



FOR IMMEDIATE RELEASE

Orange County Bancorp, Inc. Announces Record 2019 Results

- Net Income for full-year 2019 increased by 47.0% to \$11.1 million
- Average Loans increased 25.6% year-over-year to \$817.5 million
- Average Demand Deposits grew 35.5% year-over-year to \$333.1 million
- Total Assets grew 15.3%, or \$163 million versus same period last year to \$1.23 billion
- Tangible Book Value per Share of \$25.30 rose 12.6%, or \$2.84, year-over-year
- Return on tangible common equity for full-year 2019 of 10.39%, an increase of 154 basis points
- Return on average assets for full-year 2019 increased 28.7% to 0.94%

MIDDLETOWN, N.Y., JANUARY 23, 2020 – Orange County Bancorp, Inc. (the “Company” - OTCQX: OCBI), parent of Orange Bank & Trust Co. (the “Bank”) and Hudson Valley Investment Advisors, Inc. (HVIA), today announced net income for the quarter and twelve month period ended December 31, 2019 of \$2.9 million, or \$0.65 per share, and \$11.1 million, or \$2.47 per share, respectively. These results compare favorably with \$2.6 million, or \$0.61 per share, and \$7.6 million, or \$1.87 per share for the three and twelve months ended December 31, 2018, respectively, and reflect record fourth quarter and full year results for the Company.

“I am pleased to report the momentum we have been experiencing as a result of multi-year investments in expansion and personnel continued into the fourth quarter, enabling us to post record Q4 and full year results,” said Michael Gilfeather, President and Chief Executive Officer. “I am extremely pleased with the performance of our team. Our core businesses all turned in impressive growth, with loans and deposits up more than 25% and 35%, respectively, versus the prior year, while net interest margin improved 21 basis points to 3.90% for the full year period. This effort was aided by state-of-the-art cash management resources, which have helped our team expand both the depth and efficiency of our product offering and is expected to continue to contribute to profitability, account growth, and customer retention going forward.

Our Trust and Advisory businesses also advanced, surpassing the \$1 billion mark in combined assets under management during the year, while our newest service, Private Banking, continues to grow, helping clients and the Company better leverage the services and capabilities of our platform.

Our record earnings are the result of continued focus on our core competencies – anticipating our customers’ needs and delivering the highest quality products, services, and solutions. This has yielded particular success with business customers across our legacy and expanded geographic footprint, and contributed to our 47% increase in net income in 2019, to a record \$11.1 million, and 12.6% increase in tangible book value. All this was while maintaining our rigorous lending standards and risk controls, insuring the success we achieved in 2019 can continue well into the new decade and beyond.”

Income Statement Summary

Net interest income for the twelve months ended December 31, 2019 increased \$7.5 million, or 21%, to \$43.4 million compared with the same period last year. The increase is primarily the result of a \$141.1 million, or 14.5%, increase in average interest earning assets, including a \$166.4 million, or 25.6%, increase in average loans outstanding. Net interest margin for the twelve months ended December 31, 2019 was 3.90%, an increase of 21 basis points over the same period last year. The cost of interest-bearing deposits for the twelve months ended December 31, 2019 was 0.60%, compared to 0.35% for the twelve months ended

December 31, 2018, an increase of 25 basis points. The Company continued to see strong growth in non-interest bearing demand accounts, with an increase of \$67.6 million, or 29.5%, to \$296.3 million in average non-interest bearing demand accounts for the twelve months ended December 31, 2019. The total cost of deposits for the twelve months ended December 31, 2019 was 0.43% compared to 0.26% for the twelve months ended December 31, 2018.

Net interest income for the three months ended December 31, 2019 rose \$1.4 million, or 14.3%, to \$11.3 million, versus the prior year. The increase is primarily the result of a \$180.5 million, or 18.1%, increase in average interest earning assets and related \$170.5 million, or 24.3%, increase in average loans outstanding. Net interest margin of 3.83% for the three months ended December 31, 2019 represents a 13 basis point, or 3.2%, decrease versus 3.96% for the same period last year.

