

FORM 8-K  
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 24, 2005

NBT BANCORP INC.

-----  
(Exact name of registrant as specified in its charter)

DELAWARE

0-14703

16-1268674

-----  
(State or other jurisdiction  
of incorporation)

-----  
(Commission  
File Number)

-----  
(IRS Employer  
Identification No.)

52 SOUTH BROAD STREET, NORWICH, NEW YORK 13815

-----  
(Address of principal executive offices)

Registrant's telephone number, including area code: (607) 337-2265  
-----

Check the appropriate box below if the Form 8-K filing is intended to  
simultaneously satisfy the filing obligation of the registrant under any of the  
following provisions:

Written communication pursuant to Rule 425 under the Securities Act (17 CFR  
230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR  
240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the  
Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the  
Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 Results of Operations and Financial Condition  
-----

On October 24, 2005, NBT Bancorp Inc. issued a press release describing its  
results of operations for the nine months and quarter ending September 30, 2005  
as well as announcing a quarterly dividend of \$0.19 per share to be paid on  
December 15, 2005 to shareholders of record on December 1, 2005. That press  
release is furnished as Exhibit 99.1 hereto.

ITEM 9.01 Financial Statements and Exhibits

{c} The following is being furnished herewith:

Exhibit No.	Exhibit Description
99.1	Press release text of NBT Bancorp Inc. dated October 24, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
registrant has duly caused this report to be signed on its behalf by the  
undersigned hereunto duly authorized.

NBT BANCORP INC.  
-----

(Registrant)

/s/ Michael J. Chewens

-----  
Michael J. Chewens  
Senior Executive Vice President,  
Chief Financial Officer and Corporate Secretary

Date: October 25, 2005

-----  
 Exhibit 99.1  
 FOR IMMEDIATE RELEASE

ATTENTION: FINANCIAL AND BUSINESS EDITORS  
 -----

Contact: Daryl R. Forsythe, CEO  
 Michael J. Chewens, CFO  
 NBT Bancorp Inc.  
 52 South Broad Street  
 Norwich, NY 13815  
 607-337-6416

NBT BANCORP ANNOUNCES QUARTERLY EARNINGS OF \$13.5 MILLION;  
 DECLARES CASH DIVIDEND

NORWICH, NY (October 24, 2005) - NBT Bancorp Inc. (NBT) (NASDAQ: NBTB) reported today that net income for the quarter ended September 30, 2005, was \$13.5 million, or \$0.41 per diluted share, up 8% on a per share basis from \$12.6 million, or \$0.38 per diluted share for the same period a year ago. Return on average assets and return on average equity were 1.23% and 16.06%, respectively, for the quarter ended September 30, 2005, compared with 1.20% and 15.94%, respectively, for the same period in 2004. The increase in net income for the quarter ended September 30, 2005, was primarily the result of a \$1.9 million increase in net interest income that was partially offset by a \$1.3 million increase in noninterest expense.

Net income for the nine months ended September 30, 2005, was \$39.4 million, or \$1.20 per diluted share, up 5% on a per share basis compared with \$37.6 million or \$1.14 per diluted share for the first nine months of 2004. Return on average assets and return on average equity were 1.23% and 16.03%, respectively, for the nine months ended September 30, 2005, compared with 1.23% and 15.91%, respectively, for the same period in 2004. The increase in net income for the nine months ended September 30, 2005, was primarily the result of a \$6.3 million increase in net interest income and a \$1.6 million increase in noninterest income that was partially offset by an increase in noninterest expense of \$5.8 million.

NBT Chairman and CEO Daryl R. Forsythe stated, "We are pleased to announce this continued positive trend in earnings. The third quarter marked another period of solid deposit and noninterest income growth, combined with strong asset quality. Our consistent and solid financial results continues to reflect the excellent customer service provided by our employees."

Page 2 of 10

LOAN AND LEASE QUALITY AND PROVISION FOR LOAN AND LEASE LOSSES

Nonperforming loans at September 30, 2005, were \$13.3 million or 0.44% of total loans and leases compared with \$16.0 million or 0.57% of total loans and leases at September 30, 2004, and \$16.2 million or 0.56% of total loans and leases at December 31, 2004. The Company's allowance for loan and lease losses was 1.58% of loans and leases at September 30, 2005, compared with 1.58% at September 30, 2004, and 1.57% at December 31, 2004. The ratio of the allowance for loan and lease losses to nonperforming loans was 356.85% at September 30, 2005, compared with 278.98% at September 30, 2004, and 277.75% at December 31, 2004. Annualized net charge-offs to average loans and leases for the nine months ended September 30, 2005, were 0.19%, compared with the 0.25% annualized ratio for the nine months ended September 30, 2004, and the ratio for the year ended December 31, 2004, of 0.27%. For the quarter and nine months ended September 30, 2005, the provision for loan and lease losses totaled \$2.8 million and \$6.9 million, respectively, compared with the \$2.3 million and \$6.9 million for the same periods in 2004.

