



**TIMELESS
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Trust Company Bank of Castile Mahopac Bank VIST Bank Insurance Agencies Financial Advisors

Corporate Report 2013

Central NY | Western NY | Hudson Valley | Southeastern PA

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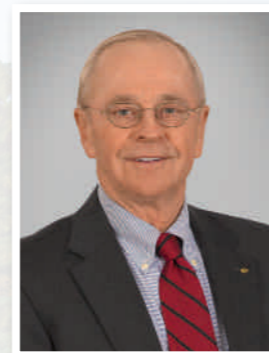
AFTER MORE THAN 25 YEARS WITH THIS FINE COMPANY, I AM RETIRING AS CHAIRMAN THIS YEAR. MANY PEOPLE HAVE ASKED HOW I FEEL ABOUT THAT.

The main feeling is one of thankfulness for the opportunity to have spent the later years of my banking career with such a first rate organization and with so many fine people. I am enormously proud of Tompkins Financial, which I believe continues to be successful because we have consistently followed our stated values, such as service to customers and community, treating employees and other constituents fairly and with respect, and always valuing long-term success above short-term 'opportunities.'

Of course I will miss my direct involvement, but will always be supportive of the Company and feel optimistic about its future. Tompkins' strength lies in its directors, its highly experienced and qualified management team, and in the very committed employees throughout the organization (who are also fellow shareholders). They all know that the formula works and will strive to keep the Company successful, independent and true to the values that have brought us where we are today.

My thanks to all of them and to you, our shareholders!

– Jim Byrnes



Financial Highlights

{IN THOUSANDS, EXCEPT PER SHARE DATA}	2013	2012	% CHANGE
Total assets	\$5,003,039	\$4,837,197	3.43%
Net income attributable to Tompkins Financial Corporation	\$50,856	\$31,285	62.56%
Net operating income ¹	\$49,379	\$40,706	21.31%
Diluted earnings per share	\$3.46	\$2.43	42.39%
Adjusted diluted earnings per share ¹	\$3.36	\$3.16	6.33%
Cash dividends per share	\$1.54	\$1.46	5.48%

¹ These measures were adjusted to exclude the impact of merger and integration expenses related to the VIST Financial acquisition, which closed on August 1, 2012, as well as other nonrecurring items. These adjusted measures are considered non-GAAP measures and are defined in the Company's Form 10-K.

Selected Financial Data

{IN THOUSANDS, EXCEPT PER SHARE DATA}	2013	2012 ¹	2011	2010	2009
Financial Statement Highlights					
Assets	\$5,003,039	\$4,837,197	\$3,400,248	\$3,260,343	\$3,153,260
Total loans	3,194,284	2,954,610	1,981,849	1,910,358	1,914,818
Deposits	3,947,216	3,950,169	2,660,564	2,495,873	2,439,864
Other borrowings	331,531	111,848	186,075	244,193	208,956
Shareholders' equity	457,939	441,360	299,143	273,408	245,008
Interest and dividend income	185,104	158,356	137,088	144,062	146,795
Interest expense	23,975	24,213	25,682	32,287	39,758
Net interest income	161,129	134,143	111,406	111,775	107,037
Provision for loan and lease losses	6,161	8,837	8,945	8,507	9,288
Net gains on securities transactions	599	324	396	178	348
Net income attributable to Tompkins Financial Corporation	50,856	31,285	35,419	33,831	31,831
Per Share Information²					
Basic earnings per share	3.48	2.44	3.21	3.13	2.98
Diluted earnings per share	3.46	2.43	3.20	3.11	2.96
Adjusted diluted earnings per share ³	3.36	3.16	3.21	3.11	2.96
Cash dividends per share	1.54	1.46	1.40	1.33	1.24
Book value per share	31.05	30.67	26.89	25.09	22.87
Tangible book value ⁴	23.70	22.96	22.58	20.88	18.53
Selected Ratios					
Return on average assets	1.03%	0.76%	1.07%	1.06%	1.06%
Return on average equity	11.47%	8.30%	12.02%	12.72%	13.66%
Average shareholders' equity to average assets	9.00%	9.21%	8.94%	8.33%	7.74%
Dividend payout ratio	44.25%	59.84%	43.61%	42.49%	41.61%
Other Selected Data					
{IN WHOLE NUMBERS, UNLESS OTHERWISE NOTED}					
Employees (average full-time equivalent)	989	839	719	726	720
Banking offices	66	66	45	45	45
Bank access centers (ATMs)	84	83	63	69	67
Trust and investment services assets under management, or custody (in thousands)	\$3,443,636	\$3,240,782	\$2,780,622	\$2,859,725	\$2,542,792

¹ Includes the impact of the acquisition of VIST Financial on August 1, 2012.

² Per share data has been retroactively adjusted to reflect a 10% stock dividend paid on February 15, 2010.

³ Adjusted diluted earnings per share reflects adjustments made for certain nonrecurring items, including merger and integration expenses. Adjustments for 2013 included a \$(846,000) after tax gain on the redemption of trust preferred stock and a \$(771,000) after tax gain on an IRA conversion. Also, in 2013, 2012 and 2011, after-tax merger related expenses totaled \$140,000, \$9.7 million and \$152,000, respectively. There was also an after-tax VISA accrual adjustment of \$243,000 in 2012. There were no merger related expenses in prior years. Adjusted diluted earnings per share is a non-GAAP measure that management believes provides management and investors with information that is useful in understanding the Company's financial performance and condition.

⁴ Tangible common equity is used to calculate tangible book value per share and excludes goodwill and other intangibles of \$108.4 million in 2013, \$110.9 million in 2012, \$48.0 million in 2011, \$45.9 million in 2010, and \$46.5 million in 2009. This is a non-GAAP measure that management believes provides management and investors with information that is useful in understanding the Company's financial performance and condition.

Shareholder Message

In 2013, Tompkins Financial Corporation experienced one of the most rewarding years in its history. In addition to achieving record earnings, we also successfully integrated a new bank that will help to provide significant growth for the future. The timeless values that have been the foundation of your Company since its founding have once again resulted in a successful year—both for us, and for our shareholders.

WE FINISHED THE YEAR WITH THE HIGHEST ANNUAL EARNINGS IN COMPANY HISTORY. Business activity from our new market area in Pennsylvania contributed to this record performance, along with excellent results from our banking, insurance and wealth management businesses in New York State. Annual cash dividends per share increased 5.5%, representing the 25th consecutive year of increased dividends. These solid results leave us well positioned as we head into 2014.

Solid loan and deposit growth contributed to the bottom line. Our credit quality improved and the percentage of nonperforming assets to total assets dropped to 0.87%, comparing favorably to a peer average of 1.69% published in December by the Federal Reserve.

We began a significant rebranding initiative for our Company in 2013. This rebranding will reinforce the Tompkins name in all of our logos and in each market area, while also maintaining the equity that we have established in affiliate names like "The Bank of Castile." The rebranding will accomplish several objectives, including associating each of our brands with the highly respected Tompkins name, creating a cohesive look in all regions, and making a clearer connection between our banks and insurance and wealth management affiliates.