The bank's provision for loan losses was \$2.2 million for the twelve months ended December 31, 2019, compared to \$2.5 million for the year ended December 31, 2018. Non-accrual loans, as a percent of total loans outstanding, was 0.17% as of December 31, 2019, a decrease of 0.07% versus the prior quarter and 0.08% for the same quarter last year. Loans classified as substandard or doubtful decreased \$294 thousand, or 2.1%, to \$14.0 million as of December 31, 2019, from \$14.3 million for the period ended September 30, 2019, and decreased \$1.3 million, or 8.4%, from \$15.3 million for the period ended December 31, 2018.

Non-interest income increased \$413 thousand, to \$10.4 million, on a year-over-year basis, primarily due to increases in trust income and investment advisory fees of \$366 thousand and \$214 thousand, respectively. Non-interest income rose \$213 thousand, to \$2.7 million, for the three months ended December 31, 2019 compared to the three months ended December 31, 2018, primarily as a result of increases in trust income of \$89 thousand and investment advisory fees of \$114 thousand, respectively.

Non-interest expense rose \$3.5 million, or 10.1%, to \$37.8 million for the twelve months ended December 31, 2019, as a result of a \$2.7 million increase in salaries and employee benefits associated with growth-related staffing. Non-interest expense for the twelve months ended December 31, 2019 was favorably impacted by the issuance of insurance credits by the Federal Deposit Insurance Corporation ("FDIC") to small institutions, resulting in lower FDIC insurance expense of \$370 thousand for the twelve months ended December 31, 2019, versus \$521 the prior year. Non-interest expense increased \$242 thousand, to \$9.8 million, for the three months ended December 31, 2019 compared to the three months ended September 30, 2019, and \$1.1 million versus the three months ended December 31, 2018.

Total income before taxes increased \$4.7 million, or 51.7%, to \$13.9 million for the twelve months ended December 31, 2019, from \$9.2 million for the twelve months ended December 31, 2018. The Company's effective income tax rates for the quarter and twelve months ended December 31, 2019 were 20.6% and 20.3%, respectively. These compare with effective tax rates of 20.4% and 13.4% for the quarters ended September 30, 2019 and December 31, 2018, respectively, and 17.7% for the twelve months ended December 31, 2018.

Balance Sheet Summary

Total balance sheet assets increased \$163.0 million, or 15.3%, to \$1.23 billion at December 31, 2019, from \$1.06 billion at December 31, 2018. This was primarily due to increases of \$153.6 million, or 20.8%, in loans receivable and \$6.7 million, or 36.7%, in cash and cash equivalents, partially offset by a \$1.8 million, or 0.70%, decrease in investment securities. The increase in cash and cash equivalents is principally due to increases in deposits, while the \$153.6 million increase in loans was the result of \$393.1 million of new loan originations and \$25.2 million in purchases, partially offset by \$264.7 million of net amortization and repayments on our existing portfolio. For the quarter ended December 31, 2019, new loan originations totaled \$84.2 million, there were no loan purchases and net amortization and repayments totaled \$61.7 million.

Total liabilities increased \$150.6 million, or 15.8%, to \$1.11 billion for the twelve months ended December 31, 2019, from \$956 million at December 31, 2018. This was largely due to a \$178.1 million increase in total deposits partially offset by a \$10 million reduction in FHLB advances. Total liabilities decreased \$18.9

million from \$1.13 billion at September 30, 2019, driven by anticipated seasonal reductions in municipal deposit balances.

Total deposits as of December 31, 2019 were \$1.1 billion, an increase of \$178.1 million, or 19.7%, from the prior year. Commercial deposits increased \$111.4 million, or 28.2%, to \$505.7 million, or 46.7%, of total deposits at December 31, 2019 compared to \$394.4 million, or 43.6% of total deposits at December 31, 2018. Noninterest bearing deposits increased \$95.0 million, or 39.5%, to \$335.5 million during the twelve months ended December 31, 2019.

