

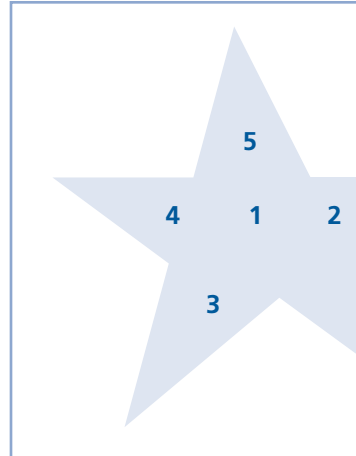
2 0 0 2
ANNUAL
REPORT



A Year of Star Performance



On the cover



- 1. Dave Utter** and **Jennifer Noble** of Information Processing and **Bill Whitaker** (center) from Finance are playing key roles in the development of our data warehouse. The warehouse allows us to pool information from various systems, streamlining many functions and providing the opportunity to expand our information management capabilities in other areas.
- 2. Bob Goble** manages the NBT Bank office on Oneonta's Southside. Like many of our employees, he is committed to supporting community organizations like Oneonta Youth Soccer.
- 3. Denise Snyder** has been actively involved in delivering our Star Camp training program to her fellow CNB Bankers.
- 4. Jeff Lake** heads the local management team for our newly expanded presence in the Greater Binghamton area.
- Once a Pennstar Bank branch manager, now **Patti Millerick** leads a team of mortgage loan officers covering our entire 109-branch network.

Contents

- 1** Financial Highlights
- 2** Location Map
- 3** Letter to our Stockholders
- 6** Highlights
- 11** Board Listings
- 12** Corporate Information

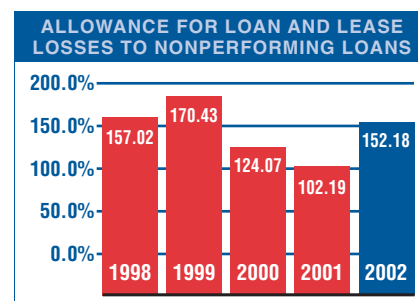
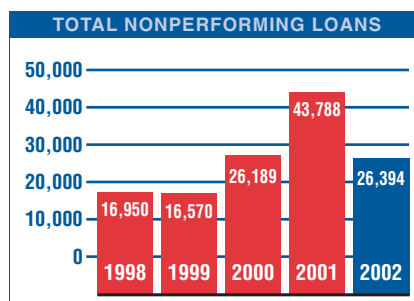
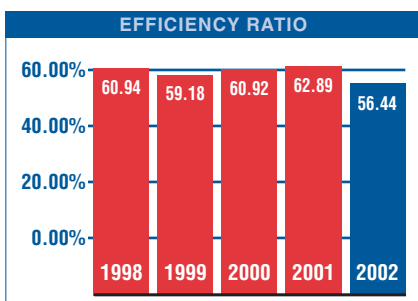
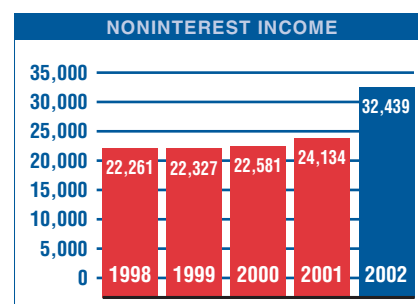
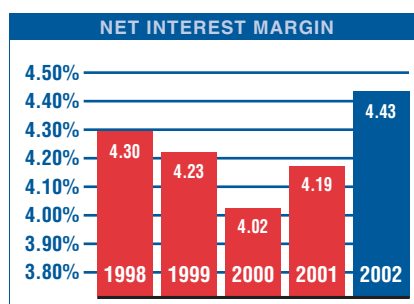
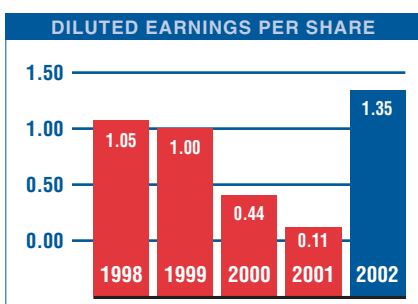
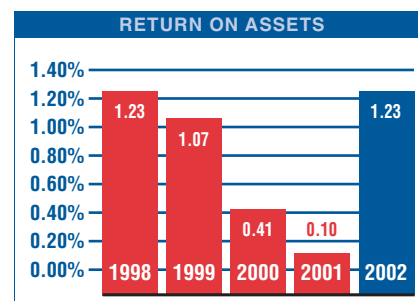
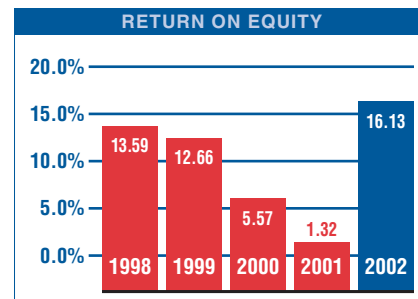
Financial Highlights

