

NBT Bancorp Inc.

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Presented by:

John H. Watt, Jr., President and Chief Executive Officer



Overview

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Company Profile

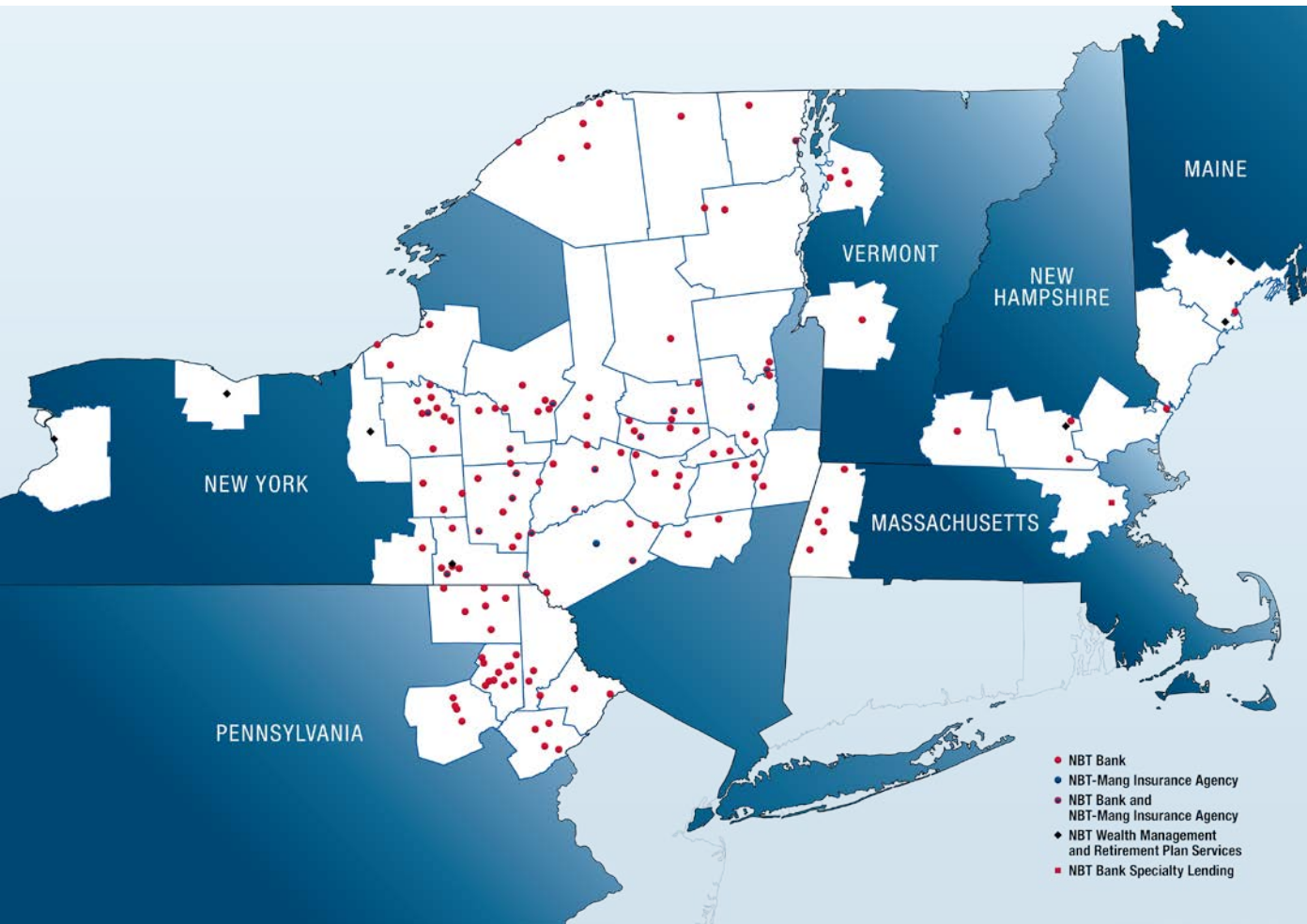
NBT Bancorp Inc. is a financial holding company headquartered in Norwich, NY.

- Founded in 1856
- Traded on Nasdaq Global Select Market
- Ticker Symbol: NBTB
- Assets: \$9.2 Billion
- Market Capitalization: \$1.6 billion
- Institutional Ownership: 51%
- Average Daily Volume: 118,204

The company primarily operates through its nationally-chartered community bank and two financial services companies.



NBT Operating Entities



NBT Bank, N.A. has 152 banking locations and 195 ATMs in New York, Pennsylvania, Vermont, Massachusetts, New Hampshire and Maine.

EPIC Advisors, Inc., based in Rochester, NY, is a full-service 401(k) plan recordkeeping firm.

NBT-Mang Insurance Agency, based in Norwich, NY, is a full-service insurance agency.

More information about NBT and its operating entities is available online.