Total shareholders' equity increased \$12.4 million, or 11.4%, to \$120.9 million at December 31, 2019, from \$108.5 million at December 31, 2018. This increase is due to, a \$7.8 million increase in retained earnings and a \$4.4 million improvement in the market value of securities available for sale.

At December 31, 2019, the Company's book value per common share and tangible book value per common share were \$26.99 and \$25.30, respectively, compared to \$24.22 and \$22.46, respectively, at December 31, 2018. This represents increases of 11.5% and 12.6%, respectively. At December 31, 2019, the Bank exceeded the "well capitalized" thresholds under applicable regulatory guidelines.

Asset Quality Summary

Non-performing loans decreased to \$1.55 million or 0.25% of total loans as of December 31, 2019, from \$2.04 million or 0.25% of total loans as of September 30, 2019. Non-performing loans decreased \$276 thousand, from \$1.8 million or 0.26% of total loans as of December 31, 2018.

Loans classified as substandard or doubtful decreased \$274 thousand, or 2.1%, to \$14.0 million at December 31, 2019, from \$14.3 million at September 30, 2019, and decreased \$1.3 million, or 8.4%, from \$15.3 million at December 31, 2018. Watch rated loans increased \$1.3 million, or 13.3%, to \$11.2 million at December 31, 2019 from \$9.9 million at September 30, 2019. Delinquencies increased to \$8.2 million or 0.92% of total loans at December 31, 2019, from \$3.9 million or 0.45% of total loans at September 30, 2019, and increased \$1.5 million from \$6.7 million or 0.90% of total loans at December 31, 2018. The increase in delinquencies is primarily attributable to a single relationship that was made current by the borrower subsequent to the year ended December 31, 2019.

At December 31, 2019, the Company's allowance for loan losses was 1.38% of total loans outstanding, a decrease from 1.42% at September 30, 2019 and from 1.44% at December 31, 2018. Notwithstanding net loan growth during the year, continued improvement in historical loss rate assumptions and performance of the loan portfolio contributed to the reduction in this allowance ratio.

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 bank that began with the vision of 14 founders over 125 years ago. It has grown through conservative banking practices, ongoing innovation and an unwavering commitment to its community and business clientele to more than \$1 billion in Total Assets. 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 hviaonline.com.

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Orange County Bancorp, Inc.
Consolidated Statements of Condition (unaudited)
(dollar amounts in thousands except per share data)

	December 31, 2019	December 31, 2018
ASSETS		
Cash and due from banks	\$ 25,112	\$ 18,374
Investment securities - available-for-sale	254,915	255,536
Restricted investment in bank stocks	1,346	2,522
Loans	890,704	737,076
Allowance for loan losses	(12,275)	(10,663)
Loans, net	878,429	726,413
Premises and equipment	14,599	13,934
Accrued interest receivable	3,202	3,008
Cash surrender value of bank-owned life insurance	27,818	27,128
Goodwill	5,359	5,359
Intangible assets	2,249	2,535
Other assets	14,878	10,064
TOTAL ASSETS	\$ 1,227,907	\$ 1,064,873
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Noninterest bearing	\$ 335,469	\$ 240,432
Interest bearing	747,663	664,576
Total deposits	1,083,132	905,008
FHLB advances	5,000	35,500
Note payable	3,000	3,057
Accrued expenses and other liabilities	15,834	12,768
TOTAL LIABILITIES	1,106,966	956,333
STOCKHOLDERS' EQUITY		
Common stock, \$0.50 par value; 15,000,000 shares authorized; issued and outstanding, 4,509,292 shares and 4,481,521 shares ,respectively at Dec. 31, 2019, 4,513,905 shares and 4,481,726 shares, respectively at Dec 31, 1018		
	2,255	2,266
Surplus	84,926	85,496
Undivided profits	38,730	30,956
Accumulated other comprehensive loss, net of taxes	(4,044)	(8,986)
Treasury stock, at cost	(926)	(1,192)
TOTAL STOCKHOLDERS' EQUITY	120,941	108,540
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,227,907	\$ 1,064,873
Book value per share	\$ 26.99	\$ 24.22
Tangible book value per share	\$ 25.30	\$ 22.46

