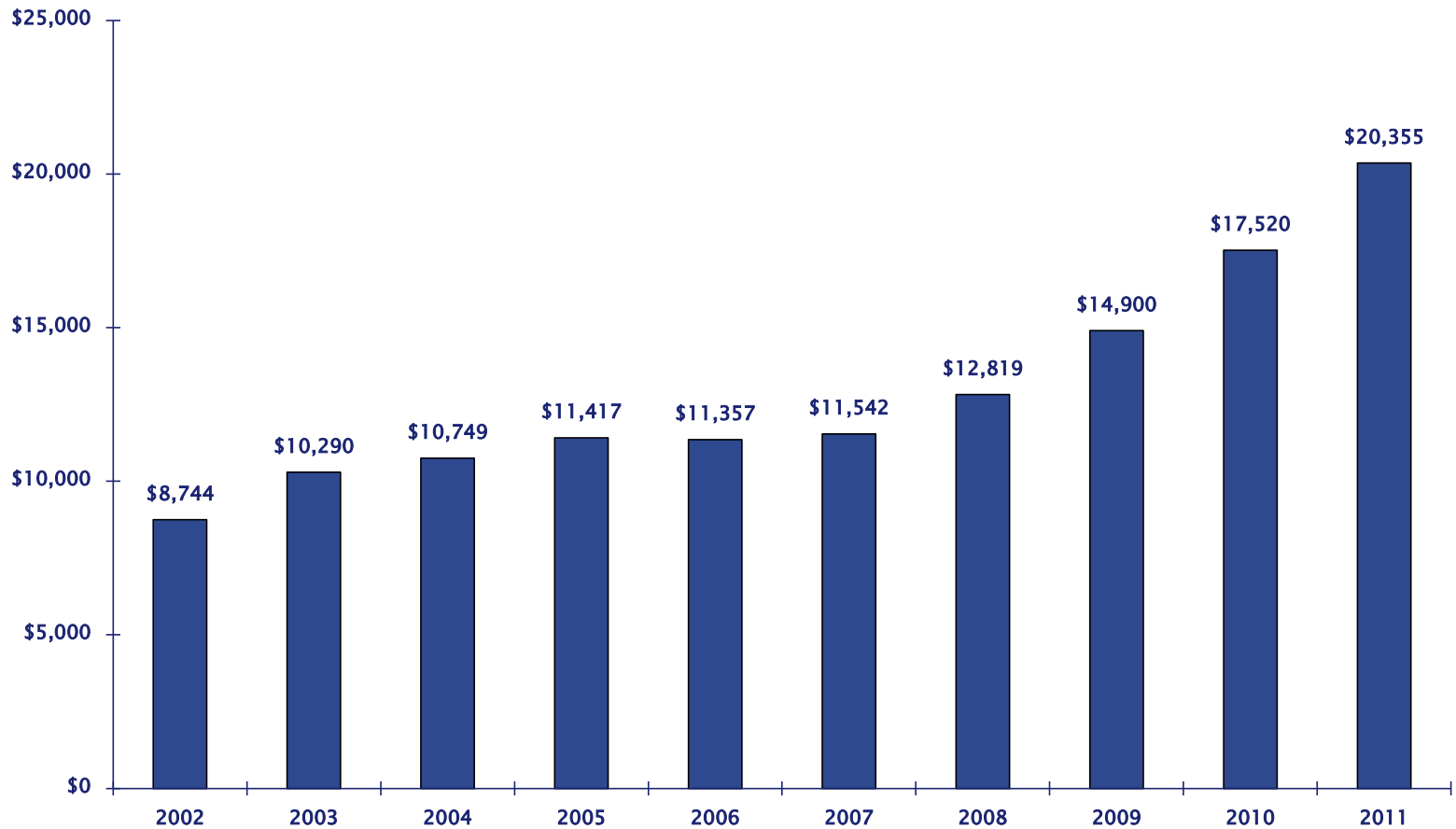
# Noninterest Income/Operating Revenue (%)



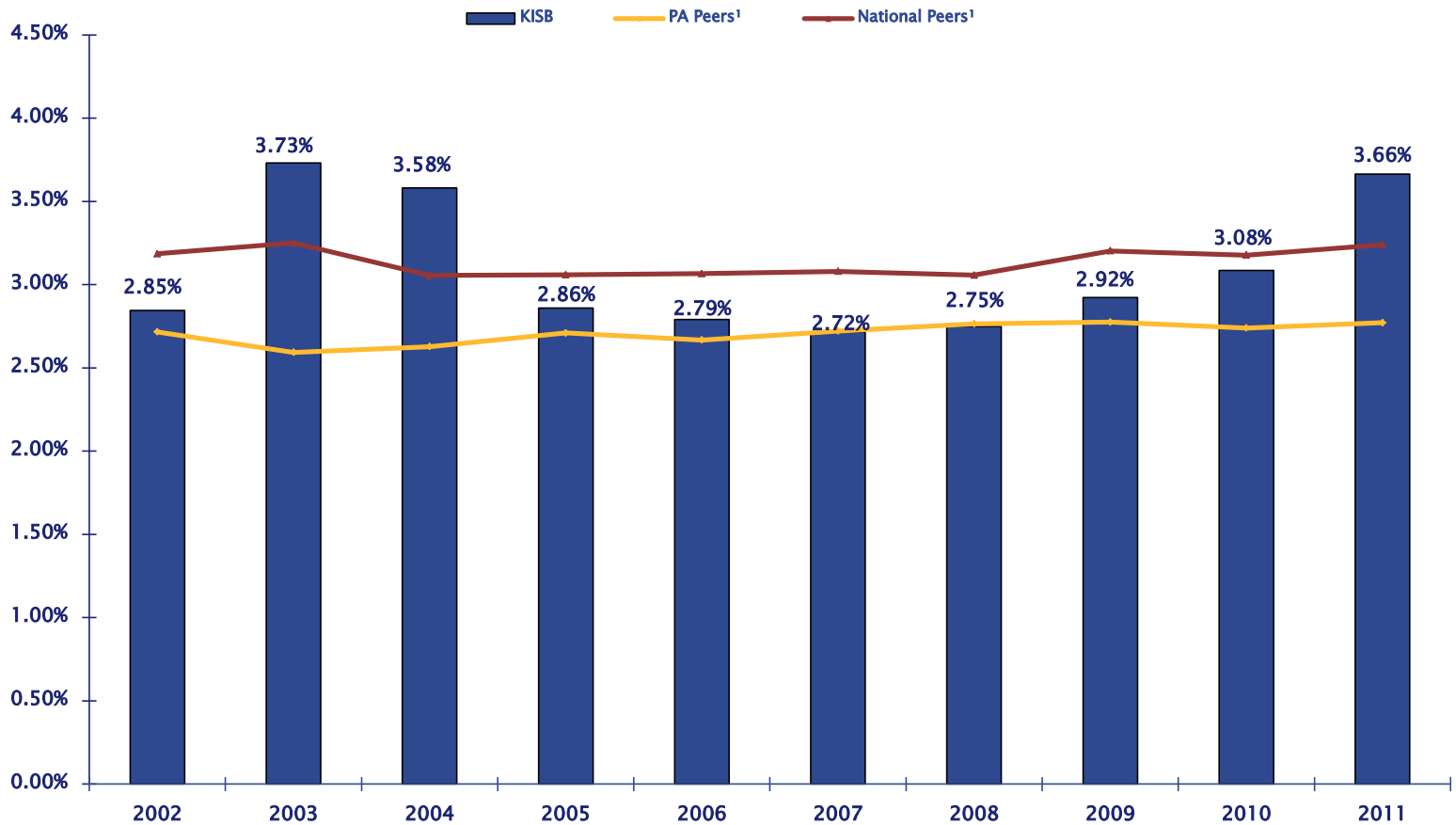
<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Noninterest Expense

(\$ in thousands)