Dollars in thousands, except per share data

For the Year	2002	2001
Net Income	\$ 44,999	\$ 3,737
Return on Average Assets	1.23%	0.10%
Return on Average Equity	16.13%	1.32%

Per Common Share	2002	2001
Earnings		
Basic	\$ 1.36	\$ 0.11
Diluted	1.35	0.11
Book Value	\$ 8.96	\$ 8.05
Tangible Book Value	\$ 7.47	\$ 6.51

At Year-End Data	2002	2001
Assets	\$3,723,726	\$3,638,202
Loans and Leases	2,355,932	2,339,636
Allowance for Loan and Lease Losses	40,167	44,746
Net Loans and Leases	2,315,765	2,294,890
Deposits	2,922,040	2,915,612
Stockholders' Equity	292,382	266,355



NBT Bank Locations

BROOME COUNTY

Binghamton, Deposit, Maine, Vestal

CHENANGO COUNTY

Afton, Bainbridge, Earlville, Greene, New Berlin, Norwich (3), Oxford, Sherburne, South Otselic

CLINTON COUNTY

Ellenburg Depot, Plattsburgh (2)

DELAWARE COUNTY

Grand Gorge, Hancock, Hobart, Margaretville, Sidney

ESSEX COUNTY

Lake Placid (2), Saranac Lake

FRANKLIN COUNTY

Malone

ONEIDA COUNTY

Clinton, New Hartford (2), Rome (2), Whitesboro

OTSEGO COUNTY

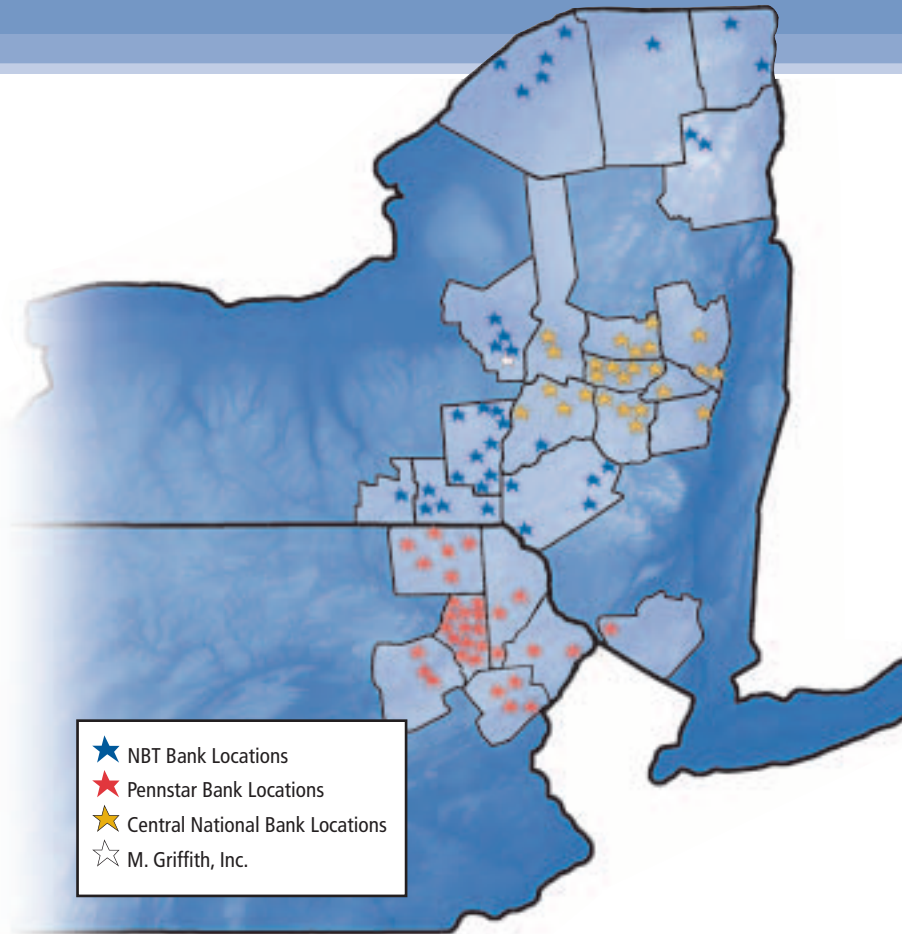
Oneonta (4)

