



## NBT Bancorp Inc. Announces Net Income of \$154.9 Million (\$3.54 per Diluted Common Share); Approves Dividend

January 26, 2022

NORWICH, N.Y., Jan. 26, 2022 (GLOBE NEWSWIRE) -- NBT Bancorp Inc. ("NBT" or the "Company") (NASDAQ: NBTB) reported net income and diluted earnings per share for the quarter and year ended December 31, 2021.

Net income for the year ended December 31, 2021 was \$154.9 million, up 48.4% from \$104.4 million for the prior year primarily due to changes in the estimated impact of the COVID-19 pandemic on expected credit losses. Diluted earnings per share for the year ended December 31, 2021 was \$3.54, as compared with \$2.37 for the prior year, an increase of 49.4%.

Pre-provision net revenue ("PPNR")<sup>1</sup> for the year ended December 31, 2021 was \$195.3 million compared to \$193.4 million in the prior year. The increase in PPNR from the prior year reflected higher net interest income and higher noninterest income partly offset by higher noninterest expense. Income from Paycheck Protection Program ("PPP") loans increased \$7.1 million from the prior year.

Net income for the three months ended December 31, 2021 was \$37.3 million, or \$0.86 per diluted common share. Net income increased \$3.1 million from the fourth quarter of 2020, primarily due to higher net interest income and higher noninterest income, partly offset by higher provision for loan losses. The fourth quarter 2021 provision for loan losses was \$3.1 million compared to the fourth quarter 2020 provision release of \$0.6 million. Quarterly net income was consistent with the previous quarter and reflected improved revenue generation offset by a higher provision for loan losses and higher noninterest expense.

PPNR<sup>1</sup> for the fourth quarter of 2021 was \$51.5 million compared to \$47.4 million in the previous quarter and \$48.2 million in the fourth quarter of 2020. Income from PPP loans increased \$4.7 million and \$1.9 million from the previous quarter and the fourth quarter of 2020, respectively.

### CEO Comments

"Our fourth quarter and full-year results for 2021 reflect the hard work of our team, and our strong finish is the culmination of a record year," said NBT President and CEO John H. Watt, Jr. "Our fee-based businesses achieved new levels of success year over year, and we saw digital adoption continue to soar across our consumer and commercial platforms, including a 64% increase in consumer digital adoption. NBT has a strong and growing capital base, which provides us with optionality that will enable our dedicated and talented team to be successful in 2022. I am excited to welcome Heidi Hoeller as our newest director. With over 25 years of experience in public accounting and financial services, we look forward to adding her valuable perspective to our strategic thinking."

### Fourth Quarter Financial Highlights

|                           |  |
|---------------------------|--|
| Net Income                | <ul style="list-style-type: none"> <li>▪ Net income of \$37.3 million</li> <li>▪ Diluted earnings per share of \$0.86</li> </ul>   |
| Net Interest Income / NIM | <ul style="list-style-type: none"> <li>▪ Net interest income on a fully taxable equivalent basis was \$85.5 million<sup>1</sup></li> <li>▪ Net interest margin ("NIM") on a fully taxable equivalent basis was 3.08%<sup>1</sup>, up 20 basis points ("bps") from the prior quarter</li> <li>▪ Total cost of deposits of 0.08%</li> </ul>  |
| PPNR                      | <ul style="list-style-type: none"> <li>▪ PPNR<sup>1</sup> was \$51.5 million compared to \$47.4 million in the third quarter of 2021 and \$48.2 million in the fourth quarter of 2020</li> </ul>   |
| Loans and Credit Quality  | <ul style="list-style-type: none"> <li>▪ Period end total loans were \$7.5 billion at December 31, 2021</li> <li>▪ Excluding \$101 million and \$431 million of PPP loans at December 31, 2021 and December 31, 2020, respectively, period end loans increased \$329 million or 5% from December 31, 2020</li> <li>▪ Allowance for loan losses to total loans of 1.23% (1.24% excluding PPP loans), was consistent with the third quarter 2021 (down 4 bps excluding PPP loans)</li> <li>▪ Net charge-offs to average loans were 0.22%, annualized (0.22% excluding PPP loans)</li> <li>▪ Nonperforming loans to total loans were 0.44% (0.44% excluding PPP loans), down from 0.51% (0.53% excluding PPP loans) in the prior quarter</li> </ul> |
| Capital                   | <ul style="list-style-type: none"> <li>▪ Tangible book value per share<sup>2</sup> grew 1% for the quarter and 8% from prior year to \$22.26 at December 31, 2021</li> <li>▪ Tangible equity to assets of 8.20%<sup>1</sup></li> <li>▪ CET1 ratio of 12.25%; Leverage ratio of 9.41%</li> </ul>  |

### Loans

- Period end total loans were \$7.5 billion at December 31, 2021 and December 31, 2020.
- Excluding PPP loans, period end loans increased \$329 million from December 31, 2020. Commercial and industrial loans increased \$37.9 million to \$1.5 billion; commercial real estate loans increased \$124.7 million to \$2.3 billion; and total consumer loans increased \$166.6 million to \$3.6 billion.
- Total PPP loans as of December 31, 2021 were \$101 million (net of unamortized fees). The following PPP loan activity occurred during the fourth quarter of 2021:
  - \$182.6 million of loans forgiven
  - \$7.5 million of interest and fees recognized into interest income, compared to \$2.9 million for the third quarter of 2021
- Commercial line of credit utilization rate was 21% at December 31, 2021 compared to 21% at September 30, 2021 and 22% at December 31, 2020.

#### Deposits

- Average total deposits in the fourth quarter of 2021 were \$10.2 billion, compared to \$10.0 billion in the third quarter of 2021, driven by increases in checking and money market deposit accounts.
- Loan to deposit ratio was 73.3% at December 31, 2021, compared to 82.6% at December 31, 2020.

#### Net Interest Income and Net Interest Margin

- Net interest income for the fourth quarter of 2021 was \$85.2 million, which was up \$7.5 million or 9.7% from the third quarter of 2021 and up \$5.1 million or 6.3% from the fourth quarter of 2020. PPP income of \$7.5 million was \$4.7 million higher in the fourth quarter of 2021 compared to the prior quarter.
- The NIM on a fully taxable equivalent ("FTE") basis for the fourth quarter of 2021 was 3.08%, up 20 bps from the third quarter of 2021 and down 12 bps from the fourth quarter of 2020. Excluding the impact of PPP interest and fees and excess liquidity from each quarter, the NIM increased 5 bps from the prior quarter primarily due to a 3 bp increase in earning asset yields and a 2 bp decline in the cost of interest-bearing liabilities. The net impact of income from PPP loans and excess liquidity negatively impacted the NIM by 11 bps in the fourth quarter of 2021 compared to a negative 26 bps impact in the third quarter of 2021.
- Earning asset yields for the three months ended December 31, 2021 were up 18 bps from the prior quarter and down 23 bps from the same quarter in the prior year. Earning assets grew \$289.7 million or 2.7% from the prior quarter and grew \$1.0 billion or 10.3% from the same quarter in the prior year. The following are highlights comparing the fourth quarter of 2021 to the prior quarter:
  - Excess liquidity resulted in a \$131.7 million increase in the average balances of short-term interest-bearing accounts with a yield of 0.16%.
  - The average balance of investment securities increased \$168.7 million while yields declined 7 bps.
  - Loan yields increased 36 bps to 4.20% for the quarter. Excluding PPP loans, yields increased 3 bps from the prior quarter.
- Total cost of deposits was 0.08% for the fourth quarter of 2021, down 2 bps from the prior quarter and down 9 bps from the same period in the prior year.
- The cost of interest-bearing liabilities for the three months ended December 31, 2021 was 0.24%, down 3 bps compared to the prior quarter of 0.27% and down 16 bps from the fourth quarter of 2020 of 0.40%.