Orange County Bancorp, Inc.
Consolidated Statements of Income (unaudited)

(dollar amounts in thousands except per share data)

	Twelve Months Ended December 31,			
	2019	2018	\$ Change	% Change
INTEREST INCOME				
Interest and fees on loans	\$ 40,977	\$ 31,608	\$ 9,369	29.64%
Interest on investment securities:				
Taxable	5,825	4,944	881	17.82%
Tax exempt	641	1,416	(775)	(54.73%)
Interest on Federal funds sold and other	853	731	122	16.69%
TOTAL INTEREST INCOME	48,296	38,699	9,597	24.80%
INTEREST EXPENSE				
Interest on savings and NOW accounts	3,291	1,488	1,803	121.17%
Interest on time deposits	1,221	873	348	39.86%
Interest on FHLB advances	147	241	(94)	(39.00%)
Interest on note payable	181	185	(4)	(2.16%)
TOTAL INTEREST EXPENSE	4,840	2,787	2,053	73.66%
NET INTEREST INCOME	43,456	35,912	7,544	21.01%
Provision for loan losses	2,195	2,465	(270)	(10.95%)
NET INTEREST INCOME AFTER PROVISION	41,261	33,447	7,814	23.36%
OTHER OPERATING INCOME				
Service charges on deposit accounts	921	932	(11)	(1.18%)
Trust income	3,531	3,165	366	11.56%
Investment advisory income	4,545	4,332	213	4.92%
Investment securities gains	(219)	-	(219)	0.00%
Earnings on bank-owned life insurance	689	691	(2)	(0.29%)
Other	965	899	66	7.34%
TOTAL OTHER OPERATING INCOME	10,432	10,019	413	4.12%
OTHER OPERATING EXPENSES				
Salaries	17,065	15,058	2,007	13.33%
Employee benefits	4,208	3,534	674	19.07%
Occupancy expense	3,523	3,339	184	5.51%
Professional fees	2,571	2,658	(87)	(3.27%)
Directors' fees and expenses	1,108	984	124	12.60%
Computer software expense	3,079	2,777	302	10.88%
FDIC assessment	370	521	(151)	(28.98%)
Advertising expenses	1,177	990	187	18.89%
Advisor expenses related to trust income	900	842	58	6.89%
Telephone expenses	459	410	49	11.95%
Intangible amortization	286	286	-	0.00%
Other	3,023	2,887	136	4.71%
TOTAL OTHER OPERATING EXPENSES	37,769	34,286	3,483	10.16%
Income before income taxes	13,924	9,180	4,744	51.68%
Provision for income taxes	2,826	1,628	1,198	73.59%
NET INCOME	\$ 11,098	\$ 7,552	\$ 3,546	46.95%
Earnings per share	\$ 2.47	\$ 1.87	\$ 0.60	
Cash dividends declared per share	\$ 0.80	\$ 0.81	\$ (0.01)	
Weighted average shares outstanding	4,485,317	4,034,633	450,684	

Orange County Bancorp, Inc. and Subsidiaries
Net Interest Margin Analysis (unaudited)

(dollar amounts in thousands)

