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 FOR IMMEDIATE RELEASE

ATTENTION: FINANCIAL AND BUSINESS EDITORS  
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Pursuant to Rule 425 under the Securities Act of 1933 and deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934.

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NBT BANCORP ANNOUNCES EARNINGS FOR THE SECOND QUARTER AND  
 DECLARES CASH DIVIDEND

NORWICH, NY (July 24, 2000) - NBT Bancorp Inc.(NASDAQ: NBTB), parent company of NBT Bank, N. A., LA Bank, N. A., NBT Financial Services, Inc., and, as of July 1, 2000, Pioneer American Banks, reported net income of \$3.1 million or \$0.17 per diluted share for the second quarter of 2000, including after-tax merger and acquisition expenses of \$1.9 million or \$0.11 per diluted share. Net income declined \$2.6 million or 46.0% compared to second quarter 1999 earnings of \$5.7 million or \$0.32 per diluted share. Financial results presented in this press release do not include the operations of Pioneer American Bank, which was acquired in the third quarter of 2000.

"Our results through June 2000 were anticipated based on merger and acquisition related expenses. Also, second quarter 1999 results included non-recurring gains of \$340 thousand on the sale of other real estate owned (OREO) and \$199 thousand in gains on sales of securities," stated NBT Bancorp President and CEO Daryl R. Forsythe. "Additionally, we have increased our provision for loan losses by approximately \$1.0 million as a result of our loan growth. Loans at June 30, 2000, total \$1.4 billion up \$247.5 million or 22.0% from June 30, 1999."

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Selected performance ratios are as follows:

- o Return on Average Assets (ROAA) of 0.60% declined 52.8% from the comparable prior year's second quarter ROAA of 1.27%. Merger and acquisition related expenses were 0.38% of average assets, and were the primary reason for the decline.
- o Return on Average Equity (ROAE) of 7.60% compares to 13.64% for the second quarter of 1999, a 44.3% decline. As stated above, merger and acquisition related expenses contributed to the decline.
- o Net Interest Margin of 4.25% for the second quarter of 2000 declined from 4.52% in the second quarter of 1999 primarily as a result of interest bearing liabilities repricing faster than interest earning assets in this rising rate environment. Despite the decline in the net interest margin, net interest income increased \$1.7 million or 9.1% in the second quarter of 2000 as compared to the same period in 1999. This increase is primarily the result of average earning assets increasing more than the decline in the net interest margin.
- o Efficiency Ratio of 58.12% for the second quarter of 2000 increased 6.6% from the second quarter of 1999 ratio of 54.54%.

"The second quarter of 2000 has been an exciting one for our organization," commented Forsythe. "In addition to continued strength in core earnings, the quarter was marked by a number of merger milestones. On April 20, 2000, we announced the signing of a definitive agreement to merge with BSB Bancorp, Inc. This merger is expected to close in the fourth quarter of 2000. On May 5, 2000, we completed the purchase of M. Griffith, Inc., a securities firm based in Utica, NY offering investment advisory and asset management services. On June 20, 2000, our shareholders approved the plan to merge with Pioneer American Holding Company Corp. That merger closed on July 1, 2000. These transactions

will combine to form a financial services holding company with assets of \$4.7 billion. We are excited about our growth and the opportunity to provide additional services to our customers."

Forsythe added, "Our integration plan is well underway. We have hired ADS Financial Services Solutions to assist us with integration initiatives. The efficient execution of the integration plan is the primary focus of our employees in an effort to realize the cost savings associated with the LA Bank, Pioneer American Bank and BSB Bancorp, Inc. mergers. We are confident that we have the appropriate resources to complete an effective and efficient integration, while maintaining strong core earnings."

The Board of Directors also declared its regular quarterly cash dividend of \$0.17 per share for shareholders of record as of September 1, 2000, payable on September 15, 2000.

NBT Bancorp is a financial services holding company headquartered in Norwich, NY with combined assets of \$2.1 billion at June 30, 2000. Wholly owned subsidiaries of NBT Bancorp at June 30, 2000, included NBT Bank with 37 locations serving Central and Northern New York, LA Bank with 22 locations serving Northeastern Pennsylvania, and NBT Financial Services, Inc. which now includes M. Griffith Inc., an investment and financial advisory firm. As noted above, Pioneer American Bank, merged with NBT Bancorp effective July 1, 2000 and has total assets of approximately \$418 million with 17 locations serving Northeastern Pennsylvania. NBT Bank, LA Bank and Pioneer American Bank are full-service community banks providing a broad range of financial products and services to businesses and individuals.