#### Credit Quality and Allowance for Credit Losses

- Net charge-offs to total average loans of 22 bps compared to 11 bps (12 bps excluding PPP loans) in the prior quarter and 21 bps (22 bps excluding PPP loans) in the fourth quarter of 2020.
- Nonperforming assets to total assets was 0.27% (0.28% excluding PPP loans) compared to 0.33% (0.34% excluding PPP loans) at September 30, 2021 and 0.45% (0.47% excluding PPP loans) at December 31, 2020.
- Provision expense for the three months ended December 31, 2021 was \$3.1 million with net charge-offs of \$4.1 million. Provision expense was \$6.4 million higher than the third quarter of 2021 and \$3.7 million higher than fourth quarter of 2020. The increase in provision expense from the prior quarter and the fourth quarter of 2020 was driven by changes in the economic forecast, loan growth and the resultant required level of allowance for loan losses.
- The allowance for loan losses was \$92.0 million or 1.23% (1.24% excluding PPP loans and related allowance) of total loans at December 31, 2021, compared to 1.23% (1.28% excluding PPP loans and related allowance) of total loans at September 30, 2021 and 1.47% (1.56% excluding PPP loans and related allowance) of total loans at December 31, 2020. The decrease in the level of allowance for credit losses was primarily due to the positive impact the forecasted improving economic conditions had on expected credit losses partly offset by the increase in loan balances.
- The reserve for unfunded loan commitments decreased to \$5.1 million at December 31, 2021 compared to the prior quarter at \$5.3 million.

#### Noninterest Income

- Total noninterest income, excluding securities gains (losses), was \$41.1 million for the three months ended December 31, 2021, up \$0.7 million from the prior quarter and up \$3.2 million from the prior year quarter.
- Service charges on deposit accounts were higher than the prior quarter and the fourth quarter of 2020 but still below pre-pandemic levels.
- ATM and debit card fees were comparable to the prior quarter and higher than the fourth quarter of 2020 due to increased volume and modestly higher per transaction rates.
- Retirement plan administration fees were higher than the prior quarter and higher than the fourth quarter of 2020 driven by market performance and organic growth in relationships.
- Wealth management fees were comparable to the prior quarter and higher than the fourth quarter of 2020 aided by market performance and additional new customers.
- Other noninterest income decreased from the prior quarter and the fourth quarter of 2020 due principally to lower swap fee income.

#### **Noninterest Expense**

- Total noninterest expense for the fourth quarter of 2021 was up 3.1% from the previous quarter and comparable to the fourth quarter of 2020.
- Salaries and benefits were consistent with the prior quarter and up \$3.1 million from the fourth quarter of 2020 due to increased salaries and wages and higher levels of incentive compensation.
- Occupancy expense increased from the prior quarter and the fourth quarter of 2020 driven by seasonally higher repair and maintenance costs.
- Professional fees and outside services expense were higher than the prior quarter and the fourth quarter of 2020 due to higher costs associated with several digital and other technology-related initiatives.
- Advertising and marketing expenses were higher than the prior quarter and the fourth quarter of 2020 due to timing of refreshed collateral and messaging materials.
- Other expenses decreased from the prior quarter and the fourth quarter of 2020. The decrease from the prior year was primarily due to a \$4.1 million expense in 2020 for branch optimization charges.

#### **Income Taxes**

- The effective tax rate was 22.4% for the fourth quarter of 2021 compared to 22.8% for the third quarter of 2021 and 21.6% for the fourth quarter of 2020. The higher effective tax rate compared to the fourth quarter of 2020 was due to the change in the level of taxable income to bring the full year effective tax rate to 22.5%.

#### **Capital**

- Capital ratios remain strong with tangible common equity to tangible assets<sup>1</sup> at 8.20%. Tangible book value per share<sup>2</sup> grew 1% from the prior quarter and 8% from the prior year quarter to \$22.26.
- December 31, 2021, CET1 capital ratio of 12.25%, leverage ratio of 9.41% and total risk-based capital ratio of 15.73%.

#### **Dividend and Stock Repurchase**

- The Board of Directors approved a first-quarter cash dividend of \$0.28 per share at a meeting held today. The dividend will be paid on March 15, 2022 to shareholders of record as of March 1, 2022. The cash dividend is \$0.01 or 3.7% higher than the dividend paid in the first quarter of 2021. The \$0.28 cash dividend has an effective yield of 2.85% as of the market close on January 21, 2022.
- The Company purchased 204,637 shares of common stock during the fourth quarter of 2021 at a weighted average price of \$37.29 excluding commissions. The repurchase program under which these shares were purchased expired on December 31, 2021.
- On December 20, 2021, the Board of Directors authorized a repurchase program for NBT to repurchase up to 2,000,000 shares of its outstanding common stock. This plan expires on December 31, 2023.

#### **Conference Call and Webcast**

The Company will host a conference call at 8:30 a.m. (Eastern) Thursday, January 27, 2022, to review fourth quarter 2021 financial results. The audio webcast link, along with the corresponding presentation slides, will be available on the Company's Event Calendar page at <https://stockholderinfo.nbtbancorp.com/events-calendar/upcoming-events> and will be archived for twelve months.

#### **Corporate Overview**

NBT Bancorp Inc. is a financial holding company headquartered in Norwich, NY, with total assets of \$12.0 billion at December 31, 2021. The Company primarily operates through NBT Bank, N.A., a full-service community bank, and through two financial services companies. NBT Bank, N.A. has 140 banking locations in New York, Pennsylvania, Vermont, Massachusetts, New Hampshire, Maine and Connecticut. EPIC Retirement Plan Services, based in Rochester, NY, is a full-service retirement plan administration and recordkeeping firm. NBT Insurance Agency, LLC, based in Norwich, NY, is

a full-service insurance agency. More information about NBT and its divisions is available online at: [www.nbtbank.com](http://www.nbtbank.com), [www.nbtbancorp.com](http://www.nbtbancorp.com), [www.epicrps.com](http://www.epicrps.com) and [www.nbtinsurance.com](http://www.nbtinsurance.com).

