



**First Niagara Partners with City of Rochester to Donate Former Bank Branch
to Lexington Avenue Federal Credit Union to
Ensure Ready Community Access to Financial Services**

*-- Innovative collaboration between a bank and credit union, with full support of City leaders,
results in First Niagara donation valued at approximately \$200,000 --*

ROCHESTER, N.Y., January 15, 2013 – First Niagara Financial Group, Inc. (NASDAQ:FNFG) today announced its donation of a former bank branch on Joseph Avenue to the Lexington Avenue Federal Credit Union. The branch donation, which includes the title to the property, and all of the building’s contents, technology and furniture, is valued at approximately \$200,000. The agreement ensures the Joseph Avenue community will have continued, convenient access to financial services.

In addition to the branch donation, First Niagara is providing a \$10,000 grant to the Joseph Avenue Business Association to support development of its four-part strategic plan for revitalization of the neighborhood.

“First Niagara has always made investing in the communities we serve a top priority,” said First Niagara Rochester Market Executive Suzanne Nasipak-Chapman. “We want to make sure that residents and businesses in the Joseph Avenue neighborhood maintain access to a successful financial institution close to where they live and work.”

First Niagara sought input from the City of Rochester in order to find a credit union with interest in the space. Together, First Niagara and the City approached the Lexington Avenue Federal Credit Union, which was eager to add a second location for its members to conduct their banking.

“This is truly good corporate citizenship at its best. It’s great to see a dedicated company like First Niagara recognize the needs of the neighborhood, and be willing to do something about it,” said Rochester Council President Lovely A. Warren, Northeast District. “The collaboration between First Niagara and the Lexington Avenue FCU with the Rochester City Council is an approach we applaud and we encourage more businesses to take.”

Charles Casaceli, CEO of Lexington Avenue FCU, noted, “When First Niagara and the City Council approached us, we saw this as an excellent opportunity for government, business, and not-for-profit to do something with the best of intentions for Rochesterians in mind. We’re grateful to First Niagara for its generosity and pleased that our current and new customers will benefit from the added convenience provided by this expansion.”

First Niagara has been planning for the re-use of the closed 762 Joseph Avenue branch since it acquired the property from HSBC in the spring of 2012. In preparation for the branch donation, First Niagara staff removed all stored data from technology being donated, including computers at the location. Existing customers of the credit union, or those interested in becoming a member, can visit its 1275 Lexington Avenue location, or call 585-254-4543 for more information.

First Niagara will continue to serve the neighborhood from its 70 Lyell Avenue location and 11 other Rochester-area branches.

About First Niagara

First Niagara, through its wholly owned subsidiary, First Niagara Bank, N.A., is a multi-state community-oriented bank with approximately 430 branches, \$36 billion in assets, \$28 billion in deposits, and approximately 6,000 employees providing financial services to individuals, families and businesses across Upstate New York, Pennsylvania, Connecticut and Massachusetts. For more information, visit www.firstniagara.com.

About Lexington FCU

Lexington Avenue Federal Credit Union is a not-for-profit, federally chartered cooperative financial institution founded by employees of Rochester Products in 1959. Lexington FCU serves individuals and businesses in the City of Rochester, NY and is wholly owned by its members. Lexington FCU is regulated by The National Credit Union Administration, with deposits insured up to \$250,000 through the NCUA. To learn more about Lexington FCU, please visit <http://www.lexfcu.org>.

-- 30 --

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