ST. LAWRENCE COUNTY

Canton, Massena, Norfolk, Ogdensburg, Potsdam

TIOGA COUNTY

Newark Valley



Pennstar Bank Locations

LACKAWANNA COUNTY

Archbald, Carbondale (2), Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore (2), Elmhurst, Eynon, Mayfield, Mt. Cobb, Scranton (4), Taylor (2)

LUZERNE COUNTY

Dallas, Kingston, Wilkes-Barre (2)

MONROE COUNTY

Marshalls Creek, Mountainhome, Mount Pocono, Tannersville

PIKE COUNTY

Lords Valley, Milford (2)

SUSQUEHANNA COUNTY

Choconut, Great Bend, Lenox, Montrose, New Milford, Susquehanna

WAYNE COUNTY

Green Dreher, Hamlin Corners, Lake Ariel

ORANGE COUNTY, NY

Port Jervis



Central National Bank Locations

ALBANY COUNTY

Albany

FULTON COUNTY

Gloversville, Johnstown, Northville, Vail Mills

HERKIMER COUNTY

Herkimer, Middleville

MONTGOMERY COUNTY

Amsterdam, Canajoharie, Fonda, Fort Plain, Palatine Bridge, St. Johnsville

OTSEGO COUNTY

Cherry Valley, Cooperstown (2), Edmeston, Richfield Springs

SARATOGA COUNTY

Clifton Park, Halfmoon, Saratoga Springs

SCHENECTADY COUNTY

Duanesburg

SCHOHARIE COUNTY

Cobleskill, Middleburgh, Schoharie, Sharon Springs



The blue, red and gold stars on the map represent the communities served by our 109 banking locations. The white star represents M. Griffith, Inc., our broker/dealer based in the Greater Utica/Rome area. In our listing of locations, a number in parentheses indicates where there are multiple offices serving a community.

To our Stockholders

I am pleased to inform you that NBT Bancorp Inc. has had a very solid year. In many ways, 2002 was the best year ever in our long history. I am delighted and proud of our performance, especially in light of the global uncertainty and the weak economic conditions we continue to experience. Thanks to the efforts of our dedicated team and the support of our Board of Directors, we made significant progress this past year toward accomplishing the strategic initiatives we embarked on some three years ago that resulted in our rather dramatic growth. This progress should enable us to continue to grow and add value for you, our stockholders, in the years ahead. We do indeed live in interesting times!

The proof, they say, is in the numbers. To that end, I am happy to report that assets at year-end grew to \$3.7 billion, while net income reached an all time high of \$45 million. Net income per diluted share was \$1.35, not our highest, but clearly headed in the right direction. Our return on average assets of 1.23% and return on average equity of 16.13% were very respectable and in line with our peers. Loans and deposits remained steady, while net interest income increased 6% due largely to a lower cost of funds that was partially offset by lower interest earned due to the continued falling interest rates. Our net interest margin improved to 4.43%, up 24 basis points from a year ago, but experienced compression late in the year due to the falling interest rate environment.

Noninterest income, excluding net securities losses and gains from the sale of a branch and branch building, increased to \$32.6 million, up 7% from last year. The growth in our noninterest income is attributable to a number of factors, including increased usage of our NBT Banker Cash and Check Card, increased fees from deposit related services, increased revenues from our broker/dealer, M. Griffith, Inc. and increased sales of securities in our Pennstar and Central National Bank offices. Finally, stockholders' equity at year-end improved to \$292.4 million, up \$26 million from last year. These results reflect a solid performance from your team despite an economy that continues to struggle. We thank you for your confidence in our abilities to lead NBT Bancorp in today's challenging times!