In addition to these changes, Mahopac National Bank became a state chartered bank on December 31, 2013, which is consistent with our other affiliate banks, where state charters reinforce our local focus and engagement with the communities we serve. In the Hudson Valley region, we now operate as Tompkins Mahopac Bank.

2013 represented the first full year of Tompkins VIST Bank's integration into the Tompkins network of banks. It was a year of significant change for Tompkins VIST Bank. In April, Scott Gruber was named President and Chief Operating

Officer, and in December became Chief Executive Officer upon the retirement of Robert Davis. Scott brings 30 years of banking experience with him to this position. In addition to his depth of experience, Scott has a deep commitment to community service that meshes well with our culture.

Tompkins VIST Bank made exceptional progress this past year. Through an increased focus on loan growth, reduction in problem assets and improvement in expense control, its net income increased significantly. Furthermore, the bank made great inroads toward becoming the bank of choice in the region it serves. Tompkins VIST Bank was voted "Best Bank in Berks County" for 2013. This is an outstanding recognition, showing how much can be achieved in a short time when a team comes together under a common vision.

Tompkins Insurance Agencies had an outstanding year, adding more new business than ever before in the company's history. Over the past 18 months, annual revenue has doubled, due largely to the acquisition of VIST, as well as organic growth. The acquisition also resulted in Tompkins Insurance Agencies becoming one of the Top 100 Commercial Insurance Brokers in the nation as noted in *Business Insurance* magazine. Tompkins Insurance Agencies was also named Agency of the Year by *Rough Notes* magazine. This was the first time in the periodical's 25-year history that a bank-owned insurance agency won the award.

Tompkins Financial Advisors also experienced excellent results for the year. Our wealth management affiliate saw growth in revenue, in new clients, and in assets under management. Tompkins Financial Advisors will also greet a new president in 2014. After an extensive national search, we have named Stephen Angelis President of Tompkins Financial Advisors as of February 18, 2014. Steve brings 28 years of leadership experience from nationally-recognized firms. We are excited to have Steve join our team and look

forward to his help in extending the success of Tompkins Financial Advisors.

When Jim Byrnes retires in May of 2014, he will be succeeded by Dr. Thomas Rochon. Dr. Rochon has served as a Director since 2009 and is currently President of Ithaca College, a position he has held since 2008. He brings great expertise in managing a complex business in a competitive and highly regulated environment. The board expects to elect Dr. Rochon as Chairman in the spring of 2014.



We are saying good bye to another Board member, Reeder Gates, who is also retiring from the Board of Directors in May of 2014. Reeder has served on the Tompkins Trust Company Board since 1985 and joined the holding company Board upon its formation in March 1995. We appreciate his contributions over the years and wish him the best in retirement.

Our Annual Meeting will take place on May 12 at 5:30 PM at the Country Club of Ithaca. We will also host several Shareholder Information Meetings: In Western New York, May 13 at 5:30 PM at the Genesee Country Village & Museum. In Southeastern Pennsylvania, May 20 at 5:30 PM at the Crowne Plaza in Reading. In the Hudson Valley region, May 22 at 6 PM at Villa Barone in Mahopac. We hope all of our shareholders will be able to join us at one of these meetings. We look forward to seeing you.

We are gratified to be able to report such exceptional performance for the year. Thank you to all of our shareholders for your trust and support. We also extend our most sincere thanks to all of our employees who are the key to the exceptional success and inspiring growth Tompkins Financial has experienced.

James J. Byrnes
Chairman

Stephen S. Romaine
President & CEO

Central New York: One of our best years.

IN 2013, CENTRAL NEW YORK SAW SOLID GROWTH ON ALL FRONTS, OUTPACING PRIOR YEAR PERFORMANCE IN NEARLY EVERY CATEGORY, WHILE BUILDING ON OUR STRENGTHS IN SMALL BUSINESS, IN AGRI-BUSINESS AND IN KEY COMMUNITIES THAT WE SERVE.

Our commercial loan originations were approximately double the average volume of the last several years, and we experienced continued growth in our core deposits. Residential mortgages also had another strong year as we began to see the economy improve, with a shift to more homes being purchased rather than refinanced.

Tompkins Trust Company completed the move into a totally renovated building on Main Street in Cortland, NY. For the first time since opening in Cortland a decade ago, we are able to offer Cortland residents drive-thru banking, safe deposit boxes and private, comfortable client meeting space in an incredibly attractive environment—as well as complete, on-site services from our insurance and wealth management affiliates. Cortland has proven to be an excellent fit for our community banking model and we are very excited to be investing in Cortland in this way. The community's response has already been clear and positive; since moving into this new location, we have seen a significant increase in commercial and small business lending as well as deposit growth.

We experienced significant growth in small business lending thanks to the increased attention we paid to this important market segment. Our loan officers, who already have an excellent understanding of the needs of small business owners, worked to make the application and approval process easier. Their strong support of small businesses resulted in an award from the Small Business Administration for our increase in loan volume. We remain committed to helping small businesses succeed, and we recognize the strong contribution they make to the economic recovery of our nation.

Tompkins Trust Company has a long history of supporting agri-business. Last year, we worked to make it easier for these customers to access all relevant products and services—including commercial lending, insurance, wealth management, remote deposit and cash management. We formed a special agri-business team to bring greater organization and structure to these efforts.

We continued our commitment to community service in 2013, with our highest level of financial contributions to local organizations in our Company's history. Challenge Workforce Solutions—an organization with a long history of serving people with disabilities—recognized Tompkins Trust Company as their Outstanding Business Partner for 2013.

Tompkins Financial Advisors also experienced an excellent year in Central New York.

Our wealth management affiliate had a significant increase in new clients and outpaced their own goals for growth in assets under management. Our decision to consolidate broker-dealer and RIA platforms with LPL, the nation's top independent broker-dealer, will provide expanded offerings for clients and improved tools for advisors in the upcoming year.

At Tompkins Insurance Agencies, our region contributed to overall revenue growth in New York State, fueled by the highest level of organic growth in the company's history. Tompkins Insurance Agencies continues to have exceptional retention rates of more than 95%. We congratulate all of our employees for their exceptional work, both in the nearly seamless integration with VIST and in being named 2013 Agency of the Year by *Rough Notes* magazine.

All of us in Central New York are extremely proud of our team for their extraordinary performance in 2013. This success is not an accident, but is the result of carefully cultivating opportunities, providing consistently excellent service and reaching out to help our communities. We thank everyone for their amazing efforts.



“When Chris was an agricultural engineering student at Cornell, he started two very important relationships: with his wife Kimberly, and with Tompkins Trust Company. “I had my first credit card with them,” recalls Chris. “With a \$500 limit!” Years later, when Tompkins Trust Company came to Auburn, Chris and Kimberly remembered their good experience with the bank. So they decided to start doing business with Tompkins Trust Company again—both personally, and through their company, CIDEC, which sells and services equipment to the dairy industry. **“Relationships are one of the most important things in agriculture,” says Chris. “And that’s what we get with the Trust Company.”** Before long, Chris and Kimberly started working with Tompkins Insurance Agencies, too. “It never felt like they were selling us anything,” says Chris. “They would just come alongside and help us.” For Chris, it always comes back to relationships: “Their management has built a culture that anyone would want to emulate. They’re just super, good people.”