For more information about NBT Bancorp's community bank subsidiaries, visit [WWW.NBTBANK.COM](http://WWW.NBTBANK.COM), [WWW.LABANK.COM](http://WWW.LABANK.COM). and [WWW.PIONEERAMERICAN.COM](http://WWW.PIONEERAMERICAN.COM).

FORWARD-LOOKING INFORMATION

This news release contains statements regarding the projected performance of NBT Bancorp, LA Bank, Pioneer American Bank, and BSB Bancorp on a combined basis. These statements constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from the projections discussed in this release since such projections involve significant risks and uncertainties. Factors that might cause such difference include, but are not limited to: competitive pressures among financial institutions increasing significantly; economic conditions, either nationally or locally in areas in which NBT Bancorp, LA Bank, Pioneer American Bank, and BSB Bancorp conduct their operations being less favorable than expected; the cost and effort required to integrate aspects of the operations of the companies being more difficult than expected; expected cost savings from the mergers not being fully realized or realized within the expected time frames; and legislation or regulatory changes which adversely affect the ability of the combined company to conduct its current or future operations. NBT disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements included in this news release to reflect future events or developments.

This press release may be deemed to be solicitation material in respect of the proposed merger of BSB Bancorp, Inc. ("BSB") with NBT Bancorp Inc. ("NBT") pursuant to an Agreement and Plan of Merger, dated as of April 19, 2000, and amended as of May 17, 2000, by and between NBT and BSB (the "Agreement"). Filing of this press release is being made in connection with Regulation of Takeovers and Security Holder Communications (Release No. 33-7760, 34-42055) promulgated by the Securities and Exchange Commission ("SEC").

NBT and its directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the transactions contemplated by the Agreement. These directors and executive officers include the following: Daryl R. Forsythe, Michael J. Chewens, Martin A. Dietrich, Joe C. Minor, John D. Roberts, Everett A. Gilmour, J. Peter Chaplin, Richard Chojnowski, Gene E. Goldenziel, Peter B. Gregory, William C. Gumble, Bruce D. Howe, Andrew S. Kowalczyk, Jr., Dan B. Marshman, John G. Martines, John C. Mitchell, Joseph G. Nasser, William L. Owens and Paul O. Stillman. As of June 30, 2000, these directors and executive officers beneficially owned in the aggregate 1,538,770 shares, or approximately 8.31%, of NBT's outstanding common stock. Additional information about the directors and executive officers of NBT is included in NBT's proxy statement for its 2000 Annual Meeting of shareholders dated April 3, 2000.

In connection with the proposed merger, NBT will file with the SEC a registration statement on SEC Form S-4. The registration statement will contain a joint proxy statement/prospectus, which will describe the proposed merger of NBT and BSB and the proposed terms and conditions of the merger. Stockholders of NBT are encouraged to read the registration statement and joint proxy statement/prospectus because these documents will contain important information about the merger. After the registration statement is filed with the SEC, it will be available for free, both on the SEC's web site ([WWW.SEC.GOV](http://WWW.SEC.GOV)) or by contacting NBT Bancorp Inc., 52 South Broad Street, Norwich, New York 13815, Attention: John D. Roberts, telephone (607) 337-6541.

(FINANCIAL TABLES FOLLOW)

NBT BANCORP INC.  
 SELECTED FINANCIAL HIGHLIGHTS  
 (preliminary unaudited results)

