SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
FORM 10-Q

(Mark One)
X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2003.

OR

__ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________.

COMMISSION FILE NUMBER 0-14703

NBT BANCORP INC.
(Exact Name of Registrant as Specified in its Charter)

DELAWARE	16-1268674
(State of Incorporation)	(I.R.S. Employer Identification No.)

52 SOUTH BROAD STREET, NORWICH, NEW YORK 13815
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (607) 337-2265

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter periods that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).
Yes [X] No [ ]

As of April 30, 2003, there were 32,416,670 shares outstanding of the Registrant's common stock, $0.01 par value.

NBT BANCORP INC.
FORM 10-Q--Quarter Ended March 31, 2003

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NBT BANCORP INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS	MARCH 31, 2003	December 31, 2002	March 31, 2002
(in thousands, except share and per share data)	(UNAUDITED)		(Unaudited)
ASSETS			
Cash and due from banks	$ 123,709	$ 121,824	$ 93,864
Short-term interest bearing accounts	5,907	2,799	7,135
Trading securities, at fair value	188	203	155
Securities available for sale, at fair value	1,008,310	1,007,583	921,750
Securities held to maturity (fair value - $84,151, $84,517 and $100,250)	82,155	82,514	101,099
Federal Reserve and Federal Home Loan Bank stock	23,122	23,699	21,630
Loans and leases	2,374,079	2,355,932	2,317,644
Less allowance for loan and lease losses	41,141	40,167	45,299
Net loans	2,332,938	2,315,765	2,272,345
Premises and equipment, net	61,609	61,261	60,875
Goodwill	46,121	46,121	46,121
Intangible assets, net	2,636	2,246	2,797
Other assets	65,052	59,711	67,529
TOTAL ASSETS	$ 3,751,747	$ 3,723,726	$ 3,595,300
LIABILITIES, GUARANTEED PREFERRED BENEFICIAL INTERESTS IN COMPANY'S JUNIOR SUBORDINATED DEBENTURES AND STOCKHOLDERS' EQUITY			
Deposits:			
Demand (noninterest bearing)	$ 449,051	$ 449,201	$ 404,186
Savings, NOW, and money market	1,249,424	1,183,603	1,109,598
Time	1,257,418	1,289,236	1,352,026
Total deposits	2,955,893	2,922,040	2,865,810
Short-term borrowings	95,103	105,601	81,162
Long-term debt	345,345	345,475	325,933
Other liabilities	46,786	41,228	36,950
Total liabilities	3,443,127	3,414,344	3,309,855
Guaranteed preferred beneficial interests in company's junior subordinated debentures	17,000	17,000	17,000
Stockholders' equity:			
Preferred stock none issued	-	-	-
Common stock, $0.01 par value; shares authorized-50,000,000; shares issued 34,401,152, 34,401,171, and 34,385,192 at March 31, 2003, December 31, 2002 and March 31, 2002, respectively	344	344	344
Additional paid-in-capital	209,884	210,443	210,595
Retained earnings	101,114	95,085	77,993
Unvested restricted stock awards	(284)	(127)	-
Accumulated other comprehensive income (loss)	14,889	16,531	(406)
Treasury stock at cost 2,001,772, 1,751,724, and 1,183,868 shares at March 31, 2003, December 31, 2002 and March 31, 2002, respectively	(34,327)	(29,894)	(20,081)
Total stockholders' equity	291,620	292,382	268,445
TOTAL LIABILITIES, GUARANTEED PREFERRED BENEFICIAL INTERESTS IN COMPANY'S JUN IOR SUBORDINATED DEBENTURES AND STOCKHOLDERS' EQUITY	$ 3,751,747	$ 3,723,726	$ 3,595,300

See notes to unaudited interim consolidated financial statements.

NBT BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)	Three months ended March 31, 2003	2002
	(Unaudited)	
Interest, fee and dividend income:		
Interest and fees on loans and leases	$39,615	$42,227
Securities available for sale	11,805	13,629
Securities held to maturity	889	1,184
Trading securities	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
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 and lease losses	34,089	34,334
Noninterest income:		
Trust	892	819
Service charges on deposit accounts	3,603	3,050
Broker/dealer and insurance fees	1,392	1,495
Net securities (losses) gains	27	(502)
Gain on sale of a branch	-	220
Other	2,828	2,329
Total noninterest income	8,742	7,411
Noninterest expenses:		
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 and goodwill	162	225
Capital securities	191	216
Loan collection and other real estate owned	280	927
Other operating	3,212	2,510
Total noninterest expenses	25,892	25,212
Income before income tax expense	16,939	16,533
Income tax expense	5,373	5,456
NET INCOME	$11,566	$11,077
Earnings per share:		
Basic	$ 0.36	$ 0.33
Diluted	$ 0.35	$ 0.33

See notes to unaudited interim consolidated financial statements.

NBT BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

(in thousands, except share and per share data)	Common Stock	Additional Paid-in-Capital	Retained Earning	Unvested Restricted Stock	Accumulated Other Comprehensive (Loss)/Income	Treasury Stock	Total
BALANCE AT DECEMBER 31, 2001	$ 343	$ 209,176	$ 72,531	$ -	$ 3,921	$ (19,616)	$266,355
Net income			11,077				11,077
Cash dividends - $0.17 per share			(5,615)				(5,615)
Purchase of 10,000 treasury shares						(135)	(135)
Issuance of 69,572 shares in in exchange for 40,687 shares received as consideration for the exercise of incentive stock options	1	580				(581)	-
Issuance of 77,626 shares to employee benefits plans and other stock plans, including tax benefit		839				251	1,090
Other comprehensive loss					(4,327)		(4,327)
BALANCE AT MARCH 31, 2002	$ 344	$ 210,595	$ 77,993	$ -	$ (406)	$ (20,081)	$268,445
BALANCE AT DECEMBER 31, 2002	$ 344	$ 210,443	$ 95,085	($127)	$ 16,531	$ (29,894)	$292,382
Net income			11,566				11,566
Cash dividends - $0.17 per share			(5,537)				(5,537)
Purchase of 330,813 treasury shares						(5,786)	(5,786)
Issuance of 41,980 shares in exchange for 20,172 shares received as consideration for the exercise of incentive stock options		(360)				360	-
Issuance of 47,838 shares to employee benefit plans and other stock plans, including tax benefit		(199)				798	599
Grant of 11,100 shares of restricted stock awards				(195)		195	-
Amortization of restricted stock awards				38			38
Other comprehensive loss					(1,642)		(1,642)
BALANCE AT MARCH 31, 2003	$ 344	$ 209,884	$ 101,114	($284)	$ 14,889	$ (34,327)	$291,620

See notes to unaudited interim consolidated financial statements.

NBT BANCORP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Three Months Ended March 31, 2003 (Unaudited)	2002
OPERATING ACTIVITIES:		
Net income	$ 11,566	$ 11,077
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	1,940	2,011
Depreciation of premises and equipment	1,630	1,724
Net amortization (accretion) on securities	940	(434)
Amortization of intangible assets	162	225
Amortization of restricted stock awards	38	-
Proceeds from sale of loans held for sale	7,015	1,416
Origination of loans held for sale	(2,208)	(2,722)
Net losses on sales of loans	-	32
Net loss on sale of premises and equipment	14	-
Net gain on sale of other real estate owned	(580)	(17)
Net security transactions	(27)	502
Proceeds from sale of trading securities	28	-
Purchases of trading securities	-	(28)
Gain on sale of a building	-	(220)
Net (increase) decrease in other assets	(4,525)	2,841
Net increase (decrease) in other liabilities	4,645	(7,255)
Net cash provided by operating activities	20,638	9,152
INVESTING ACTIVITIES:		
Net cash paid in conjunction with branch sale	-	(29,171)
Securities available for sale:		
Proceeds from maturities	117,469	74,611
Proceeds from sales	177,199	20,095
Purchases	(298,672)	(114,390)
Securities held to maturity:		
Proceeds from maturities	12,801	8,219
Purchases	(12,461)	(7,738)
Net decrease in FRB and FHLB stock	577	154
Net (increase) decrease in loans	(24,714)	17,960
Purchase of premises and equipment, net	(1,992)	(765)
Proceeds from sales of other real estate owned	1,647	367
Net cash used in investing activities	(28,146)	(30,658)
FINANCING ACTIVITIES:		
Net increase (decrease) in deposits	33,853	(15,543)
Net (decrease) in short-term borrowings	(10,498)	(40,851)
Proceeds from issuance of long-term debt	-	55,000
Repayments of long-term debt	(130)	(1,398)
Proceeds from issuance of shares to employee benefit plans and other stock plans	599	1,090
Purchase of treasury stock	(5,786)	(135)
Cash dividends and payment for fractional shares	(5,537)	(5,615)
Net cash provided by (used in) financing activities	12,501	(7,452)
Net increase (decrease) in cash and cash equivalents	4,993	(28,958)
Cash and cash equivalents at beginning of period	124,623	129,957
CASH AND CASH EQUIVALENTS AT END OF PERIOD	129,616	$ 100,999

(Continued)

CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

	THREE MONTHS ENDED MARCH 31, 2003	March 31, 2002
Cash paid during the period for:		
Interest	$ 17,767	$ 23,202
Income taxes	-	-
Loans transferred to OREO	$ 794	$ 733
BRANCH DIVESTITURE:		
Asstes sold	$ -	$ 3,323
Liabilities sold	-	34,263

See notes to unaudited interim consolidated financial statements.

