

## CAPITAL MARKETS ANNOUNCEMENT

**Financial Institutions, Inc. (NASDAQ: FISL; Warsaw, NY) Completes \$40.0 Million At-the-Market Offering of Common Stock**

Sandler O'Neill + Partners, L.P. served as the Sales Agent for this offering.

This transaction represents the 152<sup>nd</sup> public offering, private placement or at-the-market offering of common stock for a bank or thrift since January 1, 2012 for which Sandler O'Neill acted as book-runner, co-manager, placement agent, or sales agent—more than any other investment bank during that period. These transactions have raised approximately \$22.9 billion for our clients.<sup>1</sup>

**About the Offering:**

WARSAW, N.Y., Nov. 15, 2017 (GLOBE NEWSWIRE) -- Financial Institutions, Inc. (NASDAQ:FISI) (the "Company"), the parent company of Five Star Bank, Scott Danahy Naylon, LLC and Courier Capital, LLC, today announced the completion of an "at-the-market" common stock offering that commenced on May 30, 2017. The Company sold a total of 1,363,964 common shares at an average price of \$29.33 per share, representing gross proceeds of approximately \$40.0 million. Net proceeds from the transaction were approximately \$38.3 million.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Financial Institutions, Inc. provides diversified financial services through its subsidiaries Five Star Bank, Scott Danahy Naylon, LLC ("SDN") and Courier Capital, LLC ("Courier Capital"). Five Star Bank provides a wide range of consumer and commercial banking and lending services to individuals, municipalities and businesses through a network of more than 50 offices throughout Western and Central New York State. SDN provides a broad range of insurance services to personal and business clients across 45 states. Courier Capital provides customized investment management, investment consulting and retirement plan services to individuals, businesses, institutions, foundations and retirement plans. Financial Institutions, Inc. and its subsidiaries employ approximately 650 individuals. The Company's stock is listed on the NASDAQ Global Select Market under the symbol FISL.

1) Source: SNL Financial

2) As of September 30, 2017, FISL had sold 1,069,635 shares of common stock for net proceeds of approximately \$29.7 million since commencement on May 30, 2017.

November 15, 2017

**At-the-Market Offering**

**\$40.0 Million**



Financial Institutions, Inc.

Sales Agent

**SANDLER O'NEILL + PARTNERS**

**Financial Highlights as of September 30, 2017<sup>2</sup>**

*(Dollars in millions)*

Total Assets	\$4,022
Net Loans	\$2,584
Total Deposits	\$3,282
Total Equity	\$366
Tang. Common Equity / Tang. Assets	6.93%
LTM ROAA	0.82%
LTM ROAE	9.28%

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