

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 27, 2003

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

NOT APPLICABLE

(FORMER NAME OR FORMER ADDRESS, IF CHANGED SINCE LAST REPORT)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) NOT APPLICABLE

(b) NOT APPLICABLE

(c) THE FOLLOWING EXHIBIT IS FURNISHED AS A PART OF THIS REPORT:

EXHIBIT NO.

DESCRIPTION

99

PRESS RELEASE DATED OCTOBER 27 2003.

ITEM 9. REGULATION FD DISCLOSURE.

INFORMATION BEING PROVIDED UNDER ITEM 12

ON OCTOBER 27, 2003, NBT BANCORP INC. ISSUED A PRESS RELEASE DESCRIBING ITS RESULTS OF OPERATIONS FOR THE NINE MONTHS AND QUARTER ENDING SEPTEMBER 30, 2003 AS WELL AS ANNOUNCING A DIVIDEND DECLARATION TO BE PAID ON DECEMBER 15, 2003 TO SHAREHOLDERS OF RECORD ON DECEMBER 1, 2003. THAT PRESS RELEASE IS FURNISHED AS EXHIBIT 99 HERETO. THIS INFORMATION IS BEING FURNISHED PURSUANT TO ITEM 12 OF FORM 8-K AND IS BEING PRESENTED UNDER ITEM 9 AS PROVIDED IN THE COMMISSION'S INTERIM GUIDANCE REGARDING FORM 8-K ITEM 11 AND ITEM 12 FILING REQUIREMENTS (RELEASE NO. 34-47583).

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 27, 2003

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
99	PRESS RELEASE DATED OCTOBER 27, 2003.

 EXHIBIT 99 - PRESS RELEASE DATE OCTOBER 27, 2003
 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 \$11.8 MILLION;
 DECLARES CASH DIVIDEND

NORWICH, NY (October 27, 2003) - NBT Bancorp Inc. (NBT) (NASDAQ: NBTB) reported today that net income for the quarter ended September 30, 2003 was \$11.8 million, or \$0.36 per diluted share, up 6% from \$11.4 million, or \$0.34 per diluted share for the same period a year ago. Return on average assets and return on average equity were 1.21% and 16.06%, respectively, for the quarter ended September 30, 2003, compared with 1.23% and 15.95%, respectively, for the same period in 2002. The increase in net income for the quarter ended September 30, 2003 was primarily the result of a \$1.9 million increase in noninterest income that was partially offset by a \$1.3 million decrease in net interest income.

Net income for the nine months ended September 30, 2003 was \$35.2 million, or \$1.07 per diluted share, up 6% compared with \$33.8 million or \$1.01 per diluted share for the first nine months of 2002. Return on average assets and return on average equity were 1.24% and 16.09%, respectively, for the nine months ended September 30, 2003, compared with 1.24% and 16.37%, respectively, for the same period in 2002. The increase in net income for the nine months ended September 30, 2003 was primarily the result of a \$4.4 million increase in noninterest income that was partially offset by a \$3.2 million decrease in net interest income.

NBT Chairman, President and CEO Daryl R. Forsythe stated, "We are pleased with our performance for the third quarter and for the year thus far. In spite of the challenging interest rate environment and economic conditions that have been less than robust, we achieved solid earnings from strong growth in noninterest income and loans, improved asset quality and effective expense control. Our continued focus

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on growing customer relationships and providing the highest level of customer service underscores our strong commitment to the fundamentals of community banking."

LOAN AND LEASE QUALITY AND PROVISION FOR LOAN AND LEASE LOSSES

Nonperforming loans at September 30, 2003 were \$16.5 million or 0.65% of total loans and leases compared with \$30.7 million or 1.30% of total loans and leases at September 30, 2002 and \$26.4 million or 1.12% of total loans and leases at December 31, 2002. The Company's allowance for loan and lease losses was 1.63% of loans and leases at September 30, 2003 compared to 1.83% at September 30, 2002 and 1.70% at December 31, 2002. The ratio of the allowance for loan and lease losses to nonperforming loans improved to 253.05% at September 30, 2003 from 141.00% at September 30, 2002 and 152.18% at December 31, 2002. Annualized net charge-offs to average loans and leases for the nine months ended September 30, 2003, were 0.24%, down from the 0.46% annualized ratio for the nine months ended September 30, 2002, and down from the ratio for the year ended December 31, 2002 of 0.58%. Mr. Forsythe commented, "I am extremely pleased with the positive loan quality trends over the last several quarters. Our team has worked hard to integrate previous acquisitions and reduce the overall level of nonperforming loans. We are focused on continuing to grow the loan portfolio while maintaining a high standard of quality."

