



CONTACT: Alan W. Dakey, Vice Chairman, President and CEO
PHONE: 717- 929-2200
ADDRESS: 309 North Ronks Road
Bird-in-Hand, PA 17505

EMAIL ADDRESS: adakey@bihbank.com

Bank of Bird-in-Hand, a De Novo Success

The Bank of Bird-in-Hand (The Bank) is celebrating its 3 year anniversary on December 2nd, 2016. The Bank, upon its opening was one of only two banks that had opened in the United States since 2008 and the first in Pennsylvania since 2008. The Bank has substantially exceeded its profit projections and balance sheet growth when compared to its original business plan as a result of tremendous support from the local community. As of November 30, 2016, after only three years in operation, the Bank had total assets of \$167 million, deposits of \$148 million, and gross loans of \$150 million. The Bank has significantly exceeded its original projections in terms of growth and profitability and anticipates profits in 2016 well beyond its budget projection.

The Bank was notified by the FDIC that its de novo status would end as of January 1, 2017, due to a change in FDIC regulations shortening the de novo period for all banks to three years versus the previous seven year requirement. This change will allow the Bank to continue its strong growth and reduce substantial reporting, oversight, and regulatory requirements.

In July 2016, the Bank announced that it had been selected by DepositAccounts.com, as one of its Top 200 Healthiest Banks in America. Each year their survey evaluates the financial health of every federally insured bank in the United States, more than 6,100 banks. Each institution is graded on a number of factors, including capitalization, deposit growth, and loan to reserve ratios, in order to determine a comprehensive health score. From the list of 6,199 banks, DepositAccounts.com recognizes those that have shown exceptional fiduciary responsibility in its 2016 edition of the Top 200 Healthiest Banks.

In September 2016, the Bank opened its second branch at 3540 Old Philadelphia Pike, Leacock Township, Intercourse, PA. The Full Service Branch contains 1,664 square feet, plus 1,008 square feet of shared common area, 2 drive-up lanes, and an ATM.

Also, in September 2016, the Bank initiated a capital stock offering to raise additional capital to support the future growth of the Bank. The stock offering authorized a minimum capital raise of \$8 million and a maximum raise of \$12 million. Kevin McClarigan, Chairman of the Board, reported that the stock offering received a tremendous response from the local community with

the Bank receiving subscription agreements totaling \$12 million in only two months, resulting in the offering being closed to additional investors as of November 16, 2016.

Mr. Dakey, President and CEO, expressed strong optimism about the future of true community banking. He advised that, “The Bank is located in a prime location in a growing market, with many opportunities for continuing growth. Bank of Bird-in-Hand, with our local ownership, local focus and prompt local decision-making, has a strong competitive advantage over larger regional banks where decisions are made outside of the area. We are small enough to be flexible and responsive to our market, while still offering a full range of financial products and services. The recent mergers involving Susquehanna Bank, National Penn Bank, Metro Bank, and Integrity Bank have created significant opportunities for the Bank”.