

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): April 28, 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.

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(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 April 28, 2003.

ITEM 9. REGULATION FD DISCLOSURE.

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Information being provided under Item 12

On April 28, 2003, NBT Bancorp Inc. issued a press release describing its results of operations for the fiscal quarter ending March 31, 2003 as well as announcing a stock buyback program and dividend declaration to be paid on June 15, 2003 to shareholders of record on June 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.

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(Registrant)

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

Date: April 28, 2003

EXHIBIT INDEX  
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Exhibit No. -----	Description -----
99	Press Release dated April 28, 2003.



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 EXHIBIT 99

FOR IMMEDIATE RELEASE

ATTENTION: FINANCIAL AND BUSINESS EDITORS  
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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 FIRST QUARTER RESULTS AND STOCK BUYBACK; DECLARES CASH  
 DIVIDEND

NORWICH, NY (April 28, 2003) - NBT Bancorp Inc. (NBT) (NASDAQ: NBTB) today reported net income for the three months ended March 31, 2003 of \$11.6 million, up \$0.5 million from net income of \$11.1 million reported for the same period in 2002. Net income per diluted share for the three months ended March 31, 2003 was \$0.35, up \$0.02 or 6% from the \$0.33 per diluted share earned in the same period in 2002. Return on average assets and return on average equity were 1.27% and 16.05%, respectively, for the three months ended March 31, 2003, compared with 1.25% and 16.62%, respectively, for the same period in 2002.

The results for the three months ended March 31, 2003 were driven primarily by strong growth in total noninterest income, which increased 18% or \$1.3 million for the three months ended March 31, 2003 compared to the same period in 2002. Additionally, credit quality continued to improve during the three months ended March 31, 2003. Total nonperforming loans decreased to \$18.4 million at March 31, 2003, down from \$39.8 million at March 31, 2002 and \$26.4 million at December 31, 2002.

In commenting on the results, NBT Chairman, President and CEO Daryl R. Forsythe stated, "We are pleased with the solid earnings increase the Company experienced in the first quarter. The Company produced these results despite continued downward pressure on net interest margins resulting from the historically low interest rate environment. Significant growth in noninterest income generated by our ongoing efforts to maximize our delivery of high quality service in our market areas has helped us to mitigate margin compression. Additionally, the progress made in reducing the level of nonperforming loans in this uncertain economic environment is comforting. Our disciplined, conservative process for

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monitoring loan performance has served us well and protects the value of the Company to our stockholders."

LOAN AND LEASE QUALITY AND PROVISION FOR LOAN AND LEASE LOSSES

At March 31, 2003, the key indicators of credit quality improved significantly from December 31, 2002 and March 31, 2002. Nonperforming loans totaled \$18.4 million at March 31, 2003, and represented 0.78% of total loans and leases, down from \$26.4 million and 1.12% at December 31, 2002 and \$39.8 million and 1.72% at March 31, 2002. Annualized net charge-offs to average loans for the three months ended March 31, 2003, were 0.17%, down from the 0.25% annualized ratio for the three months ended March 31, 2002, and down significantly from the year-to-date December 31, 2002 rate of 0.58%. The allowance for loan and lease losses as a percentage of total loans and leases was 1.73% at March 31, 2003 compared to 1.70% at December 31, 2002 and 1.95% at March 31, 2002. The ratio of the allowance for loan and lease losses to nonperforming loans was 223.00% at March 31, 2003, compared to 152.18% at December 31, 2002 and 113.85% at March 31, 2002.

For the three months ended March 31, 2003, the provision for loan and lease losses totaled \$1.9 million, down slightly from the \$2.0 million provided in the same period in 2002. The provision for loan and lease losses represents the charge against current earnings that is determined by Management, through a disciplined credit review process, as the amount needed to maintain an allowance that is sufficient to absorb loan and lease losses inherent in the Company's current loan and lease portfolio.