NET INTEREST INCOME

Net interest income was up 5% to \$40.0 million for the quarter ended September 30, 2005, compared to \$38.1 million for the same period a year ago. The increase in net interest income was attributable to 5% growth in average earning assets as the Company's net interest margin remained unchanged at 3.99% for the quarters ended September 30, 2005, and 2004. Martin Dietrich, NBT President commented "Despite several increases in the federal funds rate and the flattening yield curve, the Company was able to maintain a stable net interest margin during the first nine months of 2005. The Company has shortened the duration of its investment portfolio, sold long-term fixed-rate residential real estate mortgages, generated strong noninterest bearing demand deposit growth, and effectively managed borrowing costs." Net interest income for the nine months ended September 30, 2005, increased 6%, to \$118.1 million from \$111.8 million in the same period for 2004. The increase in net interest income was

attributable to 5% growth in average earning assets for the period and to a slight increase in the Company's net interest margin, which was 4.04% for the nine months ended September 30, 2005, compared with 4.03% for the same period in 2004. Dietrich added, "We believe the margin could decrease slightly in the fourth quarter, depending on further increases in the federal funds rate and on the pricing influence of competitive market rates paid on interest-bearing deposits."

#### NONINTEREST INCOME

Noninterest income for the quarter ended September 30, 2005, was \$10.4 million, up \$0.2 million from \$10.1 million for the same period in 2004. Excluding net securities losses of \$0.7 million during

the quarter ended September 30, 2005, total noninterest income increased \$1.0 million or 10% from the same period in 2004. Net securities losses of \$0.7 million resulted from the sale of \$25 million in securities available for sale to improve investment portfolio yield going forward. Retirement plan administration fees were \$1.2 million. This is a new service from the acquisition of EPIC Advisors, Inc. in January 2005. Other income increased \$0.5 million from increases in consumer and commercial banking fees, mortgage banking income and title insurance revenue. Offsetting these increases was a \$1.1 million decrease in broker/dealer and insurance revenue due to the sale of the Company's broker/dealer subsidiary M. Griffith Inc. in March 2005.

Noninterest income for the nine months ended September 30, 2005, was \$32.1 million, up \$1.6 million from \$30.5 million for the same period in 2004. Excluding net securities losses of \$0.7 million during the nine months ended September 30, 2005, total noninterest income increased \$2.3 million or 7% from the same period in 2004. Retirement plan administration fees totaled \$3.2 million, from the previously mentioned acquisition of EPIC Advisors, Inc. in January 2005. ATM and debit card fees increased \$0.4 million compared with the same period a year ago, due to growth from transaction deposit accounts, which has led to an increase in the Company's debit card base. Other income increased \$0.7 million from increases in consumer and commercial banking fees, mortgage banking income and title insurance revenue. Offsetting these increases was a \$2.6 million decrease in broker/dealer and insurance revenue due to the previously mentioned sale of the Company's broker/dealer subsidiary M. Griffith Inc. in March 2005.

#### NONINTEREST EXPENSE AND INCOME TAX EXPENSE

Noninterest expense for the quarter ended September 30, 2005, was \$28.6 million, up \$1.3 million from \$27.3 million for the same period in 2004. Salaries and employee benefits for the quarter ended September 30, 2005, increased \$1.8 million over the same period in 2004. This increase resulted mainly from higher pension costs, salaries from merit and staffing increases and a charge for a \$0.6 million bonus for certain non-executive employees. Income tax expense for the quarter ended September 30, 2005, was \$5.4 million, down \$0.5 million from the \$5.9 million recorded during the same period in 2004. The effective rate for the quarter ended September 30, 2005, was 28.7%, down from 32.0% for the same period in 2004. The decrease in tax expense and the effective tax rate for the quarter ended September 30, 2005, was due to the reversal of a previously accrued \$0.7 million liability that was determined to no longer be required.