	Three Months Ended December 31					
	2019			2018		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Assets:						
Loans Receivable	\$ 868,956	\$ 10,861	5.00%	\$ 700,584	\$ 8,724	4.98%
Investment securities	256,817	1,604	2.50%	268,401	1,560	2.32%
Other interest-earning assets	53,475	217	1.62%	29,810	424	5.69%
Total interest earning assets	1,179,248	12,682	4.30%	998,795	10,708	4.29%
Non-interest earning assets	70,619			60,069		
Total assets	<u>\$ 1,249,867</u>			<u>\$ 1,058,864</u>		
Liabilities and equity:						
NOW accounts	\$ 175,014	\$ 95	0.22%	\$ 155,744	\$ 39	0.10%
Savings and money market accounts	511,880	928	0.73%	426,548	405	0.38%
Time deposits	90,310	302	1.34%	99,416	275	1.11%
Total interest-bearing deposits	777,204	1,325	0.68%	681,708	719	0.42%
FHLB Advances and other borrowings	5,669	56	3.95%	16,643	99	2.38%
Total interest bearing liabilities	782,873	1,381	0.71%	698,351	818	0.47%
Non-interest bearing deposits	333,107			245,817		
Other non-interest bearing liabilities	14,428			14,138		
Total liabilities	1,130,408			958,306		
Total shareholders' equity	119,459			100,558		
Total liabilities and shareholders' equity	<u>\$ 1,249,867</u>			<u>\$ 1,058,864</u>		
Net interest income		\$ 11,301			\$ 9,890	
Interest rate spread ¹			3.60%			3.82%
Net interest margin ²			3.83%			3.96%
Average interest earning assets to interest-bearing liabilities	150.6%			143.0%		

Notes:

¹ The Interest rate spread is the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities

² Net interest margin is the annualized net interest income divided by average interest-earning assets.

Orange County Bancorp, Inc. and Subsidiaries

Net Interest Margin Analysis (unaudited)

(dollar amounts in thousands)

	Twelve Months Ended December 31,					
	2019			2018		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Assets:						
Loans Receivable	\$ 817,495	\$ 40,977	5.01%	\$ 651,080	\$ 31,608	4.85%
Investment securities	257,454	6,466	2.51%	289,003	6,360	2.20%
Other interest-earning assets	40,677	853	2.10%	34,397	731	2.13%
Total interest earning assets	1,115,626	48,296	4.33%	974,480	38,699	3.97%
Non-interest earning assets	66,985			62,435		
Total assets	<u>\$ 1,182,611</u>			<u>\$ 1,036,915</u>		
Liabilities and equity:						
NOW accounts	\$ 181,446	\$ 300	0.17%	\$ 153,531	\$ 144	0.09%
Savings and money market accounts	472,832	2,991	0.63%	426,160	1,344	0.32%
Time deposits	92,878	1,221	1.31%	102,733	873	0.85%
Total interest-bearing deposits	747,156	4,512	0.60%	682,424	2,361	0.35%
FHLB Advances and other borrowings	11,534	328	2.84%	20,192	426	2.11%
Total interest bearing liabilities	758,690	4,840	0.64%	702,616	2,787	0.40%
Non-interest bearing deposits	296,360			228,795		
Other non-interest bearing liabilities	13,538			13,175		
Total liabilities	1,068,588			944,586		
Total shareholders' equity	114,023			92,329		
Total liabilities and shareholders' equity	<u>\$ 1,182,611</u>			<u>\$ 1,036,915</u>		
Net interest income		\$ 43,456			\$ 35,912	
Interest rate spread ¹			3.69%			3.57%
Net interest margin ²			3.90%			3.69%
Average interest earning assets to interest-bearing liabilities	147.0%			138.7%		

Notes:

¹ The Interest rate spread is the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities

² Net interest margin is the annualized net interest income divided by average interest-earning assets.