NET INTEREST INCOME AND NET INTEREST MARGIN

Net interest income for the three months ended March 31, 2003, decreased 1% to \$36.0 million from \$36.3 million in the same period for 2002. The Company's net interest margin was 4.38% for the three months ended March 31, 2003, compared to 4.54% for the same period a year ago but actually increased from 4.35% for the three months ended December 31, 2002. The compression in net interest margin in the first quarter compared to last year resulted from earning assets repricing down at a faster rate than interest-bearing liabilities. This resulted primarily from accelerating pre-payments from mortgage-related loans and securities, which in turn were reinvested at lower rates. For the remainder of 2003, the Company expects its net interest margin to continue to compress from first quarter 2003 levels if the interest rate environment remains at current levels or lower. Mr. Forsythe commented "To mitigate margin compression, the Company is focused on efforts to further reduce deposit costs, increase loan growth at levels above previous quarters which should increase net interest income, and have a continued focus on growing non-interest sources of income."

## NONINTEREST INCOME

Noninterest income for the three months ended March 31, 2003 totaled \$8.7 million, up \$1.3 million or 18%, from the \$7.4 million reported in the same period of 2002. Net securities transactions resulted in a slight gain for the three months ended March 31, 2003 and a \$0.5 million loss for the same period in 2002. Service charges on deposit accounts totaled \$3.6 million for the three months ended March 31, 2003, a \$0.6 million, or 18% increase over the \$3.1 million reported in the same period in 2002. The increase in service charges on deposit accounts was driven by the combination of continued growth in core deposit products as well as several pricing adjustments implemented during 2002. Other income increased \$0.5 million to \$2.8 million for the three months ended March 31, 2003 from \$2.3 million for the same period a year ago. The increase in other income was driven primarily by strong growth in consumer banking fees as well as strong growth in ATM fees.

## NONINTEREST EXPENSE

Total noninterest expense for the three months ended March 31, 2003 increased \$0.7 million when compared to the same period in 2002. Salaries and employee benefits increased \$0.3 million, due primarily to higher incentive compensation costs. Other expense increased \$0.7 million due primarily to a write-down related to a nonmarketable equity security in 2003. Offsetting these increases was a decrease in loan collection expenses and other real estate owned ("OREO") transactions of \$0.6 million, due primarily to gains from the sale of OREO.

## BALANCE SHEET

Total assets were \$3.8 billion at March 31, 2003, up \$0.2 billion from the \$3.6 billion at March 31, 2002. Loans and leases were \$2.4 billion at March 31, 2003, up 2% from the \$2.3 billion at March 31, 2002. The modest loan growth experienced over 2002 reflects the effects of a stagnant economy as well as the Company's continued focus on improving the overall credit quality of the loan and lease portfolio.

The Company's reductions in time deposits from \$1.4 billion at March 31, 2002 to \$1.3 billion at March 31, 2003, was offset by a \$0.2 billion or 12% increase in core deposits. This resulted in total deposits increasing \$0.1 billion from \$2.9 billion at March 31, 2002 to \$3.0 billion at March 31, 2003. Stockholders' equity was \$291.6 million, representing a Tier 1 leverage ratio of 6.71%, at March 31, 2003, compared to \$268.4 million or a Tier 1 leverage ratio of 6.70%, at March 31, 2002.

STOCK BUY BACK

NBT announced today that it intends to repurchase up to an additional one million shares (approximately 3%) of its outstanding common stock from time to time over the next 12 months in open market and privately negotiated transactions. Under the program no shares will knowingly be repurchased from officers and directors of NBT or from persons who hold in excess of five percent of its outstanding shares of common stock. Mr. Forsythe commented "The Board of Directors believes the repurchase program is in the best interest of the Company and its stockholders in view of the current price level of the Company's common stock compared to alternate uses of these monies given the current interest rate environment."

Currently, there are 193,554 shares remaining under a previous authorization that will be repurchased prior to the commencement of the new program. The Company repurchased a total of 330,813 shares in the three months ended March 31, 2003, at an average price of \$17.49 per share. Total cash paid for these repurchases was \$5.8 million. Total shares outstanding at March 31, 2003 were 32.4 million shares, compared to 33.2 million shares at March 31, 2002.

