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# FINANCIAL HIGHLIGHTS

Dollars are in thousands, except share and per share data.

## FOR THE YEAR

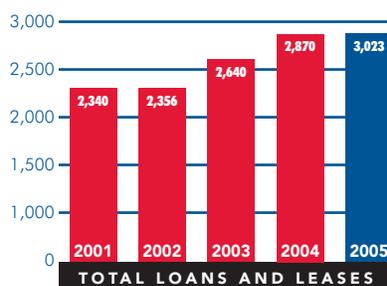
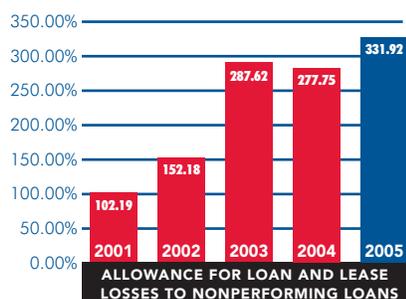
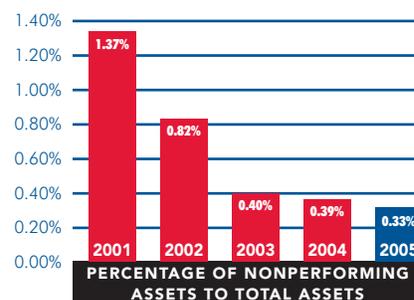
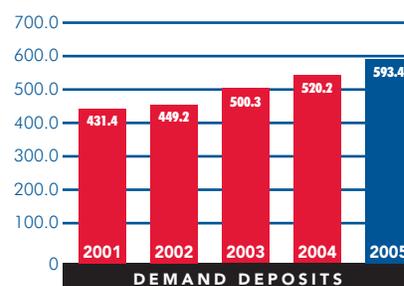
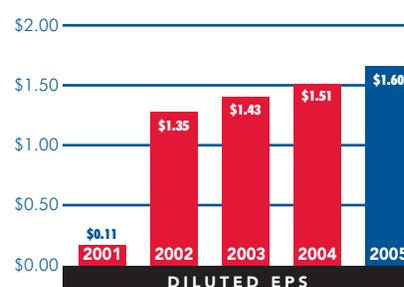
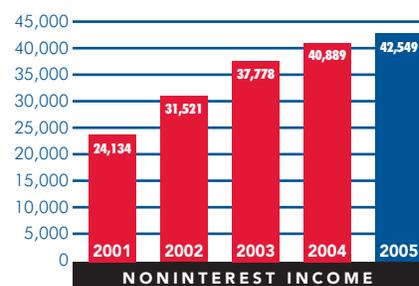
	2005	2004
Net Income	\$ 52,438	\$ 50,047
Return on Average Assets	1.21%	1.21%
Return on Average Equity	15.86%	15.69%
Net Interest Margin	4.01%	4.03%

## PER COMMON SHARE

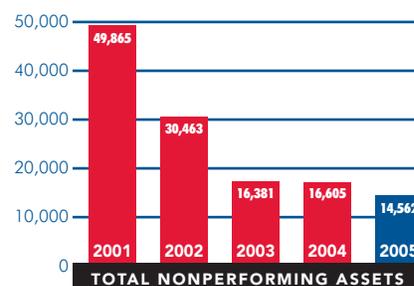
Earnings		
Basic	\$ 1.62	\$ 1.53
Diluted	\$ 1.60	\$ 1.51
Book Value	\$ 10.34	\$ 10.11
Tangible Book Value	\$ 8.75	\$ 8.66
Cash Dividend	\$ 0.76	\$ 0.74

## DATA AT YEAR-END

Assets	\$ 4,426,773	\$ 4,212,304
Loans and Leases	3,022,657	2,869,921
Allowance for Loan and Lease Losses	47,455	44,932
Deposits	3,160,196	3,073,838
Stockholders' Equity	333,943	332,233
Nonperforming Loans	14,297	16,177
Nonperforming Assets	14,562	16,605
Nonperforming Loans to Loans and Leases	0.47%	0.56%
Shares Outstanding	32,299,543	32,856,761
Closing Stock Price	\$ 21.59	\$ 25.72
Market Capitalization	697,347	845,076
Tier 1 Capital Ratio	9.80%	9.78%
Total Risk-Based Capital Ratio	11.05%	11.04%
Assets Managed in a Fiduciary Capacity	2,206,281	1,929,430



(Dollars in millions)



## TO OUR STOCKHOLDERS



Martin A. Dietrich  
President and Chief Executive Officer

As the new chief executive officer of NBT Bancorp, I consider it an honor and privilege to report on our company's 2005 results. We were very successful last year in a number of ways. We had a fourth-straight record year for net income and a third-straight record year for diluted earnings per share. Our net income was \$52.4 million, or \$1.60 in diluted earnings per share, up six percent from 2004. These figures are especially notable given the interest rate pressures affecting the banking industry.