Orange County Bancorp, Inc.
Selected Financial Data (unaudited)

(Dollar Amounts in thousands except per share data)

	For the Quarter Ended				Twelve Months Ended	
	December	September	June	March	December	December
	31, 2019	30, 2019	30, 2019	31, 2019	31, 2018	31, 2018
Performance Ratios ¹						
Return on average assets	0.98%	1.03%	0.98%	0.81%	0.98%	0.73%
Return on average equity	10.17%	10.67%	10.06%	8.28%	10.31%	8.18%
Interest rate spread	3.60%	3.76%	3.71%	3.81%	3.82%	3.57%
Net interest margin	3.83%	3.98%	3.91%	3.97%	3.96%	3.69%
Efficiency Ratio	70.09%	67.29%	68.68%	71.54%	70.43%	74.65%
Noninterest income to average assets	0.86%	0.90%	0.81%	0.80%	0.84%	0.83%
Noninterest expense to average assets	3.14%	3.14%	3.11%	3.25%	3.19%	3.24%
Average interest-earning assets to average interest-bearing liabilities	150.63%	147.32%	142.87%	142.89%	140.40%	138.69%
Average equity to average assets	9.56%	9.63%	9.72%	9.84%	9.50%	8.90%
Dividend payout ratio	30.97%	28.36%	31.87%	40.31%	34.46%	43.06%
As of the Quarter Ended						
	December	September	June	March	December	
	31, 2019	30, 2019	30, 2019	31, 2019	31, 2018	
Loans to Deposits	82.23%	78.61%	76.80%	78.09%	81.44%	
Noninterest bearing deposits to total deposits	30.97%	30.12%	28.58%	27.79%	26.57%	
Share Data:						
Shares outstanding	4,480,368	4,467,747	4,481,122	4,490,047	4,481,726	
Book value per common share	\$ 26.99	\$ 26.52	\$ 25.85	\$ 24.75	\$ 24.22	
Tangible book value per common share ²	\$ 25.30	\$ 24.80	\$ 24.12	\$ 23.00	\$ 22.46	
Capital Ratios ³						
Tier 1 capital (to adjusted total assets)	9.39%	8.95%	9.23%	9.41%	9.67%	
Common equity Teir 1 capital (to risk weighted assets)	12.52%	12.16%	12.54%	13.01%	13.67%	
Tier 1 capital (to risk-weighted assets)	12.52%	12.16%	12.54%	13.01%	13.67%	
Total capital (to risk-weighted assets)	13.77%	13.41%	13.80%	14.27%	14.93%	

Notes:

¹ Performance ratios are annualized.

² Tangible book value per share is a non-GAAP measure and equals total shareholders' equity, less goodwill and other intangible assets, divided by shares outstanding.

³ Represents Orange County Bank & Trust ratios

Orange County Bancorp, Inc.
Condensed Financial Information (unaudited)

(Dollar Amounts in thousands except per share data)

As of

<i>Condensed Balance Sheets</i>	<u>December 31, 2019</u>	<u>September 30, 2019</u>	<u>June 30, 2019</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Cash and Cash Equivalents	\$ 25,112	\$ 65,667	\$ 80,884	\$ 48,994	\$ 18,374
Total Investment Securities	256,261	258,970	252,843	252,879	258,058
Loans, net	878,429	855,899	811,892	765,885	726,413
Other Assets	68,105	63,801	63,513	63,684	62,028
Total Assets	<u>\$ 1,227,907</u>	<u>\$ 1,244,337</u>	<u>\$ 1,209,132</u>	<u>\$ 1,131,443</u>	<u>\$ 1,064,873</u>
Total Deposits	\$ 1,083,132	\$ 1,104,578	\$ 1,072,514	\$ 995,417	\$ 905,008
FHLB Advances & note payable	8,000	8,013	8,028	13,043	38,557
Other Liabilities	15,834	13,250	12,772	11,868	12,768
Total Liabilities	1,106,966	1,125,841	1,093,315	1,020,328	956,333
Total Shareholder Equity	120,941	118,496	115,818	111,115	108,540
Total Liabilities and Shareholders Equity	<u>\$ 1,227,907</u>	<u>\$ 1,244,337</u>	<u>\$ 1,209,132</u>	<u>\$ 1,131,443</u>	<u>\$ 1,064,873</u>