DIVIDEND DECLARED

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

CORPORATE OVERVIEW

NBT is a financial services holding company headquartered in Norwich, NY, with combined assets of \$3.8 billion at March 31, 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 109 locations, including 43 NBT Bank offices and 26 Central National Bank offices in upstate New York and 40 Pennstar Bank offices in northeastern Pennsylvania. NBT also provides financial services related products through two companies, M. Griffith, Inc. and Colonial Financial Services, Inc. More information about NBT's banking divisions can be obtained on the Internet at [www.nbtbank.com](http://www.nbtbank.com),

[www.pennstarbank.com](http://www.pennstarbank.com) and [www.canajocnb.com](http://www.canajocnb.com).

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## 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; 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 (6-10).



NBT BANCORP INC.  
SELECTED FINANCIAL HIGHLIGHTS  
(unaudited)

	2003	2002	Net Change	Percent Change
(dollars in thousands, except share and per share data)				
THREE MONTHS ENDED MARCH 31,				
Net Income	\$ 11,566	\$ 11,077	\$ 489	4%
Diluted Earnings Per Share	\$ 0.35	\$ 0.33	\$ 0.02	6%
Weighted Average Diluted Common Shares Outstanding	32,783,269	33,295,093	(511,824)	-2%
Return on Average Assets	1.27%	1.25%	0.02%	2%
Return on Average Equity	16.05%	16.62%	-0.57%	-3%
Net Interest Margin	4.38%	4.54%	-0.16%	-4%

BALANCE SHEET AS OF MARCH 31,				
Loans	\$ 2,374,079	\$ 2,317,644	\$ 56,435	2%
Earning Assets	\$ 3,468,637	\$ 3,370,121	\$ 98,516	3%
Total Assets	\$ 3,751,747	\$ 3,595,300	\$ 156,447	4%
Deposits	\$ 2,955,893	\$ 2,865,810	\$ 90,083	3%
StockholdersEquity	\$ 291,620	\$ 268,445	\$ 23,175	9%

AVERAGE BALANCES QUARTER ENDED MARCH 31,				
Loans	\$ 2,354,636	\$ 2,322,129	\$ 32,507	1%
Securities AFS (excluding unrealized gains or losses)	\$ 977,901	\$ 888,450	\$ 89,451	10%
Securities HTM	\$ 80,342	\$ 103,328	(\$22,986)	-22%
Trading Securities	\$ 195	\$ 128	\$ 67	52%
Federal Reserve and Federal Home Loan Bank Stock	\$ 23,482	\$ 21,045	\$ 2,437	12%
Short-Term Interest Bearing Accounts	\$ 4,990	\$ 13,050	(\$8,060)	-62%
Total Earning Assets	\$ 3,441,546	\$ 3,348,130	\$ 93,416	3%
Total Assets	\$ 3,697,543	\$ 3,581,885	\$ 115,658	3%
Interest Bearing Deposits	\$ 2,475,306	\$ 2,459,781	\$ 15,525	1%
Non-Interest Bearing Deposits	\$ 430,097	\$ 405,401	\$ 24,696	6%
Short-Term Borrowings	\$ 98,499	\$ 86,661	\$ 11,838	14%
Long-Term Debt	\$ 345,674	\$ 308,378	\$ 37,296	12%
Total Interest Bearing Liabilities	\$ 2,919,479	\$ 2,854,820	\$ 64,659	2%
StockholdersEquity	\$ 292,543	\$ 270,376	\$ 22,167	8%

NBT BANCORP INC.  
SELECTED FINANCIAL HIGHLIGHTS  
(UNAUDITED)