# Noninterest Expense/Average Assets (%)



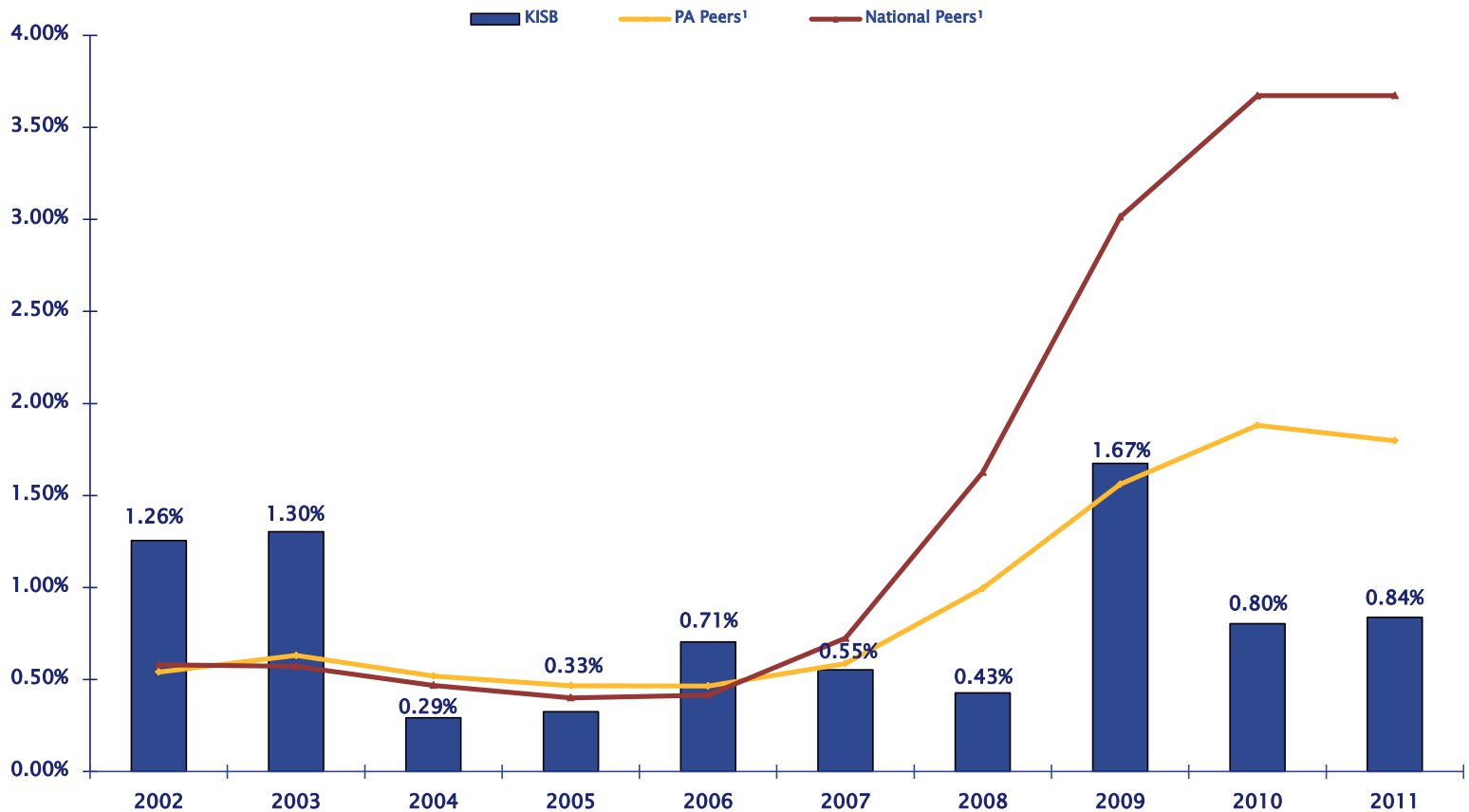
<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

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# Strengthened Balance Sheet and Asset Quality

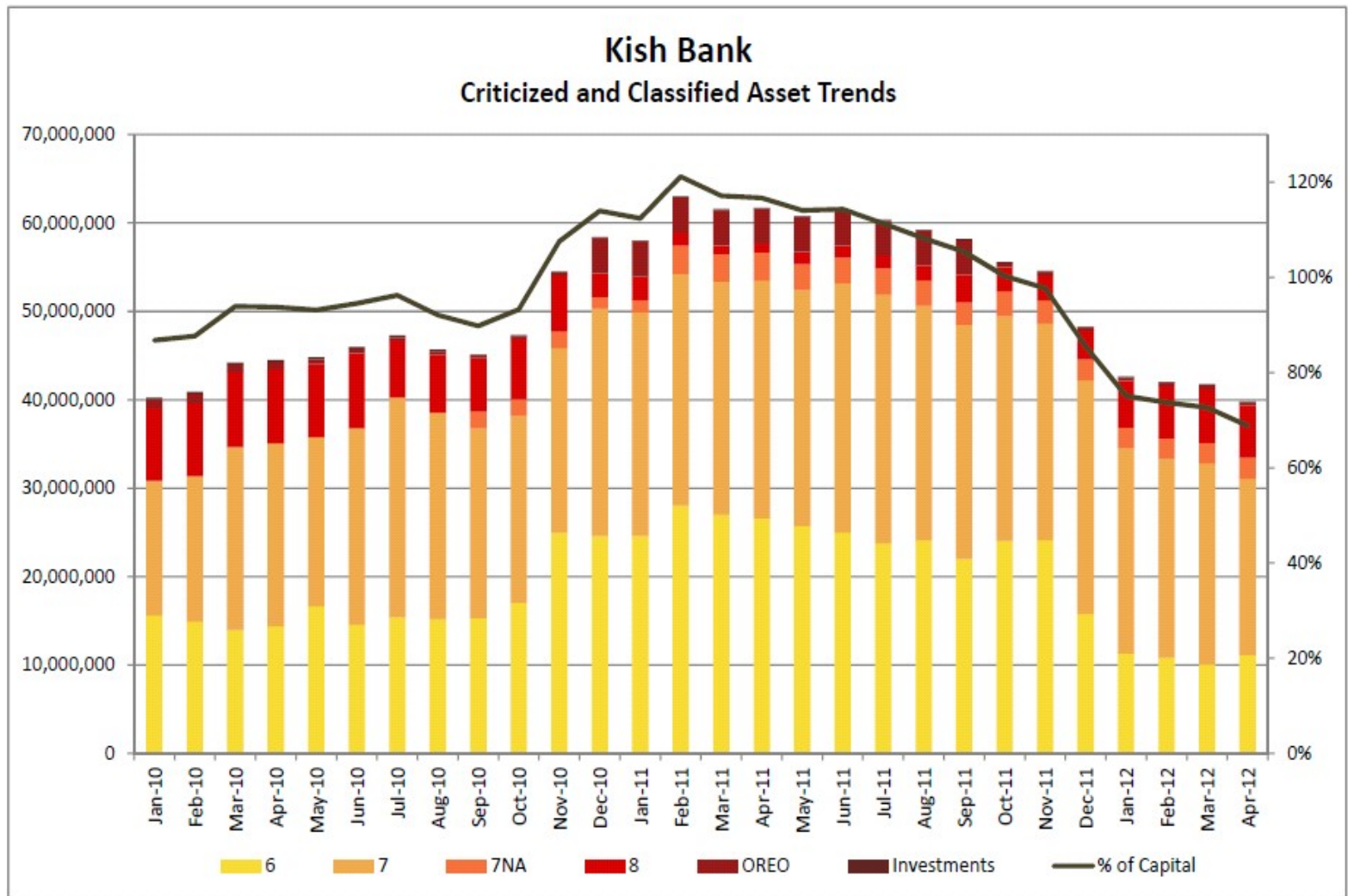
**TKISH**

# Nonperforming Assets/Total Assets

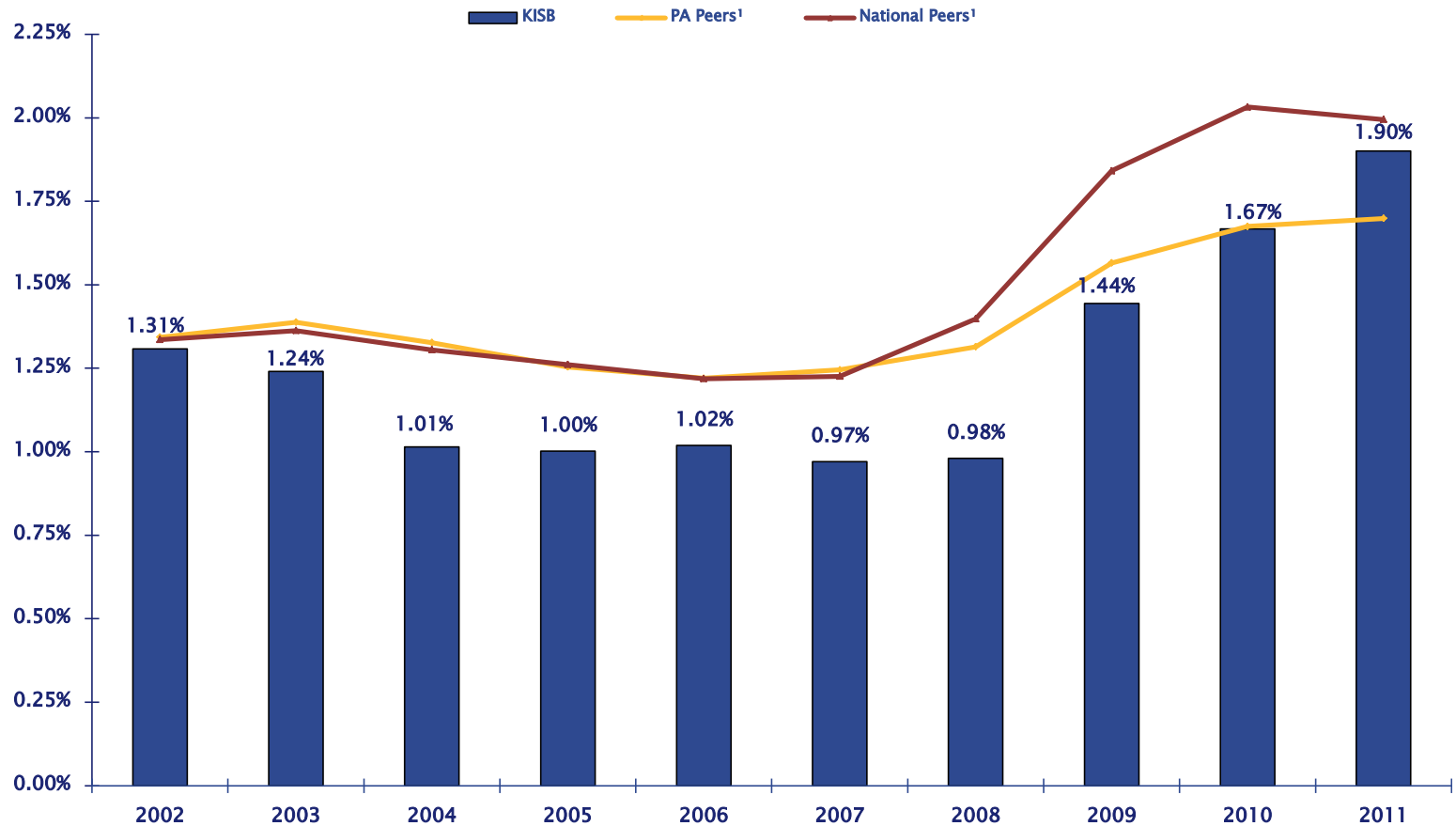


<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Criticized and Classified Loans to Capital