- nbtbancorp.com
- nbtbank.com
- epic1st.com
- nbtmang.com

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Financial Highlights

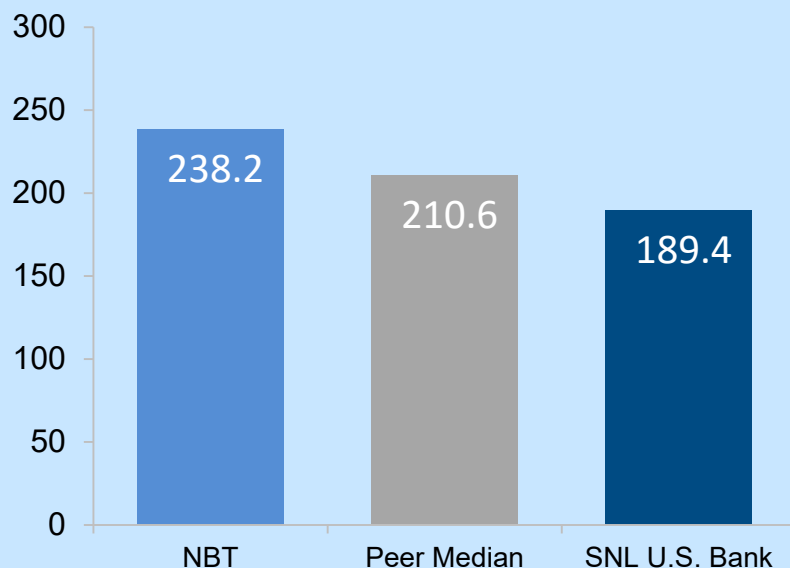
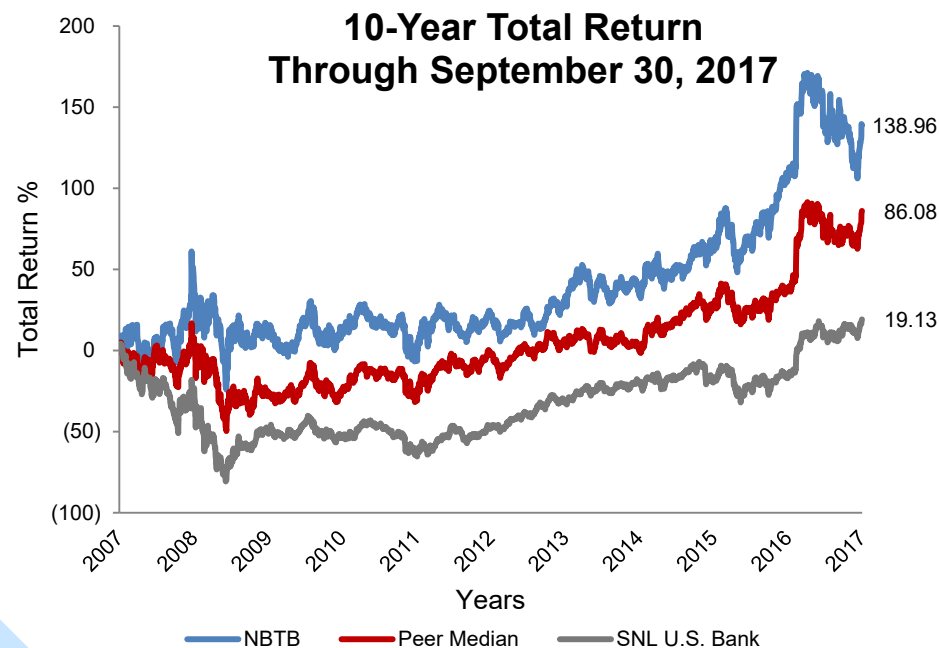
Dollars in Millions Except Per Share Data	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net Income	\$ 22.9	\$ 20.0	\$ 64.5	\$ 58.8
Earnings Per Share	\$ 0.52	\$ 0.46	\$ 1.47	\$ 1.35
Return on Average Assets	1.00%	0.92%	0.96%	0.92%
Return on Average Tangible Common Equity	13.99%	13.16%	13.57%	13.29%
Net Interest Margin	3.47%	3.40%	3.46%	3.44%

Q3 2017 Net Income up 14.4%
from third quarter of prior year

Q3 2017 EPS of \$0.52
increased 13.0% compared
to third quarter of prior year

Remarkable Returns

Total Return of \$10,000 Investment	NBT	Peer Median	SNL U.S. Bank
10-Year Total Return	138%	86%	19%
Value of Investment	\$23,896	\$18,608	\$11,913
10-Year CAGR	9%	6%	2%



Premium Valuation:
Price to Tangible Book Value

Peer Data Source: SNL Financial Market as of the most recent quarter.
Peer Group information is included on page 23.

