

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)	
	2012	2011	2012	2011
Condensed Income Statement				
Interest and dividend income	\$ 4,648	\$ 4,693	\$ 14,001	\$ 13,966
Interest expense	963	1,073	2,975	3,282
Net interest income	3,685	3,620	11,026	10,684
Provision for loan losses	275	145	650	670
	3,410	3,475	10,376	10,014
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	637	614	1,963	1,847
Net gain on sales of securities, loans and foreclosed real estate	24	389	210	751
Noninterest expense	3,178	3,208	9,989	9,894
Income before income taxes	893	1,270	2,560	2,718
Provision for income taxes	223	396	641	831
Net Income	670	874	1,919	1,887
Preferred stock dividends and discount accretion	113	581	367	816
Net income available to common shareholders	\$ 557	\$ 293	\$ 1,552	\$ 1,071
Key Earnings Ratios				
Return on average assets	0.57%	0.83%	0.55%	0.61%
Return on average equity	6.59%	9.97%	6.53%	7.69%
Net interest margin (tax equivalent)	3.46%	3.82%	3.50%	3.78%
Share and Per Share Data				
Basic weighted average shares outstanding	2,505,182	2,493,176	2,502,795	2,487,685
Basic earnings per share*	\$ 0.22	\$ 0.12	\$ 0.62	\$ 0.43
Diluted weighted average shares outstanding	2,517,182	2,546,978	2,513,845	2,536,288

Diluted earnings per share*	\$	0.22	\$	0.11	\$	0.62	\$	0.42
Cash dividends per share	\$	0.03	\$	0.03	\$	0.09	\$	0.09
Book value per common share at September 30, 2012 and 2011					\$	10.67	\$	10.08

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

	<u>September 30,</u> <u>2012</u>	<u>December 31,</u> <u>2011</u>	<u>September 30,</u> <u>2011</u>
Selected Balance Sheet Data			
Assets	\$479,363	\$442,980	\$420,446
Earning assets	447,097	411,478	388,935
Total loans	324,150	304,750	294,292
Deposits	393,838	366,129	343,054
Borrowed funds	34,991	26,074	28,101
Allowance for loan losses	4,433	3,980	4,003
Junior subordinated debentures	5,155	5,155	5,155
Shareholders' equity	40,939	37,841	39,382
Asset Quality Ratios			
Net loan charge-offs (annualized) to average loans	0.09%	0.21%	0.15%
Allowance for loan losses to period end loans	1.37%	1.31%	1.36%
Allowance for loan losses to nonperforming loans	95.89%	84.18%	93.44%
Nonperforming loans to period end loans	1.43%	1.55%	1.46%
Nonperforming assets to total assets	1.05%	1.19%	1.15%