Before I discuss our financial results in more detail, I want to acknowledge the great job being done by our employees companywide. We are fortunate to have people who take such pride in serving the financial needs of our customers. Our results are, to a large degree, driven by our ability to take care of our customers – and we do so with great passion. We like to say that our key competitive advantages are the quality of our employees and the level of service we provide. This important belief is deeply imbedded in our corporate culture. We expect a lot from our staff, and they have an outstanding record of meeting and exceeding these expectations. My heartfelt gratitude goes out to all our employees for making our company so successful.

I would also like to acknowledge the vital role played by our board of directors. Like our employees, our board members are dedicated and supportive. They take their fiduciary responsibilities very seriously, and they are diligent in looking after the interests of our stockholders. I appreciate their guidance and look forward to working with them in building on our company's accomplishments.

### FINANCIAL RESULTS

There were a number of factors contributing to our record profit of \$52.4 million in 2005. A major factor was the 5% increase in net interest income. This is impressive in light of the current interest rate environment. Driving the increase in net interest income was loan growth of 5% – bringing total outstanding loans to \$3 billion – and a net interest margin of 4.01%. While these numbers are strong compared with our peer banks, we expect that interest rates will continue to exert downward pressure on our net interest margin.

Our loan quality remained strong. Nonaccrual loans were 0.47% of total loans at the end of last year. Net loan charge-offs were just 0.23% of average loans at year-end 2005.

Noninterest income for the year was up about 8%, not including gains and losses resulting from sales of securities. This significant improvement in noninterest income was due to our acquisition of Rochester, N.Y.-based EPIC Advisors and to solid organic growth in a number of other business lines. We also continued to pay close attention to our cost structure. Noninterest expense grew by 5% for the year. A component of this increase was related to branch expansion costs and technology investments.

At year-end, our total assets were up about 5%, to \$4.4 billion. Our company remained well capitalized, with a Tier 1 capital ratio of 9.80%, a slight increase from 2004. Our overall returns also compared well with our peers. Return on average assets was 1.21% (unchanged from 2004), while return on average equity was 15.86% (up from 15.69% in 2004).

*“Our key competitive advantages  
are the quality of our employees  
and the level of service we provide.”*

## NOTABLE ACCOMPLISHMENTS

Our stock buyback program was a significant effort in 2005. We purchased just over one million shares of our stock on the open market. I am pleased that our board recently approved a new buyback program, bringing our total repurchase authorization to 1.5 million shares. This is an effective way for our company to invest in itself.

In January 2005, we completed our acquisition of EPIC Advisors. EPIC is a full-service 401(k) plan recordkeeping firm that serves financial institutions throughout the country and small and midsize companies in upstate New York. EPIC provides us with a strategic platform from which we can expand our nontraditional banking activities, such as providing administrative and investment services for retirement plans.

A major event for us in 2005 was entering into a definitive agreement to acquire Gloversville, N.Y.-based CNB Bancorp, Inc., the parent company of the City National Bank and Trust Company. This important acquisition was completed on February 10, 2006, and is going very well. We are thrilled to include so many CNB employees into our organization, and we look forward to building on CNB's legacy of outstanding customer service.

## LOOKING AHEAD

We are in very challenging times for the banking industry. The current interest rate environment, characterized by a flat or even inverted yield curve, is compressing margins to historic lows. Growing our loan portfolio and gathering low-cost core deposits are necessary to offset lost income due to narrow margins. We will remain diligent in managing our cost structure and looking for new revenue streams that are less affected by the interest rate environment. As always, we will continue to build the best possible team of employees and take great care of our customers.

I am very confident in our ability to take our company to new levels of success. We have a practical business plan that is being implemented by an outstanding group of employees. We are targeting several markets for growth, including the Capital Region and Greater Binghamton area in New York and Luzerne and Monroe counties in Pennsylvania. The investments we have already made in these markets have fueled a good portion of our growth over the last several years. While we will commit additional resources to these target markets, we will also fortify our positions in our established markets. Our ability to increase our company's earnings will be critical to accomplishing our goal of providing a good long-term return to our stockholders.