	2003		2002		Net Change	Percent Change
(dollars in thousands, except share and per share data)						
<b>ASSET QUALITY AT MARCH 31,</b>						
Nonaccrual Loans	\$ 17,078	\$	38,775		(\$21,697)	-56%
90 Days Past Due and Still Accruing	\$ 1,074	\$	483	\$	591	122%
Troubled Debt Restructuring Loans	\$ 297	\$	531		(\$234)	-44%
Total Nonperforming Loans	\$ 18,449	\$	39,789		(\$21,340)	-54%
Other Real Estate Owned (OREO)	\$ 2,609	\$	1,960	\$	649	33%
Total Nonperforming Loans and OREO	\$ 21,058	\$	41,749		(\$20,691)	-50%
Nonperforming Securities	\$ 925	\$	1,957		(\$1,032)	-53%
Total Nonperforming Assets	\$ 21,983	\$	43,706		(\$21,723)	-50%
Allowance for Loan and Lease Losses	\$ 41,141	\$	45,299		(\$4,158)	-9%
Year-to-Date (YTD) Net Charge-Offs	\$ 966	\$	1,458		(\$492)	-34%
Allowance to Loans and Leases	1.73%		1.95%		-0.22%	-11%
Total Nonperforming Loans to Loans and Leases	0.78%		1.72%		-0.94%	-55%
Total Nonperforming Assets to Assets	0.59%		1.22%		-0.63%	-52%
Allowance to Nonperforming Loans	223.00%		113.85%		109.15%	96%
Annualized Net Charge-Offs to YTD Average Loans and Leases	0.17%		0.25%		-0.08%	-32%
=====						
<b>CAPITAL</b>						
Equity to Assets	7.77%		7.47%		0.30%	4%
Book Value Per Share	\$ 9.00	\$	8.09	\$	0.91	11%
Tangible Book Value Per Share	\$ 7.50	\$	6.61	\$	0.89	13%
Tier 1 Leverage Ratio	6.71%		6.70%		0.01%	0%
Tier 1 Capital Ratio	9.77%		9.97%		-0.20%	-2%
Total Risk-Based Capital Ratio	11.02%		11.23%		-0.21%	-2%
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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			19.32	14.00	25.42**	14.30
September 30			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 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. AND SUBSIDIARIES  
 CONSOLIDATED BALANCE SHEETS

MARCH 31,      March 31,  
 2003              2002

(in thousands)

(Unaudited)

ASSETS		
Cash and due from banks	\$ 123,709	\$ 93,864
Short term interest bearing accounts	5,907	7,135
Trading securities, at fair value	188	155
Securities available for sale, at fair value	1,008,310	921,750
Securities held to maturity (fair value of \$84,151 and \$100,250, at March 31, 2003 and 2002, respectively)	82,155	101,099
Federal Reserve and Federal Home Loan Bank stock	23,122	21,630
Loans and leases	2,374,079	2,317,644
Less allowance for loan and lease losses	41,141	45,299
Net loans and leases	2,332,938	2,272,345
Premises and equipment, net	61,609	60,875
Goodwill	46,121	46,121
Intangible assets, net	2,636	2,797
Other assets	65,052	67,529
<b>TOTAL ASSETS</b>	<b>\$ 3,751,747</b>	<b>\$3,595,300</b>
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Demand (noninterest bearing)	\$ 449,051	\$ 404,186
Savings, NOW, and money market	1,249,424	1,109,598
Time	1,257,418	1,352,026
Total deposits	2,955,893	2,865,810
Short-term borrowings	95,103	81,162
Long-term debt	345,345	325,933
Other liabilities	46,786	36,950
Total liabilities	3,443,127	3,309,855
Guaranteed preferred beneficial interests in Company's junior subordinated debentures	17,000	17,000
Total stockholders' equity	291,620	268,445
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<b>TOTAL LIABILITIES, GUARANTEED PREFERRED BENEFICIAL INTERESTS IN COMPANY JUNIOR SUBORDINATED DEBENTURES AND STOCKHOLDER EQUITY</b>	<b>\$ 3,751,747</b>	<b>\$3,595,300</b>
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NBT BANCORP INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME	Three months ended	
	2003	March 31, 2002
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(in thousands, except per share data)	(Unaudited)	
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INTEREST, FEE AND DIVIDEND INCOME:		
Loans and leases	\$ 39,615	\$ 42,227
Securities available for sale	11,805	13,629
Securities held to maturity	889	1,184
Securities trading	2	2
Other	324	280
-----		
Total interest, fee and dividend income	52,635	57,322
-----		
INTEREST EXPENSE:		
Deposits	12,612	16,991
Short-term borrowings	289	348
Long-term debt	3,705	3,638
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Total interest expense	16,606	20,977
-----		
Net interest income	36,029	36,345
Provision for loan and lease losses	1,940	2,011
-----		
Net interest income after provision for loan losses	34,089	34,334
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NONINTEREST INCOME:		
Trust	892	819
Service charges on deposit accounts	3,603	3,050
Broker/dealer and insurance revenue	1,392	1,495
Net securities gains (losses)	27	(502)
Gain on sale of a branch, net	-	220
Other	2,828	2,329
-----		
Total noninterest income	8,742	7,411
-----		
NONINTEREST EXPENSE:		
Salaries and employee benefits	12,659	12,374
Office supplies and postage	1,073	897
Occupancy	2,526	2,169
Equipment	1,766	1,714
Professional fees and outside services	1,302	1,615
Data processing and communications	2,721	2,565
Amortization of intangible assets	162	225
Capital securities	191	216
Loan collection and other real estate owned	280	927
Other operating	3,212	2,510
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Total noninterest expense	25,892	25,212
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Income before income taxes	16,939	16,533
Income taxes	5,373	5,456
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NET INCOME	\$ 11,566	\$ 11,077
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Earnings Per Share:		
Basic	\$ 0.36	\$ 0.33
Diluted	\$ 0.35	\$ 0.33
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2002 results have been restated to give effect to the adoption of Statement of Financial Accounting Standards ("SFAS") No. 147.