Three Months Ended

Twelve Months Ended

<i>Condensed Income Statements</i>	<u>December 31, 2019</u>	<u>September 30, 2019</u>	<u>June 30, 2019</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Interest Income	\$ 12,682	\$ 12,788	\$ 11,775	\$ 11,050	\$ 10,708	\$ 48,296	\$ 38,699
Interest Expense	1,381	1,353	1,205	902	818	4,840	2,787
Net Interest Income	11,301	11,435	10,569	10,149	9,890	43,456	35,913
Provision for Loan Loss	535	640	420	600	640	2,195	2,465
Noninterest Income	2,698	2,746	2,342	2,228	2,224	10,432	10,019
Noninterest Expense	9,812	9,570	8,960	9,007	8,455	37,769	34,286
income before income tax	3,652	3,971	3,532	2,770	3,019	13,924	9,180
Income Tax Expense	753	810	719	543	404	2,826	1,628
Net income	<u>\$ 2,899</u>	<u>\$ 3,161</u>	<u>\$ 2,812</u>	<u>\$ 2,227</u>	<u>\$ 2,614</u>	<u>\$ 11,098</u>	<u>\$ 7,552</u>
Earnings per Share	\$ 0.65	\$ 0.71	\$ 0.63	\$ 0.50	\$ 0.60	\$ 2.47	\$ 1.87

Orange County Bancorp, Inc.
Loan Portfolio (unaudited)
(dollar amounts in thousands)

LOANS	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Commercial:					
Commercial & industrial	\$ 222,229	\$ 220,157	\$ 212,866	\$ 190,323	\$ 179,533
CRE* owner occupied	133,355	121,707	123,708	123,446	122,592
CRE non-owner occupied	256,639	251,765	220,681	207,234	193,529
CRE multifamily	144,328	143,308	144,387	140,510	142,160
CRE construction	55,808	56,939	46,726	38,100	28,946
Total commercial	<u>812,359</u>	<u>793,875</u>	<u>748,368</u>	<u>699,614</u>	<u>666,760</u>
Consumer:					
Residential real estate	52,478	49,519	48,340	45,982	47,064
Home equity loans and lines	11,668	11,840	12,432	10,939	10,728
Residential construction	13,937	13,276	14,960	16,344	12,381
Other	2,436	1,846	1,586	2,006	2,040
Total consumer	<u>80,519</u>	<u>76,480</u>	<u>77,319</u>	<u>75,271</u>	<u>72,212</u>
TOTAL LOANS	892,878	870,355	825,687	774,885	738,972
Deferrals and in-process	(2,174)	(2,042)	(1,947)	2,457	(1,896)
Allowance for loan losses	<u>(12,275)</u>	<u>(12,345)</u>	<u>(11,847)</u>	<u>(11,457)</u>	<u>(10,663)</u>
Loans, net	<u>\$ 878,429</u>	<u>\$ 855,968</u>	<u>\$ 811,892</u>	<u>\$ 765,885</u>	<u>\$ 726,413</u>

* CRE = Commercial Real Estate loans

Orange County Bancorp, Inc.
Deposit Portfolio (unaudited)
(dollar amounts in thousands)

<u>DEPOSIT TREND</u>	Dec 31, 2019	Sept 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Demand Deposits	\$ 335,469	\$ 332,681	\$ 306,471	\$ 276,580	\$ 240,432
NOW	166,907	183,883	186,938	188,112	159,465
Money market accounts	369,507	365,501	356,072	312,885	294,497
Savings	122,592	132,110	129,852	122,119	111,936
Time	88,657	90,403	93,181	95,721	98,678
Total Deposits	<u>\$ 1,083,132</u>	<u>\$ 1,104,578</u>	<u>\$ 1,072,514</u>	<u>\$ 995,417</u>	<u>\$ 905,008</u>