NBT BANCORP INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	Three Months Ended March 31, 2003	 2002
(in thousands)	(Unaudited)	
Net Income	$11,566	$11,077
Other comprehensive (loss) income, net of tax		
Unrealized holding (losses) gains arising during period [pre-tax amounts of $(2,356) and $(7,733)]	(1,417)	(4,629)
Minimum pension liability adjustment	(217)	-
Less: Reclassification adjustment for net losses (gains) included in net income [pre-tax amounts of $(14) and $502]	(8)	302
Total other comprehensive loss	(1,642)	(4,327)
Comprehensive income	$ 9,924	$ 6,750

See notes to unaudited interim consolidated financial statements.

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited interim consolidated financial statements include the accounts of NBT Bancorp Inc. (the Registrant) and its wholly owned subsidiaries, NBT Bank, N.A. (NBT or Bank), NBT Financial Services, Inc., and CNBF Capital Trust I. Collectively, the Registrant and its subsidiaries are referred to herein as "the Company". All intercompany transactions have been eliminated in consolidation. Amounts in the prior period financial statements are reclassified whenever necessary to conform to current period presentation.

The consolidated balance sheet at December 31, 2002 has been derived from audited consolidated financial statements at that date. The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2003 are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. For further information, refer to the consolidated financial statements included in the Registrant's annual report on Form 10-K for the year ended December 31, 2002 and notes thereto referred to above.

NOTE 2. USE OF ESTIMATES

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilites at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, as well as the disclosures provided. Actual results could differ from those estimates. Estimates associated with the allowance for loan losses, fair values of financial instruments and status of contingencies are particularly susceptible to material change in the near term.

The allowance for loan and lease losses is the amount which, in the opinion of management, is necessary to absorb probable losses inherent in the loan and lease portfolio. The allowance is determined based upon numerous considerations, including local economic conditions, the growth and composition of the loan portfolio with respect to the mix between the various types of loans and their related risk characteristics, a review of the value of collateral supporting the loans, comprehensive reviews of the loan portfolio by the independent loan review staff and management, as well as consideration of volume and trends of delinquencies, nonperforming loans, and loan charge-offs. As a result of the test of adequacy, required additions to the allowance for loan and lease losses are made periodically by charges to the provision for loan and lease losses.

The allowance for loan and lease losses related to impaired loans is based on discounted cash flows using the loan's initial effective interest rate or the fair value of the collateral for certain loans where repayment of the loan is expected to be provided solely by the underlying collateral (collateral dependent loans). The Company's impaired loans are generally collateral dependent. The Company considers the estimated cost to sell, on a discounted basis, when determining the fair value of collateral in the measurement of impairment if those costs are expected to reduce the cash flows available to repay or otherwise satisfy the loans.

Management believes that the allowance for loan and lease losses is adequate. While management uses available information to recognize loan and lease losses, future additions to the allowance for loan and lease losses may be necessary based on changes in economic conditions or changes in the values of properties securing loans in the process of foreclosure. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Company's allowance for loan and lease losses. Such agencies may require the Company to recognize additions to the allowance for loan and lease losses based on their judgments about information available to them at the time of their examination which may not be currently available to management.

Other real estate owned (OREO) consists of properties acquired through foreclosure or by acceptance of a deed in lieu of foreclosure. These assets are recorded at the lower of fair value of the asset acquired less estimated costs to sell or "cost" (defined as the fair value at initial foreclosure). At the time of foreclosure, or when foreclosure occurs in-substance, the excess, if any of the loan over the fair market value of the assets received, less estimated selling costs, is charged to the allowance for loan and lease losses and any subsequent valuation write-downs are charged to other expense. Operating costs associated with the properties are charged to expense as incurred. Gains on the sale of OREO are included in income when title has passed and the sale has met the minimum down payment requirements prescribed by GAAP.

Income taxes are accounted for under the asset and liability method. The Company files a consolidated tax return on the accrual basis. Deferred income taxes are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date.

NOTE 3. COMMITMENTS AND CONTINGENCIES

The Company is a party to financial instruments in the normal course of business to meet financing needs of its customers and to reduce its own exposure to fluctuating interest rates. These financial instruments include commitments to extend credit, unused lines of credit, and standby letters of credit. Exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to make loans and standby letters of credit is represented by the contractual amount of those instruments. The Company uses the same credit policy to make such commitments as it uses for on-balance-sheet items. At March 31, 2003 and December 31, 2002, commitments to extend credit and unused lines of credit totaled $407.6 million and $409.1 million. Since commitments to extend credit and unused lines of credit may expire without being fully drawn upon, this amount does not necessarily represent future cash commitments. Collateral obtained upon exercise of the commitment is determined using management's credit evaluation of the borrower and may include accounts receivable, inventory, property, land and other items.

The Company guarantees the obligations or performance of customers by issuing stand-by letters of credit to third parties. These stand-by letters of credit are frequently issued in support of third party debt, such as corporate debt issuances, industrial revenue bonds, and municipal securities. The risk involved in issuing stand-by letters of credit is essentially the same as the credit risk involved in extending loan facilities to customers, and they are subject to the same credit origination, portfolio maintenance and management procedures in effect to monitor other credit and off-balance sheet products. Typically, these instruments have terms of five years or less and expire unused; therefore, the total amounts do not necessarily represent future cash requirements. Standby letters of credit totaled $30.1 million at March 31, 2003, $24.7 million at December 31, 2002.

NOTE 4. EARNINGS PER SHARE

Basic earnings per share excludes dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity (such as the Company's dilutive stock options).

The following is a reconciliation of basic and diluted earnings per share for the periods presented in the consolidated statements of income.

Three months ended March 31,	2003	2002
(in thousands, except per share data)		
Basic EPS:		
Weighted average common shares outstanding	32,517	33,092
Net income available to common shareholders	$11,566	$11,077
Basic EPS	$ 0.36	$ 0.33
Diluted EPS:		
Weighted average common shares outstanding	32,517	33,092
Dilutive potential common stock	266	203
Weighted average common shares and common share equivalents	32,783	33,295
Net income available to common shareholders	$11,566	$11,077
Diluted EPS	$ 0.35	$ 0.33

There were 407,003 stock options for the quarter ended March 31, 2003 and 1,742,003 stock options for the quarter ended March 31, 2002 that were not considered in the calculation of diluted earnings per share since the stock options' exercise price was greater than the average market price during these periods.

NOTE 5. STOCK-BASED COMPENSATION

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure" which provides guidance on how to transition from the intrinsic value method of accounting for stock-based employee compensation under Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees" to SFAS No. 123 "Accounting for Stock-Based Compensation," which accounts for stock-based compensation using the fair value method of accounting, if a company so elects. The Company currently accounts for stock-based employee compensation under APB No. 25. As such, compensation expense would be recorded only if the market price of the underlying stock on the date of grant exceeded the exercise price. Because the fair value on the date of grant of the underlying stock of all stock options granted by the Company is equal to the exercise price of the options granted, no compensation cost has been recognized for stock options in the accompanying consolidated statements of income. Compensation expense for restricted stock awards is based on the market price of the stock on the date of grant and is recognized ratably over the vesting period of the award.

