



FOR IMMEDIATE RELEASE

Orange County Bancorp Announces Closing of \$16.4 Million Private Placement of Common Stock

Unaudited Financial Results for the Three and Nine Months Continue Profitable Growth Trend

Middletown, NY, October 31, 2018 – Orange County Bancorp, Inc. (OTC Pink: OCBI) (the “Company”), the holding company of Orange Bank & Trust Company (the “Bank”) and Hudson Valley Investment Advisors, announced today it has closed on a private placement of \$16.4 million of the Company’s common stock with the sale of 566,783 shares to accredited investors at a purchase price of \$29.00 per share (the “Offering”).

The Company plans to use the estimated \$16.0 million in net proceeds for general corporate purposes, including the provision of capital to the Bank to support further growth, which may include expansion of its lending, trust and private banking activities and efficiency improvements to its growing branch network.

“This Offering was a true community effort as we focused on Company ‘friends and family’ – our customers and colleagues – for the capital raise,” said Michael Gilfeather, President & CEO of the Company and Bank. “Completion of this Offering is consistent with our strategic plan to grow business banking market share in our legacy market of Orange County, as well as our exciting new opportunities we’ve identified in Rockland County and Westchester County.”

Luse Gorman, PC served as legal counsel for the Company in connection with the Offering.

The Company’s common stock was offered and sold solely to accredited investors in compliance with an exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) and Rule 506(b) of Regulation D under the Securities Act.

The Company also announced its unaudited financial results for the three and nine months ended September 30, 2018. The Company continued its trend of profitable growth. Net income for the third quarter 2018 was \$2.03 million, an increase of \$488,000, or 31.7%, from the prior quarter. For the nine months ended September 30, 2018, net income was \$4.94 million, an increase of \$1.46 million, or 42.0%, from the same period last year. The earnings per share were: \$0.52 for the three months ended

September 30, 2018 compared to \$0.39 for the prior quarter and \$1.26 for the nine months ended September 30, 2018 compared to \$0.89 for the same period last year.

At September 30, 2018 the Company had \$1.07 billion in total assets, \$684.02 million in loans and \$949.78 million in deposits. Balance sheet growth from June 30, 2018 to September 30, 2018 was: \$21.96 million (2.1%) in total assets, \$27.79 million (4.2%) in loans, and \$20.97 million (2.3%) in deposits. Growth since December 31, 2017 was: \$110.36 million (11.5%) in total assets, \$106.86 million (18.5%) in loans, and \$117.23 million (14.1%) in deposits.

Additional information on the Bank's performance is available from the call reports filed with the FDIC.

About Orange County Bancorp, Inc.

Orange County Bancorp, Inc. is the parent company of Orange Bank & Trust Company and Hudson Valley Investment Advisors, Inc. Orange Bank & Trust Company is an independent community bank beginning with a dream of 14 founders over 125 years ago and through conservative banking practices, innovation and commitment to its community, now has assets of \$1 billion. In recent years, Orange Bank & Trust Company has added branches in Rockland and Westchester Counties. Hudson Valley Investment Advisors, Inc. is a Registered Investment Advisor in Goshen, NY. It was founded in 1996 and was acquired by the Company in 2012. For more information, visit orangebanktrust.com or hvionline.com.

Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements". Forward-looking statements can be identified by words such as "believe," "estimate," "anticipate," "may," "will," "should," and "expect" and similar references to future periods. Actual results may differ materially from the results discussed in these forward-looking statements, because such statements are inherently subject to significant assumptions, risks, and uncertainties, many of which are difficult to predict and are generally beyond the Company's control. These include but are not limited to: the possibility of adverse economic developments that may, among other things, increase default and delinquency risks in the Company's loan portfolios; shifts in interest rates; shifts in the rate of inflation; shifts in the demand for the Company's loan and other products; unforeseen increases in costs and expenses; changes in accounting policies; changes in the monetary and fiscal policies of the federal government; and changes in laws, regulations and the competitive environment. Unless legally required, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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