## Forward-Looking Statements

This news release contains forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of phrases such as “anticipate,” “believe,” “expect,” “forecasts,” “projects,” “will,” “can,” “would,” “should,” “could,” “may,” or other similar terms. There are a number of factors, many of which are beyond the Company’s control that could cause actual results to differ materially from those contemplated by the forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) local, regional, national and international economic conditions and the impact they may have on the Company and its customers and the Company’s assessment of that impact; (2) changes in the level of nonperforming assets and charge-offs; (3) changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements; (4) the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board (“FRB”); (5) inflation, interest rate, securities market and monetary fluctuations; (6) political instability; (7) acts of war or terrorism; (8) the timely development and acceptance of new products and services and perceived overall value of these products and services by users; (9) changes in consumer spending, borrowings and savings habits; (10) changes in the financial performance and/or condition of the Company’s borrowers; (11) technological changes; (12) acquisitions and integration of acquired businesses; (13) the ability to increase market share and control expenses; (14) changes in the competitive environment among financial holding companies; (15) the effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which the Company and its subsidiaries must comply, including those under the Dodd-Frank Act, Economic Growth, Regulatory Relief, Consumer Protection Act of 2018, Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), and other legislative and regulatory responses to the coronavirus (“COVID-19”) pandemic; (16) the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board (“FASB”) and other accounting standard setters; (17) changes in the Company’s organization, compensation and benefit plans; (18) the costs and effects of legal and regulatory developments including the resolution of legal proceedings or regulatory or other governmental inquiries and the results of regulatory examinations or reviews; (19) greater than expected costs or difficulties related to the integration of new products and lines of business; (20) the adverse impact on the U.S. economy, including the markets in which we operate, of the COVID-19 global pandemic; and (21) the Company’s success at managing the risks involved in the foregoing items.

Currently, one of the most significant factors that could cause actual outcomes to differ materially from the Company’s forward-looking statements is the potential adverse effect of the current COVID-19 pandemic on the financial condition, results of operations, cash flows and performance of the Company, its customers and the global economy and financial markets. The extent to which the COVID-19 pandemic impacts the Company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, treatment developments, public adoption rates of COVID-19 vaccines, including booster shots, and their effectiveness against emerging variants of COVID-19, including the Delta and Omicron variants, the impact of the COVID-19 pandemic on the Company’s customers and demand for financial services, the actions governments, businesses and individuals take in response to the pandemic, the impact of the COVID-19 pandemic and actions taken in response to the pandemic on global and regional economies, national and local economic activity, and the pace of recovery when the COVID-19 pandemic subsides, among others. Moreover, investors are cautioned to interpret many of the risks identified under the section entitled “Risk Factors” in our Form 10-K for the year ended December 31, 2020 as being heightened as a result of the ongoing and numerous adverse impacts of the COVID-19 pandemic. The Company cautions readers not place undue reliance on any forward-looking statements, which speak only as of the date made, and advises readers that various factors including, but not limited to, those described above and other factors discussed in the Company’s annual and quarterly reports previously filed with the SEC, could affect the Company’s financial performance and could cause the Company’s actual results or circumstances for future periods to differ materially from those anticipated or projected. Unless required by law, the Company does not undertake, and specifically disclaims any obligations to, publicly release any revisions that may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

## Non-GAAP Measures

This press release contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Where non-GAAP disclosures are used in this press release, the comparable GAAP measure, as well as a reconciliation to the comparable GAAP measure, is provided in the accompanying tables. Management believes that these non-GAAP measures provide useful information that is important to an understanding of the results of the Company’s core business as well as provide information standard in the financial institution industry. Non-GAAP measures should not be considered a substitute for financial measures determined in accordance with GAAP and investors should consider the Company’s performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Company. Amounts previously reported in the consolidated financial statements are reclassified whenever necessary to conform to current period presentation.

Contact: John H. Watt, Jr., President and CEO  
Scott A. Kingsley, Executive Vice President and CFO  
NBT Bancorp Inc.  
52 South Broad Street  
Norwich, NY 13815  
607-337-6589

## NBT Bancorp Inc. and Subsidiaries

### Selected Financial Data

(unaudited, dollars in thousands except per share data)

|  | 2021  |       |       |       | 2020  |
|--|-------|-------|-------|-------|-------|
|  | 4th Q | 3rd Q | 2nd Q | 1st Q | 4th Q |

**Profitability:**

|   |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|
| Diluted earnings per share                              | \$ 0.86    | \$ 0.86    | \$ 0.92    | \$ 0.91    | \$ 0.78    |
| Weighted average diluted common shares outstanding      | 43,574,539 | 43,631,497 | 43,792,940 | 43,889,889 | 43,973,971 |
| Return on average assets <sup>3</sup>                   | 1.23%      | 1.26%      | 1.39%      | 1.46%      | 1.24%      |
| Return on average equity <sup>3</sup>                   | 11.89%     | 12.04%     | 13.42%     | 13.57%     | 11.59%     |
| Return on average tangible common equity <sup>1 3</sup> | 15.70%     | 15.97%     | 17.93%     | 18.24%     | 15.71%     |
| Net interest margin <sup>1 3</sup>                      | 3.08%      | 2.88%      | 3.00%      | 3.17%      | 3.20%      |

**12 Months Ended December 31,**

| 2021 | 2020 |
|------|------|
|------|------|

**Profitability:**

|   |            |            |
|---|------------|------------|
| Diluted earnings per share                            | \$ 3.54    | \$ 2.37    |
| Weighted average diluted common shares outstanding    | 43,718,804 | 43,988,623 |
| Return on average assets                              | 1.33%      | 0.99%      |
| Return on average equity                              | 12.71%     | 9.09%      |
| Return on average tangible common equity <sup>1</sup> | 16.92%     | 12.48%     |
| Net interest margin <sup>1</sup>                      | 3.03%      | 3.31%      |

| 2021  |       |       |       | 2020  |
|-------|-------|-------|-------|-------|
| 4th Q | 3rd Q | 2nd Q | 1st Q | 4th Q |

**Balance sheet data:**

|                                      |              |              |            |            |            |
|--------------------------------------|--------------|--------------|------------|------------|------------|
| Short-term interest-bearing accounts | \$ 1,111,296 | \$ 1,131,074 | \$ 883,758 | \$ 972,195 | \$ 512,686 |
| Securities available for sale        | 1,687,361    | 1,576,030    | 1,534,733  | 1,387,028  | 1,348,698  |
| Securities held to maturity          | 733,210      | 683,103      | 622,351    | 592,999    | 616,560    |
| Net loans                            | 7,406,459    | 7,473,442    | 7,419,127  | 7,528,459  | 7,388,885  |
| Total assets                         | 12,012,111   | 11,994,411   | 11,574,947 | 11,537,253 | 10,932,906 |
| Total deposits                       | 10,234,469   | 10,195,178   | 9,785,257  | 9,815,930  | 9,081,692  |
| Total borrowings                     | 311,476      | 313,311      | 304,110    | 308,766    | 406,731    |
| Total liabilities                    | 10,761,658   | 10,752,954   | 10,349,891 | 10,346,272 | 9,745,288  |
| Stockholders' equity                 | 1,250,453    | 1,241,457    | 1,225,056  | 1,190,981  | 1,187,618  |

**Capital:**

|  |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
| Equity to assets                           | 10.41%   | 10.35%   | 10.58%   | 10.32%   | 10.86%   |
| Tangible equity ratio <sup>1</sup>         | 8.20%    | 8.13%    | 8.28%    | 8.00%    | 8.41%    |
| Book value per share                       | \$ 28.97 | \$ 28.65 | \$ 28.19 | \$ 27.43 | \$ 27.22 |
| Tangible book value per share <sup>2</sup> | \$ 22.26 | \$ 21.95 | \$ 21.50 | \$ 20.71 | \$ 20.52 |
| Leverage ratio                             | 9.41%    | 9.47%    | 9.40%    | 9.60%    | 9.56%    |
| Common equity tier 1 capital ratio         | 12.25%   | 12.20%   | 12.12%   | 12.13%   | 11.84%   |
| Tier 1 capital ratio                       | 13.43%   | 13.39%   | 13.34%   | 13.38%   | 13.09%   |
| Total risk-based capital ratio             | 15.73%   | 15.74%   | 15.78%   | 15.92%   | 15.62%   |
| Common stock price (end of period)         | \$ 38.52 | \$ 36.12 | \$ 35.97 | \$ 39.90 | \$ 32.10 |

