

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)	
	2014	2013	2014	2013
Condensed Income Statement				
Interest and dividend income	\$ 5,147	\$ 4,727	\$ 19,699	\$ 18,883
Interest expense	598	755	2,614	3,264
Net interest income	4,549	3,972	17,085	15,619
Provision for loan losses	275	216	1,205	1,032
	4,274	3,756	15,880	14,587
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	880	699	3,415	2,581
Net gain on sales of securities, loans and foreclosed real estate	274	232	344	835
Noninterest expense	4,200	3,979	15,685	14,751
Income before income taxes	1,228	708	3,954	3,252
Provision for income taxes	386	159	1,153	847
Net Income	\$ 842	\$ 549	\$ 2,801	\$ 2,405
Net Income (loss) attributable to noncontrolling interest	\$ 8	\$ (1)	\$ 56	\$ (1)
Net Income attributable to Pathfinder Bancorp, Inc.	\$ 834	\$ 550	\$ 2,745	\$ 2,406
Preferred stock dividends	32	-	95	-
Net income available to common shareholders	\$ 802	\$ 549	\$ 2,650	\$ 2,406
Key Earnings Ratios				
Return on average assets	0.59%	0.44%	0.51%	0.48%
Return on average common equity	6.27%	7.78%	7.45%	8.58%
Return on average equity	5.04%	5.33%	5.50%	5.86%
Net interest margin	3.44%	3.39%	3.40%	3.34%

Share and Per Share Data

Basic weighted average shares outstanding*	4,107,779	4,154,439	4,156,203	4,145,763
Basic earnings per share*	\$ 0.20	\$ 0.13	\$ 0.64	\$ 0.58
Diluted weighted average shares outstanding*	4,160,369	4,183,565	4,199,843	4,168,529
Diluted earnings per share*	\$ 0.19	\$ 0.13	\$ 0.63	\$ 0.58
Cash dividends per share	\$ 0.03	\$ 0.03	\$ 0.12	\$ 0.12
Book value per common share at December 31, 2014 and 2013			\$ 12.82	\$ 11.33

*Basic and diluted earnings per share are calculated based upon net income available to common shareholders after preferred stock dividends.

Historical basic and diluted earnings per share and average weighted shares outstanding have been adjusted by the exchange ratio of 1.6472 used in the conversion and offering that occurred on October 16, 2014.

Book value per common share at December 31, 2013 was not adjusted by the exchange ratio.

Weighted average shares outstanding do not include unallocated ESOP shares.

	December 31, 2014	December 31, 2013	December 31, 2012
Selected Balance Sheet Data			
Assets	\$561,024	\$503,793	\$477,796
Earning assets	524,474	469,984	448,246
Total loans	387,538	341,633	333,748
Deposits	415,568	410,140	391,805
Borrowed funds	66,100	40,853	34,964
Allowance for loan losses	5,349	5,041	4,501
Junior subordinated debentures	5,155	5,155	5,155
Pathfinder Bancorp, Inc Shareholders' equity	68,790	42,712	40,747
Asset Quality Ratios			
Net loan charge-offs (annualized) to average loans	0.25%	0.15%	0.10%
Allowance for loan losses to period end loans	1.38%	1.48%	1.35%
Allowance for loan losses to nonperforming loans	85.50%	94.22%	81.13%
Nonperforming loans to period end loans	1.61%	1.57%	1.66%
Nonperforming assets to total assets	1.16%	1.18%	1.25%

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