

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

	For the three months ended September 30, (Unaudited)		For the nine months ended September 30, (Unaudited)	
	2014	2013	2014	2013
Condensed Income Statement				
Interest and dividend income	\$ 5,052	\$ 4,681	\$ 14,552	\$ 14,158
Interest expense	656	779	2,016	2,509
Net interest income	4,396	3,902	12,536	11,649
Provision for loan losses	410	216	930	816
	3,986	3,686	11,606	10,833
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	887	651	2,535	1,881
Net gain on sales of securities, loans and foreclosed real estate	13	53	68	603
Noninterest expense	3,812	3,667	11,483	10,773
Income before income taxes	1,074	723	2,726	2,544
Provision for income taxes	317	195	767	688
Net income	\$ 757	\$ 528	\$ 1,959	\$ 1,856
Net income attributable to noncontrolling interest	\$ 11	\$ -	\$ 48	\$ -
Net income attributable to Pathfinder Bancorp Inc	\$ 746	\$ 528	\$ 1,911	\$ 1,856
Preferred stock dividends	33	-	63	-
Net income available to common shareholders	\$ 713	\$ 528	\$ 1,848	\$ 1,856
Key Earnings Ratios				
Return on average assets	0.52%	0.43%	0.47%	0.50%
Return on average common equity	8.81%	7.76%	7.86%	8.86%
Return on average equity	6.29%	5.25%	5.55%	6.04%
Net interest margin (tax equivalent)	3.43%	3.45%	3.45%	3.42%

Share and Per Share Data

Basic weighted average shares outstanding	2,537,220	2,518,182	2,533,083	2,515,080
Basic earnings per share*	\$ 0.28	\$ 0.21	\$ 0.73	\$ 0.74
Diluted weighted average shares outstanding	2,562,800	2,539,617	2,557,745	2,527,600
Diluted earnings per share*	\$ 0.28	\$ 0.20	\$ 0.72	\$ 0.73
Cash dividends per share	\$ 0.03	\$ 0.03	\$ 0.09	\$ 0.09
Book value per common share at September 30, 2014 and 2013			\$ 12.18	\$ 10.60

*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.

Selected Balance Sheet Data

	September 30, 2014	June 30, 2014	December 31, 2013	September 30, 2013
Assets	\$570,034	\$544,529	\$503,793	\$492,507
Earning assets	530,748	507,306	469,984	461,549
Total loans	374,257	358,776	341,633	338,074
Deposits	483,029	448,163	410,140	401,299
Borrowed funds	31,021	41,798	40,853	40,881
Allowance for loan losses	5,171	5,166	5,041	5,085
Junior subordinated debentures	5,155	5,155	5,155	5,155
Pathfinder Bancorp, Inc Shareholders' equity	44,963	44,253	42,712	40,755

Asset Quality Ratios

Net loan charge-offs (annualized) to average loans	0.30%	0.23%	0.15%	0.09%
Allowance for loan losses to period end loans	1.38%	1.44%	1.48%	1.50%
Allowance for loan losses to nonperforming loans	69.48%	80.11%	94.22%	86.39%
Nonperforming loans to period end loans	1.99%	1.80%	1.57%	1.74%
Nonperforming assets to total assets	1.38%	1.33%	1.18%	1.26%

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