— CHRIS CHERRY, CEO, CHIEF ENGINEER, CIDEC




“When a hole thousands of feet long is needed for a pipeline, equipment from Vector Magnetics is usually on the scene. “Our guidance instruments can get you under any obstruction,” says Rahn Pitzer, President of the company. The company, founded by Arthur Kuckes in 1985, has been banking with Tompkins Trust Company for as long as Rahn can remember. More recently, the company also began working with Tompkins Insurance Agencies. Rahn relies on Tompkins Insurance Agencies for both business liability insurance and health insurance for his employees. **“They understand our needs, and then they do all the leg work,”** says Rahn. He appreciates how Tompkins Insurance Agencies researches various carriers then recommends the best policy at the best price. **“They free us up to focus on our business.”**”

— ARTHUR KUCKES, CEO & RAHN PITZER, PRESIDENT, VECTOR MAGNETICS

“It’s a big leap of faith to put a plane made with a new material up in the sky,” says Hubert Lobo, President of DatapointLabs. His company helps to diminish that risk, by testing new materials and determining how they will perform. When Hubert started his company in 1995, he wanted the same kind of assurance. “We were taking big risks technologically,” he says. “We didn’t want to deal with financial unknowns.” So Hubert turned to Tompkins Trust Company for financing to get his business off the ground. That support has helped the company grow dramatically: DatapointLabs serves corporations around the world and is on the Inc. 5000 List. Hubert especially likes the stable, local presence that Tompkins Trust Company provides. **“I have known my bank manager for 10 years,” says Hubert. “He is the first person I call when I need help. I’ve never had to look behind me and wonder if our money was being properly managed. They’re one of my trusted advisors.”**”

— HUBERT LOBO, PRESIDENT, DATAPOINTLABS





“ Since the 1940s, Villa of Hope—formerly St. Joseph’s Villa—has been providing care to at-risk youth. But when Christina Gullo took over as President/CEO in 2010, the Villa was facing a financial crisis. “When I started, we were looking at our fourth year of operational deficits,” says Christina. Along with key stakeholders, Christina developed a strategy that would streamline expenses and overhaul their financial structure. “We sat down with Tompkins Bank of Castile and laid out our plan,” she says. “They believed in us.” With the bank’s backing, Villa of Hope was able to pay off long-term debt, reduce its line of credit—and post a \$400,000 surplus for last year. “If we had closed our doors, it would have been a huge loss to this community,” Christina says. **“Tompkins Bank of Castile had a willingness to see beyond the current situation. Thanks to them, our best is yet to come.”**”

— CHRISTINA GULLO
PRESIDENT, CEO, VILLA OF HOPE

Western NY: *Our strongest year ever.*

2013 WAS OUR STRONGEST YEAR EVER IN WESTERN NEW YORK. Tompkins Bank of Castile achieved excellent earnings and the strongest credit quality in recent years. At the same time, we took advantage of great opportunities to expand our franchise as a true community bank.

A number of factors were instrumental in our success. We have an excellent and seasoned team, most notably in lending and branch management. This team is helping us to attract a diverse range of customers. As we gain new customers—through loans, deposits, insurance and wealth management—we create opportunities to do even more business with those customers. We are not simply doing transactions; we are creating relationships.

Our loan portfolio now truly reflects the diversity of the communities we serve. We have successfully grown our small business lending portfolio. We continue to be committed to agricultural lending. We offer innovative programs for first-time home buyers. And our Commercial and Industrial portfolio reflects businesses of all sizes. As we deliver great service to all these varied customers, they are turning to us for additional products and services.

Our approach to serving this region is two-pronged: we continue to serve our traditional markets in Genesee, Wyoming, Livingston and Orleans counties. At the same time, we are excited about the opportunity for growth in Rochester and Monroe County. In 2014, that effort will take shape in a major way: through the opening of our new office in Pittsford.

This branch, our first on the east side of Rochester, will be highly visible, located directly opposite the flagship Wegmans store on Monroe Avenue. While offering full banking, wealth management, and insurance services, it will also serve as a “billboard” for our brand, making a strong statement of our presence in Rochester and Monroe County. This presence is a key for attracting further business.

Our record earnings were driven, in part, by extremely high credit quality. This was the result of sound underwriting in our lending as well as exceptional collections efforts. Our collections department should be commended for working in the true spirit of community banking, providing guidance to our customers in difficult times and, in many cases, helping customers get back on their feet.

The Power of Partnership continues to create outstanding results for us. We are co-located with Tompkins Insurance Agencies in most of our banking offices.

Tompkins Insurance Agencies is the third largest insurance broker in Rochester and achieves retention rates consistently higher than our peers. The partnerships between our branch managers and insurance agents are helping expand business in both directions, contributing to solid revenue growth in New York State. We thank our employees for their impressive efforts in integrating two states into one team this past year. We also congratulate them for an exceptional performance that resulted in Tompkins Insurance Agencies being named *Rough Notes* magazine’s Agency of the Year for 2013.

Tompkins Financial Advisors had continued growth in assets under management and saw improvements in overall profitability. Tompkins Financial Advisors also expanded its capabilities, adding a full-time trust officer and several new licensed representatives. This expansion will help us take advantage of the excellent potential we see for growth in wealth management.

“ After purchasing a small pharmacy in Warsaw, NY, in 1989, Jim Rutowski watched the business district gradually deteriorate. Then he had a chance to purchase and renovate a building on Main Street. “I thought, I can’t just keep complaining about it,” he recalls. “I had to do something about it.” Jim has now renovated 10 properties in Warsaw—most of them financed by Tompkins Bank of Castile. “They really bought into my vision of revitalizing the town,” says Jim. He also depends on Tompkins Insurance Agencies. “They’re very responsive,” he says. “I can’t say enough good things about them.” Most recently, Tompkins Bank of Castile has provided a loan commitment for a building Jim is renovating that will house 11 different agricultural businesses. **“They’re not just behind me,” Jim says of Tompkins Bank of Castile. “They’re behind the local economy as a whole.”**”

— JIM RUTOWSKI, PRESIDENT, WARSAW REDEVELOPMENT LLC

— JONAH BROUGHTON, VICE PRESIDENT COMMERCIAL LOAN OFFICER, TOMPKINS BANK OF CASTILE



“ Bill and Charlotte Brummett, both retired educators, have lived in the same house in the village of Geneseo for 43 years. When they saw other banks moving out of the area, they switched their business to Tompkins Bank of Castile. **“They got to know us as a family,” says Charlotte. “It was a very holistic approach.”** The couple now has several accounts at the bank, as well as two IRAs and a brokerage account through Tompkins Financial Advisors. You can often find Bill and Charlotte at the local branch, which is within walking distance of their house. And you will certainly find them at the annual shareholder’s meetings. Bill started investing in Tompkins stock soon after he and Charlotte became customers. “It’s a well-managed and conservative stock,” he says. “It has really done well over the years.””