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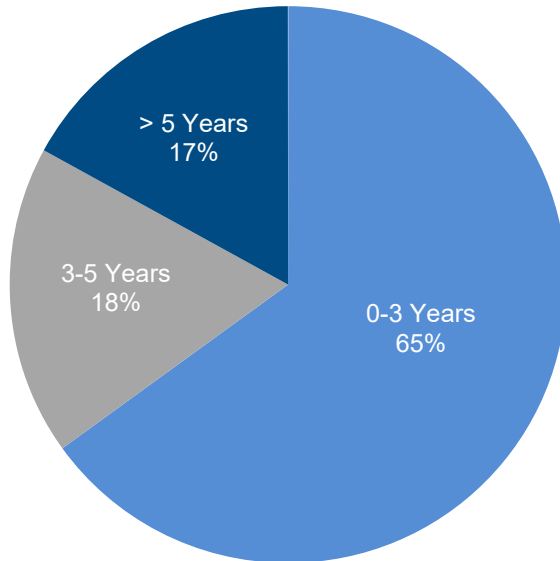
Strategic Initiatives

Appendix



Well-Positioned Balance Sheet

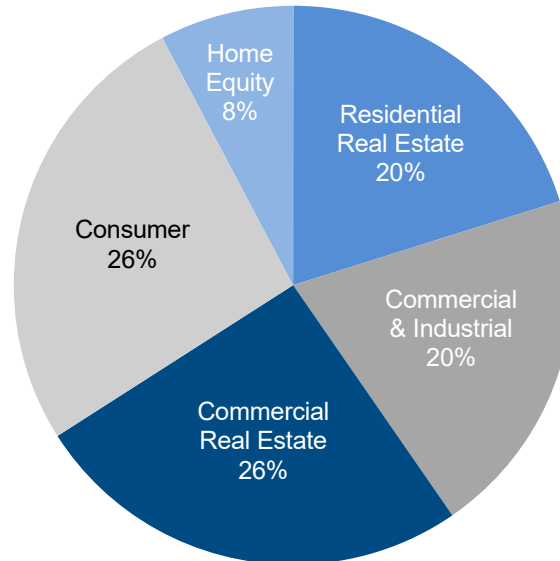
Investment and Loan Repricing



Favorable Interest Rate Risk Profile

- 2017 YTD net interest margin at 3.46% vs. peer average at 3.42%

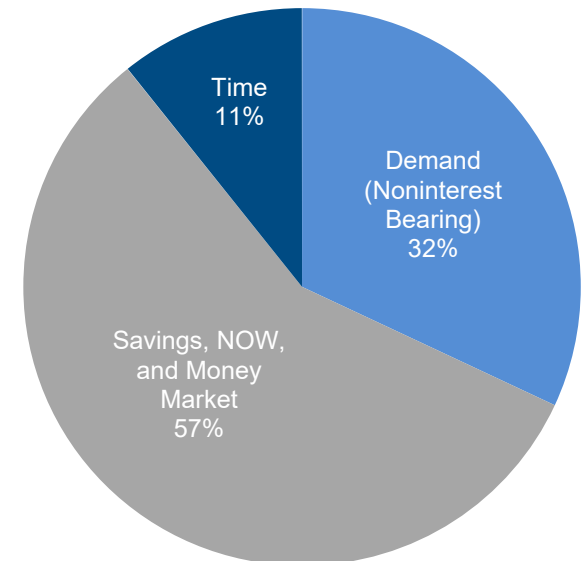
Loan Mix



Diversified Loan Portfolio

- 2017 annualized loan growth of 5.8%
- CRE at 173% of total capital
- Loan-to-deposit ratio of 89%