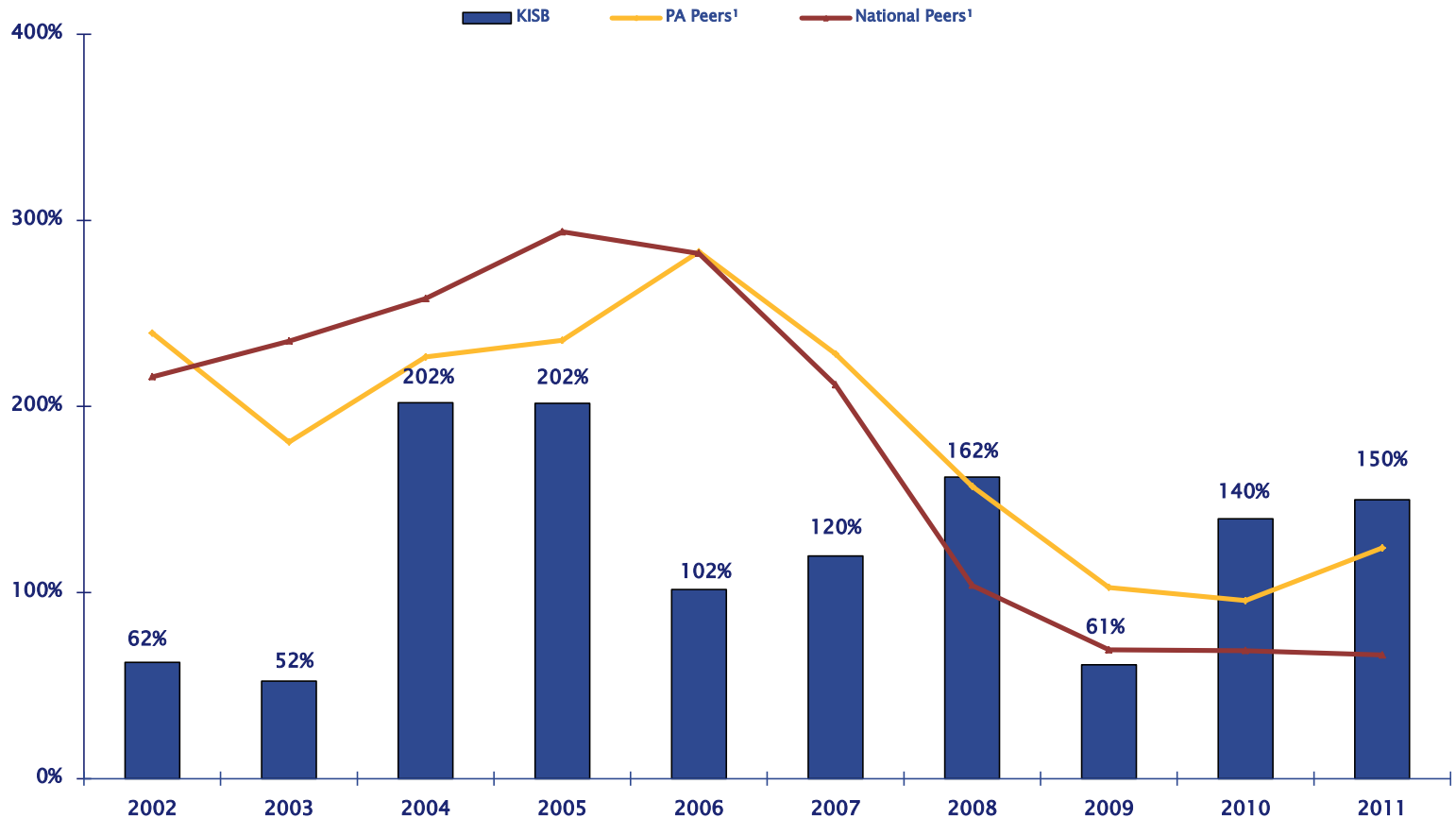


# Reserves/Gross Loans



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

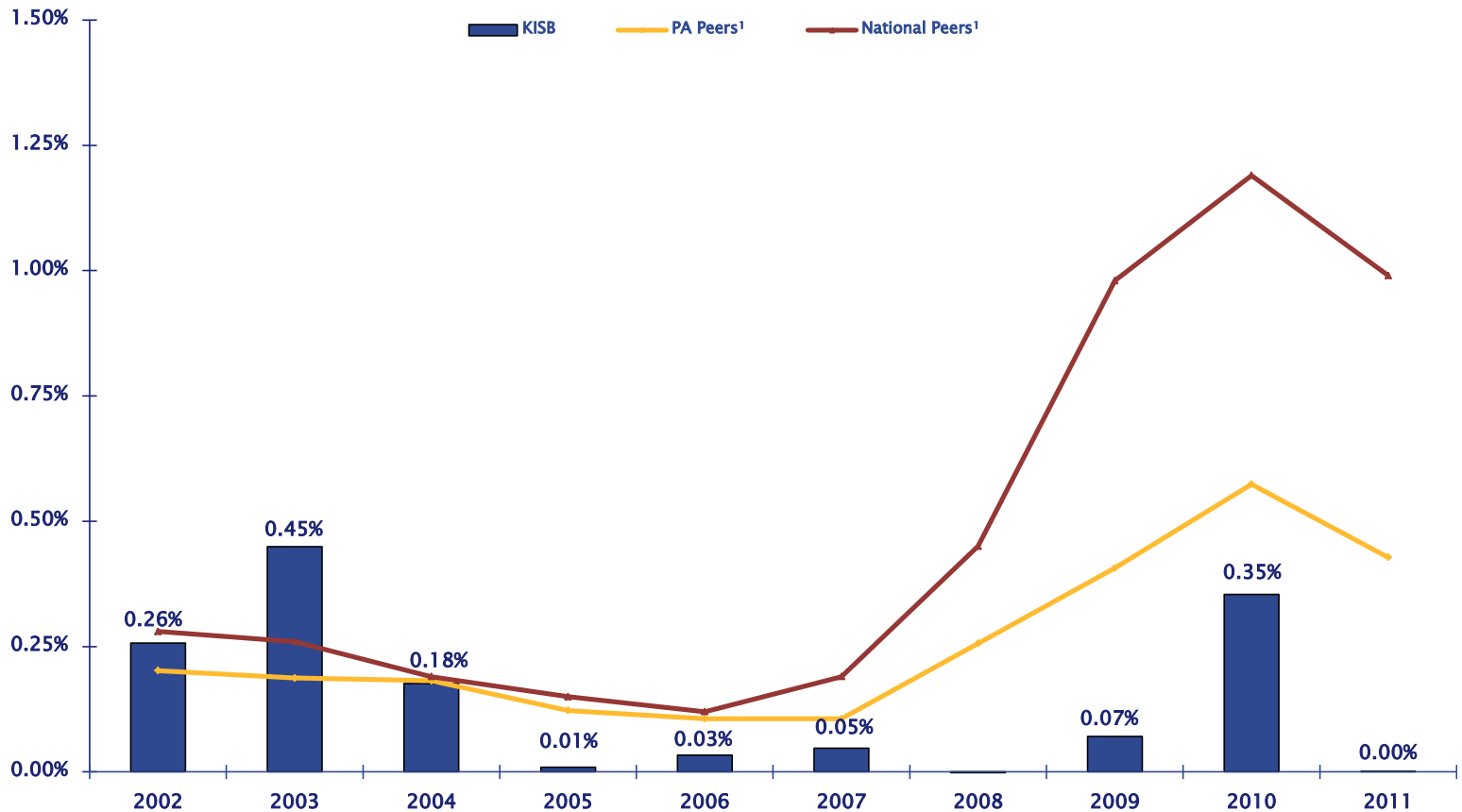
# Reserves/Nonperforming Assets



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

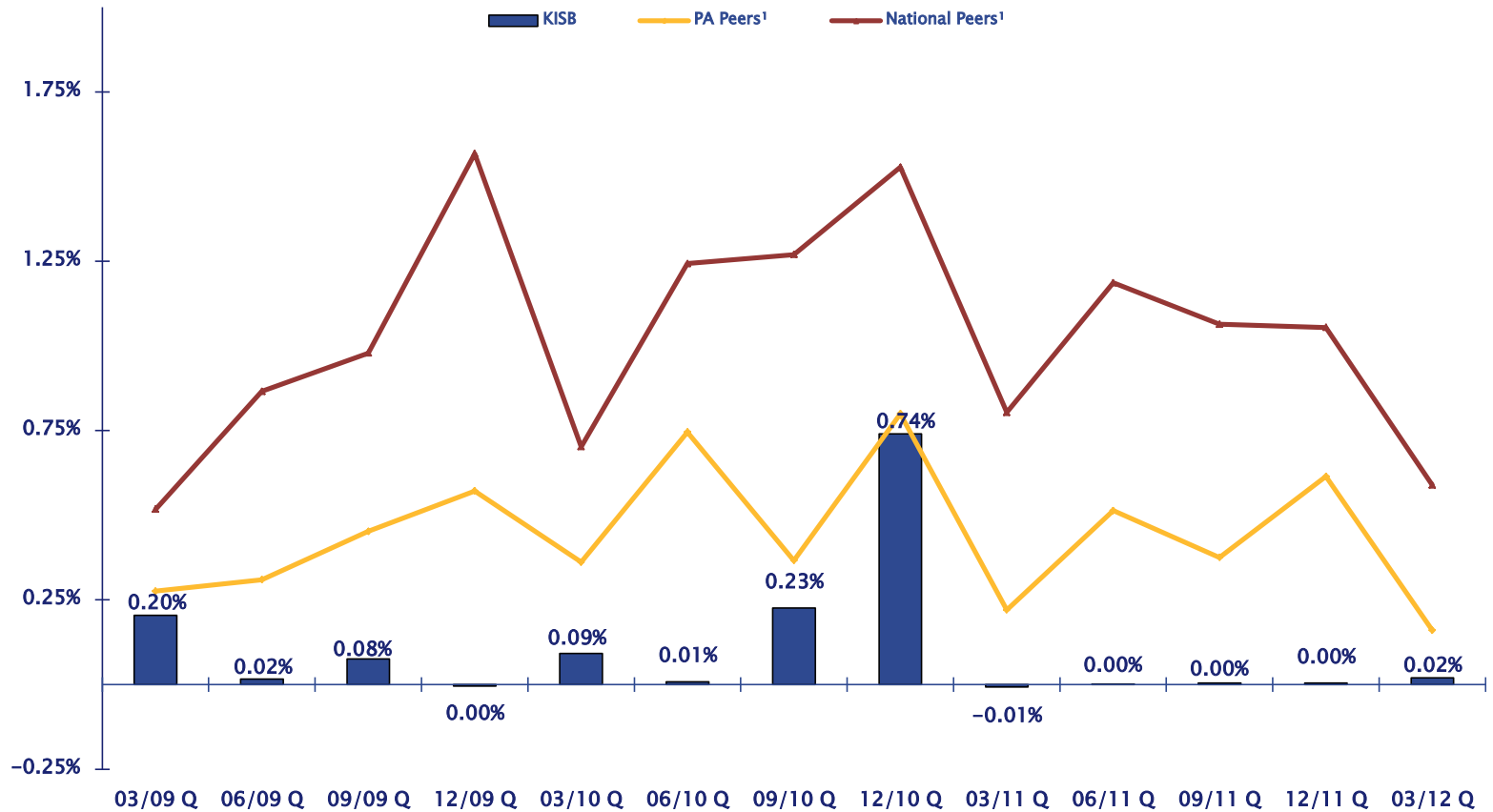


# Net Charge-Offs/Average Loans



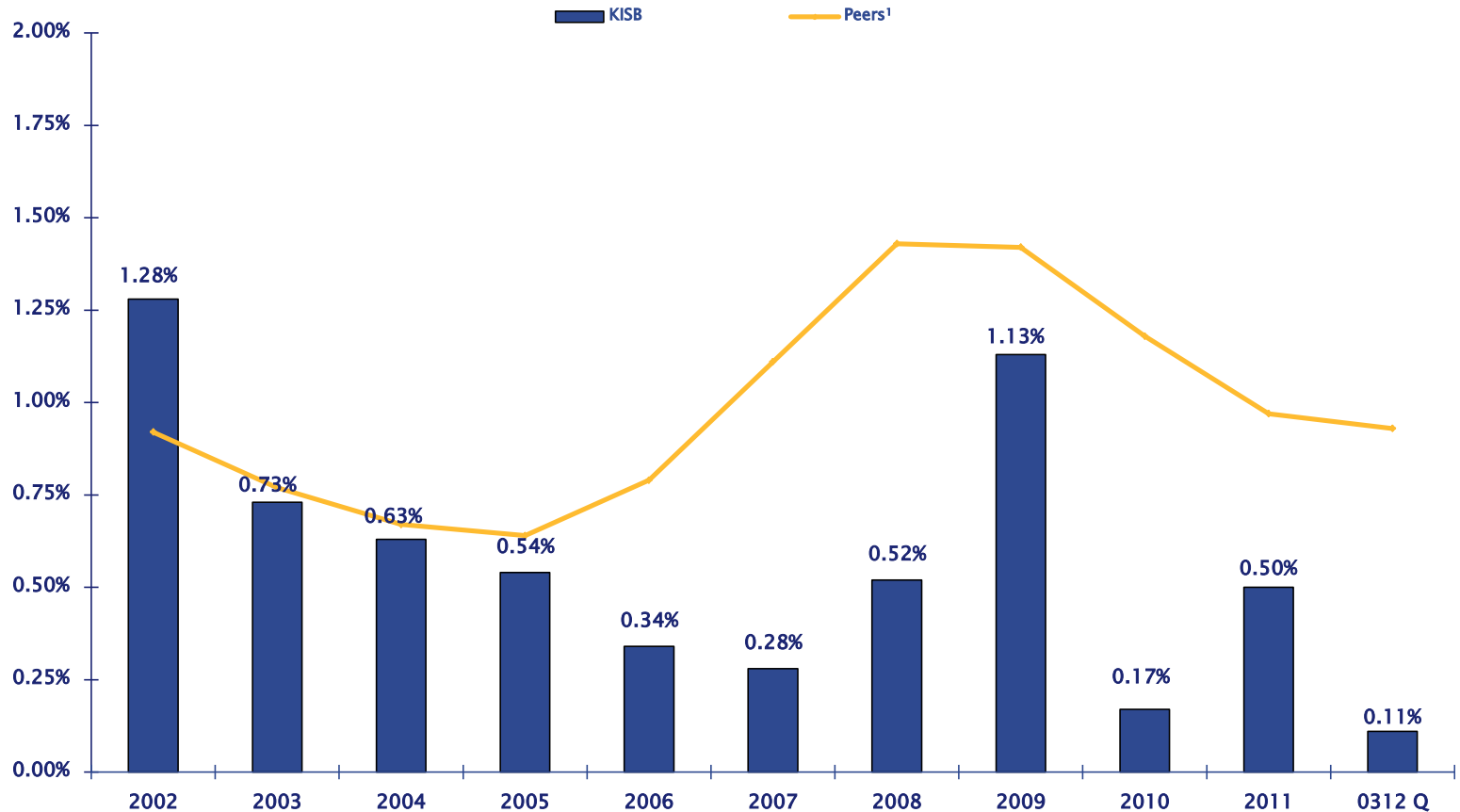
<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Net Charge-Offs/Average Loans



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Loans 30-89 Days Past Due



<sup>1</sup> Includes all public banks with assets between \$300mm to \$1B  