Had the Company determined compensation cost based on the fair value at the date of grant for its stock options and employee stock purchase plan under SFAS No. 123, the Company's net income and net income per share would have been reduced to the pro forma amounts indicated below:

	THREE MONTHS ENDED MARCH 31,	
	2003	2002
Net income, as reported	$11,566	$11,077
Add: Stock-based compensation expense included in reported net income, net of related tax effects	23	-
Less: Stock-based compensation expense determined under fair value method for all awards, net of related tax effects	(230)	(226)
Pro forma net income	$11,359	$10,851
Net income per share:		
Basic - as reported	$ 0.36	$ 0.33
Basic - Pro forma	$ 0.35	$ 0.33
Diluted - as reported	$ 0.35	$ 0.33
Diluted - Pro forma	$ 0.35	$ 0.33

The Company granted 363,682 stock options for the three months ended March 31, 2003 with a weighted average exercise price of $17.52 per share compared to 482,670 stock options granted for the three months ended March 31, 2002 with a weighted average exercise price of $14.35 per share. The per share weighted average fair value of the stock options granted for the three months ended March 31, 2003 and 2002 was $2.33 and $2.24. The assumptions used for the grants noted above were as follows:

	THREE MONTHS ENDED MARCH 31, 2003	THREE MONTHS ENDED MARCH 31, 2002
DIVIDEND YIELD	3.97%	4.07%
EXPECTED VOLATILITY	19.13%	19.13%
RISK -FREE INTEREST RATE	3.50%	4.64% - 4.74%
EXPECTED LIFE	7 years	7 years

The fair value of stock options granted was estimated at the date of grant using the Black-Scholes option-pricing model. This model was developed for use in estimating fair value of publicly traded options that have no vesting restrictions and are fully transferable. Additionally, the model requires the input of highly subjective assumptions. Because the Company's employee and director stock options have characteristics significantly different from those of publicly traded stock options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the Black-Scholes option-pricing model does not necessarily provide a reliable single measure of the fair value of the Company's employee and director stock options.

NOTE 6. GOODWILL AND INTANGIBLE ASSETS

A summary of goodwill by operating subsidiaries follows:

(In thousands)	JANUARY 1, 2002	GOODWILL DISPOSED	IMPAIRMENT LOSS	MARCH 31, 2002
NBT Bank, N.A.	$ 44,667	$ (1,547)	$ -	$43,120
NBT Financial Services, Inc.	3,001	-	-	3,001
Total	$ 47,668	$ (1,547)	$ -	$46,121

(In thousands)	JANUARY 1, 2003	GOODWILL DISPOSED	IMPAIRMENT LOSS	MARCH 31, 2003
NBT Bank, N.A.	$ 43,120	$ -	$ -	$43,120
NBT Financial Services, Inc.	3,001	-	-	3,001
Total	$ 46,121	$ -	$ -	$46,121

In connection with the sale of a branch during the three months ended March 31, 2002, $1.5 million in goodwill was included in the carrying amount of the branch in determining the gain on disposal.

The Company has finite-lived intangible assets capitalized on its consolidated balance sheet in the form of core deposit and other intangible assets. These intangible assets continue to be amortized over their estimated useful lives, which range from one to twenty-five years.

A summary of core deposit and other intangible assets follows:

	MARCH 31, 2003	2002
(in thousands)		
Core deposit intangibles:		
Gross carrying amount	$5,433	$5,433
Less: accumulated amortization	4,079	3,448
Net Carrying amount	1,354	1,985
Other intangibles:		
Gross carrying amount	1,031	1,031
Less: accumulated amortization	300	219
Net Carrying amount	731	812
Other intangibles not subject to amortization: Pension Asset	551	-
Total intangibles with definite useful lives:		
Gross carrying amount	7,015	6,464
Less: accumulated amortization	4,379	3,667
Net Carrying amount	$2,636	$2,797

Amortization expense on finite-lived intangible assets is expected to total $0.5 million for the remainder of 2003 and $0.3 million for each of 2004, 2005, 2006 and 2007.

NOTE 7. GUARANTEED PREFERRED BENEFICIAL INTEREST IN COMPANY'S JUNIOR SUBORDINATED DEBENTURES

On June 14, 1999, the CNB Financial Corp. ("CNBF") who was acquired by the Company on November 8, 2001 established CNBF Capital Trust I (the Trust), which is a statutory business trust. The Trust exists for the exclusive purpose of issuing and selling 30 year guaranteed preferred beneficial interests in the Company's junior subordinated debentures (capital securities). On August 4, 1999, the Trust issued $18.0 million in capital securities at 3-month LIBOR plus 275 basis points, which equaled 8.12% at issuance. The rate on the capital securities resets quarterly, equal to the 3-month LIBOR plus 275 basis points (4.15% and 4.66% for the March 31, 2003 and 2002 quarterly payments, respectively). The capital securities are the sole asset of the Trust. The obligations of the Trust are guaranteed by the Company. Capital securities totaling $1.0 million were issued to the Company. These capital securities were retired upon the merger of the Company and CNBF. The net proceeds from the sale of the capital securities were used for general corporate purposes and to provide a capital contribution of $15.0 million to CNB Bank, which was merged into NBT Bank. The capital securities, with associated expense that is tax deductible, qualify as Tier I capital under regulatory definitions, subject to certain restrictions. The Bancorp's primary source of funds to pay interest on the debentures owed to the Trust are current dividends from the NBT Bank. Accordingly, the Company's ability to service the debentures is dependent upon the continued ability of NBT Bank to pay dividends. The capital securities are not classified as debt for financial statement purposes and therefore the expense associated with the capital securities is recorded as non-interest expense in the consolidated statements of income.

NOTE 8. NEW ACCOUNTING PRONOUNCEMENTS

Financial Accounting Standards Board Interpretation (FIN) No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others - an Interpretation of FASB Statements No. 5, 57 and 107 and Rescission of FASB Interpretation No. 34." FIN No. 45 elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of FIN No. 45 are applicable on a prospective basis to guarantees issued or modified after December 31, 2002. The disclosure requirements of FIN No. 45 are effective for financial statements of interim or annual periods ending after December 15, 2002, and were adopted in the Company's consolidated financial statements for the year ended December 31, 2002. Implementation of the remaining provisions of FIN No. 45 during the first quarter of 2003 did not have any impact on the Company's financial statements.

NBT BANCORP INC. AND SUBSIDIARIES
Item 2 -- MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of this discussion and analysis is to provide the reader with a concise description of the financial condition and results of operations of NBT Bancorp Inc. (Bancorp) and its wholly owned subsidiaries, NBT Bank, N.A. (NBT), NBT Financial Services, Inc., and CNBF Capital Trust I (collectively referred to herein as the Company.) This discussion will focus on Results of Operations, Financial Position, Capital Resources and Asset/Liability Management. Reference should be made to the Company's consolidated financial statements and footnotes thereto included in this Form 10-Q as well as to the Company's 2002 Form 10-K for an understanding of the following discussion and analysis.

FORWARD LOOKING STATEMENTS

Certain statements in this filing and future filings by the Company with the Securities and Exchange Commission, in the Company's press releases or other public or shareholder communications, contain forward-looking statements, as defined in the Private Securities Litigation Reform Act. These statements may be identified by the use of phrases such as "anticipate," "believe," "expect," "forecasts," "projects," or other similar terms. There are a number of factors, many of which are beyond the Company's control that could cause actual results to differ materially from those contemplated by the forward looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) 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 effect 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 or tax laws, may adversely affect the businesses in which the Company is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than the Company; (7) adverse changes may occur in the securities markets or with respect to inflation; (8) acts of war or terrorism; (9) the costs and effects of litigation and of unexpected or adverse outcomes in such litigation; and (10) the Company's success in managing the risks involved in the foregoing.

The Company wishes to caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made, and to advise readers that various factors, including those described above, could affect the Company's financial performance and could cause the Company's actual results or circumstances for future periods to differ materially from those anticipated or projected.

Unless required by law, the Company does not undertake, and specifically disclaims any obligations to publicly release the result of any revisions that may be made to any forward-looking statements to reflect statements to the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

CRITICAL ACCOUNTING POLICIES

Management of the Company considers the accounting policy relating to the allowance for loan and lease losses to be a critical accounting policy given the uncertainty in evaluating the level of the allowance required to cover credit losses inherent in the loan and lease portfolio and the material effect that such judgments can have on the results of operations. While management's current evaluation of the allowance for loan and lease losses indicates that the allowance is adequate, under adversely different conditions or assumptions, the allowance would need to be increased. For example, if historical loan and lease loss experience significantly worsened or if current economic conditions significantly deteriorated, additional provisions for loan and lease losses would be required to increase the allowance. In addition, the assumptions and estimates used in the internal reviews of the Company's non-performing loans and potential problem loans has a significant impact on the overall analysis of the adequacy of the allowance for loan and lease losses. While management has concluded that the current evaluation of collateral values is reasonable under the circumstances, if collateral evaluations were significantly lowered, the Company's allowance for loan and lease policy would also require additional provisions for loan and lease losses.