**NBT Bancorp Inc. and Subsidiaries****Asset Quality and Consolidated Loan Balances**

(unaudited, dollars in thousands)

| 2021  |       |       |       | 2020  |
|-------|-------|-------|-------|-------|
| 4th Q | 3rd Q | 2nd Q | 1st Q | 4th Q |

**Asset quality:**

|                                     |           |           |           |           |           |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Nonaccrual loans                    | \$ 30,285 | \$ 35,737 | \$ 40,550 | \$ 43,399 | \$ 44,647 |
| 90 days past due and still accruing | 2,458     | 2,940     | 2,575     | 2,155     | 3,149     |
| Total nonperforming loans           | 32,743    | 38,677    | 43,125    | 45,554    | 47,796    |
| Other real estate owned             | 167       | 859       | 798       | 1,318     | 1,458     |
| Total nonperforming assets          | 32,910    | 39,536    | 43,923    | 46,872    | 49,254    |
| Allowance for loan losses           | 92,000    | 93,000    | 98,500    | 105,000   | 110,000   |

**Asset quality ratios (total):**

|  |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
| Allowance for loan losses to total loans               | 1.23%   | 1.23%   | 1.31%   | 1.38%   | 1.47%   |
| Total nonperforming loans to total loans               | 0.44%   | 0.51%   | 0.57%   | 0.60%   | 0.64%   |
| Total nonperforming assets to total assets             | 0.27%   | 0.33%   | 0.38%   | 0.41%   | 0.45%   |
| Allowance for loan losses to total nonperforming loans | 280.98% | 240.45% | 228.41% | 230.50% | 230.14% |
| Past due loans to total loans <sup>4</sup>             | 0.29%   | 0.46%   | 0.26%   | 0.22%   | 0.37%   |
| Net charge-offs to average loans <sup>3</sup>          | 0.22%   | 0.11%   | 0.07%   | 0.12%   | 0.21%   |

**Asset quality ratios (excluding paycheck protection program):**

|  |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
| Allowance for loan losses to total loans               | 1.24%   | 1.28%   | 1.38%   | 1.48%   | 1.56%   |
| Total nonperforming loans to total loans               | 0.44%   | 0.53%   | 0.60%   | 0.64%   | 0.68%   |
| Total nonperforming assets to total assets             | 0.28%   | 0.34%   | 0.39%   | 0.43%   | 0.47%   |
| Allowance for loan losses to total nonperforming loans | 280.96% | 240.42% | 228.36% | 230.44% | 230.10% |
| Past due loans to total loans <sup>4</sup>             | 0.29%   | 0.48%   | 0.27%   | 0.23%   | 0.39%   |
| Net charge-offs to average loans <sup>3</sup>          | 0.22%   | 0.12%   | 0.07%   | 0.13%   | 0.22%   |

| 2021  |       |       |       | 2020  |
|-------|-------|-------|-------|-------|
| 4th Q | 3rd Q | 2nd Q | 1st Q | 4th Q |

**Allowance for loan losses as a percentage of loans by segment:**

|                             |       |       |       |       |       |
|-----------------------------|-------|-------|-------|-------|-------|
| Commercial & industrial     | 0.78% | 0.83% | 1.11% | 1.20% | 1.34% |
| Commercial real estate      | 0.78% | 0.93% | 1.26% | 1.48% | 1.49% |
| Paycheck protection program | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Residential real estate     | 0.92% | 0.93% | 0.98% | 1.03% | 1.07% |
| Auto                        | 0.79% | 0.78% | 0.76% | 0.78% | 0.93% |
| Other consumer              | 4.49% | 4.57% | 4.27% | 4.34% | 4.55% |
| Total                       | 1.23% | 1.23% | 1.31% | 1.38% | 1.47% |
| Total excluding PPP loans   | 1.24% | 1.28% | 1.38% | 1.48% | 1.56% |

| 2021  |       |       |       | 2020  |
|-------|-------|-------|-------|-------|
| 4th Q | 3rd Q | 2nd Q | 1st Q | 4th Q |

**Loans by line of business:**

|                                   |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Commercial                        | \$ 1,489,414 | \$ 1,466,597 | \$ 1,479,258 | \$ 1,466,841 | \$ 1,451,560 |
| Commercial real estate            | 2,321,193    | 2,320,341    | 2,265,754    | 2,242,289    | 2,196,477    |
| Paycheck protection program       | 101,222      | 276,195      | 359,738      | 536,494      | 430,810      |
| Residential real estate mortgages | 1,571,232    | 1,549,684    | 1,512,354    | 1,478,216    | 1,466,662    |
| Indirect auto                     | 859,454      | 873,860      | 899,324      | 913,083      | 931,286      |
| Specialty lending                 | 778,291      | 692,919      | 602,585      | 577,509      | 579,644      |
| Home equity                       | 330,357      | 339,316      | 351,469      | 369,633      | 387,974      |
| Other consumer                    | 47,296       | 47,530       | 47,145       | 49,394       | 54,472       |
| Total loans                       | \$ 7,498,459 | \$ 7,566,442 | \$ 7,517,627 | \$ 7,633,459 | \$ 7,498,885 |

|  |        |         |         |         |        |
|--|--------|---------|---------|---------|--------|
| PPP unamortized fees (dollars in millions) | \$ 3.4 | \$ 10.5 | \$ 12.6 | \$ 14.2 | \$ 6.9 |
|--|--------|---------|---------|---------|--------|

**NBT Bancorp Inc. and Subsidiaries****Consolidated Balance Sheets**

(unaudited, dollars in thousands)

|  | December 31,<br>2021 | December 31,<br>2020 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| Cash and due from banks  | \$ 157,775           | \$ 159,995           |
| Short-term interest-bearing accounts   | 1,111,296            | 512,686              |
| Equity securities, at fair value   | 33,550               | 30,737               |
| Securities available for sale, at fair value                                   | 1,687,361            | 1,348,698            |
| Securities held to maturity (fair value \$735,260 and \$636,827, respectively) | 733,210              | 616,560              |
| Federal Reserve and Federal Home Loan Bank stock                               | 25,098               | 27,353               |
| Loans held for sale  | 830                  | 1,119                |
| Loans  | 7,498,459            | 7,498,885            |

|                                |           |                   |           |                   |
|--------------------------------|-----------|-------------------|-----------|-------------------|
| Less allowance for loan losses |           | 92,000            |           | 110,000           |
| Net loans                      | \$        | 7,406,459         | \$        | 7,388,885         |
| Premises and equipment, net    |           | 72,093            |           | 74,206            |
| Goodwill                       |           | 280,541           |           | 280,541           |
| Intangible assets, net         |           | 8,927             |           | 11,735            |
| Bank owned life insurance      |           | 228,238           |           | 186,434           |
| Other assets                   |           | 266,733           |           | 293,957           |
| <b>Total assets</b>            | <b>\$</b> | <b>12,012,111</b> | <b>\$</b> | <b>10,932,906</b> |

