

Community Bank System, Inc. Announces Its 23rd Consecutive Year of Dividend Increases

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DEWITT, N.Y.--(BUSINESS WIRE)-- Community Bank System, Inc. (NYSE:CBU) announced that its Board of Directors declared a quarterly cash dividend of \$0.31 per share on its common stock. The dividend will be payable on October 9, 2015 to shareholders of record as of September 15, 2015.

This one cent increase in the Company's quarterly cash dividend over the same quarter of last year, or 3.3% higher, represents an annualized yield of 3.37% based on the Company's closing price of \$36.78 on August 19, 2015. This increase marks the twenty-third (23rd) consecutive year of dividend increases for the Company. President and Chief Executive Officer, Mark E. Tryniski, commented, "The payment of a meaningful and growing dividend is an important component of our commitment to provide consistent and favorable long-term returns to our shareholders. The increase reflects the continued strength of both our current operating performance and capital position."

Community Bank System, Inc. operates more than 190 customer facilities across Upstate New York and Northeastern Pennsylvania through its banking subsidiary, Community Bank, N.A. With assets of approximately \$7.9 billion, the DeWitt, N.Y. headquartered company is among the country's 150 largest financial institutions. In addition to a full range of retail and business banking services, the Company offers comprehensive financial planning, insurance and wealth management services. The Company's Benefit Plans Administrative Services, Inc. subsidiary is a leading provider of employee benefits administration and trust services, actuarial and consulting services to customers on a national scale. Community Bank System, Inc. is listed on the New York Stock Exchange and the Company's stock trades under the symbol CBU. For more information about Community Bank visit www.communitybankna.com or <http://ir.communitybanksystem.com>.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The following factors, among others, could cause the actual results of CBU's operations to differ materially from CBU's expectations: the successful integration of operations of its acquisitions; competition; changes in economic conditions, interest rates and financial markets; and changes in legislation or regulatory requirements. These statements are based on the current beliefs and expectations of CBU's management and CBU does not assume any duty to update forward-looking statements.

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