OVERVIEW

The Company earned net income of $11.6 million ($0.35 diluted earnings per share) for the three months ended March 31, 2003 compared to net income of $11.1 million ($0.33 diluted earnings per share) for the three months ended March 31, 2002. The quarter to quarter increase in net income from 2002 to 2003 was primarily the result of an increase in total noninterest income of $1.3 million offset by a decrease in net interest income of $0.3 million and an increase in total noninterest expense of $0.7 million. The increase in noninterest income was driven primarily by increases in services charges and deposit accounts of $0.6 million and other income of $0.5 million, as well as a slight net gain on securities transactions for the three months ended March 31, 2003 compared to $0.5 million in net losses on securities transactions for the same period in 2002. The decline in net interest income resulted primarily from a decline in the Company's net interest margin from 4.54% for the three months ended March 31, 2002 to 4.38% for the same period in 2003. The increase in total noninterest expense resulted primarily from increases in other operating expense of $0.7 million, occupancy expense of $0.4 million and salaries and employee benefits of $0.3 million offset by declines in loan collection and other real estate owned costs of $0.6 million and professional fees and outside services of $0.3 million.

Table 1 depicts several annualized measurements of performance using GAAP net income. Returns on average assets and equity measure how effectively an entity utilizes its total resources and capital, respectively. Net interest margin, which is the net federal taxable equivalent (FTE) interest income divided by average earning assets, is a measure of an entity's ability to utilize its earning assets in relation to the cost of funding. Interest income for tax-exempt securities and loans is adjusted to a taxable equivalent basis using the statutory Federal income tax rate of 35%.

TABLE 1
PERFORMANCE MEASUREMENTS

	FIRST QUARTER 2003	First Quarter 2002
Return on average assets (ROAA)	1.27%	1.25%
Return on average equity (ROE)	16.05%	16.62%
Net interest margin (FTE)	4.38%	4.54%

NET INTEREST INCOME

Net interest income is the difference between interest income on earning assets, primarily loans and securities, and interest expense on interest-bearing liabilities, primarily deposits and borrowings. Net interest income is affected by the interest rate spread, the difference between the yield on earning assets and cost of interest-bearing liabilities, as well as the volumes of such assets and liabilities. Net interest income is one of the major determining factors in a financial institution's performance as it is the principal source of earnings. Table 2 represents an analysis of net interest income on a federal taxable equivalent basis.

Federal taxable equivalent (FTE) net interest income decreased $0.3 million during the three months ended March 31, 2003 compared to the same period of 2002. The decrease in FTE net interest income resulted primarily from earning assets repricing down at a faster rate than interest-bearing liabilities offset by an increase in average earning assets. The yield on earning assets decreased 74 basis points ('bp"), to 6.34% for the three months ended March 31, 2003 from 7.08% for the same period in 2002. Meanwhile, the rate paid on interest-bearing liabilities decreased 67 bp, to 2.31% for the three months ended March 31, 2003 from 2.98% for the same period in 2002. Average earning assets for the three months ended March 31, 2003 increased by $93.4 million, or 3% over the average for the same period in 2002.

Total FTE interest income for the three months ended March 31, 2003 decreased $4.7 million compared to the same period in 2002, a result of the previously mentioned decrease in yield on earning assets. The decrease in the yield on earning assets can be primarily attributed to the historically low interest rate environment prevalent for all of 2002 and the first quarter of 2003. The low interest rate environment fostered a significant increase in refinancing of mortgage related earning assets, resulting in a significant increase in repayments of loans and securities which have been reinvested at lower rates. During the same time period, total interest expense decreased $4.4 million, primarily the result of the low rate environment mentioned above, as well as an improvement in the mix of the Company's interest-bearing liabilities. Time deposits, the most significant component of interest-bearing liabilities, decreased to 43.2% of interest-bearing liabilities for the three months ended March 31, 2003 from 47.2% for the same period in 2002. Offsetting this decrease in the interest-bearing liabilities mix, was an increase in lower cost NOW, MMDA, and Savings deposits, to 41.6% of interest-bearing liabilities for the three months ended March 31, 2003 from 39.0% for the same period in 2002. Total short-term and long-term borrowings increased slightly, comprising 15.2% and 13.8% of interest-bearing liabilities for the three months ended March 31, 2003 and 2002.

Another important performance measurement of net interest income is the net interest margin. Net interest margin decreased to 4.38% for the three months ended March 31, 2003, from 4.54% for the comparable period in 2002. The decrease in the net interest margin can be primarily attributed to the previously mentioned decrease in the interest rate spread driven by the decrease in yield from earning assets exceeding the decrease in rates on interest-bearing liabilities.

TABLE 2
AVERAGE BALANCES AND NET INTEREST INCOME

The following table includes the condensed consolidated average balance sheet, an analysis of interest income/expense and average yield/rate for each major category of earning assets and interest bearing liabilities on a taxable equivalent basis. Interest income for tax-exempt securities and loans has been adjusted to a taxable-equivalent basis using the statutory Federal income tax rate of 35%.

	Three months ended March 31, 2003			2002		
(dollars in thousands)	AVERAGE BALANCE	INTEREST	YIELD/ RATES	Average Balance	Interest	Yield/ Rates
ASSETS						
Short-term interest bearing accounts	$ 4,990	$ 24	1.95%	$ 13,050	$ 104	3.23%
Trading Securities	195	2	4.16	128	2	6.34
Securities available for sale (2)	977,901	12,417	5.16	888,450	14,009	6.44
Securities held to maturity (2)	80,342	1,183	5.98	103,328	1,724	6.38
Investment in FRB and FHLB Banks	23,482	300	5.19	21,045	176	3.39
Loans (1)	2,354,636	39,804	6.86	2,322,129	42,403	7.41
Total earning assets	3,441,546	53,730	6.34	3,348,130	58,418	7.08
Other assets	255,997			233,755		
TOTAL ASSETS	$3,697,543			$3,581,885		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Money market deposit accounts	$ 323,015	1,110	1.40	$ 273,451	1,029	1.53
NOW deposit accounts	394,626	691	0.71	378,706	919	0.98
Savings deposits	495,411	1,230	1.01	459,872	1,735	1.53
Time deposits	1,262,254	9,581	3.08	1,347,752	13,308	4.00
Total interest bearing deposits	2,475,306	12,612	2.07	2,459,781	16,991	2.80
Short-term borrowings	98,499	289	1.19	86,661	348	1.63
Long-term debt	345,674	3,705	4.35	308,378	3,638	4.78
Total interest bearing liabilities	2,919,479	16,606	2.31%	2,854,820	20,977	2.98%
Demand deposits	430,097			405,401		
Other liabilities (3)	55,424			51,288		
Stockholders' equity	292,543			270,376		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$3,697,543			$3,581,885		
NET INTEREST INCOME (FTE BASIS)		$ 37,124			$ 37,441	
INTEREST RATE SPREAD			4.03%			4.10%
NET INTEREST MARGIN			4.38%			4.54%
Taxable equivalent adjustment		1,095			1,096	
NET INTEREST INCOME		$ 36,029			$ 36,345	

(1) For purposes of these computations, nonaccrual loans are included in the average loan balances outstanding.

(2) Securities are shown at average amortized cost.

(3) Included in other liabilities is $17.0 million in the Company's guaranteed preferred beneficial interests in Company's junior subordinated debentures.

The following table presents changes in interest income and interest expense attributable to changes in volume (change in average balance multiplied by prior year rate), changes in rate (change in rate multiplied by prior year volume), and the net change in net interest income. The net change attributable to the combined impact of volume and rate has been allocated to each in proportion to the absolute dollar amounts of change.