For the quarter and nine months ended September 30, 2003, the provision for loan and lease losses totaled \$2.4 million and \$5.8 million, respectively, compared with the \$2.4 million and \$6.5 million for the same periods in 2002. The provision for the quarter ended September 30, 2003 remained relatively unchanged when compared with the same period in the prior year and was higher than the previous two quarters of the current fiscal year, due mainly to strong loan growth. The decrease in the provision for loan and lease losses for the nine months ended September 30, 2003 when compared with the same period in 2002 was due primarily to lower net charge-offs and a decrease in nonperforming loans.

NET INTEREST INCOME

Net interest income was down 4% to \$35.4 million for the quarter ended September 30, 2003, compared to \$36.7 million for the same period a year ago. The decrease in net interest income was attributable to the decline in the

Company's net interest margin, which was 4.00% for the quarter ended September 30, 2003, down from the 4.35% for the same period in 2002. Net interest income for the nine months ended September 30, 2003 decreased 3% to \$106.9 million from \$110.1 million in the same period for 2002. The Company's net interest margin was 4.19% for the nine months ended September 30, 2003 compared to 4.47% for the same period a year ago. The compression of net interest margin

during the nine months and quarter ended September 30, 2003 compared to the same periods last year resulted from earning assets repricing down at a faster rate than interest-bearing liabilities. This net interest margin compression was also affected by a high level of prepayments from mortgage-related loans and securities, the proceeds of which were reinvested at lower rates. Additionally, prepayments from mortgage-related securities accelerated the rate of amortization of premiums during quarter ended September 30, 2003, resulting in a lower net interest margin.

NONINTEREST INCOME

Noninterest income for the quarter ended September 30, 2003 was \$10.0 million, up \$1.9 million or 24% from \$8.0 million for the same period in 2002. Service charges on deposit accounts for the quarter ended September 30, 2003 increased \$0.6 million or 18% over the same period in 2002. The increase in service charges on deposit accounts resulted primarily from higher overdraft fees. The increase in overdraft fees was driven primarily by the combination of continued growth in core deposit products as well as several pricing adjustments implemented during 2002 and 2003. Broker/dealer and insurance revenue increased \$0.4 million or 27% for the quarter ended September 30, 2003 over the same period in 2002, driven by the Company's initiative to offer these products throughout the Bank branch network, this initiative was implemented at the end of 2002. Income from bank owned life insurance (BOLI) increased \$0.4 million for the quarter ended September 30, 2003 over the same period in the prior year resulting from the purchase of \$30 million in BOLI in June 2003.

Noninterest income for the nine months ended September 30, 2003 was \$27.7 million, up \$4.4 million or 19% from \$23.3 million for the same period in 2002. Service charges on deposit accounts for the nine months ended September 30, 2003 increased \$1.7 million or 17% over the same period in 2002. The increase in service charges on deposit accounts resulted primarily from higher revenue collected for overdraft fees and continued growth in core deposits. Other income for the nine months ended September 30, 2003 increased \$0.8 million or 12% over the same period in 2002. The increase in other income was driven primarily by strong growth in ATM fees. Securities transactions resulted in a \$0.1 million net gain for the nine months ended September 30, 2003 and a \$0.4 million net loss for the same period in 2002 primarily as a result of a write-down of an impaired security. Also, broker/dealer and insurance revenue increased \$0.5 million or 12%, due primarily to the previously mentioned initiative related to the sale of these products throughout the Bank's 111-branch network. Revenue from trust services increased \$0.6 million or 25% for the nine months ended September 30, 2003 over the same period in 2002, due in part to higher fees collected for estate management services as well as an increase

in assets under management resulting from improved stock market conditions and an increase in the number of managed trust accounts.