	2000 ----	1999 ----	Net CHANGE -----	Percent CHANGE -----
	(in thousands, except share and per share data)			
<b>THREE MONTHS ENDED JUNE 30,</b>				
Net Income	\$ 3,087	\$ 5,720	\$ (2,633)	(46.03)%
Diluted Earnings Per Share	\$ 0.17	\$ 0.32	\$ (0.15)	(46.88)%
Average Diluted Common Shares Outstanding	18,380,625	18,072,655	307,970	1.70 %
Return on Average Assets	0.60%	1.27%	(0.67)%	(52.76)%
Return on Average Equity	7.60%	13.64%	(6.04)%	(44.28)%
Net Interest Margin	4.25%	4.52%	(0.27)%	(5.97)%
Efficiency Ratio	58.12%	54.54%	3.58 %	6.56 %
Expense Ratio	2.01%	1.93%	0.08 %	4.15 %
<b>SIX MONTHS ENDED JUNE 30,</b>				
Net Income	\$ 7,328	\$ 11,496	\$ (4,168)	(36.26)%
Diluted Earnings Per Share	\$ 0.40	\$ 0.64	\$ (0.24)	(37.50)%
Average Diluted Common Shares Outstanding	18,257,164	18,099,164	158,000	0.87 %
Return on Average Assets	0.73%	1.31%	(0.58)%	(44.27)%
Return on Average Equity	9.16%	13.74%	(4.58)%	(33.33)%
Net Interest Margin	4.28%	4.52%	(0.24)%	(5.31)%
Efficiency Ratio	57.69%	54.85%	2.84 %	5.18 %
Expense Ratio	2.02%	1.95%	0.07 %	3.59 %
<b>BALANCE SHEET AS OF JUNE 30,</b>				
Loans	\$ 1,373,114	\$ 1,125,581	\$ 247,533	21.99 %
Earnings Assets	\$ 1,946,288	\$ 1,703,055	\$ 243,233	14.28 %
Total Assets	\$ 2,101,321	\$ 1,843,664	\$ 257,657	13.98 %
Deposits	\$ 1,595,973	\$ 1,341,361	\$ 254,612	18.98 %
Stockholders' Equity	\$ 167,671	\$ 162,809	\$ 4,862	2.99 %
<b>AVERAGE BALANCES (QUARTER ENDED JUNE 30,)</b>				
Loans	\$ 1,334,330	\$ 1,096,848	\$ 237,482	21.65 %
Earnings Assets	\$ 1,963,127	\$ 1,693,839	\$ 269,288	15.90 %
Total Assets	\$ 2,062,004	\$ 1,802,465	\$ 259,539	14.40 %
Deposits	\$ 1,571,774	\$ 1,357,587	\$ 214,187	15.78 %
Stockholders' Equity	\$ 163,457	\$ 168,196	\$ (4,739)	(2.82)%

NBT BANCORP INC.  
 SELECTED FINANCIAL HIGHLIGHTS  
 (preliminary unaudited results)

	2000 ----	1999 ----	Net CHANGE -----	Percent CHANGE -----
(in thousands, except share and per share data)				
ASSET QUALITY AT JUNE 30,				
Nonaccrual Loans	\$ 7,258	\$ 5,533	\$ 1,725	31.18 %
Other Real Estate Owned	\$ 631	\$ 1,308	\$ (677)	(51.76)%
Total Nonperforming Assets	\$ 7,889	\$ 6,841	1,048	15.32 %
90 Days Past Due and Still Accruing	\$ 630	\$ 787	\$ (157)	(19.95)%
Allowance to Loans	1.37%	1.40%	(0.03)%	(2.14)%
Total Nonaccrual Loans to Loans	.53%	0.49%	(0.04)%	(8.16)%
Total Nonperforming Assets to Assets	.38%	0.37%	(0.01)%	(2.70)%
AT JUNE 30,				
Equity to Assets	7.98%	8.83%	(0.85)%	(09.62)%
Book Value Per Share	\$ 9.05	\$ 9.07	\$ (0.02)	(0.22)%
Tangible Book Value Per Share	\$ 8.21	\$ 8.56	\$ (0.35)	(4.09)%
Tier 1 Leverage Ratio	8.22%	9.06%	(0.84)%	(9.27)%
Tier 1 Capital Ratio	12.28%	14.28%	(2.00)%	(14.01)%
Total Risk-Based Capital Ratio	13.46%	15.44%	(1.98)%	(12.82)%

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 QUARTERLY COMMON STOCK PRICE

Quarter End	2000		1999		1998	
	HIGH ----	LOW ---	HIGH -----	LOW ---	HIGH ----	LOW ---
March 31	\$16.50	\$11.38	\$23.33	\$19.89	\$19.05	\$15.99
June 30	14.50	9.38	21.19	19.05	23.48	18.37
September 30			20.90	16.43	23.81	17.58
December 31			17.98	14.63	24.29	19.72

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All common stock and per share data has been restated to give retroactive effect to stock dividends and splits.