One of the most important initiatives we accomplished during 2002 was the completion of the integration of Central National Bank (CNB) into our Company. Under the transitional leadership of CNB President and Chief Operating Officer Peter Corso, CNB employees embraced our organization's philosophy of superior customer service. They also quickly adopted our approach to business — to think like owners and accept authority and responsibility for your actions. Thanks to diligent work by the staff in our Information Processing Division, the conversion of CNB to our system was completed quickly and efficiently, allowing our CNB team to provide their customers with sound customer service on a continuous basis. I would like to take the opportunity to extend a special thank you to Peter for his leadership during this transitional year. Peter decided to retire at year-end. Martin Dietrich, NBT Bank President and Chief Operating Officer, has assumed additional duties as president of CNB. We wish Peter well in his retirement.

The second most gratifying accomplishment during 2002 was the dramatic improvement in our loan quality. Our nonperforming loans dropped nearly 40% from a year ago to \$26.4 million. This dramatic change is the result of the determined efforts of our credit administration team, under the leadership of Corporate Senior Vice President John Carpenter, along with the dedicated assistance of our commercial bankers. Several large troubled loans — the majority from acquired banks — were successfully worked out, while steady progress was made on the entire portfolio. This significant improvement will allow us to turn our attention to quality loan growth.



Daryl R. Forsythe
Chairman, President and
Chief Executive Officer,
NBT Bancorp

**"In many ways,
2002 was the best
year ever in our
long history."**


During the year, all parts of our Company concentrated on improvements. Our accomplishments are too numerous to mention, but I have highlighted a few below to illustrate why I am so pleased with the results.

- Noteworthy system and procedural improvements were realized in our Information Processing Division that will result in ongoing cost savings and cost avoidance in the months ahead.
- Despite the soft economy, our lenders and workout personnel produced a dramatic reduction of our nonperforming loans while sustaining moderate loan growth. These accomplishments coupled with lower funding costs resulted in net interest income growth of 6%. During the year we also added new lenders in the Greater Binghamton area and in the Capital Region which will help us sustain our loan growth momentum.
- Within the Human Resources Division, significant work went into controlling the double-digit rise in health care costs experienced by many employers. As a result of their efforts, we were able to hold health care costs steady while continuing to offer our employees and retirees a comprehensive health care plan that meets their needs.

Our dedicated 1,300 employees remain our most important resource. Their focus on teamwork and drive to think like owners are key elements to our success. We have 109 branches today, serving 24 counties across upstate New York and northeastern Pennsylvania. Each of these markets has a dedicated team with a tremendous amount of authority and responsibility to act independently in their respective cities, towns and villages. The people that make up these teams are “the Bank,” and they do more than just work in their communities. They also donate literally thousands of hours to organizations and events that support their communities. In addition, our Company gives back hundreds of thousands of dollars to support worthy initiatives throughout our served markets. We strive to treat our customers and communities with respect knowing full well that our relationship is symbiotic.

Providing exceptional service is a long-standing tradition in our Company. During these growth years, we have become more united in our pursuit of excellence and have created a better and more efficient company in the process. As we have grown, we have often reminded ourselves that, “Bigger doesn’t get us better. Better gets us bigger!” Our operating philosophy illustrates this point. We are organized in a manner that enables us to remain flexible and agile like the smaller banks with whom we compete. At the same time, the sizeable resources of our centralized support functions and the comprehensive array of products and services we offer position us to outperform our competitors at the other end of the spectrum. As we have grown and repositioned our Company, many of our initiatives have involved change. Although it is definitely true that change is never easy and rarely welcomed, I can honestly say our employees have embraced it for the advancement of NBT Bancorp. I truly thank them for their cooperation and applaud them for their results.

2002 was a year of change on our Board of Directors as well. While we lost the services of dedicated Directors Bruce Howe and Peter Chaplin due to retirement and John Woods due to resignation necessitated by business commitments, we also welcomed new members to the NBT Bancorp Board of Directors. Janet Ingraham, Michael Hutcherson, Michael Murphy and Paul Horger joined a team of supportive directors without whom your management team would not be able to achieve success. Their insight, guidance and knowledge of the respective markets where they live and do business will be invaluable to us in the years ahead.



“The quality of our people is further illustrated by their caring nature.”



NBT Bancorp Executive Management Team

(Standing, left to right)

David E. Raven, Pennstar Bank President and Chief Operating Officer;
Thomas R. Delduchetto, Executive Vice President and Director of Human Resources;
Michael J. Chewens, Senior Executive Vice President, Chief Financial Officer and Corporate Secretary.