Source: FFIEC Uniform Bank Performance Report



Capital

KISH

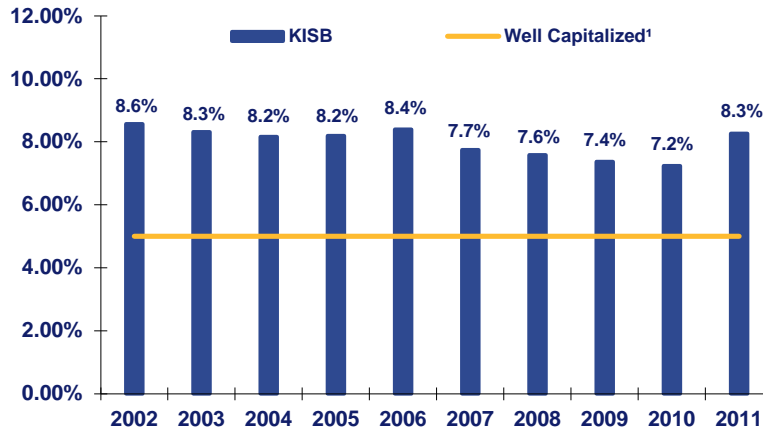


# Effective Capital Management

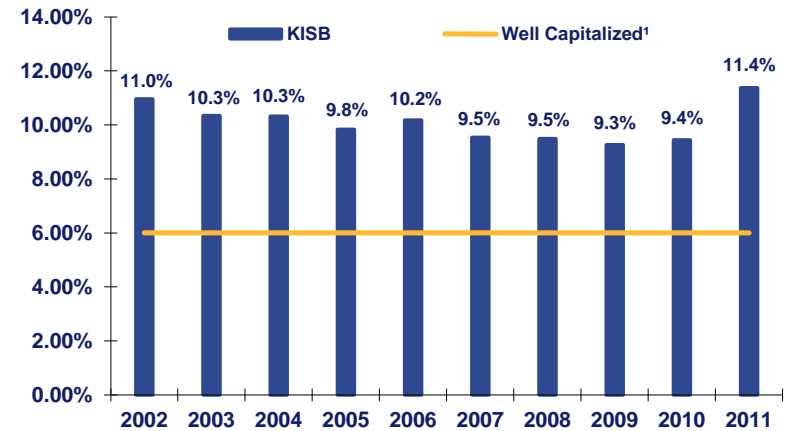
- Subordinated Debt
  - Raised total of \$4.75mm between 2009 – 2011
  - Qualifies as Tier 2 Capital
- Dividend Reinvestment Plan
  - Program offered beginning in 2<sup>nd</sup> Quarter 2011
  - Provides existing shareholders a simple, cost-effective method for purchasing shares of Kish common stock
- Private Placement – 2011
  - Goal of raising up to \$5mm in common equity
  - \$3.8mm raised
- Registrar and Transfer Company
- Market Makers

