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FOR IMMEDIATE RELEASE

Kish Bancorp Announces First Quarter Financial Results

BELLEVILLE, PA – May 2, 2011 – Kish Bancorp, Inc., the parent company of Kish Bank (the “Bank”), has announced unaudited financial results for the period ending March 31, 2011. The Corporation’s total assets ended the first quarter at \$570 million, an increase of \$19 million, or 3.4%, compared to total assets of \$551 million as of March 31, 2010. Total deposits grew by \$24 million to \$453 million, an increase of 5.6% from \$429 million a year ago. Loans outstanding declined 1.8% from \$373 million as of March 31, 2010 to \$366 million in 2011.

Net income during the first quarter of 2011 was \$858 thousand, an increase of \$217 thousand, or 33.9%, from \$641 thousand during the same period in 2010. Consistent with the change in net income, earnings per share increased 33.9%, to \$1.62, from \$1.21 in 2010. The core element of net income, net interest income, grew 9.3% to \$4.411 million during the first quarter of 2011 compared to \$4.034 million during the same period of 2010.

Contributions to the allowance for potential loan losses decreased to \$300 thousand during the quarter, from \$400 thousand in 2010. Chairman, President and CEO William P. Hayes noted that “Rigorous analysis of the adequacy of the loan loss reserve remains a priority during this extended period of difficult economic conditions and we are pleased to be able to note improving credit quality metrics.” He added that “While classified loans remain at elevated levels, loan delinquencies are very low by historical measures as business borrowers are experiencing generally improving conditions.” The Corporation received \$7 thousand in net recoveries during the quarter as payments on previously charged-off loans exceeded minimal new charge-offs. As a result, the allowance for loan losses rose to \$6.552 million at quarter end, an increase of \$842 thousand, or 14.7%, from March 31, 2010. The reserve as a percentage of total loans reached 1.76% at quarter-end, compared to 1.67% at year-end 2010 and 1.51% a year ago.

Noninterest income increased by \$484 thousand, or 41.1%, to \$1.661 million during the first quarter of 2011, from \$1.177 million in 2010. 2011 results include the addition of \$342 thousand of business property income related to a large problem loan that has moved into other real estate. Excluding this revenue, as well as gains from investing, core noninterest income rose by \$20 thousand, or 1.8%, primarily due to continued strength in residential mortgage origination activities.

Noninterest expense was \$4.839 million during 2011, an increase of \$722 thousand, or 17.5%, from \$4.117 million in 2010. Primary drivers of the increase in 2011 expenses were budgeted salaries and benefit increases, higher FDIC insurance assessments, and occupancy and operating expenses that include the cost of managing the business property described above.

Executive Vice President and CFO Brad Scovill said, "Although we are operating in a challenging environment, we are pleased with the strength and continued momentum of our core earnings and capital ratios. Despite a slowdown in commercial and consumer loan demand, residential mortgage originations have remained strong due to the attractive rate environment, and sustained deposit growth is supporting higher levels of earning assets. Any economic rebound should translate quickly into improved loan volumes and revenues."

Scovill added that total capital as a percent of risk weighted assets at both Kish Bank and Kish Bancorp exceeded 12% at March 31, 2011, significantly above the minimum ratio of 10% required to be considered well-capitalized. "All ratios used by regulators to measure capital adequacy for banks and bank holding companies exceed the minimum levels required to be considered well-capitalized," he said.

The Corporation paid a quarterly dividend in the amount of \$0.81 per share on April 30, 2011 to shareholders of record as of April 1, 2011. Dividends per share remain unchanged from the same period last year.

Hayes noted that the Bank is in the process of working through the requirements of a written agreement with its primary regulator, the Office of the Comptroller of the Currency (the "OCC"), resulting from the Bank's regulatory examination dated November 2, 2009. He said, "The Bank's senior management and the Board of Directors moved swiftly to address the issues identified in the examination. Over the past 17 months, the issues identified in that examination and subsequently set forth in the agreement have been completed or are in the final stages of being completed."

"The agreement with the OCC is a voluntary, constructive step, and is consistent with existing initiatives to strengthen key areas of the Bank's operations," he added. Hayes also said the agreement has no impact on the Bank's regulatory capital status or on FDIC insurance coverage for deposit accounts. The Bank remains actively engaged in lending to meet the credit needs of both businesses and individuals in the region.

Hayes and Scovill also noted that the Corporation continues to build for the future through key additions to the management team. In the past 6 months, Bill Yaudes, Penny Zesiger, Paul Fochler, Michael Lehmer, John Arrington, and Carol Herrmann have joined Kish Bank. Bill Yaudes is serving Kish Bank as Vice President, Regional Market Manager for Huntingdon County; Penny Zesiger has joined the company as Assistant Vice President, Mortgage and Consumer Lender in Mifflin County; Paul Fochler serves the Bank as Assistant Vice President, Risk Analyst; Mike Lehmer has joined Kish as Vice President, Trust Department Manager; John Arrington is serving Kish as Senior Vice President, Regional Market Manager for Centre County; and Carol Herrmann joined the bank recently and is serving in the new role of Vice President for Administration.

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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