Deposit Mix



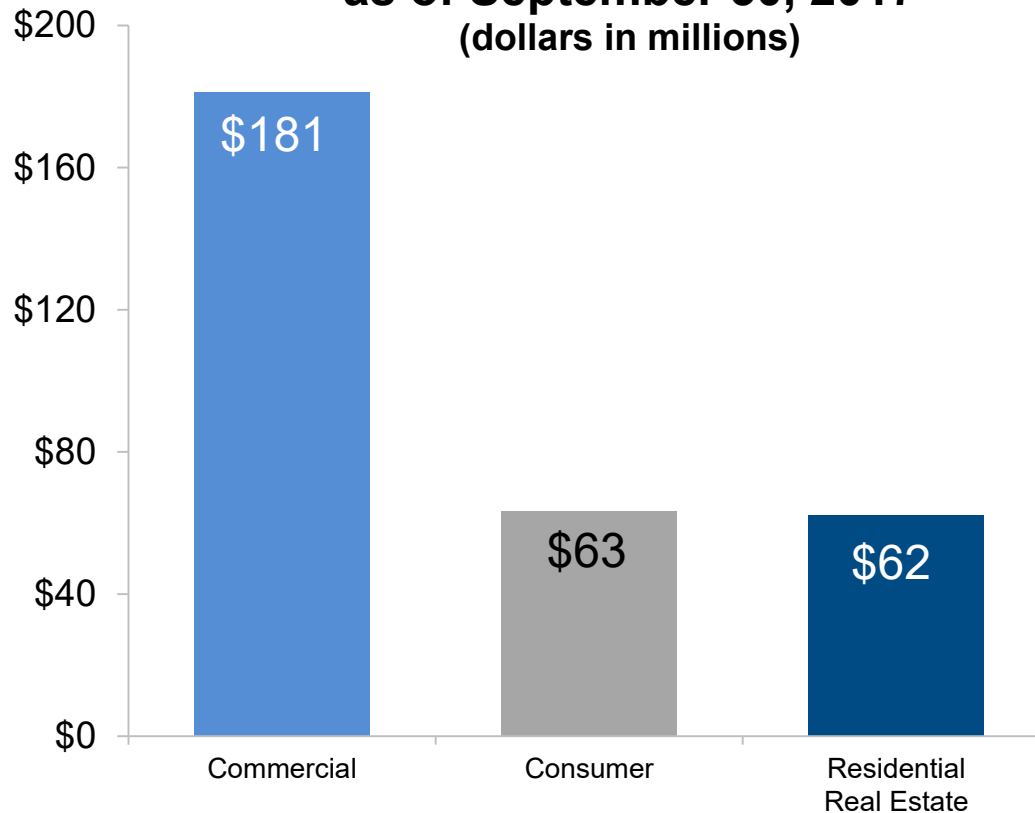
Low Funding Costs

- DDA growth over 9% for 7th straight year
- Core deposits represent 78% of total funding vs. peer average of 70%

Peer Data Source: SNL Financial Market as of the most recent quarter. Peer Group information is included on page 23.

Consistent Loan Growth

**Year-Over-Year Growth
as of September 30, 2017**
(dollars in millions)



Percent of Annual Growth

Segment	Percent of Annual Growth
Commercial	59%
Consumer	21%
Residential Real Estate	20%

5.0%

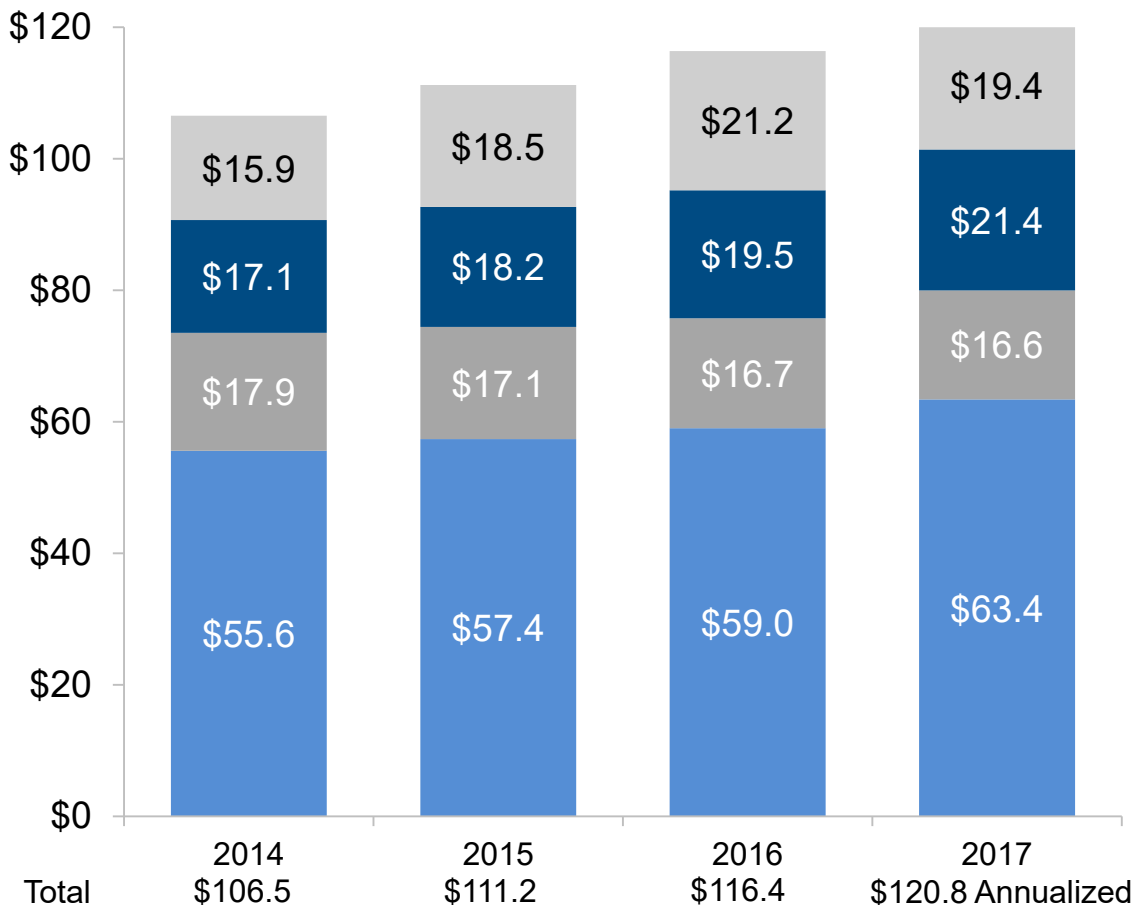
Year-Over-Year
Growth

5.5%

5-Year
Organic Growth
Rate

Diversification of Noninterest Income*

(dollars in millions)