— CHARLOTTE & BILL BRUMMETT

Hudson Valley Region: A solid performance.

THROUGH THE HARD WORK AND DEDICATION OF OUR EMPLOYEES, AND AMIDST SIGNS OF ECONOMIC RECOVERY, TOMPKINS MAHOPAC BANK SAW ITS BEST PERFORMANCE OF THE PAST FIVE YEARS. We are pleased to report strong growth in both loans and deposits, as well as significant improvement in credit quality.

Commercial loan originations were more than double their level from the previous year, and residential loan originations were strong as well. We also saw a significant increase in commercial construction loans, evidence that entrepreneurs are feeling greater confidence in the economy. These construction loans have a big impact on our local communities, creating not only construction jobs but long-term jobs, upon their completion.

The strong loan originations resulted in total loan growth for the year of over 10% as we experienced an increasing desire among consumers and business owners for a true community bank; one that takes in local deposits and reinvests those funds back into the local economy. Furthermore, our employees should be commended for their excellent work in creating greater penetration in the Westchester market and attracting new banking relationships.

While our economy in the Hudson Valley struggled over the last couple of years, we saw a higher than normal level of problem loans during that period. In 2013, however, credit quality improved as we achieved a substantial reduction in problem loans and recoveries of previous charge-offs began to materialize as we remained true to our history of working closely with our customers to help them through difficult times. These efforts, along with a gradually improving economy, led to a significant improvement in our credit quality this past year.

Our Yonkers Avenue branch, which moved to its current location 16 months ago, has experienced great success. With more visibility, ample parking, greater pedestrian traffic, a strong business development team, and a full suite of services, this location has seen strong growth in deposits since its relocation.

Our employees continued to demonstrate our commitment to the Power of Partnership in 2013, as Tompkins Financial Advisors also experienced an excellent year in the Hudson Valley.

New assets under management were the strongest in our history, and we continue to see great potential for growth in wealth management in our region.

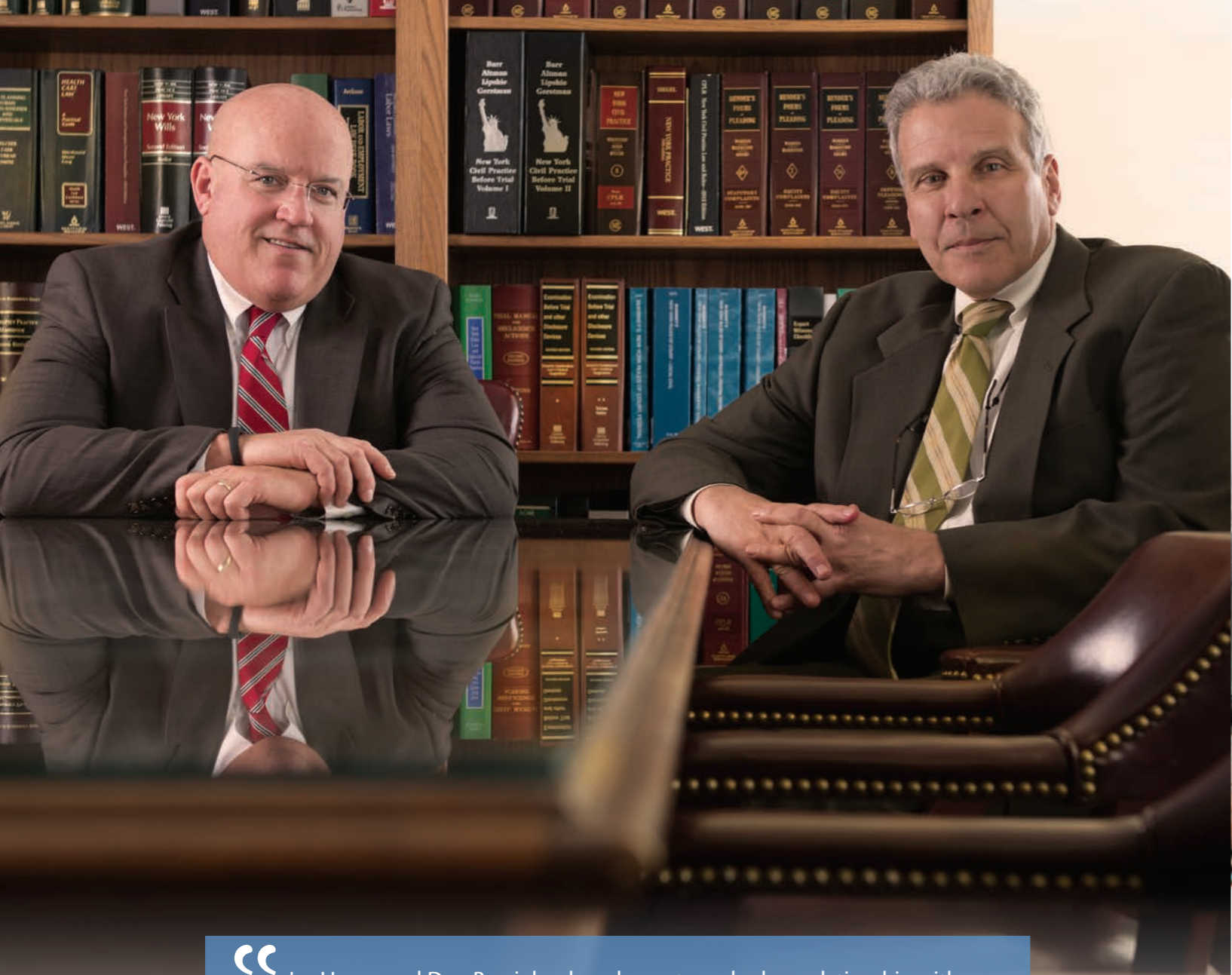
On December 31, 2013, our bank converted from a national charter to a state charter. This brings us into alignment with our affiliate banks that are part of Tompkins Financial, and creates greater internal efficiencies in the regulatory process. The change that will be most apparent to our customers is the removal of "National" from our name.

Tompkins Mahopac Bank continued to be one of the area's most consistent supporters of community organizations. In 2013, we provided support to more than 175 different charities. Each year, we also sponsor four major walk events. Last year, these events raised \$117,000 for four outstanding organizations: Maria Fareri Children's Hospital, Cystic Fibrosis Foundation, the ALS Association and Make-A-Wish. We were honored to take part in these events, and we extend our deepest gratitude to all of our employees who helped to make them such a success.