NONINTEREST EXPENSE

Noninterest expense for the quarter ended September 30, 2003 was \$25.8 million, up \$0.5 million or 2% from \$25.3 million for the same period in 2002. The increase in noninterest expense resulted primarily from an increase in salaries and benefits of \$0.8 million. The increase in salaries and benefits was driven primarily by higher salaries expense resulting from an increase in full-time-equivalent employees and merit increases.

Noninterest expense for the nine months ended September 30, 2003 was \$77.5 million, up \$0.9 million or 1% from \$76.6 million for the same period in 2002. The increase in noninterest expense was due primarily to increases in other operating expense, salaries and employee benefits and occupancy expense partially offset by decreases in loan collection and OREO expenses and professional fees and outside services. Other operating expense increased \$1.4 million, primarily from a \$0.6 million charge for the writedown of venture capital investments and increased insurance costs. Loan collection and OREO expenses decreased \$1.0 million from gains on the sale of OREO and a decrease in nonperforming loans. Professional fees and outside services decreased \$0.9 million primarily from a \$0.4 million charge related to an adverse judgement against the Company in 2002 as well as legal fees incurred during 2002 for the recovery of deposit overdraft writeoffs.

BALANCE SHEET

Total assets were \$4.0 billion at September 30, 2003 up \$0.3 billion from \$3.7 billion at September 30, 2002. Loans and leases increased \$0.2 billion or 8% from \$2.4 billion at September 30, 2002 to \$2.6 billion at September 30, 2003. Loan growth has increased at an annual rate of 11% from December 31, 2002 levels. Loan growth was fueled primarily by consumer loans and residential real estate, which experienced strong growth during the second and third quarters of 2003. Total deposits were \$3.0 billion at September 30, 2003, up \$0.1 billion from \$2.9 billion at September 30, 2002. Core deposits, which include checking, savings and money market accounts increased \$0.2 billion or 15% from \$1.6 billion at September 30, 2002 to \$1.8 billion at September 30, 2003 offset by a \$0.2 billion decrease in time deposits during the same period. Stockholders' equity was \$304.7 million representing a Tier 1 leverage ratio of 6.77% at September 30, 2003 compared with \$287.7 million or a Tier 1 leverage ratio of 6.60% at September 30, 2002.

DIVIDEND DECLARED

The NBT Board of Directors declared a third quarter cash dividend of \$0.17 per share at a meeting held today. The dividend will be paid on December 15, 2003 to shareholders of record as of December 1, 2003.

CORPORATE OVERVIEW

NBT is a financial services holding company headquartered in Norwich, NY, with combined assets of \$4.0 billion at September 30, 2003. The Company primarily operates through one full-service community bank with three geographic divisions and through a financial services company. NBT Bank, N.A. has 111 locations, including 44 NBT Bank offices and 27 Central National Bank offices in upstate New York and 40 Pennstar Bank offices in northeastern Pennsylvania. Mr. Forsythe commented "On October 6, 2003, we opened our 111th full service office, located in Guilderland, New York. This opening of this Central National Bank location expands our presence in the Capital Region to six branches. We are excited about the opportunity to offer our brand of community banking to a larger customer base in this important market." NBT also provides financial services products through M. Griffith, Inc. More information about NBT's banking divisions can be found on the Internet at www.nbtbank.com, www.pennstarbank.com

and www.canajocnb.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 Inc. 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; and (7) 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 (7-11).