**Liabilities and stockholders' equity**

|   |           |                   |           |                   |
|---|-----------|-------------------|-----------|-------------------|
| Demand (noninterest bearing)                      | \$        | 3,689,556         | \$        | 3,241,123         |
| Savings, NOW and money market                     |           | 6,043,441         |           | 5,207,090         |
| Time  |           | 501,472           |           | 633,479           |
| Total deposits                                    | \$        | 10,234,469        | \$        | 9,081,692         |
| Short-term borrowings                             |           | 97,795            |           | 168,386           |
| Long-term debt                                    |           | 13,995            |           | 39,097            |
| Subordinated debt, net                            |           | 98,490            |           | 98,052            |
| Junior subordinated debt                          |           | 101,196           |           | 101,196           |
| Other liabilities                                 |           | 215,713           |           | 256,865           |
| Total liabilities                                 | \$        | 10,761,658        | \$        | 9,745,288         |
| Total stockholders' equity                        | \$        | 1,250,453         | \$        | 1,187,618         |
| <b>Total liabilities and stockholders' equity</b> | <b>\$</b> | <b>12,012,111</b> | <b>\$</b> | <b>10,932,906</b> |

**NBT Bancorp Inc. and Subsidiaries**

**Consolidated Statements of Income**

(unaudited, dollars in thousands except per share data)

|   | Three Months Ended<br>December 31, |           | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|-----------|-------------------------------------|------------|
|   | 2021                               | 2020      | 2021                                | 2020       |
| <b>Interest, fee and dividend income</b>            |                                    |           |                                     |            |
| Interest and fees on loans                          | \$ 79,470                          | \$ 76,863 | \$ 302,175                          | \$ 307,859 |
| Securities available for sale                       | 6,101                              | 5,478     | 23,305                              | 22,434     |
| Securities held to maturity                         | 3,097                              | 3,532     | 12,551                              | 15,283     |
| Other   | 639                                | 568       | 1,845                               | 2,706      |
| Total interest, fee and dividend income             | \$ 89,307                          | \$ 86,441 | \$ 339,876                          | \$ 348,282 |
| <b>Interest expense</b>                             |                                    |           |                                     |            |
| Deposits  | \$ 2,132                           | \$ 3,887  | \$ 10,714                           | \$ 22,070  |
| Short-term borrowings                               | 28                                 | 193       | 158                                 | 3,408      |
| Long-term debt                                      | 88                                 | 369       | 389                                 | 1,553      |
| Subordinated debt                                   | 1,360                              | 1,339     | 5,437                               | 2,842      |
| Junior subordinated debt                            | 518                                | 545       | 2,090                               | 2,731      |
| Total interest expense                              | \$ 4,126                           | \$ 6,333  | \$ 18,788                           | \$ 32,604  |
| Net interest income                                 | \$ 85,181                          | \$ 80,108 | \$ 321,088                          | \$ 315,678 |
| Provision for loan losses                           | 3,097                              | (607)     | (8,257)                             | 51,134     |
| Net interest income after provision for loan losses | \$ 82,084                          | \$ 80,715 | \$ 329,345                          | \$ 264,544 |
| <b>Noninterest income</b>                           |                                    |           |                                     |            |
| Service charges on deposit accounts                 | \$ 3,804                           | \$ 3,588  | \$ 13,348                           | \$ 13,201  |
| ATM and debit card fees                             | 7,958                              | 6,776     | 31,301                              | 25,960     |
| Retirement plan administration fees                 | 11,816                             | 9,011     | 42,188                              | 35,851     |
| Wealth management fees                              | 8,619                              | 7,456     | 33,718                              | 29,247     |
| Insurance services                                  | 3,394                              | 3,454     | 14,083                              | 14,757     |
| Bank owned life insurance income                    | 1,629                              | 1,733     | 6,217                               | 5,743      |
| Net securities (losses) gains                       | (2)                                | 160       | 566                                 | (388)      |
| Other   | 3,893                              | 5,937     | 16,373                              | 21,905     |
| Total noninterest income                            | \$ 41,111                          | \$ 38,115 | \$ 157,794                          | \$ 146,276 |
| <b>Noninterest expense</b>                          |                                    |           |                                     |            |

|  |    |        |    |        |    |         |    |         |
|--|----|--------|----|--------|----|---------|----|---------|
| Salaries and employee benefits                   | \$ | 44,118 | \$ | 41,016 | \$ | 172,580 | \$ | 161,934 |
| Occupancy  |    | 5,641  |    | 5,280  |    | 21,922  |    | 21,634  |
| Data processing and communications               |    | 3,950  |    | 4,157  |    | 16,989  |    | 16,527  |
| Professional fees and outside services           |    | 4,903  |    | 4,388  |    | 16,306  |    | 15,082  |
| Equipment  |    | 5,607  |    | 5,395  |    | 21,854  |    | 19,889  |
| Office supplies and postage                      |    | 1,528  |    | 1,517  |    | 6,006   |    | 6,138   |
| FDIC expense                                     |    | 798    |    | 739    |    | 3,041   |    | 2,688   |
| Advertising                                      |    | 1,019  |    | 827    |    | 2,521   |    | 2,288   |
| Amortization of intangible assets                |    | 651    |    | 822    |    | 2,808   |    | 3,395   |
| Loan collection and other real estate owned, net |    | 956    |    | 930    |    | 2,915   |    | 3,295   |
| Other  |    | 5,934  |    | 10,133 |    | 20,339  |    | 24,863  |
| Total noninterest expense                        | \$ | 75,105 | \$ | 75,204 | \$ | 287,281 | \$ | 277,733 |
| Income before income tax expense                 | \$ | 48,090 | \$ | 43,626 | \$ | 199,858 | \$ | 133,087 |
| Income tax expense                               |    | 10,780 |    | 9,432  |    | 44,973  |    | 28,699  |
| <b>Net income</b>                                | \$ | 37,310 | \$ | 34,194 | \$ | 154,885 | \$ | 104,388 |
| <b>Earnings Per Share</b>                        |    |        |    |        |    |         |    |         |
| Basic  | \$ | 0.86   | \$ | 0.78   | \$ | 3.57    | \$ | 2.39    |
| Diluted  | \$ | 0.86   | \$ | 0.78   | \$ | 3.54    | \$ | 2.37    |