TABLE 3
ANALYSIS OF CHANGES IN TAXABLE EQUIVALENT NET INTEREST INCOME
Three months ended March 31,

	INCREASE (DECREASE) 2003 OVER 2002		
(in thousands)	VOLUME	RATE	TOTAL
Short-term interest bearing accounts	$ (49)	$ (31)	$ (80)
Trading securities	1	(1)	0
Securities available for sale	1,317	(2,909)	(1,592)
Securities held to maturity	(354)	(187)	(541)
Investment in FRB and FHLB Banks	22	102	124
Loans	587	(3,186)	(2,599)
Total (FTE) interest income	1,594	(6,282)	(4,688)
Money market deposit accounts	176	(95)	81
NOW deposit accounts	37	(265)	(228)
Savings deposits	126	(631)	(505)
Time deposits	(802)	(2,925)	(3,727)
Short-term borrowings	43	(102)	(59)
Long-term debt	417	(350)	67
Total interest expense	465	(4,836)	(4,371)
CHANGE IN FTE NET INTEREST INCOME	$ 1,129	$(1,446)	$ (317)

NONINTEREST INCOME

Noninterest income is a significant source of revenue for the Company and an important factor in the Company's results of operations. The following table sets forth information by category of noninterest income for the years indicated:

	THREE MONTHS ENDED MARCH 31, 2003	2002
(in thousands)		
Service charges on deposit accounts	$3,603	$3,050
Broker/dealer and insurance fees	1,392	1,495
Trust	892	819
Other	2,828	2,329
Net securities (losses) gains	27	(502)
Gain on sale of a branch, net	-	220
Total	$8,742	$7,411

Total noninterest income increased $1.3 million, or 18% from $7.4 million for the three months ended March 31, 2002 to $8.7 million for the same period in 2003. Service charges on deposit accounts increased $0.6 million, due primarily to an increase in transaction related deposit accounts (NOW and demand deposits), the average balance of which increased 5.2% for the three months ended March 31, 2003 when to compared the same period in 2002, as well as pricing adjustments made during 2002. Net losses from securities transactions totaled $0.5 million for the three months ended March 31, 2002 compared to a slight net gain from securities transactions for the same period in 2003. Other income increased $0.5 million, due primarily to growth from ATM fees, which were driven by the growth in transaction related deposit accounts noted above and an increase in fees from the sale of insurance products to loan customers. Trust revenue increased $0.1 million, or 9% due primarily to a new business initiative focusing on high net worth customers.

Offsetting these increases was a decrease in broker/dealer and insurance revenue of $0.1 million driven primarily by continued weak stock market conditions during the first quarter of 2003. Additionally, there was a $0.2 million gain on the sale of a branch during the three months ended March 31, 2002 versus no such gain during the same period in 2003.

NONINTEREST EXPENSE

Noninterest expenses are also an important factor in the Company's results of operations. The following table sets forth the major components of noninterest expense for the periods indicated:

	THREE MONTHS ENDED MARCH 31, 2003	2002
(in thousands)		
Salaries and employee benefits	$12,659	$12,374
Occupancy	2,526	2,169
Equipment	1,766	1,714
Data processing and communications	2,721	2,565
Professional fees and outside services	1,302	1,615
Office supplies and postage	1,073	897
Amortization of intangible assets	162	225
Capital securities	191	216
Loan collection and other real estate owned	280	927
Other	3,212	2,510
Total noninterest expense	$25,892	$25,212

Total noninterest expense for the three months ended March 31, 2003 increased $0.7 million or 3% over the same period in 2002. The increase in total noninterest expense resulted from increases in other operating expense of $0.7 million, occupancy of $0.4 million and salaries and employee benefits of $0.3 million offset by decreases in loan collection and other real estate owned ("OREO) expense of $0.6 million and professional fees and outside services of $0.3 million.

The $0.7 million increase in other operating expense was driven primarily by $0.4 million charge taken for the other-than-temporary impairment of a non-marketable equity security. The $0.4 million increase in occupancy expense was driven primarily by higher maintenance costs associated with several severe winter storms that occurred during the first quarter of 2003. The $0.3 million increase in salaries and employee benefits was driven primarily by higher incentive compensation costs offset by decreases in retirement expenses and health insurance costs.

The $0.6 million decline in loan collection and OREO expense was driven primarily by the sale of several OREO properties, which resulted in a net gain of $0.6 million for the three months ended March 31, 2003. The $0.3 million decrease in professional fees and outside services resulted primarily from a $0.4 million charge taken during the three months ended March 31, 2002 related to an adverse judgement against the Company arising from litigation.

INCOME TAXES

Income tax expense was $5.4 million for the three months ended March 31, 2003 compared to $5.5 million for the same period in 2002. The effective tax rate was 31.7% for the three months ended March 31, 2003 and 33.0% for the same period in 2002.

ANALYSIS OF FINANCIAL CONDITION

LOANS AND LEASES

A summary of loans and leases, net of deferred fees and origination costs, by category for the periods indicated follows:

	March 31, 2003	December 31, 2002	March 31, 2002
		(in thousands)	
Commercial and commercial mortgages*	$1,066,446	$ 1,057,815	$1,040,451
Residential real estate mortgages	613,093	610,256	610,870
Consumer	631,802	626,767	595,624
Leases	62,738	61,094	70,699
Total loans and leases	$2,374,079	$ 2,355,932	$2,317,644

* Includes agricultural loans

Total loans and leases were $2.4 billion, or 63.3% of assets, at March 31, 2003, and December 31, 2002, and $2.3 billion, or 64.5%, at March 31, 2002. Total loans and leases increased $56.4 million at March 31, 2003 when compared to March 31, 2002. There were slight increases in all the major loan categories at March 31, 2003 when compared to March 31, 2002. The modest loan growth experienced by the Company was due primarily to weak economic business conditions, strong competition, and the Company's focus on lowering nonperforming loans and improving the credit quality of the loan and lease portfolio. At March 31, 2003, commercial loans, including commercial mortgages, represented approximately 45% of the loan and lease portfolio, while consumer loans and leases and residential mortgages represented 29% and 26%, respectively.

SECURITIES

The Company classifies its securities at date of purchase as available for sale, held to maturity or trading. Held to maturity debt securities are those that the Company has the ability and intent to hold until maturity. Available for sale securities are recorded at fair value. Unrealized holding gains and losses, net of the related tax effect, on available for sale securities are excluded from earnings and are reported in stockholders' equity as a component of accumulated other comprehensive income or loss. Held to maturity securities are recorded at amortized cost. Trading securities are recorded at fair value, with net unrealized gains and losses recognized currently in income. Transfers of securities between categories are recorded at fair value at the date of transfer. A decline in the fair value of any available for sale or held to maturity security below cost that is deemed other-than-temporary is charged to earnings resulting in the establishment of a new cost basis for the security. Securities with an other-than-temporary impairment are generally placed on nonaccrual status.

Average total securities increased $82.4 million for the three months ended March 31, 2003 when compared to the same period in 2002. The average balance of securities available for sale increased $105.3 million for the three months ended March 31, 2003 when compared to the same period in 2002. The average balance of securities held to maturity decreased $23.0 million for the three months ended March 31, 2003 when compared to the same period in 2002. The net increase in securities resulted from a combination of deposit growth exceeding loan growth and modest leveraging of the balance sheet. The average total securities portfolio represented 30.8% of total average earning assets for the three months ended March 31, 2003 compared to 29.6% for the same period in 2002.

At March 31, 2003, approximately 67.8% of the Company's investment securities were comprised of either mortgage-backed securities ("MBS") or collateralized mortgage obligations ("CMO") compared to 63.8% at March 31, 2002. During the period between March 31, 2002 and March 31, 2003, the Company's MBS and CMO experienced significant increases in prepayments resulting from the low interest rate environment. As the Company received the cash flows due to accelerated prepayments from MBS and CMO, the Company reinvested these funds primarily into short-term MBS, which generally contain a stated maturity of 10/15 years and a expected duration ranging from 3 to 5 years as opposed to 20/30 year MBS which exhibit an expected duration ranging from 5 to 7 years. As such, the Company is positioned to take advantage of deploying funds in a rising rate environment, as sufficient cash flow should be generated by 10/15-year MBS securities. At March 31, 2003, approximately 65.7% of MBS and CMO were comprised of 10/15-year MBS as compared to 25.5% at March 31, 2002.

There is one security with the other-than-temporary impairment charge at March 31, 2003 and 2002, which had a remaining carrying value of $0.9 million and $1.9 million, respectively, and is classified in securities available for sale and is on the nonaccrual status. The Company recorded a $0.7 million pre-tax charge during the three months ended March 31, 2002, related to the other-than-temporarily impaired security classified as available for sale. The charge was recorded in net security (losses) gains on the consolidated statements of income.