NBT BANCORP INC.
SELECTED FINANCIAL HIGHLIGHTS
(unaudited)

	2003 ----		2002 ----		NET CHANGE -----	PERCENT CHANGE -----
(dollars in thousands, except share and per share data)						
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THREE MONTHS ENDED SEPTEMBER 30,						
Net Income	\$ 11,848		\$ 11,412		\$ 436	4%
Diluted Earnings Per Share	\$ 0.36		\$ 0.34		\$ 0.02	6%
Weighted Average Diluted						
Common Shares Outstanding	32,864,477		33,294,750		(430,273)	-1%
Return on Average Assets	1.21%		1.23%		-0.02%	-2%
Return on Average Equity	16.06%		15.95%		0.11%	1%
Net Interest Margin	4.00%		4.35%		-0.35%	-8%
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NINE MONTHS ENDED SEPTEMBER 30,						
Net Income	\$ 35,222		\$ 33,755		\$ 1,467	4%
Diluted Earnings Per Share	\$ 1.07		\$ 1.01		\$ 0.06	6%
Weighted Average Diluted						
Common Shares Outstanding	32,767,180		33,330,096		(562,916)	-2%
Return on Average Assets	1.24%		1.24%		0.00%	0%
Return on Average Equity	16.09%		16.37%		-0.28%	-2%
Net Interest Margin	4.19%		4.47%		-0.28%	-6%
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ASSET QUALITY						
	SEPTEMBER 30,		DECEMBER 31,		SEPTEMBER 30,	
	2003		2002		2002	
	----		----		----	
Nonaccrual Loans	\$ 15,274		\$ 24,009		\$ 29,481	
90 Days Past Due and Still Accruing	\$ 1,194		\$ 1,976		\$ 838	
Troubled Debt Restructuring Loans	\$ 0		\$ 409		\$ 412	
Total Nonperforming Loans	\$ 16,468		\$ 26,394		\$ 30,731	
Other Real Estate Owned (OREO)	\$ 1,871		\$ 2,947		\$ 3,092	
Total Nonperforming Loans and OREO	\$ 18,339		\$ 29,341		\$ 33,823	
Nonperforming Securities	\$ 619		\$ 1,122		\$ 1,312	
Total Nonperforming Assets	\$ 18,958		\$ 30,463		\$ 35,135	
Allowance for Loan and Lease Losses	\$ 41,672		\$ 40,167		\$ 43,330	
Year-to-Date (YTD) Net Charge-Offs	\$ 4,284		\$ 13,652		\$ 7,943	
Allowance to Loans and Leases	1.63%		1.70%		1.83%	
Total Nonperforming Loans to Loans and Leases	0.65%		1.12%		1.30%	
Total Nonperforming Assets to Assets	0.47%		0.82%		0.94%	
Allowance to Nonperforming Loans	253.05%		152.18%		141.00%	
Annualized Net Charge-Offs to						
YTD Average Loans and Leases	0.24%		0.58%		0.46%	
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CAPITAL						
Equity to Assets		7.53%		7.85%		7.71%
Book Value Per Share	\$ 9.32		\$ 8.96		\$ 8.79	
Tangible Book Value Per Share	\$ 7.79		\$ 7.47		\$ 7.31	
Tier 1 Leverage Ratio		6.77%		6.73%		6.60%
Tier 1 Capital Ratio		9.78%		9.93%		9.74%
Total Risk-Based Capital Ratio		11.03%		11.18%		10.98%
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QUARTERLY COMMON STOCK PRICE*						
Quarter End	2003		2002		2001	
	High	Low	High	Low	High	Low
March 31	\$ 18.60	\$ 16.76	\$ 15.15	\$ 13.15	\$ 17.50	\$ 13.25
June 30	19.94	17.37	19.32	14.00	25.42**	14.30
September 30	21.76	19.24	18.50	16.36	17.30	13.50
December 31			18.60	14.76	15.99	12.55
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*historical NBT Bancorp Inc. only

**This price was reported on June 29, 2001, a day on which the Nasdaq Stock Market experienced computerized trading disruptions which, among other things, forced it to extend its regular trading session and cancel its late trading session. Subsequently the Nasdaq Stock Market recalculated and republished several closing stock prices (not including NBT Bancorp Inc., for which had reported a closing price of \$19.30). Excluding trading on June 29, 2001, the high sales price for the quarter ended June 30, 2001 was \$16.75.