Noninterest income to total revenues of 30% compared to peer median at 25%

2014 – 2017 CAGR of 6% on noninterest income excluding service charges on deposit accounts

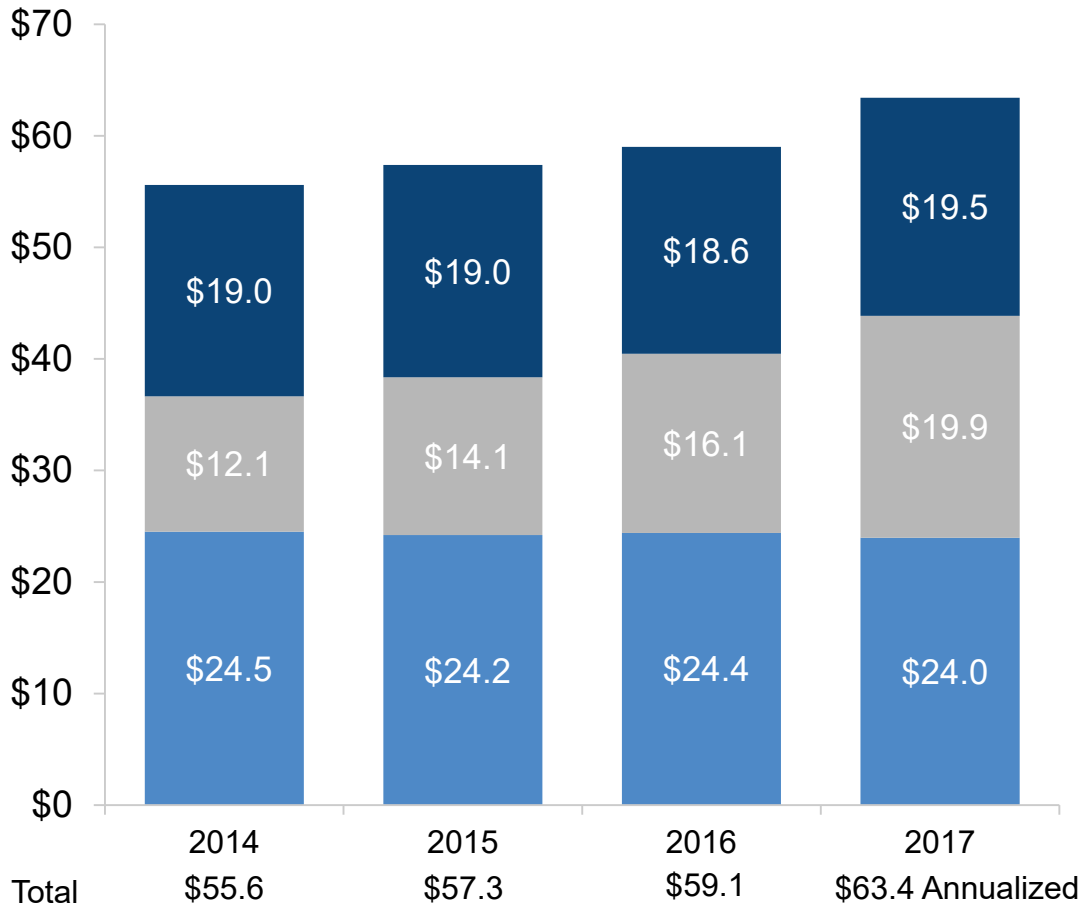
- Other including Mortgage Banking and BOLI
- ATM and Debit Card Fees
- Service Charges on Deposit Accounts
- Wealth Management

*Excludes net securities gains (losses/write-downs), gains from sale of Springstone Financial, LLC totaling \$19.5 million in 2014, \$7.3 million in 2015, (\$0.6) million in 2016, and (\$0.5) million in 2017. Noninterest income including these amounts was \$126.0 million, \$118.5 million, \$115.7 million, and \$120.1 million in 2014, 2015, 2016, and 2017 annualized, respectively.

Peer Group information is included on page 23.

