

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)	
	2016	2015	2016	2015
Condensed Income Statement				
Interest and dividend income	\$ 6,264	\$ 5,587	\$ 24,093	\$ 21,424
Interest expense	1,107	799	3,804	2,657
Net interest income	5,157	4,788	20,289	18,767
Provision for loan losses	271	345	953	1,349
	4,886	4,443	19,336	17,418
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	851	908	3,629	3,716
Net gains on sales of securities, loans and foreclosed real estate	342	254	554	456
Noninterest expense	4,827	4,573	19,110	17,587
Income before income taxes	1,252	1,032	4,409	4,003
Provision for income taxes	291	242	1,111	1,071
Net Income	\$ 961	\$ 790	\$ 3,298	\$ 2,932
Net income attributable to noncontrolling interest	\$ 2	\$ 10	\$ 26	\$ 43
Net income attributable to Pathfinder Bancorp, Inc.	\$ 959	\$ 780	\$ 3,272	\$ 2,889
Preferred stock dividends	-	33	16	130
Net income available to common shareholders	\$ 959	\$ 747	\$ 3,256	\$ 2,759

	For the Periods Ending		
	December 31, 2016	December 31, 2015	December 31, 2014
Selected Balance Sheet Data			
Assets	\$749,034	\$623,254	\$561,024
Earning assets	707,448	581,722	524,474
Total loans	492,147	430,438	387,538
Deposits	610,983	490,315	415,568
Borrowed funds	58,947	41,300	66,100
Allowance for loan losses	6,247	5,706	5,349
Subordinated loans	15,025	14,991	5,155
Pathfinder Bancorp, Inc. Shareholders' equity	57,929	70,805	68,790

	December 31, 2016	December 31, 2015	December 31, 2014
Asset Quality Ratios			
Net loan charge-offs to average loans	0.09%	0.25%	0.25%
Allowance for loan losses to period end loans	1.27%	1.33%	1.38%
Allowance for loan losses to nonperforming loans	129.85%	107.30%	85.50%
Nonperforming loans to period end loans	0.98%	1.24%	1.61%
Nonperforming assets to total assets	0.72%	0.94%	1.16%

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

	For the three months ended December 31, (Unaudited)		For the twelve months ended December 31, (Unaudited)	
	2016	2015	2016	2015
Key Earnings Ratios				
Return on average assets	0.52%	0.50%	0.48%	0.48%
Return on average common equity**	6.44%	5.30%	5.35%	5.00%
Return on average equity	6.44%	4.34%	5.35%	4.08%
Net interest margin	2.97%	3.26%	3.14%	3.31%
Share and Per Share Data				
Basic weighted average shares outstanding*	4,037,781	4,134,029	4,105,111	4,123,569
Basic earnings per share*	\$ 0.24	\$ 0.18	\$ 0.79	\$ 0.67
Diluted weighted average shares outstanding*	4,127,972	4,209,758	4,189,820	4,190,949
Diluted earnings per share*	\$ 0.23	\$ 0.18	\$ 0.78	\$ 0.66
Cash dividends per share	\$ 0.05	\$ 0.05	\$ 0.20	\$ 0.16
Book value per common share at December 31, 2016 and 2015			13.67	13.28
Tangible book value per common share at December 31, 2016 and 2015			12.55	12.19

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

Weighted average shares outstanding do not include unallocated ESOP shares.

** Common Equity includes the book value of the Company's common shares, retained earnings and additional paid-in capital. This amount is equal to the Company's total equity minus the book value of preferred stock outstanding.

The above information is preliminary and based on the Company's data available at the time of presentation.