

**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)	
	2017	2016	2017	2016
<b>Condensed Income Statement</b>				
Interest and dividend income	\$ 7,926	\$ 6,264	\$ 29,413	\$ 24,093
Interest expense	1,884	1,107	6,290	3,804
Net interest income	6,042	5,157	23,123	20,289
Provision for loan losses	537	271	1,769	953
	5,505	4,886	21,354	19,336
Noninterest income excluding net gains on sales of securities, loans and foreclosed real estate	888	851	3,653	3,629
Net gains on sales of securities, loans and foreclosed real estate	255	342	526	554
Noninterest expense	5,883	4,827	21,188	19,110
Income before income taxes	765	1,252	4,345	4,409
Provision for income taxes	538	291	1,407	1,111
	227	961	2,938	3,298
<b>Net Income</b>	<b>\$ 227</b>	<b>\$ 961</b>	<b>\$ 2,938</b>	<b>\$ 3,298</b>
Net (loss) income attributable to noncontrolling interest	(152)	2	(68)	26
<b>Net income attributable to Pathfinder Bancorp, Inc.</b>	<b>\$ 379</b>	<b>\$ 959</b>	<b>\$ 3,006</b>	<b>\$ 3,272</b>
Preferred stock dividends	-	-	-	16
Net income available to common shareholders	\$ 379	\$ 959	\$ 3,006	\$ 3,256

	December 31, 2017	For the Periods Ending December 31, 2016	December 31, 2015
	<b>Selected Balance Sheet Data</b>		
Assets	\$881,257	\$749,034	\$623,254
Earning assets	834,303	707,448	581,722
Total loans	580,831	492,147	430,438
Deposits	723,603	610,983	490,315
Borrowed funds	73,888	58,947	41,300
Allowance for loan losses	7,126	6,247	5,706
Subordinated loans	15,059	15,025	14,991
Pathfinder Bancorp, Inc. Shareholders' equity	61,723	57,929	70,805

<b>Asset Quality Ratios</b>			
Net loan charge-offs to average loans	0.16%	0.09%	0.25%
Allowance for loan losses to period end loans	1.23%	1.27%	1.33%
Allowance for loan losses to nonperforming loans	145.61%	129.85%	107.30%
Nonperforming loans to period end loans	0.84%	0.98%	1.24%
Nonperforming assets to total assets	0.61%	0.72%	0.94%

	For the three months ended December 31, (Unaudited)		For the twelve months ended December 31, (Unaudited)	
	2017	2016	2017	2016
<b>Key Earnings Ratios</b>				
Return on average assets	0.17%	0.52%	0.37%	0.48%
Return on average common equity**	2.41%	6.44%	4.90%	5.35%
Return on average equity	2.41%	6.44%	4.90%	5.35%
Net interest margin	2.88%	2.97%	2.97%	3.14%

<b>Share and Per Share Data</b>				
Basic weighted average shares outstanding*	4,108,660	4,037,781	4,081,344	4,105,111
Basic earnings per share*	\$ 0.09	\$ 0.24	\$ 0.74	\$ 0.79
Diluted weighted average shares outstanding*	4,222,603	4,127,972	4,189,518	4,189,820
Diluted earnings per share*	\$ 0.09	\$ 0.23	\$ 0.72	\$ 0.78
Cash dividends per share	\$ 0.0575	\$ 0.05	\$ 0.2150	\$ 0.20
Book value per common share at December 31, 2017 and 2016			14.42	13.67
Tangible book value per common share at December 31, 2017 and 2016			13.32	12.55

\* 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.