(Seated, left to right)

Daryl R. Forsythe, Chairman, President and Chief Executive Officer;
Lance D. Mattingly, Executive Vice President and Chief Information Officer;
Martin A. Dietrich, NBT Bank and CNB President and Chief Operating Officer.

As we continue to grow in the future — not only internally, but also through renewed interest in acquisitions — we will work diligently not to abandon our community roots and values, as these are the very principles that have made us successful. We are focused squarely on the future, and we are dedicated to making our Company one of the premier community-oriented financial service providers in the northeast. We have truly been blessed with a great franchise and wonderful employees. Our commitment to service is not from a textbook; it's from the heart, and it's one of the characteristics that set us apart. It is a quality we look for when we hire new employees and a quality we work hard to foster each and every day. On behalf of all our employees and directors, I commit to you, our stockholders, that we will continue to do our level best to make you proud to be owners of our Company. We will strive to earn returns worthy of your investment in us while we provide our employees with opportunities to grow and our customers with the type of superior service they deserve. The future of NBT Bancorp has never been more exciting and filled with promise. Our limitations are only those we impose on ourselves and bounded only by our dreams. Our best days lie ahead. Thank you for your past support and confidence in our future.

Daryl R. Forsythe
Chairman, President and Chief Executive Officer

Highlights

Leveraging Opportunities for Integration.

Following several years with a heavy emphasis on mergers and acquisitions, we dedicated our resources to leveraging opportunities for continued integration in 2002. Our banking divisions and the areas that support them worked to streamline functions in an effort to maximize efficiency and enhance the value of the products and service we deliver to our customers.

One significant example of this type of activity was the creation of a **consolidated and integrated retail financial services platform**. At the outset of 2002, teams of branch-based representatives were already in place offering mutual funds and annuities to customers at Pennstar Bank and CNB through different third-party relationships. The need to extend the delivery of these products to NBT Bank offices was clear. Today, three entities deliver retail financial services through our

branch network — NBT Financial Services, Pennstar Financial Services and CNB Financial Services — supported by a single third-party relationship. Our new alliance with Linsco Private Ledger provides us with a full menu of investment and life insurance products combined with the comprehensive sales support of this leading company in the financial services industry.

NBT Bank offices now have a team of financial consultants available like those at Pennstar Bank and CNB. Licensed to sell life insurance and securities, these representatives are trained to address the basic financial planning needs of the majority of customers served in the branches of our three banking divisions. They help people answer questions like: *How can I plan for my retirement? Send my children to college? Save on my taxes?*

A new model with a focus on financial planning was also introduced in our trust and investment areas in 2002. Utilizing existing talent and key new hires, a group of **private client advisors** was developed and now serves as our key business development team. Trained to address the more specialized wealth creation and preservation needs of our more affluent customers, these financial planners help customers access the products, services and expertise of our trust and investment areas.

M. Griffith, Inc., our broker/dealer in the Greater Utica/Rome area, rounds out our group of financial services providers. This wholly-owned subsidiary continues to provide financial planning and investment advice as well as retirement plans to high net worth individuals, corporations and non-profit organizations. Through M. Griffith, Inc., we are able to deliver service to clients who have not previously had a banking relationship with NBT Bank.

NBT Bancorp developed a consolidated and integrated platform for the delivery of retail financial services in 2002. Teams of financial consultants, led by (right to left) Roger Clarkson of NBT Financial Services, Ron McHale of Pennstar Financial Services and Jim Campone of CNB Financial Services, now offer a full line of investment and life insurance products throughout our 109-branch network.





Mortgage Sales Manager Patti Millerick started her career with NBT Bancorp as a Pennstar Bank branch manager. Her background in mortgage lending made her the right candidate to lead the team of mortgage loan officers serving our three banking divisions.

The creation of a **consolidated residential mortgage function** was a major initiative in our retail lending area. Integration efforts started in the fall of 2001 with a comprehensive review of the three distinct residential mortgage units that then existed. With a solid grasp on existing processes and resources and an eye toward future growth, the residential mortgage team set out to build a new model for the delivery of this key product line to our banking divisions.

During the first quarter of 2002, the processing and underwriting functions were centralized and a “closing department” was created to improve efficiency and customer service during this critical stage in the mortgage loan process. A new sales management position was also added to provide leadership to our team of mortgage loan officers and enhance our responsiveness to customers and market conditions. New technology was introduced, including application software that now interfaces directly with our underwriting system and automates most aspects of the process.

