

## CAPITAL MARKETS ANNOUNCEMENT

**Codorus Valley Bancorp, Inc. (NASDAQ:CVLY; York, PA) Closes \$30.0 Million Follow On Offering of Common Stock**

Sandler O'Neill + Partners, L.P. served as Joint Book-Running Manager for this transaction.

This transaction represents the 120<sup>th</sup> public offering or private placement of common stock for a bank or thrift since January 1, 2011 for which Sandler O'Neill acted as book-runner, co-manager or placement agent—more than any other investment bank during that period. These transactions have raised approximately \$24.7 billion for our clients.<sup>1</sup>

**About the Offering:**

YORK, Pennsylvania – Codorus Valley Bancorp, Inc. (Codorus Valley) (NASDAQ:CVLY), holding company of PeoplesBank, a Codorus Valley Company (PeoplesBank), has completed a public offering of 1,519,000 shares of common stock at a price of \$19.75 per share, for gross proceeds of approximately \$30 million. Codorus Valley intends to use the net proceeds of this offering to redeem the remaining 12,000 shares of their SBLF Senior Non-Cumulative Perpetual Preferred Stock with the balance of the net proceeds used for general corporate purposes, including but not limited to, reducing or financing debt and supporting asset and deposit growth.

**About the Company:**

Codorus Valley Bancorp, Inc. is the largest independent financial services holding company headquartered in York, Pennsylvania. The Company primarily operates through its financial services subsidiary, PeoplesBank, A Codorus Valley Company, and offers business and consumer banking services through a network of twenty-four financial centers located in York and Cumberland Counties in Pennsylvania, and in Baltimore, Harford, and Carroll Counties in Maryland.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

1) Source: SNL Financial

2) Financial data is not pro forma for the offering

December 15, 2015

**Follow On Offering**

**\$30.0 Million**



Joint Book-Running Manager

**SANDLER O'NEILL + PARTNERS**

**Financial Highlights (as of 9/30/2015) <sup>2</sup>**

*(Dollars in millions)*

Total Assets	\$1,397
Net Loans	1,044
Total Deposits	1,095
Total Equity	125
Tang. Common Equity / Tang. Assets	7.96%
LTM ROAA	0.85%
LTM ROAE	9.22%

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