“Will Jackson and his family had grown dissatisfied with their previous bank—which had merged and become part of a much larger bank. “No one knew you,” says Will. “They would ID you whenever you came in.” So when Tompkins Mahopac Bank moved into town, Will and his family switched their banking business over—as did many local businesses. Three generations of Will’s family now bank with Tompkins Mahopac Bank. Will also relies on Tompkins Financial Advisors for help with his investments. **“We feel like they are looking out for us,” says Will. “That makes all the difference.”** Quite coincidentally, a historic picture of the Shenandoah Farm hangs in the branch. “When they opened, they wanted to focus on local history,” says Will Jackson. “They just happened to put up that picture of our family farm.””

— CO-OWNERS TOM JACKSON, DAN JACKSON, WILL JACKSON & JOHN JACKSON. NEXT GENERATION, JOHN JACKSON JR. NOT PICTURED IS FATHER, GRANDFATHER AND CO-OWNER VERNE JACKSON.





“ Jay Hogan and Don Rossi developed an extremely close relationship with the people at Tompkins Mahopac Bank—quite literally. “For nine years, our law firm was located in the building where they have their headquarters,” says Jay. “We bumped into them on a daily basis.” When an opportunity arose to develop an office building in the town of Brewster, the partners turned to Tompkins Mahopac Bank for financing. “They were wonderful,” says Jay. “They were with us every step of the way.” The firm moved into the new 14,000-square-foot building in 2013 along with seven other co-owner tenants—most of whom also financed through Tompkins Mahopac. **“You can call their CEO and get a call back the same day,”** says Don. **“We don’t hesitate to send our clients over there, because we know they will get top rate service.”** ”

— JAY HOGAN, DON ROSSI, PARTNERS, HOGAN & ROSSI

“ There is a simple reason OLA Consulting Engineers is able to beat out larger engineering firms for choice projects: “We always have one or two of our partners involved in every project,” says Patrick Lynch, President of OLA. “That doesn’t happen with bigger firms.” A desire for a similar kind of service is what convinced Patrick and his partners to switch to Tompkins Mahopac Bank. “We had accounts with Tompkins Mahopac and another bank,” he says. “Whenever we called Tompkins Mahopac Bank, they would always get right back to us. They just made things easy.” OLA, which specializes in the design of mechanical and electrical systems for high performance buildings, celebrates its 40th anniversary this year. Having spent that entire time based in Westchester, the company is thankful to have a true hometown bank: **“They work with us,”** says Patrick. **“It’s good to know we have them as partners.”** ”

— PATRICK LYNCH, PRESIDENT, OLA CONSULTING ENGINEERS - JACOB BURNS MEDIA ARTS LAB, LEED GOLD BUILDING
— KAREN CAMMANN, ASSISTANT VICE PRESIDENT, BRANCH MANAGER, TOMPKINS MAHOPAC BANK



“We were in a building that we had outgrown,” says Dr. Donald Miller of Bryn Mawr Medical Specialists Association. “And our 40 doctors were split between two locations.” When the local hospital decided not to pursue an office building project, Dr. Miller’s practice took interest in it as a potential solution. That is when developer Josh Petersohn of Moreland Development introduced the practice to Tompkins VIST Bank. “Doctors are very averse to financial risk,” says Dr. Miller. **“But Tompkins VIST Bank was extremely flexible and creative in how they structured the financing.”** The 155,000-square-foot building now houses about 90 doctors and has a bridge attaching it to the hospital. “We’ve been very happy with how Tompkins VIST handled the whole process,” says Dr. Miller. “This project just wouldn’t have happened without them.”

— DONALD MILLER, MD, ROBERT R. ATKINS, MD, BRYN MAWR MEDICAL ARTS PAVILION
— TOM NINETTO, SENIOR VICE PRESIDENT, TOMPKINS VIST BANK



Southeastern Pennsylvania: *A dramatic turnaround.*

THIS PAST YEAR HAS SEEN SIGNIFICANT CHANGES AT TOMPKINS VIST BANK—IN OUR CULTURE, IN OUR ASSET QUALITY, IN OUR PROFITABILITY, AND IN OUR REPUTATION WITHIN THE COMMUNITIES WE SERVE. Our goal is to be the most highly regarded financial institution and the bank of choice in the markets we serve. We are well on our way to achieving that goal.

In 2013, we made incredible strides in improving asset quality. We made significant strides in reducing the amount of problem assets on our balance sheet. Delinquencies are now at a level that has not been seen at Tompkins VIST Bank for more than five years. We have also achieved excellent momentum in originating good quality loans. Our improved reputation is helping us to become a top choice for small businesses looking to shift from larger banks to community banks.

Tompkins VIST Bank welcomed new leaders in commercial lending, mortgage sales and special assets to complement our existing leadership. These changes brought exceptional talents into areas where they were needed, while blending well with the accomplished team that already existed at Tompkins VIST. These changes helped to underscore the new vision and new focus at our bank, reinforcing the cultural changes that are already bearing fruit.

Throughout the year, we have been building relationships across affiliates and regions through the Joint Opportunity Committee. Various events have brought together employees from Tompkins VIST Bank, Tompkins Insurance and Tompkins Financial Advisors to encourage conversation and camaraderie. As a result, we are off to a great start in creating referral opportunities that benefit both our customers and our company.

All of these efforts helped us to attain increased revenue for the year and have us better prepared for future success.

2013 was an important year for Tompkins Insurance in Pennsylvania.

The acquisition of VIST doubled insurance revenue, making Tompkins Insurance one of the top 100 insurance brokers in the United States. In Pennsylvania, Tompkins Insurance experienced growth of about 5% for the year. Operations in New York and Pennsylvania were also integrated into one team. This integration will improve efficiencies, most significantly by moving our insurance offices in Pennsylvania to a totally paperless system.

Tompkins Financial Advisors also experienced growth in Pennsylvania during 2013. While we are starting from a smaller base and with a smaller group of employees, we see a bright future for wealth management in our region. We have an expectation of great success in 2014.

The significant changes we made this year did not go unnoticed by the communities we serve: Tompkins VIST Bank was voted Best Bank in Berks County for 2013. This is a great achievement for employees of Tompkins VIST Bank and our Pennsylvania affiliates. It is evidence of how quickly great things can be achieved when we work together with a common goal. Thank you to all of our employees for making this happen.

