

**PATHFINDER BANCORP, INC.**  
**FINANCIAL HIGHLIGHTS**  
(dollars in thousands except per share amounts)

	For the three months ended June 30, (Unaudited)		For the six months ended June 30, (Unaudited)	
	2013	2012	2013	2012
<b>Condensed Income Statement</b>				
Interest and dividend income	\$ 4,735	\$ 4,680	\$ 9,476	\$ 9,352
Interest expense	833	997	1,730	2,012
Net interest income	3,902	3,683	7,746	7,340
Provision for loan losses	276	150	600	375
	3,626	3,533	7,146	6,965
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	623	685	1,230	1,325
Net gain on sales of securities, loans and foreclosed real estate	481	98	550	186
Noninterest expense	3,601	3,354	7,105	6,809
Income before income taxes	1,129	962	1,821	1,667
Provision for income taxes	306	241	493	418
<b>Net Income</b>	<b>\$ 823</b>	<b>\$ 721</b>	<b>\$ 1,328</b>	<b>\$ 1,249</b>
Preferred stock dividends	-	116	-	254
Net income available to common shareholders	\$ 823	\$ 605	\$ 1,328	\$ 995

**Key Earnings Ratios**

Return on average assets	0.66%	0.62%	0.53%	0.54%
Return on average equity	7.93%	7.49%	6.43%	6.50%
Net interest margin (tax equivalent)	3.40%	3.47%	3.40%	3.52%

**Share and Per Share Data**

Basic weighted average shares outstanding	2,515,057	2,503,389	2,513,503	2,501,588
Basic earnings per share*	\$ 0.33	\$ 0.24	\$ 0.53	\$ 0.40
Diluted weighted average shares outstanding	2,530,948	2,505,870	2,521,492	2,512,200

Diluted earnings per share*	\$	0.33	\$	0.24	\$	0.53	\$	0.40
Cash dividends per share	\$	0.03	\$	0.03	\$	0.06	\$	0.06
Book value per common share at June 30, 2013 and 2012					\$	10.37	\$	10.24

\*Basic and diluted earnings per share are calculated based upon net income available to common shareholders after preferred stock dividends  
Weighted average shares outstanding do not include unallocated ESOP shares.

	<u>June 30,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>	<u>June 30,</u> <u>2012</u>
<b>Selected Balance Sheet Data</b>			
Assets	\$494,367	\$477,796	\$474,906
Earning assets	463,844	448,246	441,876
Total loans	337,600	333,748	312,578
Deposits	400,379	391,805	399,663
Borrowed funds	44,768	34,964	25,019
Allowance for loan losses	4,864	4,501	4,213
Junior subordinated debentures	5,155	5,155	5,155
Shareholders' equity	40,143	40,747	39,806
<b>Asset Quality Ratios</b>			
Net loan charge-offs (annualized) to average loans	0.14%	0.10%	0.09%
Allowance for loan losses to period end loans	1.44%	1.35%	1.35%
Allowance for loan losses to nonperforming loans	83.86%	81.13%	106.47%
Nonperforming loans to period end loans	1.72%	1.66%	1.39%
Nonperforming assets to total assets	1.26%	1.25%	1.00%

The information is preliminary and based on company data at the time of presentation.