DEPOSIT ONE YEAR GROWTH ANALYSIS

	December 31, 2019	% of Total Deposits	December 31, 2018	% of Total Deposits	<u>Growth</u>	
					\$	%
Demand Deposits	\$ 335,469	31.0%	\$ 240,432	26.6%	\$ 95,037	39.5%
NOW	166,907	15.4%	159,465	17.6%	\$ 7,442	4.7%
Money market accounts	369,507	34.1%	294,497	32.5%	\$ 75,010	25.5%
Savings	122,592	11.3%	111,936	12.4%	\$ 10,656	9.5%
Time	88,657	8.2%	98,678	10.9%	\$ (10,021)	(10.2%)
Total Deposits	<u>\$ 1,083,132</u>	<u>100.0%</u>	<u>\$ 905,008</u>	<u>100.0%</u>	<u>\$ 178,124</u>	<u>19.7%</u>
Commercial	\$ 505,723	46.7%	\$ 394,373	43.6%	\$ 111,350	28.2%
Consumer	430,214	39.7%	394,793	43.6%	35,421	9.0%
Municipal	147,195	13.6%	115,842	12.8%	31,353	27.1%
Total Deposits	<u>\$ 1,083,132</u>	<u>100.0%</u>	<u>\$ 905,008</u>	<u>100.0%</u>	<u>\$ 178,124</u>	<u>19.7%</u>

Orange County Bancorp, Inc.
Asset Quality Trends (unaudited)

(dollar amounts in thousands)

ASSET QUALITY	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Non-performing loans:					
Commercial & industrial	\$ 502	\$ 603	\$ 72	\$ 159	\$ 104
Commercial real estate	959	1,348	1,419	1,419	1,419
Consumer--residential real estate	88	91	94	95	204
Consumer--home equity loans and lines	-	-	47	-	98
TOTAL NON-PERFORMING LOANS ("NPLs")	\$ 1,549	\$ 2,042	\$ 1,631	\$ 1,673	\$ 1,825
Delinquencies:					
30-59 days past due*	\$ 5,674	\$ 1,050	\$ 423	\$ 1,898	\$ 4,145
60-89 days past due	360	352	85	47	681
90+ days past due	683	576	185	125	104
On non-accrual	1,461	1,951	1,537	1,578	1,727
TOTAL PAST DUE LOANS	\$ 8,178	\$ 3,929	\$ 2,230	\$ 3,646	\$ 6,657
Troubled debt restructurings:					
On non-accrual (included in total NPLs above)	\$ 959	\$ 1,348	\$ 1,419	\$ 1,458	\$ 1,458
On accrual	11,436	11,713	12,698	12,802	12,879
TOTAL TROUBLED DEBT RESTRUCTURINGS	\$ 12,395	\$ 13,061	\$ 14,117	\$ 14,260	\$ 14,337
ALLOWANCE FOR LOAN LOSSES	\$ 12,275	\$ 12,345	\$ 11,847	\$ 11,457	\$ 10,663
Allowance for loan losses as a % of total loans	1.38%	1.42%	1.43%	1.48%	1.44%
Allowance for loan losses as a % of total NPLs	792.45%	604.55%	726.54%	684.87%	584.34%
Allowance for loan losses as a % of delinquent loans	150.10%	314.20%	531.28%	314.19%	160.20%
NPLs as a % of total loans	0.21%	0.28%	0.20%	0.22%	0.25%
Net charge-offs (recoveries)	\$ 583	\$ 142	\$ 29	\$ (193)	\$ 99
Net charge-offs (recoveries) to average outstanding loans during the period ¹	0.07%	0.02%	0.00%	-0.03%	0.01%

* The increase in delinquencies is primarily attributable to a single relationship that was made current by the borrower subsequent to the year ended December 31, 2019.