NBT BANCORP INC. AND SUBSIDIARIES  
 QUARTERLY CONSOLIDATED STATEMENTS OF INCOME

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

(in thousands, except per share data)

(Unaudited)

INTEREST, FEE AND DIVIDEND INCOME:

Loans	\$ 39,615	\$41,598	\$41,970	\$41,390	\$42,227
Securities available for sale	11,805	12,329	13,778	14,668	13,629
Securities held to maturity	889	951	1,010	1,115	1,184
Trading securities	2	2	2	2	2
Other	324	519	251	315	280
Total interest, fee and dividend income	52,635	55,399	57,011	57,490	57,322

INTEREST EXPENSE:

Deposits	12,612	14,328	15,748	16,265	16,991
Short-term borrowings	289	282	417	287	348
Long-term debt	3,705	4,103	4,139	3,856	3,638
Total interest expense	16,606	18,713	20,304	20,408	20,977

Net interest income	36,029	36,686	36,707	37,082	36,345
Provision for loan and lease losses	1,940	2,546	2,424	2,092	2,011

Net interest income after provision for loan losses	34,089	34,140	34,283	34,990	34,334
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NONINTEREST INCOME:

Trust	892	860	743	804	819
Service charges on deposit accounts	3,603	4,055	3,531	3,239	3,050
Broker/dealer and insurance fees	1,392	1,409	1,393	1,483	1,495
Net securities (losses) gains	27	26	(6)	69	(502)
Gain on sale of a branch, net	-	-	-	-	220
Other	2,828	1,917	2,380	2,207	2,329
Total noninterest income	8,742	8,267	8,041	7,802	7,411

NONINTEREST EXPENSE:

Salaries and employee benefits	12,659	11,621	11,720	12,497	12,374
Office supplies and postage	1,073	1,206	1,116	1,227	897
Occupancy	2,526	2,036	2,032	2,096	2,169
Equipment	1,766	1,862	1,672	1,818	1,714
Professional fees and outside services	1,302	1,746	1,446	1,782	1,615
Data processing and communications	2,721	2,725	2,705	2,598	2,565
Amortization of intangible assets	162	164	177	208	225
Capital securities	191	172	221	230	216
Merger, acquisition and reorganization (recovery) costs	-	-	(130)	-	-
Loan collection and other real estate owned	280	601	570	748	927
Other operating	3,212	3,728	3,791	2,858	2,510
Total noninterest expense	25,892	25,861	25,320	26,062	25,212

Income (loss) before income taxes	16,939	16,546	17,004	16,730	16,533
Income taxes	5,373	5,302	5,592	5,464	5,456

NET INCOME	\$ 11,566	\$11,244	\$11,412	\$11,266	\$11,077
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Earnings per share:

Basic	\$ 0.36	\$ 0.34	\$ 0.35	\$ 0.34	\$ 0.33
Diluted	\$ 0.35	\$ 0.34	\$ 0.34	\$ 0.34	\$ 0.33

2002 quarterly results have been restated to give effect to the adoption of SFAS No. 147.