Emphasis on Fee-Based Businesses

(dollars in millions)



2014 – 2017
CAGR of 4%

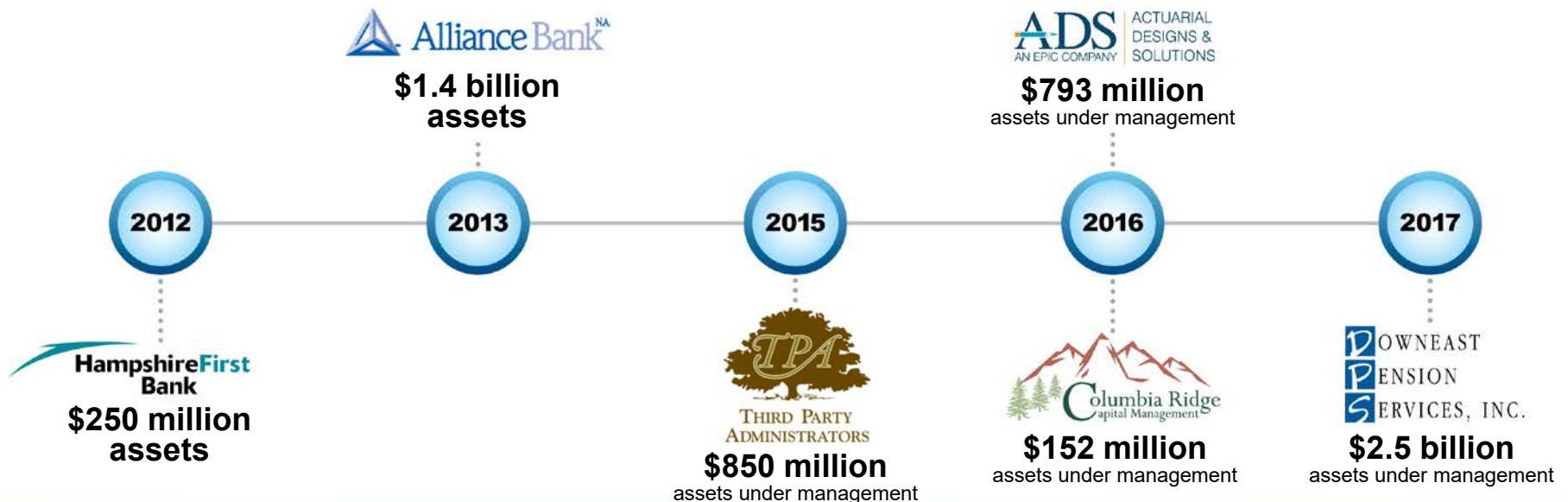
- Trust
 - Personal, Retirement and Institutional
- Retirement Plan Business
 - EPIC, TPA, ADS and DPS
- Insurance and Other Financial Services Revenue



Proven Acquirer and Integrator

- Completed 7 whole-bank, 7 branch and 7 non-bank business acquisitions since 2000
- Achieved or exceeded targeted cost saves
- Retained key personnel
- Experienced no material run-off in loans and deposits with bank and branch deals
- Continued to diversify revenue sources and expand capabilities through non-bank acquisitions