NBT BANCORP INC.
SELECTED FINANCIAL HIGHLIGHTS
(UNAUDITED)

	2003 ----	2002 ----	Net Change -----	Percent Change -----
(dollars in thousands, except share and per share data)				
BALANCE SHEET AS OF SEPTEMBER 30,				
Loans & Leases	\$ 2,550,466	\$ 2,367,688	\$ 182,778	8%
Earning Assets	\$ 3,743,218	\$ 3,450,443	\$ 292,775	8%
Total Assets	\$ 4,047,237	\$ 3,729,947	\$ 317,290	9%
Deposits	\$ 2,971,049	\$ 2,921,965	\$ 49,084	2%
Stockholders' Equity	\$ 304,690	\$ 287,652	\$ 17,038	6%

AVERAGE BALANCES				
QUARTER ENDED SEPTEMBER 30,				
Loans & Leases	\$ 2,527,099	\$ 2,350,015	\$ 177,084	8%
Securities AFS (excluding unrealized gains or losses)	\$ 966,254	\$ 965,055	\$ 1,199	0%
Securities HTM	\$ 99,812	\$ 86,840	\$ 12,972	15%
Trading Securities	\$ 69	\$ 260	(\$191)	-73%
Regulatory Equity Investment	\$ 29,469	\$ 22,718	\$ 6,751	30%
Short-Term Interest Bearing Accounts	\$ 1,573	\$ 15,374	(\$13,801)	-90%
Total Earning Assets	\$ 3,624,276	\$ 3,440,262	\$ 184,014	5%
Total Assets	\$ 3,902,609	\$ 3,683,209	\$ 219,400	6%
Interest Bearing Deposits	\$ 2,491,467	\$ 2,457,053	\$ 34,414	1%
Non-Interest Bearing Deposits	\$ 469,432	\$ 426,733	\$ 42,699	10%
Short-Term Borrowings	\$ 212,568	\$ 106,018	\$ 106,550	101%
Long-Term Borrowings	\$ 369,843	\$ 350,650	\$ 19,193	5%
Trust Preferred Debentures *	\$ 17,000	\$ 0	\$ 17,000	-
Total Interest Bearing Liabilities	\$ 3,090,878	\$ 2,913,721	\$ 177,157	6%
Stockholders' Equity	\$ 292,886	\$ 283,810	\$ 9,076	3%

AVERAGE BALANCES				
NINE MONTHS ENDED SEPTEMBER 30,				
Loans & Leases	\$ 2,433,665	\$ 2,330,096	\$ 103,569	4%
Securities AFS (excluding unrealized gains or losses)	\$ 973,318	\$ 939,634	\$ 33,684	4%
Securities HTM	\$ 88,923	\$ 96,009	(\$7,086)	-7%
Trading Securities	\$ 157	\$ 198	(\$41)	-21%
Regulatory Equity Investment	\$ 25,668	\$ 21,582	\$ 4,086	19%
Short-Term Interest Bearing Accounts	\$ 3,549	\$ 13,584	(\$10,035)	-74%
Total Earning Assets	\$ 3,525,280	\$ 3,401,103	\$ 124,177	4%
Total Assets	\$ 3,791,955	\$ 3,636,846	\$ 155,109	4%
Interest Bearing Deposits	\$ 2,482,195	\$ 2,470,560	\$ 11,635	0%
Non-Interest Bearing Deposits	\$ 449,520	\$ 415,033	\$ 34,487	8%
Short-Term Borrowings	\$ 145,038	\$ 89,521	\$ 55,517	62%
Long-Term Borrowings	\$ 357,967	\$ 329,623	\$ 28,344	9%
Trust Preferred Debentures *	\$ 5,610	\$ 0	\$ 5,610	-
Total Interest Bearing Liabilities	\$ 2,990,810	\$ 2,889,704	\$ 101,106	3%
Stockholders' Equity	\$ 293,364	\$ 276,305	\$ 17,059	6%

* - The Company adopted Statement of Financial Accounting Standards (SFAS) No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" on July 1, 2003. The adoption of SFAS No. 150 resulted in the reclassification of \$17 million of guaranteed preferred beneficial interests in the Company's junior subordinated debentures from minority interest to liabilities. This standard is applied on a prospective basis, accordingly, interest cost associated with these debentures is classified as interest expense for the quarter ended September 30, 2003 and is classified as capital securities expense as a component of noninterest expense for the first two quarters of 2003.

