NEWS RELEASE

PSB Holdings, Inc. announces semi-annual Cash dividend of $0.21 per share

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WAUSAU, Wis., June 18, 2020 (GLOBE NEWSWIRE) -- PSB Holdings, Inc. (OTCQX: PSBQ), parent company of Peoples State Bank, is pleased to announce that on June 16, 2020, its Board of Directors declared a regular semi-annual cash dividend of $0.21 per share of PSB common stock. The dividend is payable July 31, 2020 to shareholders of record as of July 10, 2020 and represents an increase of 5.0% over the $0.20 per share semi-annual cash dividend declared on June 18, 2019. The current dividend continues a 56-year tradition of cash dividends to PSB shareholders, including 27 consecutive years of increased cash dividends declared per share.

PSB's Board of Directors will also continue the suspension of its common stock repurchase program until further notice. The timing and extent of future repurchases will be dependent upon market conditions and other corporate considerations. Year-to-date through May 31, 2020, 18,434 shares of common stock have been repurchased under the program at an average cost of $25.95 per share.

PSB President and CEO Scott M. Cattanach said, "Given our current capital strength, based on our capital stress testing results and liquidity position in the year ahead, we are continuing and modestly increasing our normal semi-annual shareholder dividend while monitoring changing economic conditions. Increased revenue from high volume in our residential mortgage banking division and loan origination income associated with the SBA Payroll Protection Program has allowed us to build loan loss reserves believed to be needed to offset potential future credit losses driven by the COVID-19 economic downturn. We will continue to monitor our capital needs and earnings strength to re-evaluate our dividend policy later in 2020 as the current economic environment evolves."

About PSB Holdings, Inc.

PSB Holdings, Inc. is the parent company of Peoples State Bank. Peoples is a community bank headquartered in Wausau, Wisconsin, serving north central Wisconsin from nine full-service banking locations in Marathon, Oneida,

Vilas and Milwaukee counties and a loan production office in Stevens Point, Wisconsin. Peoples also provides investment and insurance products, along with retirement planning services, through Peoples Wealth Management, a division of Peoples. PSB Holdings, Inc. is traded under the stock symbol PSBQ on the OTCQX Market. More information about PSB, its management, and its financial performance may be found at **www.psbholdingsinc.com**.

Forward Looking Statements

Certain matters discussed in this news release, including those relating to the potential growth of PSB Holdings, Inc., its future profits, expected stock repurchase levels, future shareholder dividend rates, and future interest rates, are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties which may cause actual results to differ materially from the expectations set forth in this release. Among other things, these risks and uncertainties include the strength of the economy, the effects of government policies, including interest rate policies, and other risks and assumptions. PSB Holdings, Inc. assumes no obligation to update or supplement forward-looking statements that become untrue because of events subsequent to this press release.

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