# Consolidated Capital Ratios

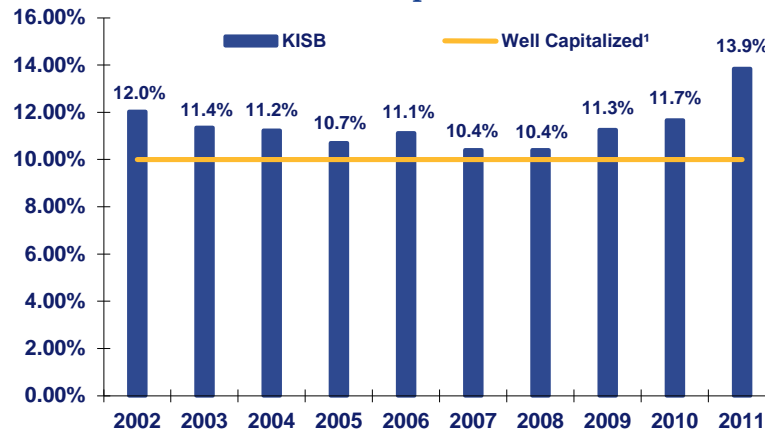
## Leverage Ratio



## Tier 1 Capital Ratio



## Total Capital Ratio



<sup>1</sup> FDIC minimum to be considered "Well Capitalized"