All of these changes came during a year when our banking divisions and the residential mortgage industry as a whole experienced record volume in new and refinanced mortgages. The extremely high level of activity tested our resources. In many ways, our banking divisions and our customers are just now beginning to feel the positive impact of the changes we’ve made. As we continue to streamline our operations and upgrade our technology, our service levels will be further enhanced and the time it takes to communicate decisions to mortgage applicants will decrease, widening our competitive edge.

The broad menu of mortgage options we offer also continues to create a competitive advantage for our banking divisions. Our current products represent the best that NBT Bank, Pennstar Bank and CNB have offered, including no closing cost mortgages and niche

products like camp loans. An expanded set of affordable housing options through Freddie Mac and Fannie Mae is also available, and we continue to see a significant amount of activity in the area of construction loans due to the current demand for these products and our reputation for service and flexibility in delivering them.

While strategic initiatives and business plans drive most integration efforts, others have been sparked by best practices in our banking divisions. The development of the **Star Service Line** is an excellent example of this type of integration.

Introduced at Pennstar Bank in April 2002 as a part of “The Year of the Rising Star” initiative, the Star Service Line offered branch employees a single area to contact when they had a customer question or issue to resolve. This new resource was so instrumental in supporting Pennstar Bank’s efforts to promote “Star Service” in 2002, that a centralized Star Service Line was developed and introduced in the fourth quarter to assist branch employees at all three banking divisions. Dedicated staff in our Call Center now take requests via phone and email. They conduct research and provide timely responses to branch personnel, giving them the opportunity to concentrate on the sales and service activities that are essential to their success.

Pennstar Bank’s Jeff Witts was the voice of the Star Service Line when it was introduced at his bank. He worked closely with Deb Curriere of NBT Bank’s Sales and Administration team to expand this branch help line to support all three of our banking divisions.





In addition to expanding our physical presence in Oneonta, we also took the opportunity to highlight our people. Ads featuring Regional Sales Manager Jamie Reynolds and other members of our local management team drove home the point that NBT Bankers are there to support their customers and the community.



Building a Greater Bank.

During 2002, NBT Bank had the opportunity to enhance its presence in two key markets — Oneonta and Greater Binghamton.

The realignment of three CNB offices to NBT Bank in April grew our physical network in Oneonta to five banking locations and eight ATMs. At key points in and around the city, these additions have made NBT Bank arguably the most convenient banking option in Oneonta. Our team of bankers there has leveraged their expanded platform well, making this small city one of our highest growth markets in 2002. Armed with a desire to do business and coordinated sales efforts, our Oneonta bankers continue to successfully market our brand of community banking to gain new personal, business and trust relationships.

In November, we took a bold step with the opening of our second NBT Bank office in Greater Binghamton on the Vestal Parkway — the area's busiest retail hub. With extended hours that mirror our retail neighbors, Vestal residents and shoppers are finding our new office to be a convenient banking choice. Situated in a prime location, our 12,000 square-foot facility is more than just a branch. It's also the home of our Greater Binghamton Financial Center. Serving as our regional headquarters, this office is the base of operations for our efforts to expand our delivery of commercial banking and trust and investment services to this important market.



Assistant Branch Manager Grace Welch is part of our team housed in our new Greater Binghamton Financial Center and Vestal Office. The new facility features a spacious customer service area where staff members Pattie Otis and Kelly Powell discuss a grand opening promotion.





Ruth Burke of Commercial Banking and Jeff Witts of Sales and Administration earned top honors as Pennstar Bank's first *Star Performers of the Year*.



The Year of the Rising Star.

Pennstar Bank launched *The Year of the Rising Star* in 2002 to support a renewed commitment to achieve higher levels of customer service and employee performance. Three components provided the foundation for this initiative — *Star Performers*, *Star Service* and *Star Checking*.

Star Performers defined and communicated the characteristics of exceptional performance and provided recognition to those who deliver it. During 2002, two employees received formal recognition as *Star Performers* each month, and in February 2003 two *Star Performers of the Year* were named at an awards dinner for all employees. *Star Cards* were also introduced as an informal way for co-workers to recognize each other for exceptional service or support.

