



Kish Bancorp Announces Economic Initiatives

State College, Pennsylvania (KISB) – January 17, 2018 – Kish Bancorp, Inc., together with its principal subsidiary, Kish Bank, has announced a series of decisions and initiatives following the recent enactment of the Tax Cuts and Jobs Act of 2017 (the Act). As a consequence of the Act's passage and in anticipation of long-awaited regulatory relief legislation for community banks that is pending before Congress, William P. Hayes, Kish's Chairman, President and CEO, has announced a number of key initiatives that will provide positive benefits to the Company's communities and team members.

In making the announcement, Hayes said, "The Tax Cuts and Jobs Act will be very favorable for banking by reducing corporate income tax rates, stimulating the economy, and providing incentives to invest in infrastructure and employees. In light of the improved outlook for the Company, Kish's board and executive leadership have decided to immediately expand its 2018 budget for support of community organizations and charitable organizations by a minimum of \$50,000. That amount represents an increase of approximately 33% in Kish's charitable contributions. Decisions about support for organizations, programs, and charitable activities will be made as the year progresses, but we are beginning by increasing our corporate contributions to the local United Ways in each of the three counties we serve."

Other significant decisions are as follows. The Company has paid an immediate one-time bonus of \$1,000 to all team members and \$500 to part-time employees. This payment was in addition to and separate from upcoming profit sharing payments to all employees below the level of Vice President.

Additionally, the Company will elevate its starting minimum wage for all entry level personnel, together with an associated increase in the ranges for all non-exempt hourly employees. Expanded 2018 hiring plans will increase the number of employees equivalent to ten full-time personnel, with a corresponding expansion in payroll and benefits of approximately \$400,000.

Kish is also committing to an enhanced investment in technology, infrastructure, capital equipment, and facilities, with total projected expenditures of approximately \$10 million over the next three years. Plans are now under development for a new Technology, Operations, and Customer Service Center to be constructed at the intersection of Routes 655 and 322 in Reedsville. That facility will provide a technology and operations hub for the entire organization and will house a workforce of close to 100 employees. The Company anticipates that construction on this project will commence in early 2019.

Hayes stated, "Kish Bank has experienced rapid growth in the past few years along with its non-bank affiliates. We believe that reduced corporate tax rates, the improved outlook for the economy, and pending community bank regulatory relief is very encouraging and further elevates our optimism that conditions will remain favorable for Kish Bank well into the future. We have sought to identify

opportunities to express that positive outlook to our team and communities in a number of tangible and immediate ways.”

Hayes concluded, “We are very well positioned to pass along the benefits of tax reform, regulatory relief, and economic stimulus, and believe that these initiatives demonstrate Kish’s commitment to do so. We will continue to be alert for opportunities to invest in the region’s economy and to help make our local communities ever better places to live and work.”

Kish Bancorp, Inc. is an \$800 million dollar community bank holding company with offices in Mifflin, Centre, and Huntingdon counties. Its affiliates include Kish Bank, Kish Insurance, Kish Financial Solutions, Benefit Management Group, and Kish Travel. Kish stock trades under the symbol KISB.