

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

**For the three months  
ended March 31,  
(Unaudited)**

	<b>2017</b>	<b>2016</b>
<b>Condensed Income Statement</b>		
Interest and dividend income	\$ 6,870	\$ 5,712
Interest expense	1,373	872
Net interest income	5,497	4,840
Provision for loan losses	389	210
	5,108	4,630
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	916	921
Net gains on sales of securities, loans and foreclosed real estate	47	80
Noninterest expense	4,999	4,703
Income before income taxes	1,072	928
Provision for income taxes	245	273
<b>Net Income</b>	<b>\$ 827</b>	<b>\$ 655</b>
<b>Net income (loss) attributable to noncontrolling interest</b>	<b>\$ 27</b>	<b>\$ (6)</b>
<b>Net income attributable to Pathfinder Bancorp, Inc.</b>	<b>\$ 800</b>	<b>\$ 661</b>
Preferred stock dividends	-	16
Net income available to common shareholders	\$ 800	\$ 645

**For the Periods Ending**

	<b>March 31, 2017</b>	<b>December 31, 2016</b>	<b>March 31, 2016</b>
<b>Selected Balance Sheet Data</b>			
Assets	\$802,345	\$749,034	\$665,326
Earning assets	757,881	707,448	618,584
Total loans	521,094	492,147	434,179
Deposits	669,532	610,983	539,358
Borrowed funds	53,021	58,947	46,000
Allowance for loan losses	5,964	6,247	5,851
Subordinated loans	15,033	15,025	14,999
Pathfinder Bancorp, Inc. Shareholders' equity	59,379	57,929	58,774

**Asset Quality Ratios**

Net loan charge-offs (annualized) to average loans	0.53%	0.09%	0.06%
Allowance for loan losses to period end loans	1.14%	1.27%	1.35%
Allowance for loan losses to nonperforming loans	162.15%	129.85%	117.02%
Nonperforming loans to period end loans	0.71%	0.98%	1.15%
Nonperforming assets to total assets	0.54%	0.72%	0.85%

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	<b>2017</b>	<b>2016</b>
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**Key Earnings Ratios**

Return on average assets	0.41%	0.41%
Return on average common equity**	5.39%	4.47%
Return on average equity	5.39%	3.91%
Net interest margin	2.97%	3.17%

**Share and Per Share Data**

Basic weighted average shares outstanding*	4,051,646	4,139,979
Basic earnings per share*	\$ 0.20	\$ 0.16
Diluted weighted average shares outstanding*	4,153,487	4,218,464
Diluted earnings per share*	\$ 0.19	\$ 0.15
Cash dividends per share	\$ 0.05	\$ 0.05
Book value per common share at March 31, 2017 and 2016	13.98	13.50
Tangible book value per common share at March 31, 2017 and 2016	12.87	12.41

\* 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.