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

SEPTEMBER 30, December 31, September 30,
 2003 2002 2002

(in thousands)

ASSETS			
Cash and due from banks	\$ 120,905	\$ 121,824	\$ 133,739
Short term interest bearing accounts	2,098	2,799	5,671
Trading securities, at fair value	57	203	237
Securities available for sale, at fair value	1,076,053	1,007,583	993,786
Securities held to maturity (fair value of \$99,020, \$84,517, and 89,880, at September 30, 2003, December 31, 2002 and September 30, 2002, respectively)	97,499	82,514	87,272
Federal Reserve and Federal Home Loan Bank stock	35,218	23,699	22,630
Loans and leases	2,550,466	2,355,932	2,367,688
Less allowance for loan and lease losses	41,672	40,167	43,330
Net loans and leases	2,508,794	2,315,765	2,324,358
Premises and equipment, net	61,857	61,261	61,193
Goodwill	47,521	46,121	46,121
Intangible assets, net	2,474	2,246	2,413
Bank owned life insurance	30,412	-	-
Other assets	64,349	59,711	52,527
TOTAL ASSETS	\$ 4,047,237	\$ 3,723,726	\$ 3,729,947
LIABILITIES, GUARANTEED PREFERRED BENEFICIAL INTERESTS IN COMPANY'S JUNIOR SUBORDINATE DEBENTURES AND CAPITAL			
Deposits:			
Demand (noninterest bearing)	\$ 482,703	\$ 449,201	\$ 452,250
Savings, NOW, and money market	1,364,568	1,183,603	1,156,204
Time	1,123,778	1,289,236	1,313,511
Total deposits	2,971,049	2,922,040	2,921,965
Short-term borrowings	331,964	105,601	113,242
Long-term debt	369,721	345,475	350,603
Trust preferred debentures	17,000	-	-
Other liabilities	52,813	41,228	39,485
Total liabilities	3,742,547	3,414,344	3,425,295
Guaranteed preferred beneficial interests in Company's junior subordinated debentures	-	17,000	17,000
Total stockholders' equity	304,690	292,382	287,652
TOTAL LIABILITIES, GUARANTEED PREFERRED BENEFICIAL INTERESTS IN COMPANY'S JUNIOR SUBORDINATE DEBENTURES AND CAPITAL	\$ 4,047,237	\$ 3,723,726	\$ 3,729,947

NBT BANCORP INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME	Three months ended September 30,		Nine months ended September 30,	
	2003	2002	2003	2002

(in thousands, except per share data)	(Unaudited)			
INTEREST, FEE AND DIVIDEND INCOME:				
Loans and leases	\$ 39,881	\$ 41,970	\$ 119,036	\$ 125,587
Securities available for sale	9,871	13,778	32,540	42,075
Securities held to maturity	840	1,010	2,586	3,309
Other	196	253	854	852

Total interest, fee and dividend income	50,788	57,011	155,016	171,823

INTEREST EXPENSE:				
Deposits	10,920	15,748	35,572	49,004
Short-term borrowings	704	417	1,363	1,052
Long-term debt	3,586	4,139	10,982	11,633
Trust preferred debentures	181	-	181	-

Total interest expense	15,391	20,304	48,098	61,689

Net interest income	35,397	36,707	106,918	110,134
Provision for loan and lease losses	2,436	2,424	5,789	6,527

Net interest income after provision for loan and lease losses	32,961	34,283	101,129	103,607

NONINTEREST INCOME:				
Trust	958	743	2,966	2,366
Service charges on deposit accounts	4,164	3,531	11,531	9,820
Broker/dealer and insurance revenue	1,763	1,393	4,905	4,371
Net securities gains (losses)	18	(6)	83	(439)
Bank owned life insurance	398	-	412	-
Other	2,672	2,380	7,757	7,136