Included in the securities available for sale portfolio at March 31, 2002 and December 31, 2002 were certain securities (private issue CMO, asset-backed securities, and private issue MBS) previously held by CNB. These securities contained a higher level of credit risk when compared to other securities held in the Company's investment portfolio because they were not guaranteed by a governmental agency or a government sponsored enterprise (GSE). The Company's general practice is to purchase CMO and MBS that are guaranteed by a governmental agency or a GSE coupled with a strong credit rating, typically AAA, issued by Moody's or Standard and Poors.

At December 31, 2002, the amortized cost and fair value of these high-risk securities amounted to $12.0 million and $10.7 million, respectively, down from $32.9 million and $31.1 million, respectively, at March 31, 2002. The decrease at December 31, 2002, when compared to March 31, 2002, resulted primarily from sales and to a lesser extent principal paydowns. During 2002, the Company sold $22.4 million of these securities due to both a rapid deterioration in the financial condition of the underlying collateral in 2002 related to a certain number of these securities as well as the Company's goal of reducing exposure to these types of securities in general. The net loss realized from the sale of these securities was $7.4 million. Offsetting these net losses were net gains of $7.3 million, resulting from the sale of approximately $187.0 million in other securities available for sale during 2002. At March 31, 2003, the Company had no exposure to these high-risk securities, as the remaining $12.0 million were sold during the three months ended March 31, 2003 at a net loss of $3.9 million. Offsetting these net losses, were net gains of $3.9 million from the sale of approximately $157.4 million in other securities available for sale during the first quarter of 2003.

ALLOWANCE FOR LOAN AND LEASE LOSSES, PROVISION FOR LOAN AND LEASE LOSSES, AND NONPERFORMING ASSETS

The allowance for loan and lease losses is maintained at a level estimated by management to provide adequately for risk of probable losses inherent in the current loan and lease portfolio. The adequacy of the allowance for loan and lease losses is continuously monitored. It is assessed for adequacy using a methodology designed to ensure the level of the allowance reasonably reflects the loan portfolio's risk profile. It is evaluated to ensure that it is sufficient to absorb all reasonably estimable credit losses inherent in the current loan and lease portfolio.

Management considers the accounting policy relating to the allowance for loan and lease losses to be a critical accounting policy given the inherent uncertainty in evaluating the levels of the allowance required to cover credit losses in the portfolio and the material effect that such judgements can have on the consolidated results of operations.

For purposes of evaluating the adequacy of the allowance, the Company considers a number of significant factors that affect the collectibility of the portfolio. For individually analyzed loans, these include estimates of loss exposure, which reflect the facts and circumstances that affect the likelihood of repayment of such loans as of the evaluation date. For homogeneous pools of loans and leases, estimates of the Company's exposure to credit loss reflect a thorough current assessment of a number of factors, which could affect collectibility. These factors include: past loss experience; the size, trend, composition, and nature of the loans and leases; changes in lending policies and procedures, including underwriting standards and collection, charge-off and recovery practices; trends experienced in nonperforming and delinquent loans and leases; current economic conditions in the Company's market; portfolio concentrations that may affect loss experienced across one or more components of the portfolio; the effect of external factors such as competition, legal and regulatory requirements; and the experience, ability, and depth of lending management and staff. In addition, various regulatory agencies, as an integral component of their examination process, periodically review the Company's allowance for loan and lease losses. Such agencies may require the Company to recognize additions to the allowance based on their judgment about information available to them at the time of their examination, which may not be currently available to management.

After a thorough consideration and validation of the factors discussed above, required additions to the allowance for loan and lease losses are made periodically by charges to the provision for loan and lease losses. These charges are necessary to maintain the allowance at a level which management believes is reasonably reflective of overall inherent risk of probable loss in the portfolio. While management uses available information to recognize losses on loans and leases, additions to the allowance may fluctuate from one reporting period to another. These fluctuations are reflective of changes in risk associated with portfolio content and/or changes in management's assessment of any or all of the determining factors discussed above. The allowance for loan and lease losses to outstanding loans and leases at March 31, 2003 was 1.73% compared to 1.95% at March 31, 2002. Management considers the allowance for loan losses to be adequate based on evaluation and analysis of the loan portfolio.

Table 3 reflects changes to the allowance for loan and lease losses for the periods presented. The allowance is increased by provisions for losses charged to operations and is reduced by net charge-offs. Charge-offs are made when the collectability of loan principal within a reasonable time is unlikely. Any recoveries of previously charged-off loans are credited directly to the allowance for loan and lease losses.

TABLE 4
ALLOWANCE FOR LOAN LOSSES

(dollars in thousands)	Three months ended March 31, 2003		2002	
Balance, beginning of period	$40,167		$44,746	
Recoveries	1,698		1,362	
Charge-offs	(2,664)		(2,820)	
Net charge-offs	(966)		(1,458)	
Provision for loan losses	1,940		2,011	
Balance, end of period	$41,141		$45,299	
COMPOSITION OF NET CHARGE-OFFS				
Commercial and agricultural	$ (90)	9%	$ 103	(7)%
Real estate mortgage	18	(2)%	(220)	15%
Consumer	(894)	93%	(1,341)	92%
Net charge-offs	$ (966)	100%	$(1,458)	100%
Annualized net charge-offs to average loans		0.17%		0.25%
Net charge-offs to average loans for the year ended March 31, 2003				0.04%

Nonperforming assets consist of nonaccrual loans, loans 90 days or more past due, restructured loans, other real estate owned (OREO), and nonperforming securities. Loans are generally placed on nonaccrual when principal or interest payments become ninety days past due, unless the loan is well secured and in the process of collection. Loans may also be placed on nonaccrual when circumstances indicate that the borrower may be unable to meet the contractual principal or interest payments. OREO represents property acquired through foreclosure and is valued at the lower of the carrying amount or fair market value, less any estimated disposal costs. Nonperforming securities include securities which management believes are other-than-temporarily impaired, carried at their estimated fair value and are not accruing interest.

Total nonperforming assets were $22.0 million at March 31, 2003, compared to $30.5 million at December 31, 2002, and $43.7 million at March 31, 2002. The decrease in nonperforming assets resulted primarily from the Company's focus on reducing nonperforming loans. Nonperforming loans totaled $18.4 million at March 31, 2003, down from the $26.4 million outstanding at December 31, 2002. The $8.0 million decrease in nonperforming loans from December 31, 2002 to March 31, 2003 was due primarily to the Company's successful efforts in selling certain large problematic commercial loans as well as a group of nonperforming real estate mortgages at approximately their book value. Nonaccrual commercial and agricultural loans decreased $3.7 million, from $17.0 million at December 31, 2002, to $13.3 million at March 31, 2003. Nonaccrual real estate mortgages decreased $3.0 million, from $5.5 million at December 31, 2002, to $2.5 million at March 31, 2003.

In addition to the nonperforming loans discussed above, the Company has also identified approximately $51.3 million in potential problem loans at March 31, 2003 as compared to $48.5 million at December 31, 2002. Potential problem loans are loans that are currently performing, but where known information about possible credit problems of the related borrowers causes management to have serious doubts as to the ability of such borrowers to comply with the present loan repayment terms and which may result in disclosure of such loans as nonperforming at some time in the future. At the Company, potential problem loans are typically loans that are performing but are classified by the Company's loan rating system as "substandard." At March 31, 2003, potential problem loans primarily consisted of commercial real estate and commercial and agricultural loans. Management cannot predict the extent to which economic conditions may worsen or other factors which may impact borrowers and the potential problem loans. Accordingly, there can be no assurance that other loans will not become 90 days or more past due, be placed on non-accrual, become restructured, or require increased allowance coverage and provision for loan losses.

Net charge-offs totaled $1.0 million for the three months ended March 31, 2003, down $0.5 million from the $1.5 million charged-off during the same period in 2002. Despite the improvement in net charge-offs and the reductions in nonperforming loans, the Company's provision for the quarter did not decline significantly when compared to the same period in 2002. The provision for loan and lease losses totaled $1.9 million for the three months ended March 31, 2003, down slightly from the $2.0 million provided during the same period in 2002. The level of provision for loan and lease losses required for the three months ended March 31, 2003 resulted primarily from the increase in potential problem loans noted above and the continued weakness in the overall economy.