Noninterest expense for the nine months ended September 30, 2005, was \$86.2 million, up \$5.8 million from \$80.4 million for the same period in 2004. The increase in noninterest expense was driven

by increases in salaries and employee benefits and equipment expense. Salaries and employee benefits increased \$5.2 million, mainly from increases in salary expense driven by merit and staffing increases, higher pension costs and the previously mentioned \$0.6 million charge related to a bonus for certain non-executive employees. Equipment expense increased \$0.4 million, principally from ATM and technology upgrades.

#### BALANCE SHEET

Total assets were \$4.4 billion at September 30, 2005, up \$0.2 billion from \$4.2 billion at September 30, 2004. Loans and leases increased \$0.2 billion or 7% from \$2.8 billion at September 30, 2004, to \$3.0 billion at September 30, 2005. Loan growth was fueled by solid production from consumer and commercial loan products. Total deposits were \$3.2 billion at September 30, 2005, up 4% from the same period at September 30, 2004. Noninterest bearing demand deposit accounts are up \$0.1 billion or 15% at September 30, 2005, compared with the same period in 2004. Stockholders' equity was \$332.2 million representing a total-equity-to-total-assets ratio of 7.57% at September 30, 2005 compared with \$325.4 million or a total-equity-to-total-assets ratio of 7.75% at September 30, 2004. Under previously announced stock repurchase plans, the Company acquired 868,743 shares of its common stock at an average price of \$23.01 per share, totaling \$20.0 million for the nine months ended September 30, 2005. At September 30, 2005, there were 627,622 shares available for repurchase under previously announced plans.

#### DIVIDEND DECLARED

The NBT Board of Directors declared a fourth-quarter cash dividend of \$0.19 per share at a meeting held today. The dividend will be paid on December 15, 2005, to shareholders of record as of December 1, 2005.

#### CORPORATE OVERVIEW

NBT is a financial services holding company headquartered in Norwich, NY, with total assets of \$4.4 billion at September 30, 2005. The Company primarily operates through NBT Bank, N.A., a full-service community bank with two divisions and through a financial services company. NBT Bank, N.A. has 113 locations, including 74 NBT Bank offices in upstate New York and 39 Pennstar Bank offices in northeastern Pennsylvania. EPIC Advisors, Inc., based in Rochester, NY, is a full-service 401(k) plan recordkeeping firm. In June 2005, NBT announced that it had agreed to acquire CNB Bancorp, Inc. (CNB), which has total assets of approximately \$400 million, and is headquartered in Gloversville, NY. The merger is subject to regulatory and CNB shareholder approvals. More information about NBT and

its divisions can be found on the Internet at [www.nbtbankcorp.com](http://www.nbtbankcorp.com),

-----  
[www.nbtbank.com](http://www.nbtbank.com), [www.pennstarbank.com](http://www.pennstarbank.com) and [www.epic1st.com](http://www.epic1st.com).  
-----

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of the management of NBT Bancorp and its subsidiaries and on the information available to management at the time that these statements were made. There are a number of factors, many of which are beyond NBT's control, that could cause actual conditions, events or results to differ significantly from those described in 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) competitive pressures among depository and other financial institutions may increase significantly; (2) revenues may be lower than expected; (3) changes in the interest rate environment may reduce interest margins; (4) general economic conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit; (5) legislative or regulatory changes, including changes in accounting standards and tax laws, may adversely affect the businesses in which NBT is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than NBT; (7) the costs that will be incurred from the CNB acquisition and the risk of not obtaining regulatory or CNB shareholder approval; and (8) adverse changes may occur in the securities markets or with respect to inflation. Forward-looking statements speak only as of the date they are made. Except as required by law, NBT does not undertake to update forward-looking statements to reflect subsequent circumstances or events.

FINANCIAL TABLES APPEAR ON FOLLOWING PAGES (6-10).