NBT BANCORP INC. AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS	JUNE 30, 2000	December 31, 1999	June 30, 1999
(in thousands, except share and per share data)	(UNAUDITED)		(Unaudited)
<b>ASSETS</b>			
Cash	\$ 68,773	\$ 64,431	\$ 65,356
Securities available for sale, at fair value	489,572	500,423	492,339
Securities held to maturity (fair value-\$68,011, \$73,648 and \$82,653)	70,620	76,706	71,465
Loans	1,373,114	1,222,654	1,125,581
Less allowance for loan losses	(18,796)	(16,654)	(15,711)
Net loans	1,354,318	1,206,000	1,109,870
Premises and equipment, net	39,823	40,830	38,522
Other assets	78,215	73,042	66,112
<b>TOTAL ASSETS</b>	<b>\$2,101,321</b>	<b>\$1,961,432</b>	<b>\$1,843,664</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>Deposits:</b>			
Demand (noninterest bearing)	\$ 222,264	\$ 223,143	\$ 202,585
Savings, NOW, and money market	520,774	487,746	478,773
Time	852,935	766,729	660,003
Total deposits	1,595,973	1,477,618	1,341,361
Short-term borrowings	160,554	137,567	179,548
Long-term debt	160,983	172,575	149,132
Other liabilities	16,140	13,195	10,788
Total liabilities	1,933,650	1,800,955	1,680,829
<b>Stockholders' equity:</b>			
Preferred stock, \$0.01 par value at June 30, 2000, no par, stated value \$1.00 at December 31, 1999 and June 30, 1999; shares authorized - 2,500,000	-	-	-
Common stock, \$0.01 par value and 30,000,000 authorized at June 30, 2000, no par, stated value \$1.00 and 15,000,000 authorized at December 31, 1999 and June 30, 1999; issued 19,044,424, 18,616,992, and 17,976,269 at June 30, 2000, December 31, 1999 and June 30, 1999, respectively	190	18,617	17,976
Additional paid-in-capital	171,810	148,717	138,068
Retained earnings	24,139	23,060	29,441
Accumulated other comprehensive (loss) income	(17,167)	(18,252)	(8,853)
Common stock in treasury at cost, 522,133, 538,936, and 415,225 shares at June 30, 2000, December 31, 1999 and June 30, 1999, respectively	(11,301)	(11,665)	(13,797)
Total stockholders' equity	167,671	160,477	162,835
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$2,101,321</b>	<b>\$1,961,432</b>	<b>\$1,843,664</b>

NBT BANCORP INC. AND SUBSIDIARY CONSOLIDATED STATEMENTS OF INCOME	Three months ended June 30,		Six months ended June 30,	
	2000	1999	2000	1999
(in thousands, except per share data)	(Unaudited)			
Interest and fee income:				
Loans	\$29,309	\$23,214	\$56,498	\$45,893
Securities - available for sale	8,686	8,174	17,558	15,799
Securities - held to maturity	976	902	1,969	1,742
Other	481	456	883	914
Total interest and fee income	39,452	32,746	76,908	64,348
Interest expense:				
Deposits	15,001	11,021	28,447	22,027
Short-term borrowings	2,184	1,299	4,238	2,438
Long-term debt	2,240	2,070	4,586	3,809
Total interest expense	19,425	14,390	37,271	28,274
Net interest income	20,027	18,356	39,637	36,074
Provision for loan losses	2,225	1,230	3,559	2,350
Net interest income after provision for loan losses	17,802	17,126	36,078	33,724
Noninterest income:				
Trust	811	835	1,671	1,670
Service charges on deposit accounts	1,721	1,557	3,341	2,965
Net securities gains	7	208	7	876
Other	1,623	1,292	2,758	2,657
Total noninterest income	4,162	3,892	7,777	8,168
Noninterest expense:				
Salaries and employee benefits	6,874	5,976	13,955	11,946
Office supplies and postage	581	599	1,173	1,236
Occupancy	1,093	1,000	2,325	2,024
Equipment	1,204	1,057	2,341	2,004
Professional fees and outside services	839	737	1,595	1,434
Data processing and communications	1,202	1,038	2,334	2,010
Amortization of intangible assets	383	325	695	654
Merger and acquisition costs	2,561	-	3,683	-
Other operating	2,177	1,414	3,796	2,654
Total noninterest expense	16,914	12,146	31,897	23,762
Income before income taxes	5,050	8,872	11,958	17,930
Income taxes	1,963	3,152	4,630	6,434
NET INCOME	\$ 3,087	\$ 5,720	\$ 7,328	\$11,496
Earnings per share:				
Basic	\$ 0.17	\$ 0.32	\$ 0.40	\$ 0.64
Diluted	\$ 0.17	\$ 0.32	\$ 0.40	\$ 0.64

All per share data has been restated to give retroactive effect to stock dividends and splits.

\*\*\*\*\*END OF RELEASE\*\*\*\*\*