“ First-time visitors to the Reading Public Museum are often surprised by what they encounter. “They describe it as a ‘Miniature Smithsonian,’” says John Smith, the museum’s Director and CEO. Recently, the museum decided to bring in a ground-breaking exhibit: artwork created by children who were in concentration camps during WWII. “Tompkins VIST Bank knew this was an emotional subject,” says John. “But they understood its importance to our community.” Tompkins VIST Bank became Presenting Sponsor of the exhibit, the first time it was seen in the United States. The museum relies on Tompkins VIST for banking services, while working with Tompkins Insurance for commercial insurance and employee benefits, and with Tompkins Financial Advisors for its company sponsored IRA. **“Tompkins VIST is a fantastic community partner,” says John. “They are truly part of the museum’s family.”** ”

- JOHN SMITH, DIRECTOR AND CEO, READING PUBLIC MUSEUM
- SHERRIE HALLOWELL, BUSINESS DEVELOPMENT MANAGER, TOMPKINS VIST BANK
- STEVE BRUNNER, VICE PRESIDENT, TOMPKINS INSURANCE



“ Bassetts Ice Cream is America’s oldest brand of ice cream. “My great great grandfather started this company,” says Mike Strange, President of the 152-year-old company. A few years ago, Bassetts began distributing its ice cream in China. The company needed to finance its receivables, but the package offered by their current bank included staggering fees. So Mike spoke to Tompkins VIST Bank. “They came back with the exact package we were looking for,” says Mike. The result? “We are now shipping an astonishing amount of our products to China,” says Mike. His relationship with Tompkins VIST Bank is also helping Bassetts in another important way: **“Banking is one worry I no longer have,” says Mike. “It’s good to be able to focus on business.”** ”

- MICHAEL STRANGE, OWNER AND PRESIDENT, BASSETTS ICE CREAM

Consolidated Statements of Condition

AS OF DECEMBER 31,

{IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA}

	2013	2012
Assets		
Cash and noninterest bearing balances due from banks	\$82,163	\$117,448
Interest bearing balances due from banks	721	1,482
Cash and Cash Equivalents	82,884	118,930
Trading securities, at fair value	10,991	16,450
Available-for-sale securities, at fair value (amortized cost of \$1,368,736 at December 31, 2013 and \$1,349,416 at December 31, 2012)	1,354,811	1,393,340
Held-to-maturity securities, fair value of \$19,625 at December 31, 2013, and \$25,163 at December 31, 2012	18,980	24,062
Originated loans and leases, net of unearned income and deferred costs and fees	2,527,244	2,133,106
Acquired loans and leases, covered	25,868	37,600
Acquired loans and leases, non-covered	641,172	783,904
Less: Allowance for loan and lease losses	27,970	24,643
Net Loans and Leases	3,166,314	2,929,967
FDIC Indemnification Asset	4,790	4,385
Federal Home Loan Bank stock and Federal Reserve Bank stock	25,041	19,388
Bank premises and equipment, net	55,932	54,581
Corporate owned life insurance	69,335	65,102
Goodwill	92,140	92,305
Other intangible assets, net	16,298	18,643
Accrued interest and other assets	105,523	100,044
Total Assets	\$5,003,039	\$4,837,197
Liabilities		
Deposits:		
Interest bearing:		
Checking, savings and money market	2,190,616	2,144,367
Time	865,702	973,883
Noninterest bearing	890,898	831,919
Total Deposits	3,947,216	3,950,169
Federal funds purchased and securities sold under agreements to repurchase	167,724	213,973
Other borrowings, including certain amounts at fair value of \$11,292 at December 31, 2013 and \$11,847 at December 31, 2012	331,531	111,848
Trust preferred debentures	37,169	43,668
Other liabilities	61,460	76,179
Total Liabilities	\$4,545,100	\$4,395,837
Equity		
Tompkins Financial Corporation Shareholders' Equity:		
Common Stock - par value \$.10 per share: Authorized 25,000,000 shares; Issued: 14,785,007 at December 31, 2013; and 14,426,711 at December 31, 2012	1,479	1,443
Additional paid-in capital	346,096	334,649
Retained earnings	137,102	108,709
Accumulated other comprehensive loss	(25,119)	(2,106)
Treasury stock, at cost - 105,449 shares at December 31, 2013, and 100,054 shares at December 31, 2012	(3,071)	(2,787)
Total Tompkins Financial Corporation Shareholders' Equity	456,487	439,908
Noncontrolling interests	1,452	1,452
Total Equity	\$457,939	\$441,360
Total Liabilities and Equity	\$5,003,039	\$4,837,197

Consolidated Statements of Income

YEAR ENDED DECEMBER 31,

{IN THOUSANDS, EXCEPT PER SHARE DATA}

	2013	2012	2011
Interest and Dividend Income			
Loans	\$151,711	\$ 124,662	\$103,998
Due from banks	10	32	12
Federal funds sold	0	2	7
Trading securities	589	744	873
Available-for-sale securities	31,360	31,232	30,103
Held-to-maturity securities	685	860	1,185
Federal Home Loan Bank stock and Federal Reserve Bank stock	749	824	910
Total Interest and Dividend Income	185,104	158,356	137,088
Interest Expense			
Time certificates of deposits of \$100,000 or more	4,832	3,322	3,292
Other deposits	7,933	8,910	9,795
Federal funds purchased and securities sold under agreements to repurchase	3,749	4,451	4,872
Trust preferred debentures	2,599	2,094	1,580
Other borrowings	4,862	5,436	6,143
Total Interest Expense	23,975	24,213	25,682
Net Interest Income	161,129	134,143	111,406
Less: Provision for loan and lease losses	6,161	8,837	8,945
Net Interest Income After Provision for Loan and Lease Losses	154,968	125,306	102,461
Noninterest Income			
Insurance commissions and fees	27,916	19,421	13,542
Investment services income	15,109	14,340	14,287
Service charges on deposit accounts	8,495	7,441	8,491
Card services income	7,216	6,030	5,060
Mark-to-market (loss) gain on trading securities	(538)	(332)	62
Mark-to-market gain (loss) on liabilities held at fair value	555	246	(464)
Net other-than-temporary impairment losses ¹	0	(196)	(65)
Other income	10,546	7,534	6,705
Net gain on securities transactions	599	324	396
Total Noninterest Income	69,898	54,808	48,014
Noninterest Expenses			
Salaries and wages	67,200	51,700	44,140
Pension and other employee benefits	22,164	18,075	14,275
Net occupancy expense of premises	11,757	8,969	7,117
Furniture and fixture expense	5,701	4,996	4,463
FDIC insurance	3,214	2,685	2,527
Amortization of intangible assets	2,197	1,264	589
Merger and integration related expenses	228	15,584	174
Other operating expenses	40,641	34,335	25,267
Total Noninterest Expenses	153,102	137,608	98,552
Income Before Income Tax Expense	71,764	42,506	51,923
Income Tax Expense	20,777	11,090	16,373
Net Income Attributable to Noncontrolling Interests and Tompkins Financial Corporation	50,987	31,416	35,550
Less: Net income attributable to noncontrolling interests	131	131	131
Net Income Attributable to Tompkins Financial Corporation	\$50,856	\$31,285	\$35,419
Basic Earnings Per Share	\$3.48	\$2.44	\$3.21
Diluted Earnings Per Share	\$3.46	\$2.43	\$3.20