NBT BANCORP INC.  
SELECTED FINANCIAL HIGHLIGHTS  
(unaudited)

	2005	2004	NET CHANGE	PERCENT CHANGE
(dollars in thousands, except share and per share data)				
THREE MONTHS ENDED SEPTEMBER 30,				
Net Income	\$ 13,526	\$ 12,617	\$ 909	7%
Diluted Earnings Per Share	\$ 0.41	\$ 0.38	\$ 0.03	8%
Weighted Average Diluted Common Shares Outstanding	32,729,000	32,935,584	(206,584)	-1%
Return on Average Assets	1.23%	1.20%	0.03%	3%
Return on Average Equity	16.06%	15.94%	0.12%	1%
Net Interest Margin	3.99%	3.99%	0.00%	0%

NINE MONTHS ENDED SEPTEMBER 30,				
Net Income	\$ 39,443	\$ 37,556	\$ 1,887	5%
Diluted Earnings Per Share	\$ 1.20	\$ 1.14	\$ 0.06	5%
Weighted Average Diluted Common Shares Outstanding	32,762,417	33,063,675	(301,258)	-1%
Return on Average Assets	1.23%	1.23%	0.00%	0%
Return on Average Equity	16.03%	15.91%	0.12%	1%
Net Interest Margin	4.04%	4.03%	0.01%	0%

ASSET QUALITY	SEPTEMBER 30, 2005	December 31, 2004	September 30, 2004
Nonaccrual Loans	\$ 12,412	\$ 14,991	\$ 14,618
90 Days Past Due and Still Accruing	913	1,186	1,347
Total Nonperforming Loans	13,325	16,177	15,965
Other Real Estate Owned (OREO)	235	428	446
Total Nonperforming Assets	13,560	16,605	16,411
Allowance for Loan and Lease Losses	47,550	44,932	44,539
Year-to-Date (YTD) Net Charge-Offs	4,250	7,334	4,977
Allowance to Loans and Leases	1.58%	1.57%	1.58%
Total Nonperforming Loans to Loans and Leases	0.44%	0.56%	0.57%
Total Nonperforming Assets to Assets	0.31%	0.39%	0.39%
Allowance to Nonperforming Loans	356.85%	277.75%	278.98%
Annualized Net Charge-Offs to YTD Average Loans and Leases	0.19%	0.27%	0.25%

CAPITAL				
Equity to Assets		7.57%	7.89%	7.75%
Book Value Per Share	\$ 10.25	\$ 10.11	\$ 9.93	
Tangible Book Value Per Share	\$ 8.66	\$ 8.66	\$ 8.42	
Tier 1 Leverage Ratio		6.99%	7.13%	6.96%
Tier 1 Capital Ratio		9.56%	9.78%	9.61%
Total Risk-Based Capital Ratio		10.82%	11.04%	10.86%

QUARTERLY COMMON STOCK PRICE Quarter End	2005		2004		2003	
	High	Low	High	Low	High	Low
March 31	\$ 25.66	\$ 21.48	\$ 23.00	\$ 21.21	\$ 18.60	\$ 16.75
June 30	\$ 24.15	\$ 20.10	23.18	19.92	19.94	17.37
September 30	\$ 25.50	\$ 22.79	24.34	21.02	21.76	19.24
December 31			26.84	21.94	22.78	19.50



NBT BANCORP INC.  
SELECTED FINANCIAL HIGHLIGHTS  
(UNAUDITED)

	2005	2004	Net Change	Percent Change
	-----	-----	-----	-----
(dollars in thousands, except share and per share data)				
BALANCE SHEET AS OF SEPTEMBER 30,				
Loans	\$3,003,103	\$2,814,553	\$ 188,550	7%
Earning Assets	4,085,590	3,904,928	180,662	5%
Total Assets	4,385,621	4,201,089	184,532	4%
Deposits	3,212,173	3,090,629	121,544	4%
Stockholders' Equity	332,168	325,378	6,790	2%

AVERAGE BALANCES				
QUARTER ENDED SEPTEMBER 30,				
Loans	\$3,002,017	\$2,784,851	\$ 217,166	8%
Securities AFS (excluding unrealized gains or losses)	944,062	985,202	(41,140)	-4%
Securities HTM	87,663	78,310	9,353	12%
Regulatory Equity Investment	37,965	37,012	953	3%
Short-Term Interest Bearing Accounts	8,357	7,395	962	13%
Total Earning Assets	4,080,063	3,892,770	187,293	5%
Total Assets	4,364,715	4,168,385	196,330	5%
Interest Bearing Deposits	2,599,750	2,550,737	49,013	2%
Non-Interest Bearing Deposits	572,450	504,457	67,993	13%
Short-Term Borrowings	367,737	336,077	31,660	9%
Long-Term Borrowings	438,087	411,647	26,440	6%
Total Interest Bearing Liabilities	3,405,574	3,298,461	107,113	3%
Stockholders' Equity	334,426	314,946	19,480	6%