Star Service established benchmarks for employees that exceeded the service levels of our competitors. Service efforts were further enhanced during 2002 using feedback from customers received through our *Letters to the President* program. Results from a third quarter survey indicate that 93% of customers surveyed rated our service good to excellent, up from 88% in 2001, illustrating that our commitment to service has made a measurable difference to our customers.

Star Checking focused sales efforts in 2002 on growing the number of personal and business checking accounts and resulted in a 12% increase over 2001 results. The tremendous success of *The Year of the Rising Star* has been extended beyond 2002 with updates to the program featured in Pennstar Bank's 2003 strategic plan.



Regional Sales Manager Denise Snyder was immersed in a new sales culture in 2002. First, she participated in Star Camp training and then delivered it to her fellow CNB Bankers.



CENTRAL
NATIONAL BANK
CNB

Making the Transition.

In November 2001, the acquisition of CNB and a simultaneous systems conversion were completed. These events set the stage for 2002 as a year of transition for the newest member of the NBT Bancorp family.

A top priority at the outset of the year was the delivery of Star Camp to all branch employees. This sales training program used at NBT Bank and Pennstar Bank is now providing our CNB Bankers with tools to increase the effectiveness of their sales and service efforts. Teamed with sales promotions and recognition, enhanced training has resulted in dramatic improvements in sales results.

CNB customers and employees also welcomed new product offerings in 2002. In August, we rolled out our new CNB Banker Business Check Card.

This addition to our card line-up allows our small business customers to enjoy the convenience of a VISA® debit card. Businesses large and small also welcomed a new Internet banking service just prior to year-end. Online Banker for Business, introduced in all banking divisions, features basic inquiry and transfer functions as well as more advanced cash management and bill pay options.



NBT Bancorp Board of Directors

(Standing, left to right)

Gene E. Goldenziel, Esq.; Michael Hutcherson; Joseph G. Nasser; Paul D. Horger, Esq.; Richard Chojnowski; Peter B. Gregory, DDS; Paul O. Stillman; and Andrew S. Kowalczyk, Jr., Esq.

(Seated, left to right)

William L. Owens, Esq.; John C. Mitchell; William C. Gumble; Michael M. Murphy; Joseph A. Santangelo; Van Ness D. Robinson; Janet H. Ingraham; and Daryl R. Forsythe, Chairman, President and CEO.



Board Listings

NBT BANCORP INC.

Daryl R. Forsythe, *Chairman, President and CEO*

Richard Chojnowski
Gene E. Goldenziel, Esq.
Peter B. Gregory, DDS
William C. Gumble
Paul D. Horger, Esq.
Michael Hutcherson
Janet H. Ingraham
Andrew S. Kowalczyk, Jr., Esq.
John C. Mitchell
Michael M. Murphy
Joseph G. Nasser
William L. Owens, Esq.
Van Ness D. Robinson
Joseph A. Santangelo
Paul O. Stillman

Chairman Emeritus

Everett A. Gilmour

NBT BANK, N.A.

Daryl R. Forsythe,
Chairman and CEO

Martin A. Dietrich,
President and COO

Kenneth M. Axtell, Jr.
Peter B. Gregory, DDS
Janet H. Ingraham
Andrew S. Kowalczyk, Jr., Esq.
John C. Mitchell
William L. Owens, Esq.
Paul O. Stillman

Honorary Directors

J. Peter Chaplin
Francis "Mike" Demeree
Leah S. Drexler
Everett A. Gilmour
H. Allan Knox
Thomas J. Mirabito
Richard F. Monroe
Anthony M. Paino
William Sluiter
J.K. Weinman

PENNSTAR BANK

William C. Gumble,
Chairman

Daryl R. Forsythe, *CEO*

David E. Raven,
President and COO

Donald E. Chapman
Richard Chojnowski
Gene E. Goldenziel, Esq.
Paul D. Horger, Esq.
Susan H. Kwiatek
Michael M. Murphy
Joseph G. Nasser
Harry F. Schoenagel

CENTRAL NATIONAL BANK

Van Ness D. Robinson,
Chairman

Daryl R. Forsythe, *CEO*

Martin A. Dietrich,
President and COO

Michael Hutcherson
Joseph A. Santangelo

NBT FINANCIAL SERVICES, INC.