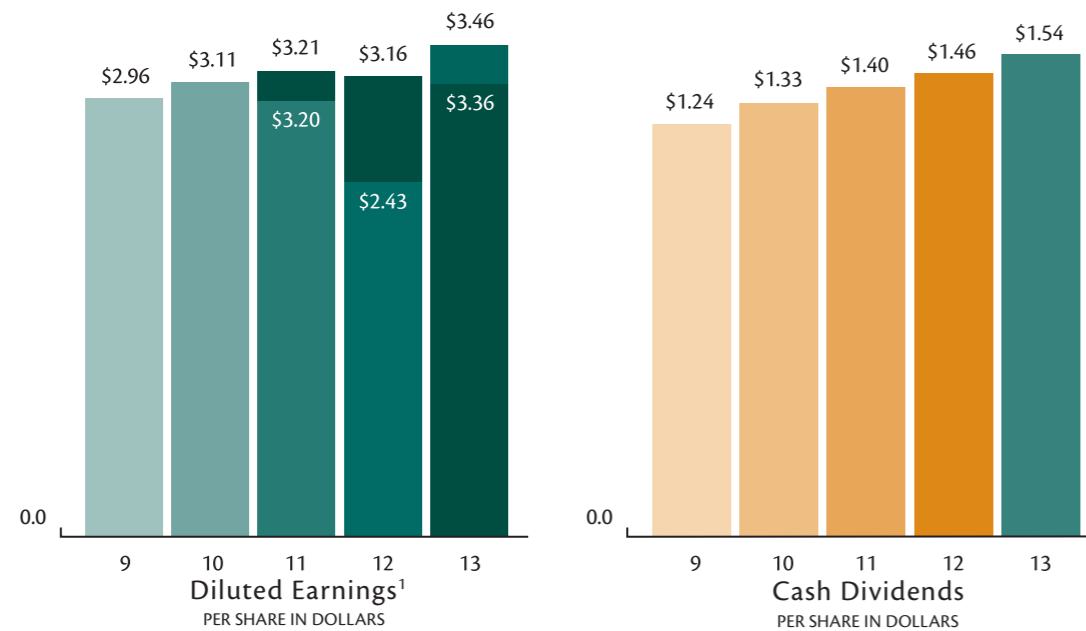
¹ In 2013, there were no other-than-temporary impairment ("OTTI") charges recognized in noninterest income. In 2012, OTTI on securities available-for-sale totaling \$196,000 was recognized in noninterest income. There were no additional non-credit OTTI losses on these securities in 2012. In 2011, OTTI on securities available-for-sale totaling \$178,000 was recognized which included \$113,000 in non-credit impairment losses recognized in accumulated other comprehensive income and \$65,000 of OTTI losses recognized in noninterest income.

Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company's common stock is traded under the symbol "TMP" on the NYSE MKT LLC. The high and low closing sale prices, which represent actual transactions as quoted on the Exchange, of the Company's common stock for each quarterly period in 2012 and 2013 are presented to the right. The per share dividends paid by the Company in each quarterly period in 2012 and 2013 and the payment dates of these dividends are also presented.

		Market Price		Cash Dividends	
		High	Low	Amount	Date Paid
2012	1st Quarter	\$43.13	\$38.90	\$0.36	2/15/12
	2nd Quarter	40.69	35.82	0.36	5/15/12
	3rd Quarter	42.52	37.30	0.36	8/15/12
	4th Quarter	41.67	36.85	0.38	11/15/12
2013	1st Quarter	\$42.59	\$40.28	\$0.38	2/15/13
	2nd Quarter	45.33	39.86	0.38	5/15/13
	3rd Quarter	49.40	42.54	0.38	8/15/13
	4th Quarter	51.61	43.52	0.40	11/15/13

As of February 12, 2014, there were approximately 3,637 holders of record of the Company's common stock.



¹The lighter shaded sections of the bars reflects GAAP earnings per share. The darker shaded sections in 2011, 2012 and 2013 reflect the after-tax impact of merger related expenses as well as other nonrecurring items. Refer to the Company's Form 10-K for the calculation of these non-GAAP measures.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Tompkins Financial Corporation,

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of condition of Tompkins Financial Corporation and subsidiaries as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, cash flows, and changes in shareholders' equity for each of the years in the three-year period ended December 31, 2013 (not presented herein); and in our report dated March 14, 2014 we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying consolidated condensed financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP

Syracuse, NY
March 14, 2014



Tompkins Financial Corporation Board of Directors

First row, left to right; **Patricia A. Johnson**, Vice President of Finance & Administration, Lehigh University; **Carl E. Haynes**, President, Tompkins Cortland Community College; **William D. Spain, Jr.**, Chairman, Tompkins Mahopac Bank; Managing Partner, Spain & Spain, PC; **Paul J. Battaglia, CPA**, Managing Director, Freed Maxick, CPAs, P.C. Second row, left to right; **Susan A. Henry, Ph.D.**, Professor, Department of Molecular Biology and Genetics, Cornell University; **Reeder D. Gates**, Retired President, R.D. Gates Ltd.; **Daniel J. Fessenden**, Executive Director, Fred L. Emerson Foundation, Inc.; **Craig Yunker**, Managing Partner, CY Farms; **James W. Fulmer**, Vice Chairman, Tompkins Financial; Chairman, President & CEO, Tompkins Bank of Castile; **Alfred J. Weber**, President, Tweed-Weber, Inc.; **James J. Byrnes**, Chairman; **Stephen S. Romaine**, President & CEO; **Thomas R. Rochon**, President, Ithaca College; **Frank C. Milewski**, Regional President, Providence Service Corporation; **James R. Hardie**, Vice Chairman, Tompkins Insurance Agencies, Inc.; **John E. Alexander**, Founder, The CBORD Group, Inc.; **Sandra A. Parker**, President & CEO, Rochester Business Alliance; **Michael H. Spain**, President, Spain Agency, Inc.



Tompkins Financial Corporation Leadership Team

First row, left to right; **Susan M. Valenti**, Senior Vice President, Corporate Marketing Officer; **Scott L. Gruber**, President & CEO, Tompkins VIST Bank; **Rosemary G. Hyland**, Senior Vice President, Director of Human Resources
Second row, left to right; **Francis M. Fetsko**, Executive Vice President, COO, CFO & Treasurer; **David S. Boyce**, President & CEO, Tompkins Insurance Agencies, Inc.; **Gregory J. Hartz**, President & CEO, Tompkins Trust Company; **Stephen S. Romaine**, President & CEO; **James W. Fulmer**, Chairman, President & CEO, Tompkins Bank of Castile; **Gerald J. Klein, Jr.**, President & CEO, Tompkins Mahopac Bank

Boards of Directors

Tompkins Trust Company

James J. Byrnes*
Chairman

Gregory J. Hartz
President & CEO

John E. Alexander
Founder
The CBORD Group, Inc.

Larry F. Baum
CEO, The Computing Center

Daniel J. Fessenden
Executive Director
Fred L. Emerson Foundation, Inc.

Reeder D. Gates*
Retired President
R.D. Gates, Ltd.

Carl E. Haynes
President, Tompkins Cortland
Community College

Susan A. Henry, Ph.D
Professor, Department of
Molecular Biology and Genetics
Cornell University

Patricia A. Johnson
Vice President of Finance &
Administration
Lehigh University

Thomas R. Rochon
President, Ithaca College

Stephen S. Romaine**
President & CEO
Tompkins Financial Corporation

* Retiring from Board, April 2014

** Designated as Successor to
Chairman, April 2014

Tompkins Bank of Castile

James W. Fulmer
Chairman, President & CEO

Paul J. Battaglia, CPA
Managing Director
Freed Maxick, CPAs, P.C.