Also important to us is the way we operate our company. Besides producing good financial results, we are absolutely committed to our community banking roots. In the wake of ongoing bank consolidations, we have successfully positioned ourselves as having all the capabilities of larger banks while serving our customers in a more personal and high-touch manner. Great customer service is our mantra. And while we are not perfect, we are trying every day to get better and better. We are also committed to the highest ethical standards. Our corporate governance practices are strong, and we work hard to make sure all our employees understand the values by which we should conduct ourselves.

## MILESTONES

In May 2005, Paul Stillman retired from NBT Bancorp's board of directors. Paul served on our board for 28 years and played an important role in our success. We appreciate his many years of generous service. We are saddened by the recent passing of Francis "Mike" Demeree, who served as an active or honorary director on NBT Bank's board for more than 30 years. His wise and good-natured guidance is missed.

I am pleased to report that several new directors have joined NBT Bank's board of directors. Robert Wadsworth, president and CEO of the Preferred Mutual Insurance Company in New Berlin, N.Y., joined the board in December. Former CNB Bancorp directors Tim Delaney and Brian Hanaburgh joined in February 2006, after the NBT Bancorp and CNB merger was completed. Tim is the owner of Gloversville-based Delaney Construction Corporation, and Brian is the owner of eight McDonald's restaurants in Fulton, Montgomery, Schoharie and Otsego counties.

*“We are absolutely committed to  
our community banking roots.”*

I would also like to acknowledge Daryl Forsythe for his 11 years of leadership as CEO of NBT Bancorp. Daryl retired at the end of 2005 but remains active with our company as chairman. Our company grew and prospered during Daryl's years as CEO, and we are all very grateful for his inspired leadership. I have personally benefited in many ways from Daryl's guidance and mentoring, and I look forward to both of us continuing to work closely together.

As Daryl often says, "Our best years lie ahead." Our goal is to be the financial institution of choice for our employees, customers and stockholders. We have 1,450 employees trying hard, on a daily basis, to make this goal a reality. Good progress has been made, but a lot of opportunity is before us. Thank you for your continued support and trust.



Martin A. Dietrich  
*President and Chief Executive Officer*



Daryl R. Forsythe (left), Chairman, NBT Bancorp  
Martin A. Dietrich, President and Chief Executive Officer, NBT Bancorp

*“Our goal is to be the financial institution of choice for our employees, customers and stockholders.”*

## *NBT Bancorp facts and figures from 2005*

- ★ NBT Bancorp's earnings averaged \$1 million a week for the first time.
- ★ NBT Bancorp generated approximately \$1 of revenue for every 56 cents it spent.
- ★ NBT Bank tellers handled an average of 780,000 transactions per month.
- ★ NBT Bancorp awarded AT&T a three-year contract to expand and upgrade the network supporting all NBT Bancorp, NBT Bank and Pennstar Bank locations. The improvements will enhance the network's speed, reliability and capabilities and reduce operating costs.
- ★ According to 2005 data from the Federal Deposit Insurance Corporation, NBT Bank and Pennstar Bank were #1 or #2 in terms of deposits in 60 of the 103 markets they served. The areas having the most deposit growth for each bank: Broome and Tioga counties (NBT Bank) and Luzerne and Monroe counties (Pennstar Bank).
- ★ Pennstar Bank and its employees helped raise \$20,000 for St. Jude Children's Research Hospital and donated \$30,000 to the Scranton Cultural Center's capital campaign.

# HIGHLIGHTS

In 2005, NBT Bancorp continued focusing on its core strengths – community banking, prudent lending and personalized customer service – while enhancing its branch network and expanding its array of products and services. We are striving to be a complete provider of financial services in our traditional and newer markets. The following are highlights of our many successful efforts last year.

## CORE STRENGTHS

Money is a personal thing. Whether it is used for tuition, a mortgage, home improvements, a small business or retirement, it is unique to each person's goals. In this era of big banks getting bigger, we try to retain the one-on-one approach that has always served our customers well. This basic philosophy has not changed in all our years in banking. What has changed, of course, is the products and services that customers need and expect. We can provide just about any financial product or service that a person would need at any stage of life. But we never forget that banking is ultimately about building relationships and doing the right things right. By taking the time to help our customers achieve their financial goals, we can help build stronger communities. One customer at a time.

As in previous years, commercial banking continued to be a key driver of our success last year. The solid loan growth we had was supported by strong asset quality. Our experienced lenders have increased our commercial and commercial real estate loan portfolio to more than \$1.2 billion. NBT Bank and Pennstar Bank commercial banking teams had strong performance throughout their service areas.