Daryl R. Forsythe,
Chairman and CEO

Michael J. Chewens
David T. Griffith
Andrew S. Kowalczyk, Jr., Esq.
John C. Mitchell

Corporate Information

Corporate Headquarters

NBT Bancorp Inc.
52 South Broad Street • Norwich, New York 13815
607-337-6416

Annual Meeting

Thursday, May 1, 2003, 10:00 a.m.
Binghamton Regency
One Sarbro Square • Binghamton, New York 13901
1-800-723-7676

Stock Information

The common stock of NBT Bancorp Inc. is traded on the NASDAQ National Market System under the symbol NBTB.

Investor/Shareholder Inquiries

Requests for information or assistance regarding NBT Bancorp Inc. should be directed to the Shareholder Relations Department in writing in the care of Central National Bank, 24 Church Street, Canajoharie, New York 13317. To make contact by phone, please call 518-673-3243 ext. 1243, or 1-800-NBT-BANK, ext. 6216.

Form 10-K Annual Report

Copies of the Company's annual report to the Securities and Exchange Commission on Form 10-K, quarterly reports, quarterly reports on Form 10-Q and news releases may be obtained without charge by writing to Michael J. Chewens, Chief Financial Officer, at the corporate headquarters address. Selected information is also available on the Internet at www.nbtbank.com.

Stock Transfer Agent and Registrar

NBT Bank, N.A.
c/o Central National Bank
24 Church Street • Canajoharie, New York 13317
518-673-3243, ext. 1243

Market Makers

Advest, Inc.
Alternate Display Facility
Andrew Garrett Inc.
Archipelago Securities
Cincinnati Stock Exchange
Deutsche Bank Securities Inc.
F. J. Morrissey & Co., Inc.
First Tennessee Securities Corp.
Goldman, Sachs & Co.
Keefe, Bruyette & Woods, Inc.
Knight Securities L.P.
Lehman Brothers Inc.
MacAllister Pitfield MacKay
McConnell, Budd & Downes, Inc.
Merril Lynch, Pierce, Fenner
Moors & Cabot, Inc.
Morgan Stanley & Co., Inc.
Ryan Beck & Co. Inc.
Salomon Smith Barney Inc.
Sandler O'Neill & Partners
Susquehanna Capital Group

Dividend Reinvestment and Direct Stock Purchase Plan

Shareholders may participate in the Dividend Reinvestment and Direct Stock Purchase Plan. The plan provides that additional shares of common stock may be purchased with reinvested dividends and by voluntary cash payments. A plan description and an enrollment card may be obtained upon request to the Shareholder Relations Department.

Dividend Calendar

Dividends on NBT Bancorp Inc. common stock are customarily payable on or about the 15th of March, June, September and December.

Direct Deposit of Dividends

Direct deposit is a safe, convenient method for the receipt of dividend payments. Direct deposit of dividends to a personal checking, savings or other account, can be arranged by contacting the Shareholder Relations Department in writing in the care of Central National Bank, 24 Church Street, Canajoharie, New York 13317. To make contact by phone, please call 518-673-3243 ext. 1243, or 1-800-NBT-BANK, ext. 6216. Electing direct deposit will not affect the mailing of annual and quarterly reports and proxy materials.

Duplicate Mailing Notification

Shareholders of record who are currently receiving multiple copies of the annual report are encouraged to contact the Shareholder Relations Department in writing in the care of Central National Bank, 24 Church Street, Canajoharie, New York 13317. To make contact by phone, please call 518-673-3243 ext. 1243, or 1-800-NBT-BANK, ext. 6216.

Product Information

To find out about the wide range of products offered by:

- ★ **NBT Bank**, call 1-800-NBT-BANK or visit www.nbtbank.com.
- ★ **Pennstar Bank**, call 1-866-4STAR-PA or visit www.pennstarbank.com.
- ★ **Central National Bank**, call 1-800-449-6842 or visit www.canajocnb.com.
- ★ **Pennstar Financial Services, Inc.**, call 570-341-8416.
- ★ **NBT Financial Services, Inc.**, call 1-800-NBT-BANK, select Option 1 and dial ext. 6005.
- ★ **CNB Financial Services, Inc.**, call 1-800-626-2608.
- ★ **NBT Capital Corp.**, call 1-800-NBT-BANK, select Option 1 and dial ext. 6810.
- ★ **M. Griffith, Inc.**, call 1-800-950-1130 or visit www.mgriffith.com.

Equal Opportunity at NBT Bancorp Inc.

NBT Bancorp Inc. and its subsidiaries are Equal Opportunity Employers. M/F/V/D

