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FOR IMMEDIATE RELEASE

Kish Bancorp Announces Fourth Quarter Financial Results

STATE COLLEGE, PA – February 3, 2011 – William P. Hayes, Chairman, President and CEO of Kish Bancorp, Inc., the parent company of Kish Bank, has announced unaudited financial results for the period ending December 31, 2010. The Corporation's total assets at year end were \$557 million, an increase of \$30 million, or 5.6%, compared to total assets of \$527 million as of December 31, 2009. Total deposits grew by \$38 million to \$446 million, an increase of 9.4% from \$408 million a year ago. Loans outstanding were \$367 million, unchanged from the prior year as the pace of demand slowed in the second half of 2010 and borrowers continued to reduce indebtedness.

Net income for the twelve months ending December 31, 2010 was \$3.556 million, an increase of \$343 thousand, or 10.7%, from \$3.213 million in 2009. Consistent with the change in net income, earnings per share increased 10.5%, to \$6.72, from \$6.08 in 2009. Net interest income grew \$1.463 million during 2010, a 9.4% increase from 2009, as deposit growth provided a foundation for asset growth at positive margins.

Net income for the quarter ending December 31, 2010 was \$835 thousand compared to \$1.550 million for the fourth quarter of 2009. Core earnings remained strong during the quarter as net interest income and non-interest income increased 5.9% and 18.4% respectively compared to last year. Offsetting the growth in revenues was a \$449 thousand increase in the provision for loan losses from \$201 thousand in fourth quarter 2009 to \$650 thousand in 2010. This expense offset a direct charge to the reserve, which was incurred as management took steps toward resolving one large problem commercial loan. The contribution maintained the reserve for potential loan losses at an appropriate level given the continued slow recovery in the local economy and ongoing stresses in the loan portfolio. Also during the fourth quarter, management implemented a moderate restructuring of the balance sheet by prepaying approximately \$8 million in above market rate FHLB borrowings. The associated extinguishment fees were offset by gains on the sale of investments. The resulting expansion in net interest income is expected to significantly contribute to earnings over the remaining life of these instruments.

For the year, contributions to the allowance for potential loan losses decreased to \$1.850 million in 2010 from \$2.344 million in 2009. Actual net charge-offs during 2010 were \$1.002 million,

including \$560 thousand relating to the large single credit discussed earlier. As a result, the allowance for loan losses rose to \$6.245 million at year end, or 1.67% of total loans outstanding. This is an increase of \$849 thousand, or 15.7%, from \$5.396 million at December 31, 2009, while outstanding loans remained flat.

Noninterest income increased by \$1.103 million, or 20.8%, to \$6.408 million during 2010, from \$5.305 million in 2009. Excluding gains from investing activities, noninterest income rose by \$668 thousand, or 14.2%, primarily due to yearlong strength in residential mortgage origination activities and growth in income from investment services sales. Revenues from insurance and travel related activities were also up moderately year over year.

Noninterest expense was \$17.519 million during 2010, an increase of \$2.619 million, or 17.6%, from \$14.900 million in 2009. Primary drivers of the increase in 2010 expenses were budgeted additions to staff, higher data processing costs, consulting and loan workout expenses, and the charge related to the early payoff of FHLB borrowings.

Hayes stated: "Strength in core earnings for our banking and non-banking units enabled us to sustain our focus on serving the region even as the slow economic recovery created continued challenges for some of our business borrowers. We remain confident that our balance sheet and competitive stance has positioned us well to achieve sustained performance over the long run."

It was also announced that the Corporation's Board of Directors approved a quarterly dividend in the amount of \$0.81 per share payable January 31, 2011 to shareholders of record as of January 1, 2011. Dividends per share remain unchanged from the same period last year.

Kish Bancorp, Inc. is a diversified financial services corporation headquartered in Belleville, PA. Kish Bank, a subsidiary of Kish Bancorp, Inc., operates thirteen offices in Centre, Huntingdon and Mifflin Counties. Business lines include: Kish Bank, 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.

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