# Building the Team



# Additions to the Senior Management Team

- Sangeeta Kishore
- John Arrington
- Carol Herrmann
- Lenders
- Appointments

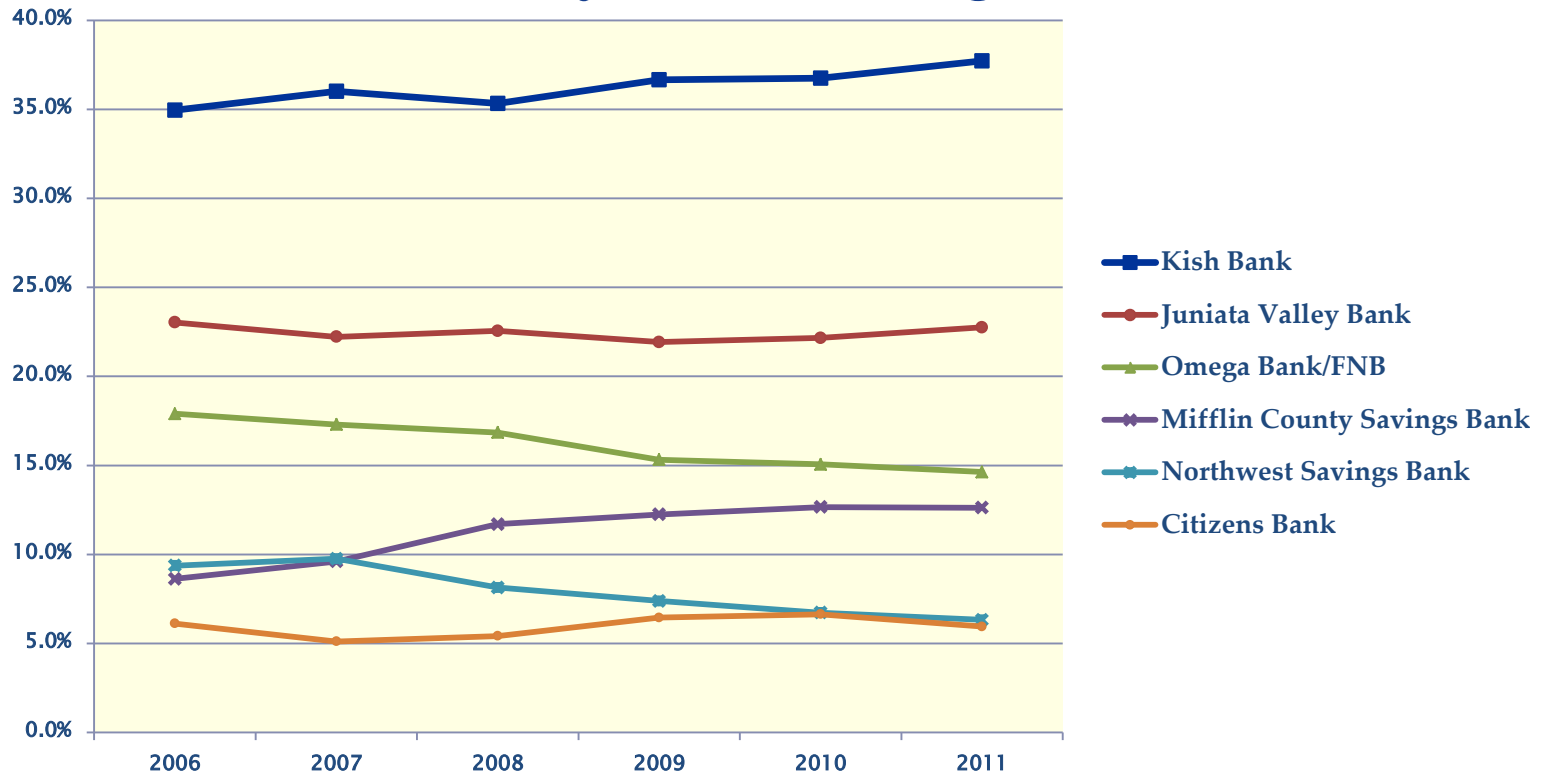




# Market Share

# Market Presence

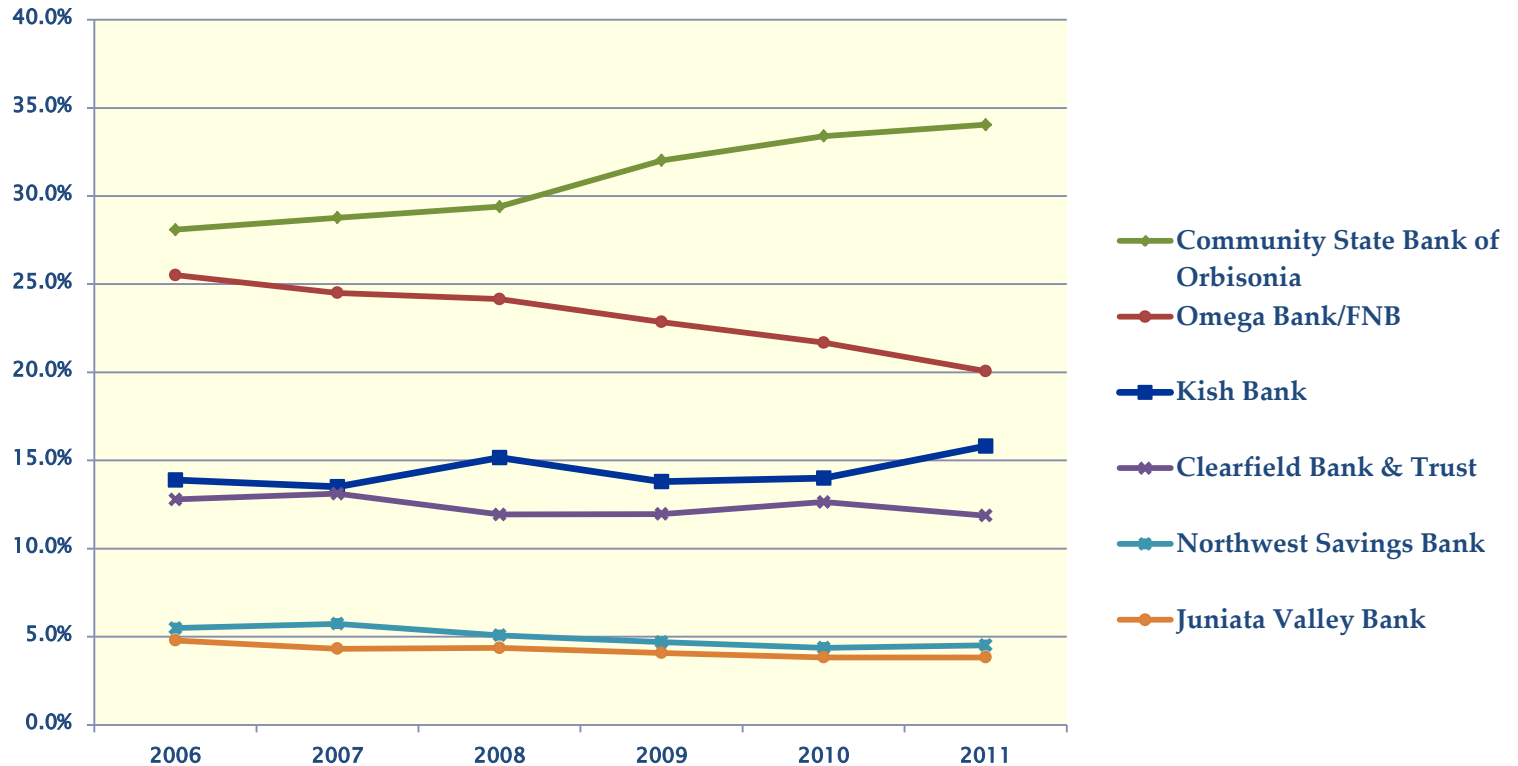
## Mifflin County - #1 Ranking



Source: [www.FDIC.gov](http://www.FDIC.gov), Data as of June 30, 2011

# Market Presence

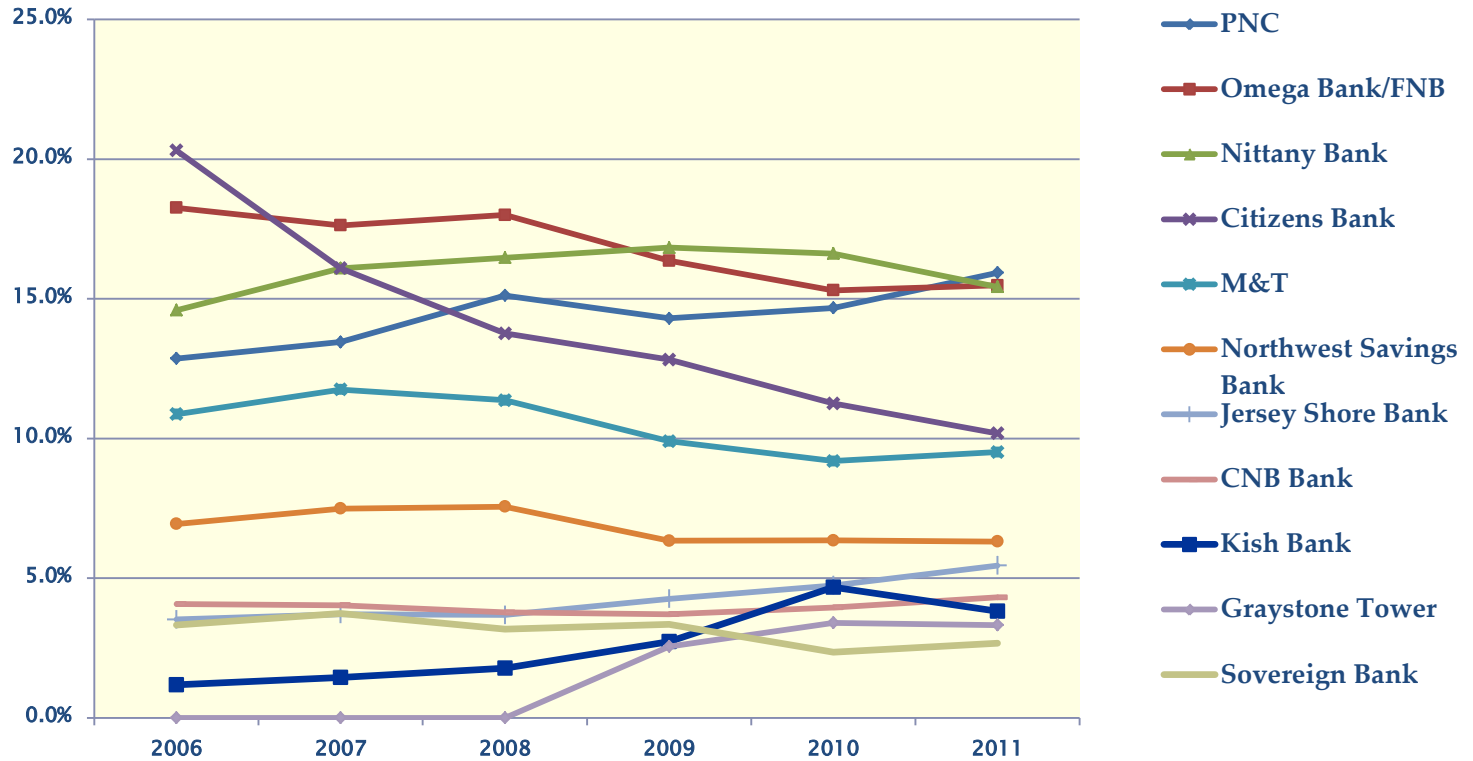
## Huntingdon County - #3 Ranking



Source: [www.FDIC.gov](http://www.FDIC.gov), Data as of June 30, 2011

# Market Presence

## Centre County - #9 Ranking



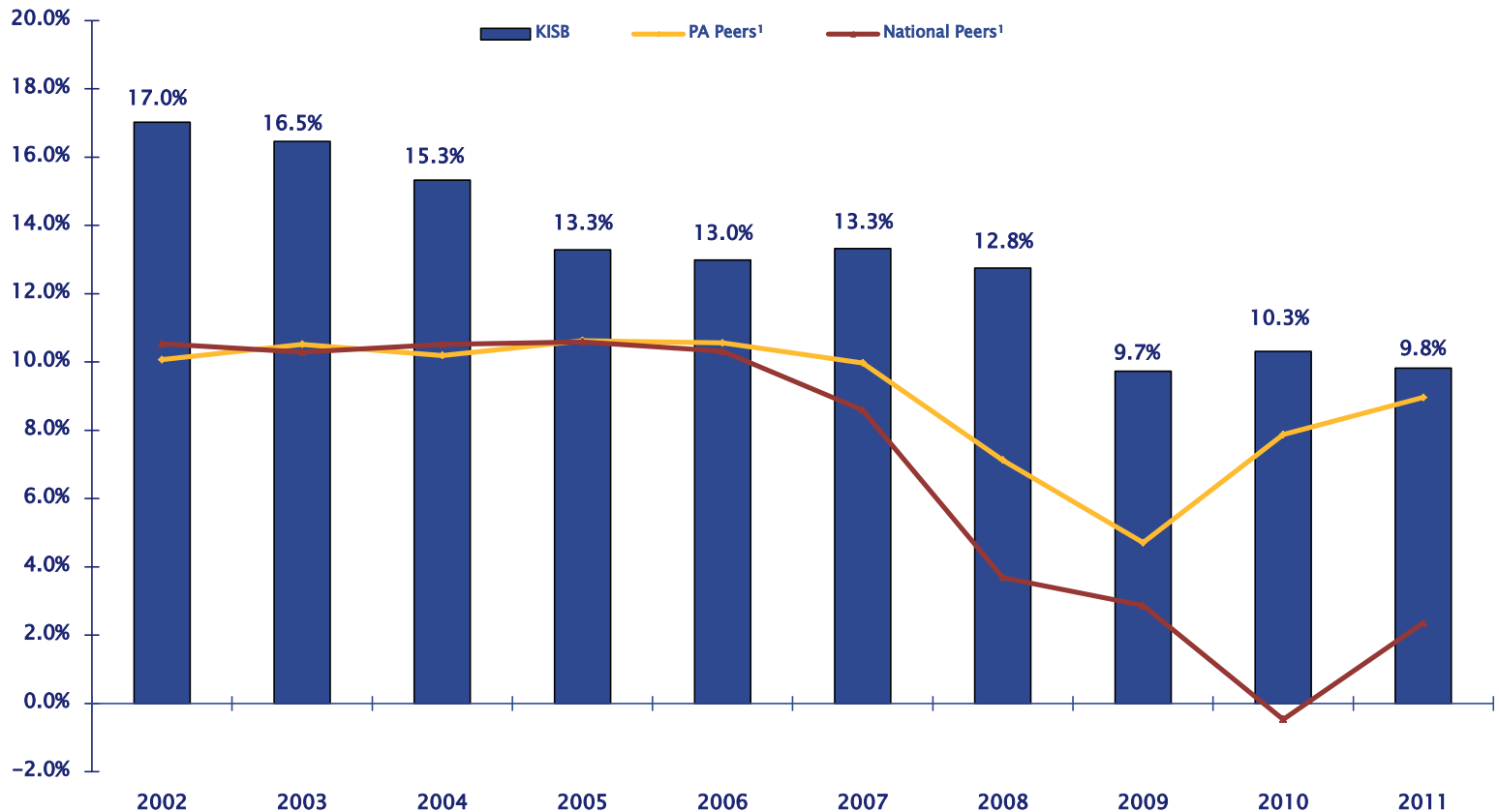
Source: [www.FDIC.gov](http://www.FDIC.gov), Data as of June 30, 2011

