

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

	For the three months ended December 31 (Unaudited)		For the twelve months ended December 31, (Unaudited)	
	2011	2010	2011	2010
<b>Condensed Income Statement</b>				
Interest and dividend income	\$ 4,638	\$ 4,609	\$ 18,604	\$ 18,139
Interest expense	1,059	1,196	4,341	4,808
Net interest income	3,579	3,413	14,263	13,331
Provision for loan losses	270	263	940	1,050
	3,309	3,150	13,323	12,281
Noninterest income excluding net gains (loss) on sales of securities, loans and foreclosed real estate	603	809	2,451	2,854
Net gain (loss) on sales of securities, loans and foreclosed real estate	(10)	37	741	166
Noninterest expense	3,253	3,083	13,148	11,789
Income before income taxes	649	913	3,367	3,512
Provision for taxes	213	227	1,044	1,007
Net Income	\$ 436	\$ 686	\$ 2,323	\$ 2,505
Preferred stock dividends and discount accretion	187	116	1,003	462
Net income available to common shareholders	\$ 249	\$ 570	\$ 1,320	\$ 2,043

**Key Earnings Ratios**

Return on average assets	0.41%	0.68%	0.55%	0.64%
Return on average equity	4.41%	8.54%	6.75%	8.07%
Net interest margin (tax equivalent)	3.68%	3.71%	3.76%	3.73%

**Share and Per Share Data**

Basic weighted average shares outstanding	2,496,127	2,484,832	2,489,813	2,484,832
Basic earnings per share*	\$ 0.10	\$ 0.23	\$ 0.53	\$ 0.82
Diluted weighted average shares outstanding	2,536,619	2,507,821	2,536,100	2,489,101
Diluted earnings per share*	\$ 0.10	\$ 0.23	\$ 0.52	\$ 0.82
Cash dividends per share	\$ 0.03	\$ 0.03	\$ 0.12	\$ 0.12

Book value per common share at December 31, 2011 and 2010

\$ 9.49 \$ 9.81

\*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.

	<b>December 30, 2011</b>	<b>December 31, 2010</b>	<b>December 31, 2009</b>
<b>Selected Balance Sheet Data</b>			
Assets	\$442,980	\$408,545	\$371,692
Earning assets	411,478	380,154	343,071
Total loans	304,750	285,296	262,465
Deposits	366,129	326,502	296,839
Borrowed Funds	26,074	41,000	36,000
Allowance for loan losses	3,980	3,648	3,078
Junior Subordinated Debt	5,155	5,155	5,155
Shareholders' equity	37,841	30,592	29,238
<b>Asset Quality Ratios</b>			
Net loan charge-offs (annualized) to average loans	0.21%	0.18%	0.11%
Allowance for loan losses to period end loans	1.31%	1.28%	1.17%
Allowance for loan losses to nonperforming loans	84.18%	61.58%	133.07%
Nonperforming loans to period end loans	1.55%	2.08%	0.88%
Nonperforming assets to total assets	1.19%	1.54%	0.67%