Recent Acquisitions



M&A Discipline: Looking Back on Alliance Merger



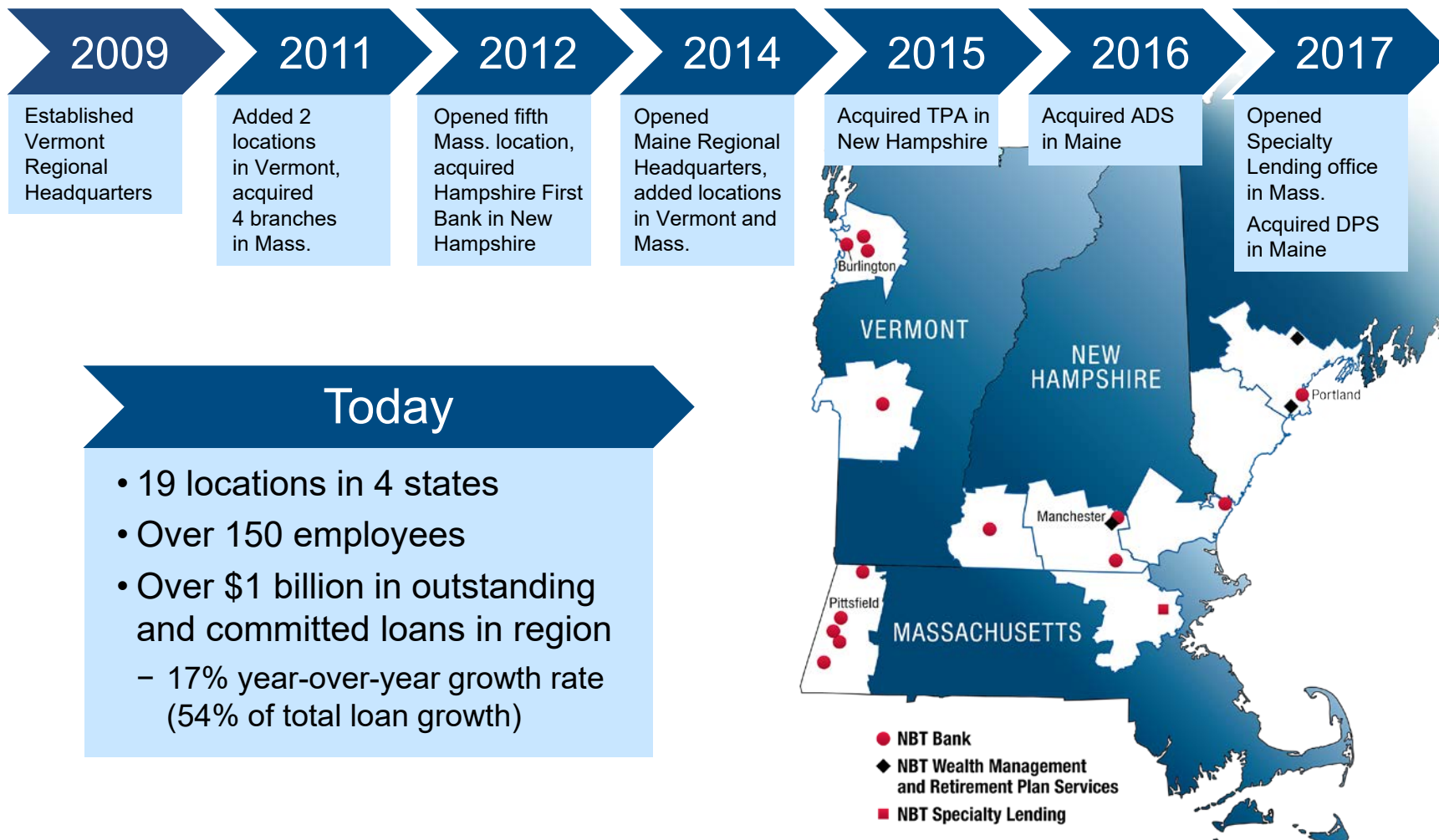
Alliance Financial Corporation

Announcement Date	10/08/12	The currency Alliance shareholders received in the merger not only outperformed the market (even excluding the merger premium), it also performed better than Alliance stock had on its own pre-merger (which was very strong and competitive).		
Completion Date	03/08/13			
Completed Deal Value (\$M)	\$219.8			
Completed Deal Value Per Alliance Share (\$)	\$45.95			
Exchange Ratio	2.1779			
Price/Tangible Book (%)	201.1			
Price/LTM Core Earnings (x)	18.3			
Price/Estimated EPS (x)	21.0			
Summary		Alliance Shareholders		
NBT Stock Price at Close	\$21.10		Pre-Merger (5 Years)	Post-Merger (4 years 7 mos)
NBT Stock Price Currently	\$38.74	CAGR Stock Price	10.3%	15.2%
Deal Value Per Share (\$)	\$45.95	Total Return*	100.3%	112.0%
Equivalent Deal Value Today (\$)	\$84.37	Total Dividends	\$5.72 / share	\$8.01 / share
Difference	84%	SNL U.S. Bank Index		103.0%
		S&P 500		84.1%

*Returns exclusive of merger premium

New England: A Growing Presence

Quickly established presence in markets where we believe we have a competitive advantage.



Recent Key Talent Acquisition Across Enterprise

Recent Hires	Position with NBT	Prior Experience
Sarah Halliday	President of Commercial Banking	M&T Bank
Dawn Gillette	Manager of Specialty Lending	KeyBank, Direct Capital Corp., Bank of America
Tucker Lounsbury	Manager of NBT-Mang Insurance Agency	M&T Insurance Agency
Tom McEntee	Chief Marketing Officer	BlueCross/Blue Shield, MetLife
Mark Mershon	Corporate Treasurer	National Penn Bancshares, BNY Mellon
Amy Wiles	Chief Credit Officer and Chief Risk Officer	KeyBank, JP Morgan Chase
Bill Huba	Deputy BSA and Sanctions Officer	Office of U.S. Inspector General, FBI
Ross Ireland	Retail Market Manager	Citizens Bank
John Prividera	Retail Market Manager	Berkshire Bank, First Niagara, M&T Bank

Multi-Faceted Digital Strategy



Customer Experience

- Regularly deploying mobile and online banking enhancements
- Adding value with enhanced fraud alerts
- Experiencing strong adoption of self-service options with 61% of checking customers enrolled in mobile and/or online banking (well above industry average)



Branch Digitization

- Expanding number of digital branch locations that leverage technology and create more opportunities for consultation
- Continuing to deploy deposit automation technology at ATMs with 67% of full-service machines upgraded
- Driving efficiency through digital processes and document delivery



Digital Marketing

- Ongoing web development to ensure optimal customer experience
- Focus on data analytics and multi-channel campaign management with average email open rate at 47% (double the industry average)
- Using video for customer education and product awareness