**NBT Bancorp Inc. and Subsidiaries**  
**Quarterly Consolidated Statements of Income**

(unaudited, dollars in thousands except per share data)

|   | 2021      |           |           |           | 2020      |
|---|-----------|-----------|-----------|-----------|-----------|
|   | 4th Q     | 3rd Q     | 2nd Q     | 1st Q     | 4th Q     |
| <b>Interest, fee and dividend income</b>            |           |           |           |           |           |
| Interest and fees on loans                          | \$ 79,470 | \$ 72,817 | \$ 74,795 | \$ 75,093 | \$ 76,863 |
| Securities available for sale                       | 6,101     | 5,898     | 5,762     | 5,544     | 5,478     |
| Securities held to maturity                         | 3,097     | 2,976     | 3,096     | 3,382     | 3,532     |
| Other   | 639       | 524       | 391       | 291       | 568       |
| Total interest, fee and dividend income             | \$ 89,307 | \$ 82,215 | \$ 84,044 | \$ 84,310 | \$ 86,441 |
| <b>Interest expense</b>                             |           |           |           |           |           |
| Deposits  | \$ 2,132  | \$ 2,548  | \$ 2,862  | \$ 3,172  | \$ 3,887  |
| Short-term borrowings                               | 28        | 28        | 32        | 70        | 193       |
| Long-term debt                                      | 88        | 89        | 88        | 124       | 369       |
| Subordinated debt                                   | 1,360     | 1,359     | 1,359     | 1,359     | 1,339     |
| Junior subordinated debt                            | 518       | 517       | 525       | 530       | 545       |
| Total interest expense                              | \$ 4,126  | \$ 4,541  | \$ 4,866  | \$ 5,255  | \$ 6,333  |
| Net interest income                                 | \$ 85,181 | \$ 77,674 | \$ 79,178 | \$ 79,055 | \$ 80,108 |
| Provision for loan losses                           | 3,097     | (3,342)   | (5,216)   | (2,796)   | (607)     |
| Net interest income after provision for loan losses | \$ 82,084 | \$ 81,016 | \$ 84,394 | \$ 81,851 | \$ 80,715 |
| <b>Noninterest income</b>                           |           |           |           |           |           |
| Service charges on deposit accounts                 | \$ 3,804  | \$ 3,489  | \$ 3,028  | \$ 3,027  | \$ 3,588  |
| ATM and debit card fees                             | 7,958     | 8,172     | 8,309     | 6,862     | 6,776     |
| Retirement plan administration fees                 | 11,816    | 10,495    | 9,779     | 10,098    | 9,011     |
| Wealth management fees                              | 8,619     | 8,783     | 8,406     | 7,910     | 7,456     |
| Insurance services                                  | 3,394     | 3,720     | 3,508     | 3,461     | 3,454     |
| Bank owned life insurance income                    | 1,629     | 1,548     | 1,659     | 1,381     | 1,733     |
| Net securities (losses) gains                       | (2)       | (100)     | 201       | 467       | 160       |
| Other   | 3,893     | 4,222     | 4,426     | 3,832     | 5,937     |
| Total noninterest income                            | \$ 41,111 | \$ 40,329 | \$ 39,316 | \$ 37,038 | \$ 38,115 |
| <b>Noninterest expense</b>                          |           |           |           |           |           |
| Salaries and employee benefits                      | \$ 44,118 | \$ 44,190 | \$ 42,671 | \$ 41,601 | \$ 41,016 |
| Occupancy   | 5,641     | 5,117     | 5,291     | 5,873     | 5,280     |
| Data processing and communications                  | 3,950     | 3,881     | 4,427     | 4,731     | 4,157     |
| Professional fees and outside services              | 4,903     | 3,784     | 4,030     | 3,589     | 4,388     |
| Equipment   | 5,607     | 5,577     | 5,493     | 5,177     | 5,395     |
| Office supplies and postage                         | 1,528     | 1,364     | 1,615     | 1,499     | 1,517     |



|  |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|
| FDIC expense                                     | 798              | 772              | 663              | 808              | 739              |
| Advertising                                      | 1,019            | 583              | 468              | 451              | 827              |
| Amortization of intangible assets                | 651              | 663              | 682              | 812              | 822              |
| Loan collection and other real estate owned, net | 956              | 706              | 663              | 590              | 930              |
| Other  | 5,934            | 6,232            | 5,416            | 2,757            | 10,133           |
| Total noninterest expense                        | \$ 75,105        | \$ 72,869        | \$ 71,419        | \$ 67,888        | \$ 75,204        |
| Income before income tax expense                 | \$ 48,090        | \$ 48,476        | \$ 52,291        | \$ 51,001        | \$ 43,626        |
| Income tax expense                               | 10,780           | 11,043           | 11,995           | 11,155           | 9,432            |
| <b>Net income</b>                                | <b>\$ 37,310</b> | <b>\$ 37,433</b> | <b>\$ 40,296</b> | <b>\$ 39,846</b> | <b>\$ 34,194</b> |
| <b>Earnings Per Share</b>                        |                  |                  |                  |                  |                  |
| Basic  | \$ 0.86          | \$ 0.86          | \$ 0.93          | \$ 0.91          | \$ 0.78          |
| Diluted  | \$ 0.86          | \$ 0.86          | \$ 0.92          | \$ 0.91          | \$ 0.78          |

## NBT Bancorp Inc. and Subsidiaries

### Average Quarterly Balance Sheets

(unaudited, dollars in thousands)