Our residential mortgage lending area also had another strong year in 2005. We now administer a loan portfolio of over \$800 million, and we serve as the customer contact for all residential mortgages we originate. Our efforts to further improve our mortgage processes resulted in loan-approval times at or better than industry standards. Freddie Mac, the company established by Congress to support homeownership and rental housing, honored us for excellence in loan servicing in 2005. NBT Bank began developing and servicing residential construction loans, including those for manufactured and builder-constructed homes. Our title insurance agency had its first full year of operation, writing nearly 150 policies related to commercial, small business and residential transactions in New York and Pennsylvania.

Last year, the American Bankers Association listed NBT Bank as New York State's second-largest agricultural lender by dollar-volume loans. The bank's agricultural lending team served a diverse group that included dairy farms, orchards and vineyards. In government banking, NBT Bank and Pennstar Bank both increased their teams to better serve this important sector.



## *NBT Bank turns 150 in 2006*

The year 2006 is already history for NBT Bank. In July, the bank will celebrate 150 years in business. In that span of time, NBT Bank has gone from one office in one county to 122 offices in 25 counties in two states (including its Pennstar Bank division and the recent addition of City National Bank offices). It is the story of a business whose success has taken it far from its humble origins but not from its long-standing commitment to the customers and communities it serves.

By the middle of the nineteenth century, the Chenango Canal helped bring a newfound prosperity and spirit of innovation to Norwich, N.Y., and surrounding areas. But a group of 11 Norwich business leaders felt something was missing. As one of them, attorney Warren Newton, would later write: "The business of this community seemed to a few of the citizens to require more banking facilities than then existed." Only one bank operated in Norwich in the mid-1850s.

The Bank of Norwich – as NBT Bank was then known – opened for business on July 15, 1856, in a small storefront on the street where the bank's headquarters are still located. The bank began with capital of \$125,000 (about \$2.5 million in today's dollars) that was divided into 1,250 shares of \$100 each (about \$2,000 today). There were 39 initial stockholders. Warren Newton, who became the bank's first cashier and financial manager, wrote: "We started the bank under the guidance of a band of men then in active life, whose business experience made them worthy of the high trust."

The bank paid its first dividend to stockholders on January 15, 1857. That same year, a major financial "panic" caused many banks in New York State to suspend operations; the Bank of Norwich was not one of them. By 1891, the bank had earned its stockholders 400% on their capital. Throughout the years, the bank's focus on service has helped it grow to meet the needs of more than 323,000 customers. And the bank has never missed a dividend to its stockholders, with 456 consecutive payments as of March 2006. ★



On November 30, 2005, Jeff Lake, regional president of NBT Bank's operations in Greater Binghamton, presented donation checks for the Hurricane Katrina relief effort to Cindy Gordineer, executive director of the Southern Tier Chapter of the American Red Cross.

## A history of giving back

In late August 2005, Hurricane Katrina, the sixth-strongest Atlantic hurricane on record, struck the Gulf Coast with a terrible force. By the time the storm was over, it would become the costliest and third-deadliest in U.S. history.

In early September 2005, NBT Bancorp asked its employees – including those from NBT Bank, Pennstar Bank and EPIC Advisors – to help Hurricane Katrina victims by making monetary donations to the American Red Cross. For its part, NBT Bancorp committed to matching these donations twice. The first match doubled employee donations to the national Red Cross for its Hurricane Katrina relief effort. The second match was earmarked for employee-designated local Red Cross chapters to ease the financial and administrative burdens these chapters face when responding to a disaster of Katrina's proportion.

Including employee and company contributions, NBT Bancorp donated a total of \$56,037.70 to the Red Cross at the national and local levels. In addition, NBT Bank and Pennstar Bank offices served as collection points for customer donations. These offices raised a total of \$7,938.24. This money was donated to the national Red Cross for its Hurricane Katrina relief effort.

"The generosity of NBT Bancorp employees and our banking customers is helping the American Red Cross provide food, water, shelter, clothing, counseling and other assistance," said NBT Bancorp President and CEO Martin Dietrich in November 2005. "I'm proud that our employees and customers are making a difference to those devastated by Hurricane Katrina."