Total noninterest income	9,973	8,041	27,654	23,254

NONINTEREST EXPENSE:				
Salaries and employee benefits	12,486	11,720	37,205	36,591
Office supplies and postage	1,104	1,116	3,188	3,240
Occupancy	2,143	2,032	6,851	6,297
Equipment	1,909	1,672	5,619	5,204
Professional fees and outside services	1,421	1,446	3,963	4,843
Data processing and communications	2,640	2,705	8,081	7,868
Amortization of intangible assets	158	177	475	610
Loan collection and other real estate owned	448	570	1,204	2,245
Capital securities	-	221	370	667
Other operating	3,493	3,661	10,586	9,029

Total noninterest expense	25,802	25,320	77,542	76,594

Income before income taxes	17,132	17,004	51,241	50,267
Income taxes	5,284	5,592	16,019	16,512

NET INCOME	\$ 11,848	\$ 11,412	\$ 35,222	\$ 33,755

Earnings Per Share:				
Basic	\$ 0.36	\$ 0.35	\$ 1.08	\$ 1.02
Diluted	\$ 0.36	\$ 0.34	\$ 1.07	\$ 1.01
=====				

NET BANCORP INC. AND SUBSIDIARIES
 QUARTERLY CONSOLIDATED STATEMENTS OF INCOME

3Q 2003 2Q 2003 1Q 2003 4Q 2002 3Q 2002

	3Q 2003	2Q 2003	1Q 2003	4Q 2002	3Q 2002
(in thousands, except per share data) (Unaudited)					
INTEREST, FEE AND DIVIDEND INCOME:					
Loans and leases	\$ 39,881	\$39,540	\$39,615	\$41,598	\$41,970
Securities available for sale	9,871	10,864	11,805	12,329	13,778
Securities held to maturity	840	857	889	951	1,010
Other	196	332	326	521	253
Total interest, fee and dividend income	50,788	51,593	52,635	55,399	57,011
INTEREST EXPENSE:					
Deposits	10,920	12,040	12,612	14,328	15,748
Short-term borrowings	704	370	289	282	417
Long-term debt	3,586	3,691	3,705	4,103	4,139
Trust preferred debentures	181	-	-	-	-
Total interest expense	15,391	16,101	16,606	18,713	20,304
Net interest income	35,397	35,492	36,029	36,686	36,707
Provision for loan and lease losses	2,436	1,413	1,940	2,546	2,424
Net interest income after provision for loan and lease losses	32,961	34,079	34,089	34,140	34,283
NONINTEREST INCOME:					
Trust	958	1,116	892	860	743
Service charges on deposit accounts	4,164	3,764	3,603	4,055	3,531
Broker/dealer and insurance fees	1,763	1,750	1,392	1,409	1,393
Net securities gains (losses)	18	38	27	26	(6)
Bank owned life insurance	398	14	-	-	-
Other	2,672	2,257	2,828	1,917	2,380
Total noninterest income	9,973	8,939	8,742	8,267	8,041
NONINTEREST EXPENSE:					
Salaries and employee benefits	12,486	12,060	12,659	11,621	11,720
Office supplies and postage	1,104	1,011	1,073	1,206	1,116
Occupancy	2,143	2,182	2,526	2,036	2,032
Equipment	1,909	1,944	1,766	1,862	1,672
Professional fees and outside services	1,421	1,240	1,302	1,746	1,446
Data processing and communications	2,640	2,720	2,721	2,725	2,705
Amortization of intangible assets	158	155	162	164	177
Loan collection and other real estate owned	448	476	280	601	570
Capital securities	-	179	191	172	221
Other operating	3,493	3,881	3,212	3,728	3,661
Total noninterest expense	25,802	25,848	25,892	25,861	25,320
Income before income taxes	17,132	17,170	16,939	16,546	17,004
Income taxes	5,284	5,362	5,373	5,302	5,592
NET INCOME	\$ 11,848	\$11,808	\$11,566	\$11,244	\$11,412
Earnings per share:					
Basic	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.34	\$ 0.35
Diluted	\$ 0.36	\$ 0.36	\$ 0.35	\$ 0.34	\$ 0.34