TABLE 5
NONPERFORMING ASSETS

(dollars in thousands)	MARCH 31, 2003	December 31, 2002	March 31, 2002
Commercial and agricultural	$ 13,285	$ 16,980	$ 29,237
Real estate mortgage	2,535	5,522	5,600
Consumer	1,258	1,507	3,938
Total nonaccrual loans	17,078	24,009	38,775
Loans 90 days or more past due and still accruing:			
Commercial and agricultural	602	237	228
Real estate mortgage	144	1,325	29
Consumer	328	414	226
Total loans 90 days or more past due and still accruing	1,074	1,976	483
Restructured loans in compliance with modified terms:	297	409	531
Total nonperforming loans	18,449	26,394	39,789
Other real estate owned (OREO)	2,609	2,947	1,960
Total nonperforming loans and OREO	21,058	29,341	41,749
Nonperforming securities	925	1,122	1,957
Total nonperforming assets	$ 21,983	$ 30,463	$ 43,706
Total nonperforming loans to loans and leases	0.78%	1.12%	1.72%
Total nonperforming assets to assets	0.59%	0.82%	1.22%
Total allowance for loan and lease losses to nonperforming loans	223.00%	152.18%	113.85%

DEPOSITS

Total deposits were $3.0 billion at March 31, 2003, an increase of $33.9 million, or 1%, from year-end 2002, and an increase of $90.1 million, or 3%, from the same period in the prior year. Total average deposits increased $40.2 million, or 1%, from March 31, 2002 to March 31, 2003. The Company experienced a decline in time deposits, as average time deposits declined $85.5 million or 6%, from March 31, 2002 to March 31, 2003. Meanwhile, average core deposits increased 125.7 million or 8%, from March 31, 2002 to March 31, 2003. The Company has focused on maintaining and growing its base of lower cost checking, savings and money market accounts while allowing runoff of some of its higher cost time deposits, particularly brokered and jumbo time deposits. At March 31, 2003, total checking, savings and money market accounts represented 57.5% of total deposits compared to 52.8% at March 31, 2002.

BORROWED FUNDS

The Company's borrowed funds consist of short-term borrowings and long-term debt. Short-term borrowings totaled $95.1 million at March 31, 2003 compared to $105.6 million and $81.2 million at December 31, and March 31, 2002, respectively. Long-term debt was $345.3 million at March 31, 2003, compared to $345.5 million and $325.9 million at December 31, and March 31, 2002, respectively.

CAPITAL RESOURCES

Stockholders' equity of $291.6 million represents 7.8% of total assets at March 31, 2003, compared with $268.4 million, or 7.5% in the comparable period of the prior year, and $292.4 million, or 7.9% at December 31, 2002. The Company does not have a target dividend payout ratio, rather the Board of Directors considers the Company's earnings position and earnings potential when making dividend decisions.

As the capital ratios in Table 6 indicate, the Company remains well capitalized. Capital measurements are significantly in excess of regulatory minimum guidelines and meet the requirements to be considered well capitalized for all periods presented. Tier 1 leverage, Tier 1 capital and Risk-based capital ratios have regulatory minimum guidelines of 3%, 4% and 8% respectively, with requirements to be considered well capitalized of 5%, 6% and 10%, respectively.

TABLE 6
CAPITAL MEASUREMENTS

	FIRST QUARTER 2003	First Quarter 2002
Tier 1 leverage ratio	6.71%	6.70%
Tier 1 capital ratio	9.77%	9.97%
Total risk-based capital ratio	11.02%	11.23%
Cash dividends as a percentage of net income	47.87%	50.69%
Per common share:		
Book value	$ 9.00	$ 8.09
Tangible book value	$ 7.50	$ 6.61

The accompanying Table 7 presents the high, low and closing sales price for the common stock as reported on the NASDAQ Stock Market, and cash dividends declared per share of common stock. The Company's price to book value ratio was 1.94 at March 31, 2002 and 1.82 in the comparable period of the prior year. The Company's price was 12.5 times annualized earnings at March 31, 2003, compared to 11.2 times for the same period last year.

TABLE 7
QUARTERLY COMMON STOCK AND DIVIDEND INFORMATION

Quarter Ending	High	Low	Close	Cash Dividends Declared
2002				
March 31	$15.15	$13.15	$14.74	$ 0.170
June 30	19.32	14.00	18.07	0.170
September 30	18.50	16.36	17.27	0.170
December 31	18.60	14.76	17.07	0.170
2003				
MARCH 31	$18.60	$16.76	$17.43	$ 0.170

STOCK REPURCHASE PLAN

On July 22, 2002, the Company announced that it intended to repurchase up to 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. Since the announcement of the Stock Repurchase Plan, the Company repurchased a total of 807,346 shares at an average price of $17.51 per share. Total cash allocated for these repurchases during this period was $14.1 million. For the three months ended March 31, 2003, the Company repurchased 330,813 shares at an average price of $17.49 per share.

On April 28, 2003, the Company announced that it intended 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. Currently there are 192,954 shares remaining under the previous authorization that will be repurchased prior to the commencement of the new program.

LIQUIDITY AND INTEREST RATE SENSITIVITY MANAGEMENT

MARKET RISK

Interest rate risk is among the most significant market risk affecting the Company. Other types of market risk, such as foreign currency exchange rate risk and commodity price risk, do not arise in the normal course of the Company's business activities. Interest rate risk is defined as an exposure to a movement in interest rates that could have an adverse effect on the Company's net interest income. Net interest income is susceptible to interest rate risk to the degree that interest-bearing liabilities mature or reprice on a different basis than earning assets. When interest-bearing liabilities mature or reprice more quickly than earning assets in a given period, a significant increase in market rates of interest could adversely affect net interest income. Similarly, when earning assets mature or reprice more quickly than interest-bearing liabilities, falling interest rates could result in a decrease in net interest income.

In an attempt to manage the Company's exposure to changes in interest rates, management monitors the Company's interest rate risk. Management's Asset Liability Committee (ALCO) meets monthly to review the Company's interest rate risk position and profitability, and to recommend strategies for consideration by the Board of Directors. Management also reviews loan and deposit pricing, and the Company's securities portfolio, formulates investment and funding strategies, and oversees the timing and implementation of transactions to assure attainment of the Board's objectives in the most effective manner. Notwithstanding the Company's interest rate risk management activities, the potential for changing interest rates is an uncertainty that can have an adverse effect on net income.

In adjusting the Company's asset/liability position, the Board and management attempt to manage the Company's interest rate risk while enhancing the net interest margin. At times, depending on the level of general interest rates, the relationship between long- and short-term interest rates, market conditions and competitive factors, the Board and management may determine to increase the Company's interest rate risk position somewhat in order to increase its net interest margin. The Company's results of operations and net portfolio values remain vulnerable to changes in interest rates and fluctuations in the difference between long- and short-term interest rates.

The primary tool utilized by ALCO to manage interest rate risk is a balance sheet/income statement simulation model (interest rate sensitivity analysis). Information such as principal balance, interest rate, maturity date, cash flows, next repricing date (if needed), and current rates is uploaded into the model to create an ending balance sheet. In addition, ALCO makes certain assumptions regarding prepayment speeds for loans and leases and mortgage related investment securities along with any optionality within the deposits and borrowings.

The model is first run under an assumption of a flat rate scenario (i.e. no change in current interest rates) with a static balance sheet over a 12-month period. Three additional models are run with static balance sheets; (1) a gradual increase of 200 bp, (2) a gradual increase of 200 bp where the long end of the yield curve remains flat (the long end of the yield curve is defined as 5 years and longer) and (3) a gradual decrease of 100 bp takes place over a 12 month period with a static balance sheet. Under these scenarios, assets subject to prepayments are adjusted to account for faster or slower prepayment assumptions. Any investment securities or borrowings that have callable options embedded into them are handled accordingly based on the interest rate scenario.

The resultant changes in net interest income are then measured against the flat rate scenario.

In the declining rate scenarios, net interest income is projected to decrease slightly when compared to the forecasted net interest income in the flat rate scenario through the simulation period. The decrease in net interest income is a result of interest-bearing liabilities repricing downward at a slower rate than earning assets. The inability to effectively lower deposit rates will likely reduce or eliminate the benefit of lower interest rates. In the rising rate scenario where the long end of the yield curve remains flat and the short end of the curve increases 200bp gradually, net interest income is also projected to experience a decline from the flat rate scenario. Net interest income is projected to remain at lower levels than in a flat rate scenario through the simulation period primarily due to a lag in assets repricing while funding costs increase. The potential impact on earnings is dependent on the ability to lag deposit repricing. In a rising rate scenario where rates increase gradually 200bp, net interest income is projected to increase slightly from the flat rate scenario.

