

BANK OF BIRD-IN-HAND FOR IMMEDIATE RELEASE

Date: October 4, 2019
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Bank of Bird-in-Hand Announces First Cash Dividend

Bird-in-Hand, PA (October 4, 2019) On September 25, 2019, the Board of Directors of Bank of Bird-in-Hand (the “Bank”) declared its first cash dividend of \$.20 per share to shareholders of record as of October 15, 2019 and payable on December 1, 2019.

“We are pleased to announce, our first cash dividend, a \$.20 per share special cash dividend,” stated Lori A. Maley, CPA, President and Chief Executive Officer. “Our financial performance since our founding has provided us the opportunity to declare the special cash dividend. This dividend is a reward to our loyal shareholders for the continued growth and profitability of the Bank and to reinforce our goal of creating long-term shareholder value through responsible capital allocation. Furthermore, this special cash dividend would not be possible without the steadfast support of our shareholders and the hard work and dedication of all our employees and the Board of Directors,” Ms. Maley concluded.

About Bank of Bird-in-Hand

Bank of Bird-in-Hand is a community-owned bank serving Eastern Lancaster County and Western Chester County with a strong focus on agricultural, small business, and consumer lending. Its main branch and office is located at 309 North Ronks Road, Bird-in-Hand, PA 17505. It operates additional branches at 3540 Old Philadelphia Pike, Intercourse, PA 17534 and 3314 Lincoln Highway East, Paradise, PA 17562. The Bank also operates a mobile branch which has a schedule of hours of operation at nine locations in Lancaster County.

As of August 31, 2019, Bank of Bird-in-Hand had total assets of \$443.6 million, total deposits of \$387.6 million, total loans, net of \$362.9 million, and total shareholders’ equity of \$54.9 million.

A Warning About Forward-Looking Statements

In addition to historical information, this document may contain forward-looking statements. Examples of forward-looking statements include, but are not limited to, (a) projections or statements regarding future earnings, expenses, net interest income, other income, earnings or loss per share, asset mix and quality, growth prospects, capital structure, and other financial terms, (b) statements of plans and objectives of management or the Board of Directors, and (c) statements of assumptions, such as economic conditions in the Bank’s market areas. Such forward-looking statements can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “intends,” “will,” “should,” “anticipates,” or the negative of any of the foregoing or other variations thereon or comparable terminology, or by discussion of strategy. Forward-looking statements are subject to certain risks and uncertainties such as local economic conditions, competitive factors, and regulatory limitations. Actual results may differ materially from those projected in the forward-looking statements. We caution readers not to place undue reliance on these forward-looking statements. They only reflect management’s analysis as of this date. Such risks,

uncertainties and other factors that could cause actual results and experience to differ from those projected include, but are not limited to, the following: the effects of new laws and regulations, including the impact of the Tax Cut and Jobs Act and Dodd-Frank Wall Street Reform and Consumer Protection Act; effects of short- and long-term federal budget and tax negotiations and their effect on economic and business conditions; the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Financial Accounting Standards Board and other accounting standard setters; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market area and elsewhere, including institutions operating locally, regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the internet; technological changes; the interruption or breach in security of our information systems and other technological risks and attacks resulting in failures or disruptions in customer account management, general ledger processing and loan or deposit updates and potential impacts resulting therefrom including additional costs, reputational damage, regulatory penalties, and financial losses; ineffectiveness of the business strategy due to changes in current or future market conditions; the effects of economic deterioration on current customers, specifically the effect of the economy on loan customers' ability to repay loans; the effects of competition, and of changes in laws and regulations on competition, including industry consolidation and development of competing financial products and services; volatilities in the securities markets; interest rate movements; and acts of war or terrorism. The Bank does not revise or update these forward-looking statements to reflect events or changed circumstances.