Employee Mobility

- Enhancing productivity and communication through:
 - Mobile device deployment
 - New collaboration tools
 - Development of customized apps

Specialty Lending at NBT

HISTORY

- Gained decade of niche experience in technology-driven consumer lending through partnerships with fintech companies delivering financing at the point of purchase



- Specialty lending portfolio of \$401 million at September 30, 2017
 - 18% of consumer loan portfolio
 - 6% of total loans

PRESENT

- Announced new partnership with Sungage Financial, Inc. to offer benefits of solar ownership to homeowners with program tailored for delivery through solar installers in July 2017



- Exploring new fintech partnership opportunities to expand servicing expertise, enhance yields and enter niche markets at the point of sale
 - Partners will be aligned with our culture and engaged in prime lending using prudent and fair lending practices

\$10 Billion Readiness

- Performed “gap” analysis and developed readiness plan in 2016
- Through normal organic growth, anticipate crossing \$10 billion asset mark in 3 years
- Adaptable to accelerate plan in event of acquisition

Components of NBT's \$10 Billion Readiness Plan

- Dodd-Frank Act Stress Testing
- Consumer Financial Protection Bureau Oversight
- Durbin Impact Revenue Replacement Strategies
- Enhancement of Corporate Governance and Risk Management Practices

Estimated Annual Costs
\$8 to \$10 million
(including Durbin impact)

\$10 Billion

2017
\$9 Billion
in assets

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Leadership Transition



May 2016

NBT CEO
Martin A. Dietrich
elected board chairman.
Succession plan
announced naming
John H. Watt, Jr. as
Dietrich's successor.

December 2016

Role of CEO officially
transitioned from
Dietrich to Watt.

NBT executives rang the Nasdaq opening bell on December 19, 2016, celebrating 160 years in business and a transition to new leadership.

Biography



**John H. Watt, Jr.
President and
Chief Executive Officer**

Watt has 31 years of experience in the financial services industry. He joined NBT Bank in 2014 following the sale of Alliance Financial Corporation to NBT. He played a leadership role in NBT's strategic expansion in New England, establishing a regional presence in Portland, Maine. Watt also provided executive leadership for key functions, including commercial and consumer lending, credit administration and marketing. He was promoted to Executive Vice President and joined NBT's Executive Management Team in 2015.

In May of 2016, the NBT Bancorp Board of Directors appointed Watt President of NBT Bank. In December, he became President and Chief Executive Officer of both NBT Bancorp Inc. and NBT Bank.

Prior to joining NBT, Watt was Executive Vice President of commercial banking, investment management and bank operations at Alliance Bank, a community bank located in Central New York. He was also a member of the board of directors for Alliance Bank and Alliance Financial Corporation. Previously, he was employed by JP Morgan Chase and its predecessors where he held a number of roles in commercial banking. Watt has served on numerous community-oriented boards in upstate New York, most recently on the finance committee of the Foundation of The Episcopal Diocese of Central New York, the finance committee of the Allyn Foundation and as President of the Board of On Point for College in Syracuse, NY.

Watt graduated from Rutgers University with a bachelor's degree in Political Science and earned his Juris Doctor from the National Law Center at George Washington University.

Peer Group

NAME	HQ CITY	STATE	TICKER
Berkshire Hills Bancorp, Inc.	Pittsfield	MA	BHLB
Brookline Bancorp Inc.	Boston	MA	BRKL
Community Bank System, Inc.	Dewitt	NY	CBU
Flagstar Bancorp Inc.	Troy	MI	FBC
First Commonwealth Financial Corporation	Indiana	PA	FCF
Flushing Financial Corp.	Lake Success	NY	FFIC
First Midwest Bancorp Inc.	Itasca	IL	FMBI
Independent Bank Corp.	Rockland	MA	INDB
MB Financial Inc.	Chicago	IL	MBFI
Northwest Bancorp, Inc.	Warren	PA	NWBI
Old National Bancorp	Evansville	IN	ONB
Provident Financial Services	Jersey City	NJ	PFS
Park National Corp.	Newark	OH	PRK
S&T Bancorp, Inc.	Indiana	PA	STBA
Tompkins Financial Corporation	Ithaca	NY	TMP
TrustCo Bank Corp NY	Glenville	NY	TRST

Forward-Looking Statements

This presentation may contain forward-looking statements regarding NBT Bancorp Inc. These statements constitute forward-looking information within the definition of the Private Securities Litigation Reform Act of 1995.

Actual results may differ materially from any forward-looking statements expressed in this presentation, since forward-looking information involves significant known and unknown risks, uncertainties and other factors.

For a discussion of the factors that might cause such differences, please refer to NBT Bancorp's public filings with the Securities and Exchange Commission. These are available online at <http://www.sec.gov>. NBT Bancorp does not undertake to update any forward-looking statements made in this presentation to reflect new information, future events or otherwise.