|  | Average<br>Balance | Yield /<br>Rates | Average<br>Balance | Yield /<br>Rates | Average<br>Balance | Yield /<br>Rates | Average<br>Balance | Yield /<br>Rates | Average<br>Balance | Yield /<br>Rates |
|--|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|
|  | Q4 - 2021          |                  | Q3 - 2021          |                  | Q2 - 2021          |                  | Q1 - 2021          |                  | Q4 - 2020          |                  |
| <b>Assets</b>                                |                    |                  |                    |                  |                    |                  |                    |                  |                    |                  |
| Short-term interest-bearing accounts         | \$ 1,145,794       | 0.16%            | \$ 1,014,120       | 0.16%            | \$ 974,034         | 0.09%            | \$ 587,358         | 0.09%            | \$ 552,529         | 0.11%            |
| Securities available for sale <sup>1 5</sup> | 1,608,128          | 1.51%            | 1,513,071          | 1.55%            | 1,453,068          | 1.59%            | 1,346,380          | 1.67%            | 1,230,411          | 1.77%            |
| Securities held to maturity <sup>1 5</sup>   | 730,988            | 1.82%            | 657,314            | 1.95%            | 604,582            | 2.23%            | 607,407            | 2.43%            | 640,422            | 2.36%            |
| Investment in FRB and FHLB Banks             | 25,149             | 2.74%            | 25,154             | 1.91%            | 25,115             | 2.67%            | 25,606             | 2.45%            | 28,275             | 5.94%            |
| Loans <sup>1 6</sup>                         | 7,507,165          | 4.20%            | 7,517,839          | 3.84%            | 7,574,272          | 3.96%            | 7,574,337          | 4.02%            | 7,533,953          | 4.06%            |
| Total interest-earning assets                | \$11,017,224       | 3.23%            | \$10,727,498       | 3.05%            | \$10,631,071       | 3.18%            | \$10,141,088       | 3.38%            | \$ 9,985,590       | 3.46%            |
| Other assets                                 | 982,136            |                  | 1,019,797          |                  | 971,681            |                  | 960,994            |                  | 954,123            |                  |
| Total assets                                 | \$11,999,360       |                  | \$11,747,295       |                  | \$11,602,752       |                  | \$11,102,082       |                  | \$10,939,713       |                  |
| <b>Liabilities and stockholders' equity</b>  |                    |                  |                    |                  |                    |                  |                    |                  |                    |                  |
| Money market deposit accounts                | \$ 2,678,477       | 0.16%            | \$ 2,580,570       | 0.19%            | \$ 2,605,767       | 0.21%            | \$ 2,484,120       | 0.23%            | \$ 2,455,510       | 0.27%            |
| NOW deposit accounts                         | 1,551,846          | 0.05%            | 1,442,678          | 0.05%            | 1,454,751          | 0.05%            | 1,358,955          | 0.05%            | 1,315,370          | 0.05%            |
| Savings deposits                             | 1,725,004          | 0.05%            | 1,691,539          | 0.05%            | 1,660,722          | 0.05%            | 1,547,983          | 0.05%            | 1,465,562          | 0.05%            |
| Time deposits                                | 537,875            | 0.46%            | 565,216            | 0.62%            | 591,147            | 0.75%            | 615,343            | 0.93%            | 645,288            | 1.15%            |
| Total interest-bearing deposits              | \$ 6,493,202       | 0.13%            | \$ 6,280,003       | 0.16%            | \$ 6,312,387       | 0.18%            | \$ 6,006,401       | 0.21%            | \$ 5,881,730       | 0.26%            |
| Short-term borrowings                        | 97,455             | 0.11%            | 99,703             | 0.11%            | 95,226             | 0.13%            | 115,182            | 0.25%            | 175,597            | 0.44%            |
| Long-term debt                               | 14,004             | 2.49%            | 14,029             | 2.52%            | 14,053             | 2.51%            | 19,913             | 2.53%            | 59,488             | 2.47%            |
| Subordinated debt, net                       | 98,422             | 5.48%            | 98,311             | 5.48%            | 98,204             | 5.55%            | 98,095             | 5.62%            | 97,984             | 5.44%            |
| Junior subordinated debt                     | 101,196            | 2.03%            | 101,196            | 2.03%            | 101,196            | 2.08%            | 101,196            | 2.12%            | 101,196            | 2.14%            |
| Total interest-bearing liabilities           | \$ 6,804,279       | 0.24%            | \$ 6,593,242       | 0.27%            | \$ 6,621,066       | 0.29%            | \$ 6,340,787       | 0.34%            | \$ 6,315,995       | 0.40%            |
| Demand deposits                              | 3,719,070          |                  | 3,676,883          |                  | 3,542,176          |                  | 3,319,024          |                  | 3,178,410          |                  |
| Other liabilities                            | 231,260            |                  | 244,125            |                  | 235,536            |                  | 250,991            |                  | 271,206            |                  |
| Stockholders' equity                         | 1,244,751          |                  | 1,233,045          |                  | 1,203,974          |                  | 1,191,280          |                  | 1,174,102          |                  |
| Total liabilities and stockholders' equity   | \$11,999,360       |                  | \$11,747,295       |                  | \$11,602,752       |                  | \$11,102,082       |                  | \$10,939,713       |                  |
| Interest rate spread                         |                    | 2.99%            |                    | 2.78%            |                    | 2.89%            |                    | 3.04%            |                    | 3.06%            |
| Net interest margin (FTE) <sup>1</sup>       |                    | 3.08%            |                    | 2.88%            |                    | 3.00%            |                    | 3.17%            |                    | 3.20%            |

## NBT Bancorp Inc. and Subsidiaries

### Average Year-to-Date Balance Sheets

(unaudited, dollars in thousands)

| Twelve Months Ended December 31,             | Average       | Interest   | Yield/ | Average       | Interest   | Yield/ |
|--|---------------|------------|--------|---------------|------------|--------|
|  | Balance       |            | Rates  | Balance       |            | Rates  |
|  | 2021          |            |        | 2020          |            |        |
| <b>Assets</b>                                |               |            |        |               |            |        |
| Short-term interest-bearing accounts         | \$ 932,086    | \$ 1,229   | 0.13%  | \$ 372,144    | \$ 610     | 0.16%  |
| Securities available for sale <sup>1 5</sup> | 1,480,969     | 23,305     | 1.57%  | 1,079,600     | 22,434     | 2.08%  |
| Securities held to maturity <sup>1 5</sup>   | 650,431       | 13,586     | 2.09%  | 624,668       | 16,363     | 2.62%  |
| Investment in FRB and FHLB Banks             | 25,255        | 616        | 2.44%  | 33,570        | 2,096      | 6.24%  |
| Loans <sup>1 6</sup>                         | 7,543,149     | 302,331    | 4.01%  | 7,461,795     | 308,080    | 4.13%  |
| Total interest-earning assets                | \$ 10,631,890 | \$ 341,067 | 3.21%  | \$ 9,571,777  | \$ 349,583 | 3.65%  |
| Other assets                                 | 983,809       |            |        | 942,274       |            |        |
| Total assets                                 | \$ 11,615,699 |            |        | \$ 10,514,051 |            |        |
| <b>Liabilities and stockholders' equity</b>  |               |            |        |               |            |        |
| Money market deposit accounts                | \$ 2,587,748  | \$ 5,117   | 0.20%  | \$ 2,320,947  | \$ 10,313  | 0.44%  |
| NOW deposit accounts                         | 1,452,560     | 738        | 0.05%  | 1,194,398     | 716        | 0.06%  |
| Savings deposits                             | 1,656,893     | 829        | 0.05%  | 1,393,436     | 745        | 0.05%  |
| Time deposits                                | 577,150       | 4,030      | 0.70%  | 733,073       | 10,296     | 1.40%  |
| Total interest-bearing deposits              | \$ 6,274,351  | \$ 10,714  | 0.17%  | \$ 5,641,854  | \$ 22,070  | 0.39%  |
| Short-term borrowings                        | 101,838       | 158        | 0.16%  | 352,809       | 3,408      | 0.97%  |
| Long-term debt                               | 15,479        | 389        | 2.51%  | 62,990        | 1,553      | 2.47%  |
| Subordinated debt, net                       | 98,259        | 5,437      | 5.53%  | 51,394        | 2,842      | 5.53%  |
| Junior subordinated debt                     | 101,196       | 2,090      | 2.07%  | 101,196       | 2,731      | 2.70%  |
| Total interest-bearing liabilities           | \$ 6,591,123  | \$ 18,788  | 0.29%  | \$ 6,210,243  | \$ 32,604  | 0.53%  |
| Demand deposits                              | 3,565,693     |            |        | 2,895,341     |            |        |
| Other liabilities                            | 240,434       |            |        | 259,992       |            |        |
| Stockholders' equity                         | 1,218,449     |            |        | 1,148,475     |            |        |
| Total liabilities and stockholders' equity   | \$ 11,615,699 |            |        | \$ 10,514,051 |            |        |
| Net interest income (FTE) <sup>1</sup>       |               | \$ 322,279 |        |               | \$ 316,979 |        |
| Interest rate spread                         |               |            | 2.92%  |               |            | 3.12%  |
| Net interest margin (FTE) <sup>1</sup>       |               |            | 3.03%  |               |            | 3.31%  |
| Taxable equivalent adjustment                |               | \$ 1,191   |        |               | \$ 1,301   |        |
| Net interest income                          |               | \$ 321,088 |        |               | \$ 315,678 |        |

<sup>1</sup> The following tables provide the Non-GAAP reconciliations for the Non-GAAP measures contained in this release:

#### Non-GAAP measures

(unaudited, dollars in thousands)

| Pre-provision net revenue ("PPNR")              | 2021          |               |               |               | 2020          |
|---|---------------|---------------|---------------|---------------|---------------|
|   | 4th Q         | 3rd Q         | 2nd Q         | 1st Q         | 4th Q         |
| Net income                                      | 37,310        | 37,433        | 40,296        | 39,846        | 34,194        |
| Income tax expense                              | 10,780        | 11,043        | 11,995        | 11,155        | 9,432         |
| Provision for loan losses                       | 3,097         | (3,342)       | (5,216)       | (2,796)       | (607)         |
| FTE adjustment                                  | 292           | 298           | 299           | 302           | 318           |
| Net securities losses (gains)                   | 2             | 100           | (201)         | (467)         | (160)         |
| Provision for unfunded loan commitments reserve | (250)         | (470)         | (80)          | (500)         | 900           |
| Nonrecurring expense                            | 250           | 2,288         | 1,880         | -             | 4,100         |
| PPNR  | \$ 51,481     | \$ 47,350     | \$ 48,973     | \$ 47,540     | \$ 48,177     |
| Average Assets                                  | \$ 11,999,360 | \$ 11,747,295 | \$ 11,602,757 | \$ 11,102,082 | \$ 10,939,713 |
| Return on Average Assets <sup>3</sup>           | 1.23%         | 1.26%         | 1.39%         | 1.46%         | 1.24%         |
| PPNR Return on Average Assets <sup>3</sup>      | 1.70%         | 1.60%         | 1.69%         | 1.74%         | 1.75%         |

12 Months Ended December 31,

|   | 2021          | 2020          |
|---|---------------|---------------|
| Net income                                      | \$ 154,885    | \$ 104,388    |
| Income tax expense                              | 44,973        | 28,699        |
| Provision for loan losses                       | (8,257)       | 51,134        |
| FTE adjustment                                  | 1,191         | 1,301         |
| Net securities (gains) losses                   | (566)         | 388           |
| Provision for unfunded loan commitments reserve | (1,300)       | 2,700         |
| Nonrecurring expense                            | 4,418         | 4,750         |
| PPNR  | \$ 195,344    | \$ 193,360    |
| Average Assets                                  | \$ 11,615,699 | \$ 10,514,051 |
| Return on Average Assets                        | 1.33%         | 0.99%         |
| PPNR Return on Average Assets                   | 1.68%         | 1.84%         |

PPNR is a Non-GAAP financial measure that management believes is useful in evaluating the underlying operating results of the Company excluding the volatility in the provision for loan losses, net securities gains (losses) and non-recurring income and/or expense.

| FTE Adjustment                         | 2021          |               |               |               | 2020         |
|--|---------------|---------------|---------------|---------------|--------------|
|  | 4th Q         | 3rd Q         | 2nd Q         | 1st Q         | 4th Q        |
| Net interest income                    | \$ 85,181     | \$ 77,674     | \$ 79,178     | \$ 79,055     | \$ 80,108    |
| Add: FTE adjustment                    | 292           | 298           | 299           | 302           | 318          |
| Net interest income (FTE)              | \$ 85,473     | \$ 77,972     | \$ 79,477     | \$ 79,357     | \$ 80,426    |
| Average earning assets                 | \$ 11,017,224 | \$ 10,727,498 | \$ 10,631,071 | \$ 10,141,088 | \$ 9,985,590 |
| Net interest margin (FTE) <sup>3</sup> | 3.08%         | 2.88%         | 3.00%         | 3.17%         | 3.20%        |

|                           | 12 Months Ended December 31, |              |
|---------------------------|------------------------------|--------------|
|                           | 2021                         | 2020         |
| Net interest income       | \$ 321,088                   | \$ 315,678   |
| Add: FTE adjustment       | 1,191                        | 1,301        |
| Net interest income (FTE) | \$ 322,279                   | \$ 316,979   |
| Average earning assets    | \$ 10,631,890                | \$ 9,571,777 |
| Net interest margin (FTE) | 3.03%                        | 3.31%        |

Interest income for tax-exempt securities and loans have been adjusted to a FTE basis using the statutory Federal income tax rate of 21%.

<sup>1</sup> The following tables provide the Non-GAAP reconciliations for the Non-GAAP measures contained in this release:

#### Non-GAAP measures

(unaudited, dollars in thousands)

| Tangible equity to tangible assets | 2021          |               |               |               | 2020          |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                    | 4th Q         | 3rd Q         | 2nd Q         | 1st Q         | 4th Q         |
| Total equity                       | \$ 1,250,453  | \$ 1,241,457  | \$ 1,225,056  | \$ 1,190,981  | \$ 1,187,618  |
| Intangible assets                  | 289,468       | 290,119       | 290,782       | 291,464       | 292,276       |
| Total assets                       | \$ 12,012,111 | \$ 11,994,411 | \$ 11,574,947 | \$ 11,537,253 | \$ 10,932,906 |
| Tangible equity to tangible assets | 8.20%         | 8.13%         | 8.28%         | 8.00%         | 8.41%         |

| Return on average tangible common equity       | 2021      |           |           |           | 2020      |
|--|-----------|-----------|-----------|-----------|-----------|
|  | 4th Q     | 3rd Q     | 2nd Q     | 1st Q     | 4th Q     |
| Net income                                     | \$ 37,310 | \$ 37,433 | \$ 40,296 | \$ 39,846 | \$ 34,194 |
| Amortization of intangible assets (net of tax) | 488       | 497       | 512       | 609       | 617       |
| Net income, excluding intangibles amortization | \$ 37,798 | \$ 37,930 | \$ 40,808 | \$ 40,455 | \$ 34,811 |

|  |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
| Average stockholders' equity                 | \$ 1,244,751 | \$ 1,233,045 | \$ 1,203,974 | \$ 1,191,280 | \$ 1,174,102 |
| Less: average goodwill and other intangibles | 289,834      | 290,492      | 291,133      | 291,921      | 292,725      |
| Average tangible common equity               | \$ 954,917   | \$ 942,553   | \$ 912,841   | \$ 899,359   | \$ 881,377   |

Return on average tangible common equity<sup>3</sup>                      **15.70%**                      15.97%                      17.93%                      18.24%                      15.71%

|  | <b>12 Months Ended December 31,</b> |              |
|--|-------------------------------------|--------------|
|  | <b>2021</b>                         | <b>2020</b>  |
| Net income                                     | \$ 154,885                          | \$ 104,388   |
| Amortization of intangible assets (net of tax) | 2,106                               | 2,546        |
| Net income, excluding intangibles amortization | <b>\$ 156,991</b>                   | \$ 106,934   |
| <br>   |                                     |              |
| Average stockholders' equity                   | <b>\$ 1,218,449</b>                 | \$ 1,148,475 |
| Less: average goodwill and other intangibles   | <b>290,838</b>                      | 291,787      |
| Average tangible common equity                 | <b>\$ 927,611</b>                   | \$ 856,688   |
| Return on average tangible common equity       | <b>16.92%</b>                       | 12.48%       |

<sup>2</sup> Non-GAAP measure - Stockholders' equity less goodwill and intangible assets divided by common shares outstanding.

<sup>3</sup> Annualized.

<sup>4</sup> Total past due loans, defined as loans 30 days or more past due and in an accrual status.

<sup>5</sup> Securities are shown at average amortized cost.

<sup>6</sup> For purposes of these computations, nonaccrual loans and loans held for sale are included in the average loan balances outstanding.

NBT Bancorp Inc.