Joseph G. Bucci
Co-founder & Vice Chairman
American Rock Salt Co., Inc.
Founder & Owner, Bucci
Real Estate

Phillip J. Clark, P.E.
Chairman & CEO
Clark Patterson Lee

Thomas E. Cushing
Vice President
Secretary-Treasurer
J.O. Cook, Inc.

David N. DeLaVergne
Retired Senior Vice President
The Bank of Castile

John D. McClurg
President
McClurg Chrysler
Dodge Jeep, Inc.
& McClurg Chevrolet Buick, Inc.

Sandra A. Parker
President & CEO
Rochester Business Alliance

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

Stephen R. Stoddard, DVM
Perry Veterinary Clinic

Craig Yunker
Managing Partner
CY Farms

Tompkins Mahopac Bank

William D. Spain, Jr.
Chairman
Managing Partner
Spain & Spain, PC

Gerald J. Klein, Jr.
President & CEO

James J. Byrnes*
Chairman
Tompkins Financial Corporation

James W. Fulmer
Vice Chairman
Tompkins Financial Corporation

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

C. Compton Spain
Attorney, Spain & Spain, PC

Michael H. Spain
President, Spain Agency, Inc.

Tompkins VIST Bank

Alfred J. Weber
Chairman
President, Tweed-Weber, Inc.

Scott L. Gruber
President & CEO

Edward C. Barrett, CPA
Retired EVP & CFO, VIST Bank

James H. Burton
President
Manchester Copper Products, LLC

Robert D. Davis
Retired President & CEO
VIST Bank

James W. Fulmer
Vice Chairman
Tompkins Financial Corporation

Philip E. Hughes, Esq., CPA
Vice Chairman
Keystone Industries

Frank C. Milewski
Regional President
Providence Service Corporation

Harry J. O'Neill, III
President, Empire Group

Karen A. Rightmire
President
The Wyomissing Foundation

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

Tompkins Insurance Agencies, Inc.

James W. Fulmer
Chairman
Vice Chairman
Tompkins Financial Corporation

James R. Hardie
Vice Chairman

David S. Boyce
President & CEO

Stephen S. Romaine
President & CEO
Tompkins Financial Corporation

Frank Vitagliano, Jr.
Senior Vice President

Corporate Information

Tompkins Financial Corporation Corporate Officers

Stephen S. Romaine
President & CEO

James W. Fulmer
Vice Chairman

Stephen M. Angelis
Executive Vice President

David S. Boyce
Executive Vice President

Francis M. Fetsko
Executive Vice President
CFO, COO & Treasurer

Scott L. Gruber
Executive Vice President

Gregory J. Hartz
Executive Vice President

Gerald J. Klein, Jr.
Executive Vice President

Rosemary G. Hyland
Senior Vice President
Director of Human Resources

Susan M. Valenti
Senior Vice President
Corporate Marketing Officer

Bradley G. James
Senior Vice President
Chief Technology Officer

Gregory H. Smith
Vice President &
Corporate Risk Manager

Janet L. Hewitt
Assistant Vice President
Corporate Administrative &
Investor Relations Officer

Kathleen A. Manley
Assistant Vice President &
Corporate Secretary

Corporation Office

Tompkins Financial Corporation
P.O. Box 460
Ithaca, NY 14851
(888)503-5753

Website:
www.tompkinsfinancial.com
E-mail:
shareholder@tompkinsfinancial.com

Subsidiaries

Tompkins Trust Company
P.O. Box 460
Ithaca, NY 14851
(607) 273-3210
www.tompkinstrust.com

Tompkins Bank of Castile
90 Main St.
Batavia, NY 14020
(585) 345-0122
www.bankofcastile.com

Tompkins Mahopac Bank
1441 Route 22
Brewster, NY 10509
(845) 278-1000
www.mahopacbank.com

Tompkins VIST Bank
P.O. Box 6219
Wyomissing, PA 19610
(610) 478-9922
www.vistbank.com

Tompkins Insurance Agencies, Inc.
90 Main St.
Batavia, NY 14020
(585) 344-0833
www.tompkinsins.com

Tompkins Financial Advisors
P.O. Box 6437
Ithaca, NY 14851
(607) 273-0037
www.tompkinsfinancialadvisors.com

Stock Listing

Tompkins Financial Corporation
common stock is traded on the
NYSE MKT LLC under the symbol
TMP.

The Tompkins Financial Stock
Purchase Plan is administered by
the American Stock Transfer &
Trust Company, LLC as transfer
agent for Tompkins Financial
Corporation. It offers a convenient
way for shareholders to increase their
investment in the Company. The
plan enables shareholders to reinvest
all or part of their cash dividends or
to make optional cash payments,
with some restrictions, in order
to purchase shares of Tompkins
Financial Corporation common
stock without incurring charges for
brokerage commissions or service
charges. Shareholders who are
interested in the plan may receive
enrollment information and a plan
enrollment application by contacting:

American Stock Transfer & Trust
Company, LLC
Toll-free number: 1-877-573-4008
Internet: www.amstock.com

Mailing address:
American Stock Transfer & Trust
Company, LLC
Attn: Dividend Reinvestment
Department
P.O. Box 922
Wall Street Station
New York, NY 10269-0560

For answers to many of your
shareholder questions or to request
forms, visit American Stock Transfer
& Trust Company's website
www.amstock.com or contact:

American Stock Transfer & Trust
Company, LLC
Shareholder Relations
6201 15th Avenue
Brooklyn, NY 11219

Overnight address:
6201 15th Avenue
Brooklyn, NY 11219

1-800-937-5449 or 1-718-921-8200
E-mail address: info@amstock.com

Also, Tompkins Financial Stock
Purchase Plan enrollment information
can be requested and shareholder
questions answered by contacting
the Company:

Janet L. Hewitt, AVP
Tompkins Financial Corporation
P.O. Box 460
Ithaca, NY 14851

1-888-503-5753 or 1-607-274-2004
E-mail address:
jhewitt@tompkinsfinancial.com

Form 10-K
Copies of the Company's Form
10-K (Annual Report) for 2013, filed
with the Securities and Exchange
Commission, may be obtained by
shareholders, by written request, from
Francis M. Fetsko, Executive Vice
President and Chief Financial Officer,
P.O. Box 460, Ithaca, NY 14851.
Copies can also be obtained from our
website: www.tompkinsfinancial.com

Go Green

If you would like to
receive future Tompkins
Financial Corporation
Corporate Reports and
proxy materials electronically, please
follow the instructions on your
proxy card for voting via the internet
and select the option for electronic
transmission of proxy materials.



The savings below are achieved
when PC recycled paper is used in
place of virgin fiber. This project
uses 5,761 lbs of paper which has a
postconsumer recycled percentage
of 10%.

8 trees preserved for the future
667 lbs waterborne waste not created

3,449 gallons wastewater flow saved
219 lbs solid waste not generated

2,914 lbs net greenhouse gases
prevented

2,389,165 BTUs energy not consumed