AVERAGE BALANCES				
NINE MONTHS ENDED SEPTEMBER 30,				
Loans	\$2,941,292	\$2,710,147	\$ 231,145	9%
Securities AFS (excluding unrealized gains or losses)	950,660	974,671	(24,011)	-2%
Securities HTM	86,959	87,322	(363)	0%
Regulatory Equity Investment	37,044	34,778	2,266	7%
Short-Term Interest Bearing Accounts	7,171	7,638	(467)	-6%
Total Earning Assets	4,023,126	3,814,556	208,570	5%
Total Assets	4,303,581	4,091,552	212,029	5%
Interest Bearing Deposits	2,620,446	2,542,621	77,825	3%
Non-Interest Bearing Deposits	533,330	485,679	47,651	10%
Short-Term Borrowings	339,344	303,251	36,093	12%
Long-Term Borrowings	427,348	395,621	31,727	8%
Total Interest Bearing Liabilities	3,387,138	3,241,493	145,645	4%
Stockholders' Equity	329,741	315,328	14,413	5%

NBT BANCORP INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

SEPTEMBER 30,      December 31,      September 30,  
2005                      2004                      2004

(in thousands)

ASSETS

Cash and due from banks	\$	134,131	\$	98,437	\$	119,424
Short term interest bearing accounts		7,515		8,286		7,427
Securities available for sale, at fair value		942,770		952,542		978,925
Securities held to maturity (fair value of \$89,887, \$82,712, and 79,007, at September 30, 2005, December 31, 2004 and September 30, 2004, respectively)		89,660		81,782		77,826
Federal Reserve and Federal Home Loan Bank stock		36,842		36,842		37,042
Loans and leases		3,003,103		2,869,921		2,814,553
Less allowance for loan and lease losses		47,550		44,932		44,539
Net loans and leases		2,955,553		2,824,989		2,770,014
Premises and equipment, net		63,611		63,743		62,557
Goodwill		47,544		45,570		47,521
Intangible assets, net		3,950		2,013		2,084
Bank owned life insurance		33,306		32,302		31,957
Other assets		70,739		65,798		66,312
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>4,385,621</b>	<b>\$</b>	<b>4,212,304</b>	<b>\$</b>	<b>4,201,089</b>

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits:						
Demand (noninterest bearing)	\$	583,289	\$	520,218	\$	506,652
Savings, NOW, and money market		1,409,114		1,435,561		1,513,197
Time		1,219,770		1,118,059		1,070,780
Total deposits		3,212,173		3,073,838		3,090,629
Short-term borrowings		356,193		338,823		319,620
Long-term debt		419,353		394,523		394,545
Trust preferred debentures		18,720		18,720		18,720
Other liabilities		47,014		54,167		52,197
Total liabilities		4,053,453		3,880,071		3,875,711
Total stockholders' equity		332,168		332,233		325,378
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$</b>	<b>4,385,621</b>	<b>\$</b>	<b>4,212,304</b>	<b>\$</b>	<b>4,201,089</b>

NBT BANCORP INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)	Three months ended September 30,		Nine months ended September 30,	
	2005	2004	2005	2004
-----				
(in thousands, except per share data)				
INTEREST, FEE AND DIVIDEND INCOME:				
Loans and leases	\$ 48,784	\$ 41,283	\$ 138,988	\$ 120,812
Securities available for sale	10,103	10,784	30,576	31,866
Securities held to maturity	860	731	2,494	2,283
Other	535	295	1,551	797
-----				
Total interest, fee and dividend income	60,282	53,093	173,609	155,758
-----				
INTEREST EXPENSE:				
Deposits	12,842	9,743	35,580	29,462
Short-term borrowings	3,005	1,192	7,073	2,779
Long-term debt	4,176	3,861	12,016	11,103
Trust preferred debentures	308	245	851	588
-----				
Total interest expense	20,331	15,041	55,520	43,932
-----				
Net interest income	39,951	38,052	118,089	111,826
Provision for loan and lease losses	2,752	2,313	6,868	6,865
-----				
Net interest income after provision for loan and lease losses	37,199	35,739	111,221	104,961
-----				
NONINTEREST INCOME:				
Trust	1,292	1,182	3,795	3,431
Service charges on deposit accounts	4,314	4,159	12,554	12,286
ATM and debit card fees	1,631	1,474	4,575	4,128
Broker/dealer and insurance revenue	571	1,696	2,659	5,210
Net securities (losses) gains	(737)	18	(690)	56
Bank owned life insurance income	339	348	1,005	1,142
Retirement plan administration fees	1,195	-	3,214	-
Other	1,746	1,240	5,005	4,296
-----				
Total noninterest income	10,351	10,117	32,117	30,549
-----				
NONINTEREST EXPENSE:				
Salaries and employee benefits	15,438	13,647	46,142	40,896
Office supplies and postage	1,135	1,167	3,406	3,341
Occupancy	2,425	2,445	7,763	7,489
Equipment	1,971	1,941	5,998	5,575
Professional fees and outside services	1,447	1,536	4,503	4,592
Data processing and communications	2,613	2,688	7,801	8,232
Amortization of intangible assets	142	71	402	213
Loan collection and other real estate owned	115	339	724	810
Other operating	3,293	3,471	9,417	9,222
-----				
Total noninterest expense	28,579	27,305	86,156	80,370
-----				
Income before income taxes	18,971	18,551	57,182	55,140
Income taxes	5,445	5,934	17,739	17,584
-----				
NET INCOME	\$13,526	\$12,617	\$ 39,443	\$ 37,556
-----				
Earnings Per Share:				
Basic	\$ 0.42	\$ 0.39	\$ 1.21	\$ 1.15
Diluted	\$ 0.41	\$ 0.38	\$ 1.20	\$ 1.14
=====				