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# Shareholder Performance

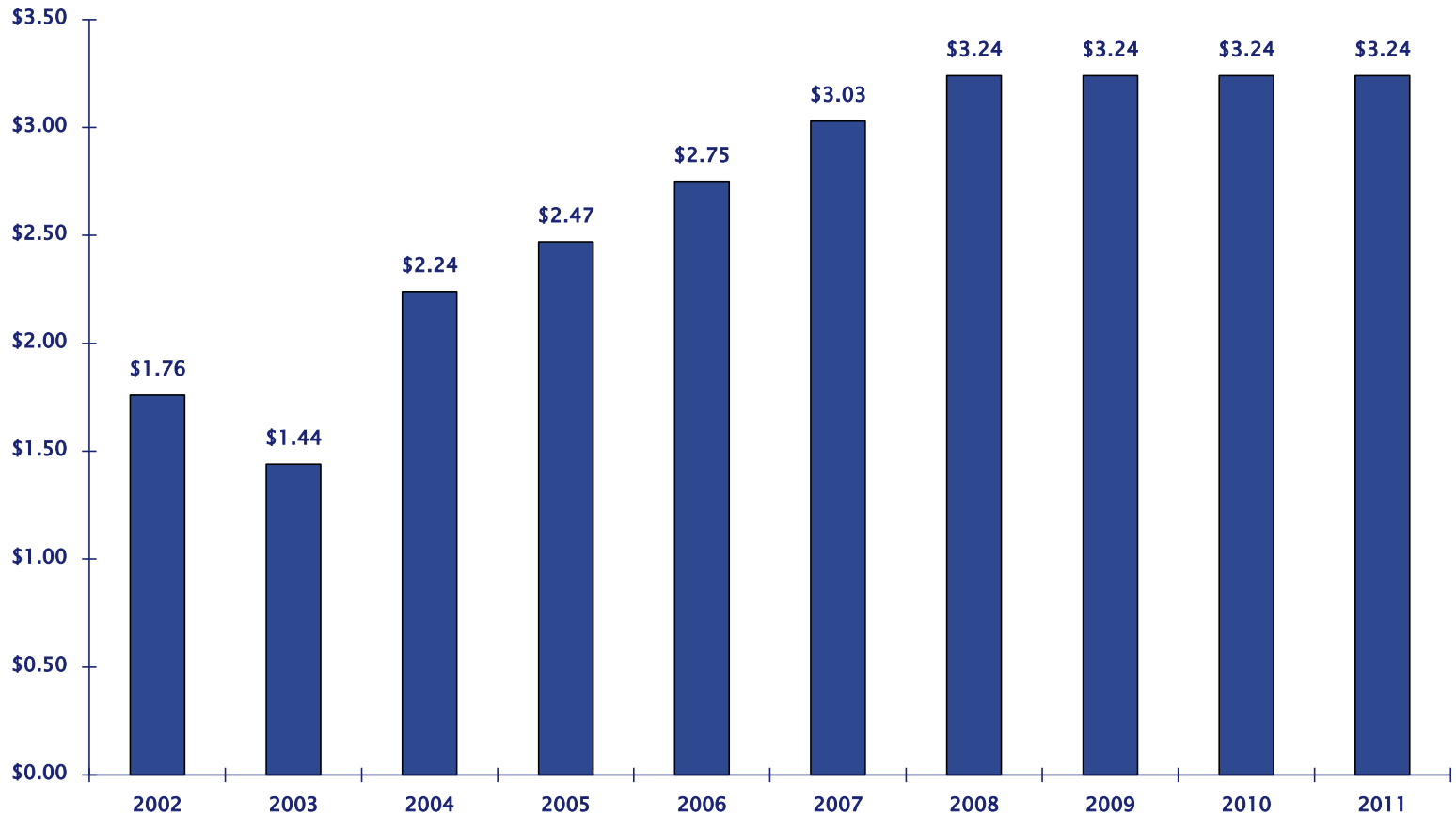
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# Return on Average Equity

