



PRESS RELEASE
For Immediate Release

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**KS BANCORP, INC. REQUESTS ALL SHAREHOLDERS TAKE NO
ACTION ON ANY MATERIALS RECEIVED FROM MR. LEWIS**

Smithfield, NC, April 5, 2018 – KS Bancorp, Inc. (OTCBB: KSBI) (“KS” or “the Company”), parent company of KS Bank, Inc. (the “Bank”), today requests that KS shareholders refrain from taking any action with regard to any materials that they may receive from Mr. Phillip A. Lewis until they have had an opportunity to receive and review the Company’s proxy materials and the associated “WHITE” proxy card in connection with its upcoming Annual Meeting.

Harold T. Keen, President and CEO of KS, commented: “The Company has received a letter from Mr. Lewis that suggests he might run as a director nominee in opposition to a candidate nominated, endorsed and supported by our Company’s Board of Directors and senior management team. There is a possibility that Mr. Lewis’s materials may be received by shareholders before they receive the Board’s proxy materials and its “WHITE” proxy card. We respectfully ask that our shareholders not take any action regarding Mr. Lewis’s materials until they have had a chance to receive and review the Company’s proxy materials.”

About KS

KS Bancorp, Inc. is a Smithfield, North Carolina single bank holding company. KS Bank, Inc., a state-chartered savings bank, is KS Bancorp’s sole subsidiary. The Bank is a full-service community bank serving the citizens of eastern North Carolina since 1924. The Bank offers a broad range of personal and business banking products and services, mortgage products and wealth management advisory services. There are nine full service branches located in Kenly, Selma, Clayton, Garner, Goldsboro, Wilson, Wendell, Smithfield, and Four Oaks, North Carolina plus a mortgage servicing location in Greenville, NC. In addition, KS Wealth Management has an office in Asheboro, NC and maintains a presence in Waynesville and Wilmington, NC. For more information, visit www.ksbankinc.com.

Forward Looking Language

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of KS Bancorp, Inc. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of management of KS Bancorp and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like “expect,” “anticipate,” “estimate” and “believe,” variations of these words and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. KS Bancorp undertakes no obligation to update any forward-looking statements.