NBT BANCORP INC. AND SUBSIDIARIES QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)	3Q 2005	2Q 2005	1Q 2005	4Q 2004	3Q 2004
-----					
(in thousands, except per share data)					
INTEREST, FEE AND DIVIDEND INCOME:					
Loans	\$48,784	\$46,260	\$43,944	\$42,983	\$41,283
Securities available for sale	10,103	10,226	10,247	10,398	10,784
Securities held to maturity	860	831	803	761	731
Other	535	549	467	279	295
-----					
Total interest, fee and dividend income	60,282	57,866	55,461	54,421	53,093
-----					
INTEREST EXPENSE:					
Deposits	12,842	12,018	10,720	10,299	9,743
Short-term borrowings	3,005	2,207	1,861	1,307	1,192
Long-term debt	4,176	4,032	3,808	3,919	3,861
Trust preferred debentures	308	285	258	235	245
-----					
Total interest expense	20,331	18,542	16,647	15,760	15,041
-----					
Net interest income	39,951	39,324	38,814	38,661	38,052
Provision for loan and lease losses	2,752	2,320	1,796	2,750	2,313
-----					
Net interest income after provision for loan and lease losses	37,199	37,004	37,018	35,911	35,739
-----					
NONINTEREST INCOME:					
Trust	1,292	1,251	1,252	1,174	1,182
Service charges on deposit accounts	4,314	4,311	3,929	4,184	4,159
ATM and debit card fees	1,631	1,544	1,400	1,402	1,474
Broker/dealer and insurance fees	571	736	1,352	1,572	1,696
Net securities (losses) gains	(737)	51	(4)	160	18
Bank owned life insurance income	339	333	333	345	348
Retirement plan administration fees	1,195	1,156	863	-	-
Other	1,746	1,673	1,586	1,503	1,240
-----					
Total noninterest income	10,351	11,055	10,711	10,340	10,117
-----					
NONINTEREST EXPENSE:					
Salaries and employee benefits	15,438	15,253	15,451	14,308	13,647
Office supplies and postage	1,135	1,121	1,150	1,118	1,167
Occupancy	2,425	2,550	2,788	2,416	2,445
Equipment	1,971	1,931	2,096	1,998	1,941
Professional fees and outside services	1,447	1,381	1,675	1,583	1,536
Data processing and communications	2,613	2,530	2,658	2,740	2,688
Amortization of intangible assets	142	142	118	71	71
Loan collection and other real estate owned	115	208	401	431	339
Goodwill impairment	-	-	-	1,950	-
Other operating	3,293	3,580	2,544	2,792	3,471
-----					
Total noninterest expense	28,579	28,696	28,881	29,407	27,305
-----					
Income before income taxes	18,971	19,363	18,848	16,844	18,551
Income taxes	5,445	6,235	6,059	4,353	5,934
-----					
NET INCOME	\$13,526	\$13,128	\$12,789	\$12,491	\$12,617
=====					
Earnings per share:					
Basic	\$ 0.42	\$ 0.41	\$ 0.39	\$ 0.38	\$ 0.38
Diluted	\$ 0.41	\$ 0.40	\$ 0.39	\$ 0.38	\$ 0.38
=====					