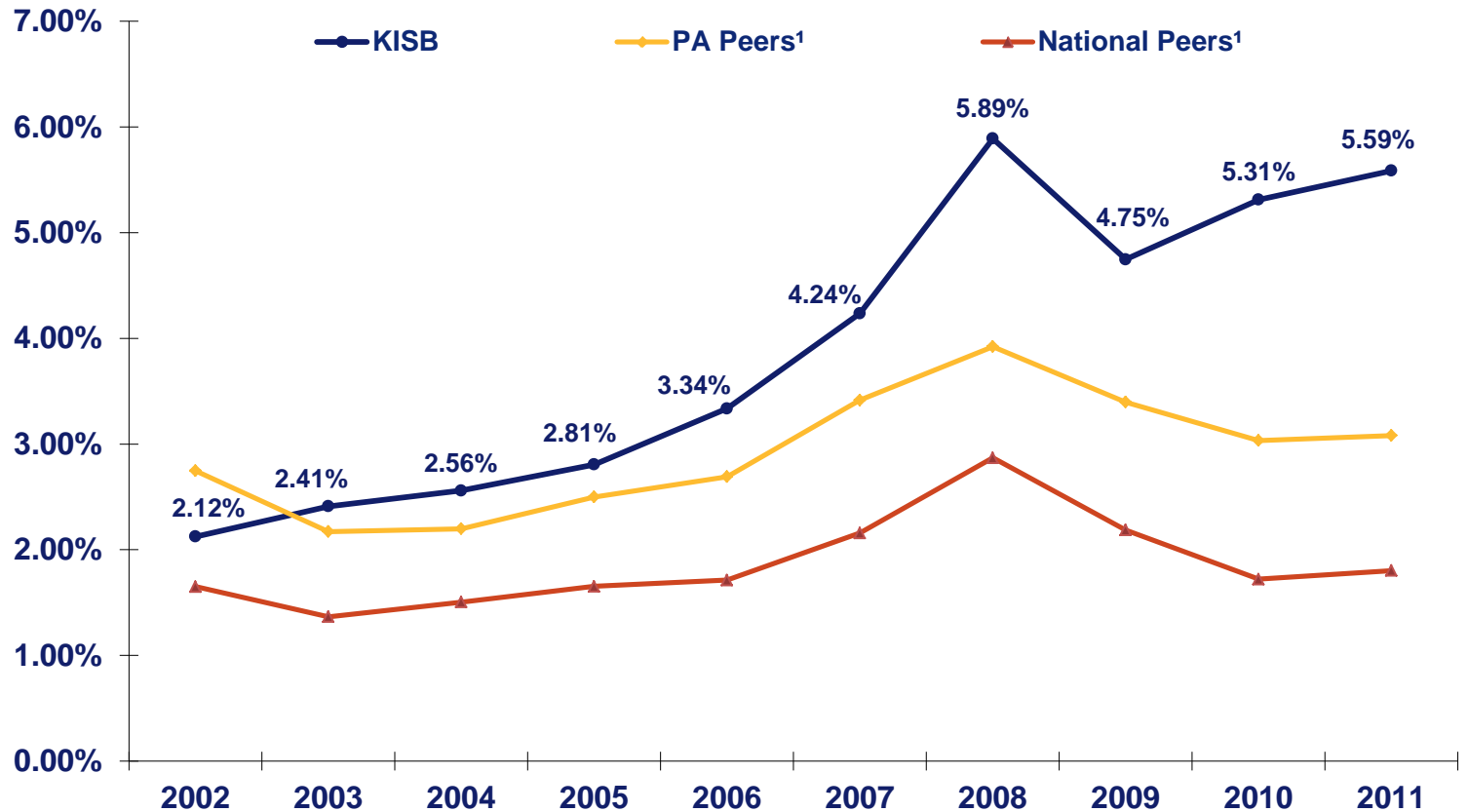


<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Dividends Per Share



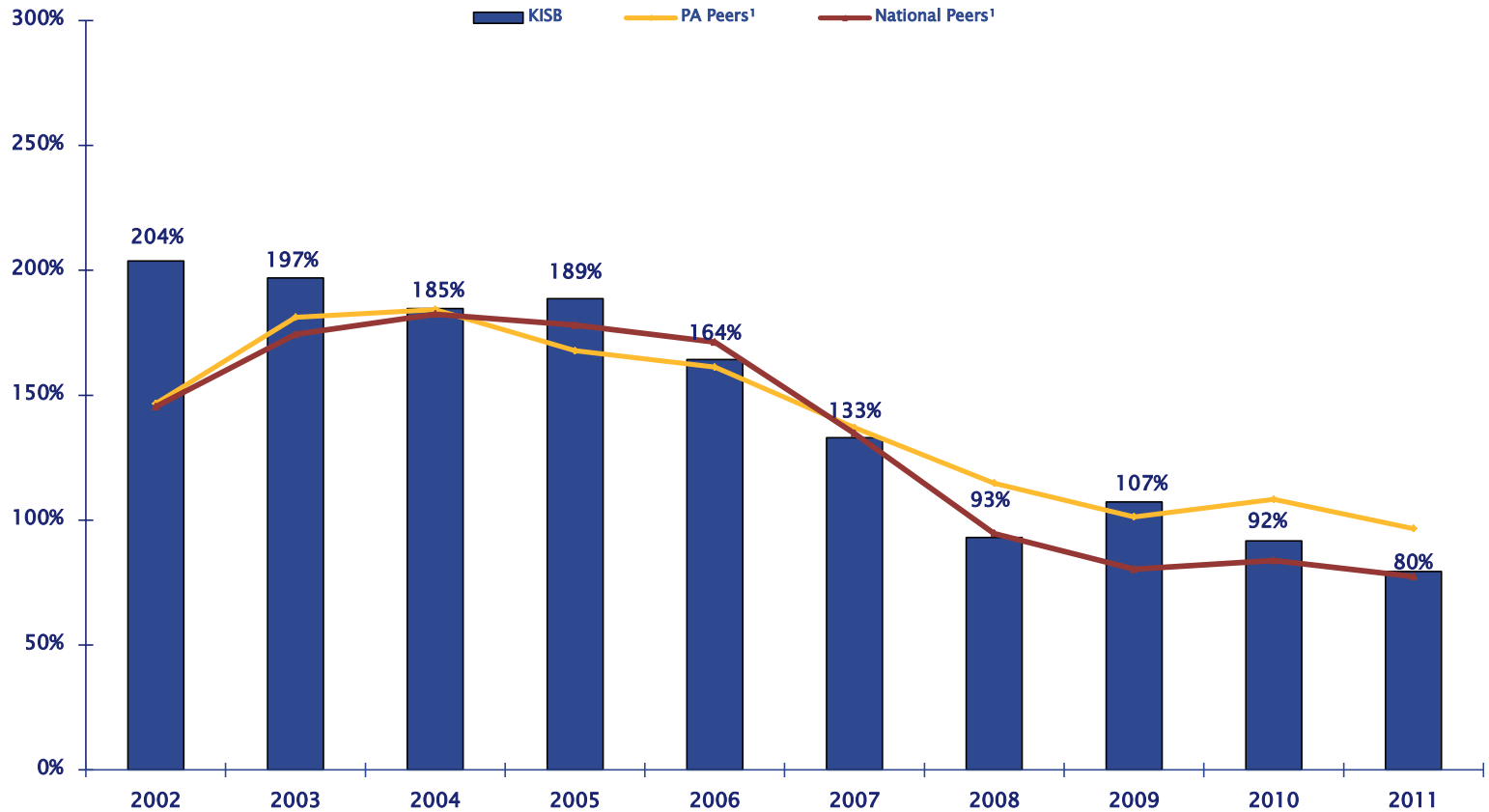
# Dividend Yield on Common Stock



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial



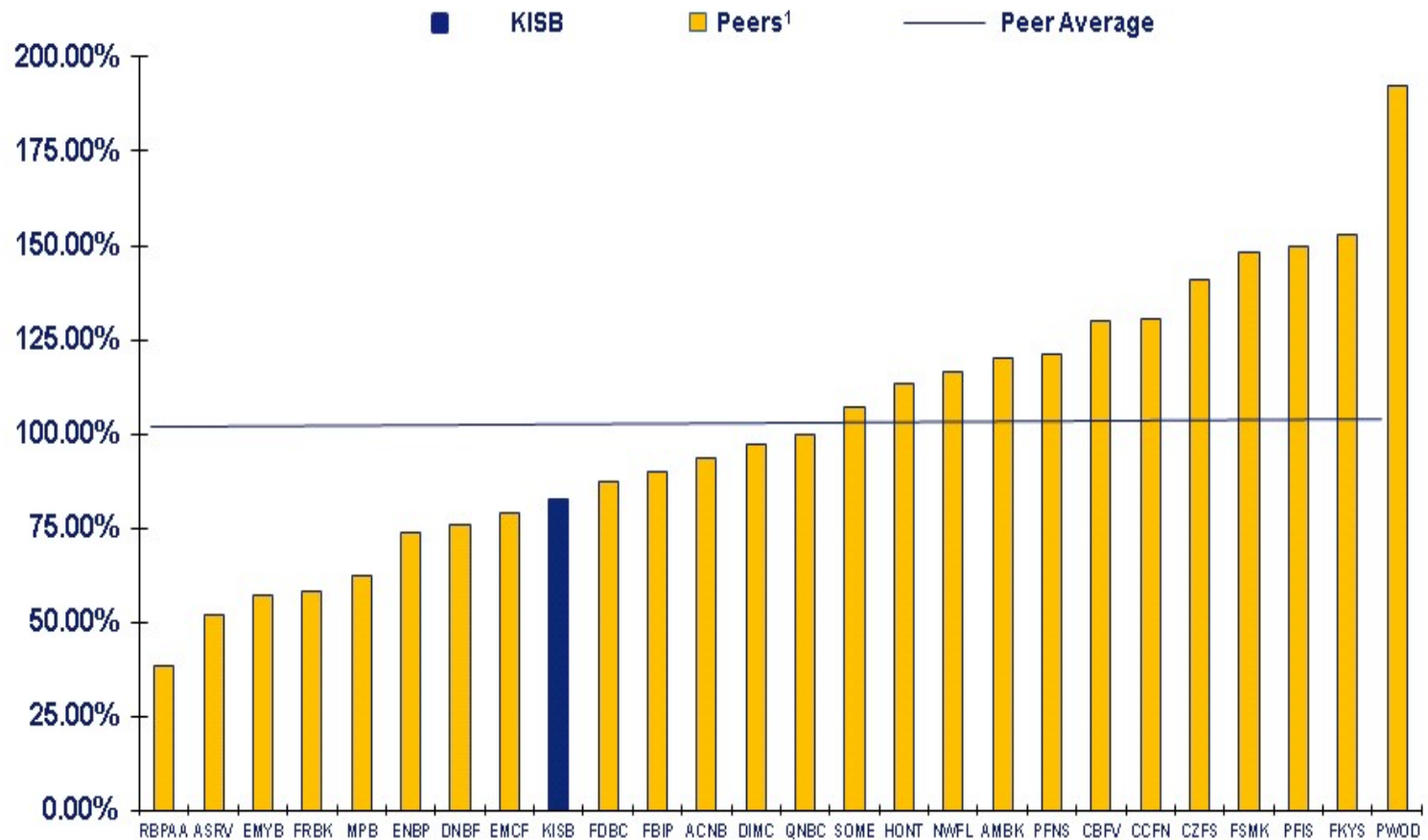
# Price/Book Value



<sup>1</sup> Includes Bank Operating Companies in PA and Nationally with \$500mm to \$1B in Assets  
Source: SNL Financial

# Market Valuation

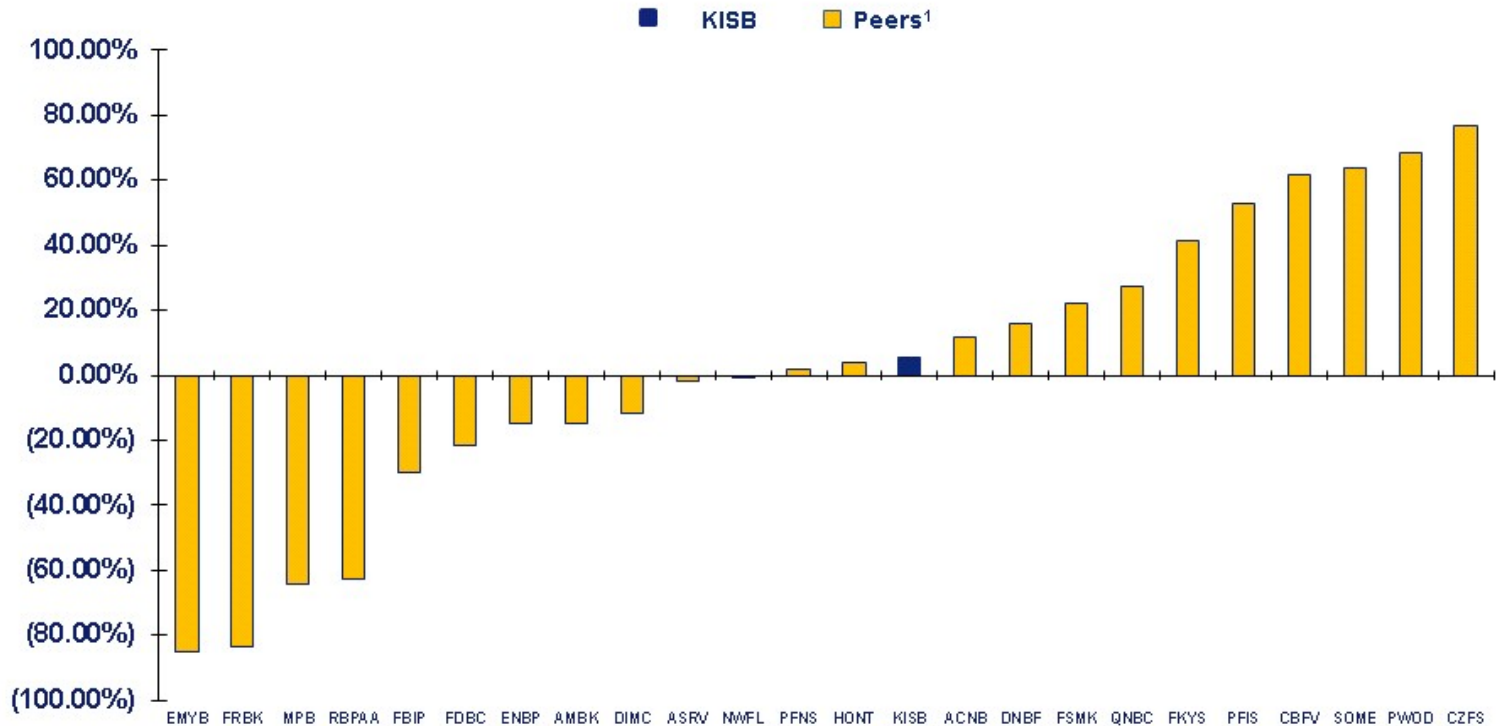
## Market Price as a % of Tangible Book Value (Dec. 31, 2011)



<sup>1</sup> Includes Bank Operating Companies in PA with \$500mm to \$1B in Assets  
Source: SNL Financial

# Stock Performance vs. Peer Banks

## Market Price % Change Dec. 2008 – Dec. 2011



<sup>1</sup> Includes Bank Operating Companies in PA with \$500mm to \$1B in Assets  
Source: SNL Financial

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# Financial Summary

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# Financial Summary

- Consistent growth in the face of sustained headwinds
- Positive core operating performance
- Diversified revenue mix
- Elevated short-term expenses related to economic and regulatory environment
- Battle-tested balance sheet and team
- The kind of company you want to own



# Strategic Opportunities



# Strategic Focus

- Cross the Finish Line
  - Manage risk profile
  - Anticipate increased regulatory capital requirements
- Maintain a Strong Balance Sheet
  - Focus on asset quality metrics
  - Sustained profitability and performance
- Grow Existing Business Lines
  - Expand the bank franchise in designated growth markets
  - Pursue opportunities for non-bank business expansion
  - Achieve market share objectives
- Position Company to Pursue Strategic Opportunities
  - Target bank and non-bank acquisitions in attractive markets
  - Kish Bancorp stock
- Promote the Brand
  - Network with our friends and associates



# National Recognition

- Ranked in *American Banker* magazine's list of Top 200 community banks in the United States
- Four consecutive years





# Kish Bancorp, Inc.

NASDAQ Ticker: KISB

[www.KishBank.com](http://www.KishBank.com)