Net interest income for the next twelve months in the + 200/+ 200 flat/- 100 bp scenarios, as described above, is within the internal policy risk limits of not more than a 7.5% change in net interest income. The following table summarizes the percentage change in net interest income in the rising and declining rate scenarios over a 12-month period from the forecasted net interest income in the flat rate scenario using the March 31, 2003 balance sheet position:

TABLE 10
INTEREST RATE SENSITIVITY ANALYSIS

CHANGE IN INTEREST RATES (IN BASIS POINTS)	PERCENT CHANGE IN NET INTEREST INCOME
+ 200 FLAT	(0.77%)
+ 200	0.08%
- 100	(0.61%)

Under the flat rate scenario with a static balance sheet, net interest income is anticipated to decrease approximately 1.4% from annualized net interest income for the three months ended March 31, 2003. The Company anticipates under current conditions, earning assets will continue to reprice at a faster rate than interest bearing liabilities. In order to protect net interest income from anticipated net interest margin compression, the Company will continue to focus on increasing low cost core funding as well as growing earning assets through loan growth and leverage opportunities. However, if the Company cannot increase low cost core funding and earning assets, the Company expects net interest income to decline for the remainder of 2003.

Currently, the Company is holding fixed rate residential real estate mortgages in its loan portfolio and mortgage related securities in its investment portfolio. Two major factors the Company considers in holding residential real estate mortgages is its level of core deposits and the duration of its mortgage-related securities and loans. Current core deposit levels combined with a shortening of duration of mortgage-related securities and loans have enabled the Company to hold fixed rate residential real estate mortgages without having a significant negative impact on interest rate risk, as the Company is well matched at March 31, 2003. The Company's net interest income is projected to increase by 0.08% if interest rates gradually rise 200 basis points. The Company's exposure to 30-year fixed rate mortgage related securities and loans have decreased approximately $150.5 million from March 31, 2002 to March 31, 2003. From December 31, 2002, we have reduced our exposure to 30-year fixed rate mortgage related securities and loans by $27.2 million. Approximately 13.1% of earning assets were comprised of 30-year fixed rate mortgage related securities and loans at March 31, 2003, down from a ratio of 18.0% at March 31, 2002. The Company closely monitors its matching of earning assets to funding sources. If core deposit levels decrease or the rate of growth in core deposit levels does not equal or exceed the rate in growth of 30-year fixed rate real estate mortgage related securities or loans, the Company will reevaluate its strategy and may sell new originations of fixed rate mortgages in the secondary market or may sell certain mortgage related securities in order to limit the Company's exposure to long-term earning assets.

LIQUIDITY RISK

Liquidity involves the ability to meet the cash flow requirements of customers who may be depositors wanting to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs. The ALCO is responsible for liquidity management and has developed guidelines which cover all assets and liabilities, as well as off balance sheet items that are potential sources or uses of liquidity. Liquidity policies must also provide the flexibility to implement appropriate strategies and tactical actions. Requirements change as loans and leases grow, deposits and securities mature, and payments on borrowings are made. Liquidity management includes a focus on interest rate sensitivity management with a goal of avoiding widely fluctuating net interest margins through periods of changing economic conditions.

The primary liquidity measurement the Company utilizes is called the Basic Surplus which captures the adequacy of its access to reliable sources of cash relative to the stability of its funding mix of average liabilities. This approach recognizes the importance of balancing levels of cash flow liquidity from short- and long-term securities with the availability of dependable borrowing sources which can be accessed when necessary. At March 31, 2003, the Company's Basic Surplus measurement was 14.3% of total assets or $533 million, which was above the Company's minimum of 5% or $188 million set forth in its liquidity policies.

This Basic Surplus approach enables the Company to adequately manage liquidity from both operational and contingency perspectives. By tempering the need for cash flow liquidity with reliable borrowing facilities, the Company is able to operate with a more fully invested and, therefore, higher interest income generating, securities portfolio. The makeup and term structure of the securities portfolio is, in part, impacted by the overall interest rate sensitivity of the balance sheet. Investment decisions and deposit pricing strategies are impacted by the liquidity position. At March 31, 2003, the Company considered its Basic Surplus adequate to meet liquidity needs.

The Company's primary source of funds is from its subsidiary, NBT Bank. Certain restrictions exist regarding the ability of the Company's subsidiary bank to transfer funds to the Company in the form of cash dividends. The approval of the Office of Comptroller of the Currency (OCC) is required to pay dividends when a bank fails to meet certain minimum regulatory capital standards or when such dividends are in excess of a subsidiary bank's earnings retained in the current year plus retained net profits for the preceding two years (as defined in the regulations). At March 31, 2003, approximately $10.0 million of the total stockholders' equity of NBT Bank was available for payment of dividends to the Company without approval by the OCC. NBT Bank's ability to pay dividends also is subject to the Bank being in compliance with regulatory capital requirements. NBT Bank is currently in compliance with these requirements. Under the State of Delaware Business Corporation Law, the Company may declare and pay dividends either out of accumulated net retained earnings or capital surplus.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Information called for by Item 3 is contained in the Liquidity and Interest Rate Sensitivity Management section of the Management Discussion and Analysis.

ITEM 4. CONTROLS AND PROCEDURES

The Company's management, including the Company's Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-14(c) under the Securities Exchange Act of 1934, as amended) as of a date (the "Evaluation Date") within 90 days prior to the filing date of this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective in timely alerting them to any material information relating to the Company and its subsidiaries required to be included in the Company's periodic SEC filings.

There were no significant changes made in the Company's internal controls or in other factors that that could significantly affect these internal controls subsequent to the date of the evaluation performed by the Company's Chief Executive Officer and Chief Financial Officer.

PART II. OTHER INFORMATION

Item 1 -- Legal Proceedings

In the normal course of business, there are various outstanding legal proceedings. In the opinion of management, there are no material legal proceedings, other than ordinary routine litigation incidental to business to which the Company is a party or of which any of its property is subject.

Item 2 -- Changes in Securities and Use of Proceeds

None.

Item 3 -- Defaults Upon Senior Securities

None

Item 4 -- Submission of Matters to a Vote of Security Holders

None

Item 5 -- Other Information

On April 28, 2003, NBT Bancorp Inc. announced the declaration of a regular quarterly cash dividend of $0.17 per share. The cash dividend will be paid on June 15, 2003 to stockholders of record as of June 1, 2003.

Item 6 -- Exhibits and Reports on Form 8-K

(a) Exhibits

99.1 Additional Exhibit - Written Statement of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.2 Additional Exhibit - Written Statement of the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) During the first quarter ended March 31, 2003, the Company filed the following Current Reports on Form 8-K:

None filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report on FORM 10-Q to be signed on its behalf by the undersigned thereunto duly authorized, this 13th day of May, 2003.

NBT BANCORP INC.

By: /s/ MICHAEL J. CHEWENS

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

CERTIFICATIONS

I, Daryl R. Forsythe, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NBT Bancorp Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) All significant deficiencies in the design or operations of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 13, 2003

By: /s/ Daryl R. Forsythe

Chairman and Chief Executive Officer

I, Michael J. Chewens, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NBT Bancorp Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) All significant deficiencies in the design or operations of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 13, 2003

By: /s/ Michael J. Chewens

Senior Executive Vice President,
Chief Financial Officer and
Corporate Secretary

Index to Exhibits

99.1	Written Statement of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.2	Written Statement of the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 99.1

Written Statement of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned, the Chief Executive Officer of NBT Bancorp Inc. (the "Company"), hereby certifies that to his knowledge on the date hereof:

(a) the Form 10-Q of the Company for the Quarterly Period Ended March 31, 2003, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Daryl R. Forsythe

Daryl R. Forsythe
Chairman and Chief Executive Officer
May 13, 2003

A signed original of this written statement required by Section 906 has been provided to NBT Bancorp Inc. and will be retained by NBT Bancorp Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.2

Written Statement of the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

The undersigned, the Chief Financial Officer of NBT Bancorp Inc. (the "Company"), hereby certifies that to his knowledge on the date hereof:

(a) the Form 10-Q of the Company for the Quarterly Period Ended March 31, 2003, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael J. Chewens

Michael J. Chewens
Senior Executive Vice President Chief
Financial Officer and Corporate Secretary
May 13, 2003

A signed original of this written statement required by Section 906 has been provided to NBT Bancorp Inc. and will be retained by NBT Bancorp Inc. and furnished to the Securities and Exchange Commission or its staff upon request.