Almost a hundred years earlier, employees of The National Bank of Norwich – NBT Bank's name at that time – responded in a similar manner to another terrible natural disaster. On April 18, 1906, the San Francisco earthquake and resulting fires left the city in ruins and claimed thousands of lives. The April 20, 1906, edition of *The Norwich Sun* noted that the bank was "prepared to receive contributions for the relief of the sufferers in San Francisco" and that all donations would be "forwarded through the Red Cross society." ★

In our ongoing efforts to provide outstanding customer service, we surveyed NBT Bank and Pennstar Bank customers last year about the quality of our service. An average of 96% of the respondents rated our overall service as good or excellent. In the months ahead, we will expand our customer service standards, measurements and training.

## ENHANCED BRANCH NETWORK

During 2005, we made several investments to increase our presence in the Albany, Binghamton and northeastern Pennsylvania markets. We are pleased with the loan and deposit growth we have experienced in these newer markets.

Our early 2006 acquisition of City National Bank is also an important component of our plan for continued growth.

**City  
National  
Bank**

A major move last year was the opening of NBT Bank's Albany State Street Office in February. This downtown location puts us in the heart of business, educational and political activities in the Capital Region. We also made renovations to NBT Bank's Amsterdam Office in May and Pennstar Bank's Mount Cobb Office in October. In December, NBT Bank opened its relocated and expanded Herkimer Office in response to growth in this market.

Pennstar Bank consolidated the operations of its Wilkes-Barre East End and Taylor Hill in-store branches into nearby traditional branches on Wilkes-Barre Boulevard and in Taylor. This consolidation will make it easier to implement new branch initiatives in these areas. The bank also established an in-store team to better leverage the opportunities offered by these seven-day-a-week branches.



**Albany State Street Office** – In February 2005, NBT Bank's Albany State Street Office opened in the city's financial district.

## EXPANDED PRODUCTS AND SERVICES

The formation of NBT Bancorp's Product Development Team in 2005 led to a number of new products at NBT Bank and Pennstar Bank. These included the Visa® Extras Rewards Program for debit cardholders, Health Savings Accounts and DeluxeCard™ Visa® prepaid gift cards. Both banks also focused on enhancing their checking account offerings last year. NBT Bank rolled out a new relationship product called Star Privilege Premium, while Pennstar Bank unveiled an enhanced Pennstar Premium Checking account. Another important effort was the launch of an online mortgage resource center on each bank's website.

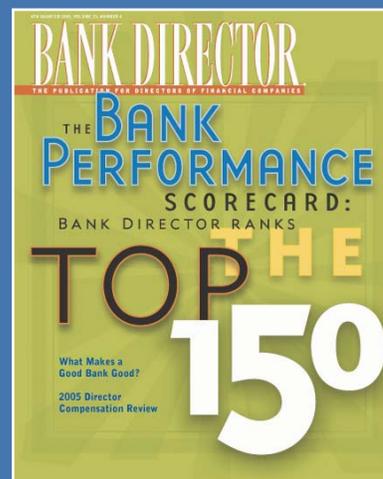
In the area of asset management, several initiatives had a positive impact on our results. Our Trust and Investment area partnered with our new subsidiary, EPIC Advisors, to develop significant business related to 401(k) plan services. Trust and Investment and EPIC also created a total retirement plan outsourcing solution for bank trust departments. This outsourcing product debuted in January 2006. In retail financial services, our insurance product line – introduced during the fourth quarter of 2004 – generated solid revenues in 2005.

Noninterest income from activities such as those mentioned above was \$42.5 million in 2005, up \$1.7 million from 2004. Income from retirement plan administration fees was \$4.4 million, a new revenue source resulting from the acquisition of EPIC Advisors. Income from ATM and debit card fees increased \$600,000, compared with 2004. This was due to growth in transaction deposit accounts, which led to an increase in our debit card base. Other income was up \$900,000, resulting from increases in consumer banking fees, mortgage banking income and title insurance revenue. We will continue to search for ways to build on our success in growing and diversifying our noninterest income.

## GOALS FOR 2006

For 2006, NBT Bancorp has a number of initiatives in place to maintain its leadership in the markets it serves. We are building the best team of employees. We are creating strong customer relationships. We are executing our plans to the best of our ability. We are conducting ourselves with unwavering integrity. And we are working to deliver good long-term returns to our stockholders.

We are committed to applying our core strengths to expand our market share, products and services. Succeeding in these efforts will enhance our value to our customers and, ultimately, our stockholders. Our advantages include a strong balance sheet, good capitalization, quality loans, a solid reputation and highly effective employees. A company is only as good as its employees, and we are proud to have a staff that is committed to doing its best work every day of every year.



## *NBT Bancorp tops in upstate New York*

*Bank Director* is the premier magazine for directors of financial companies. Recently, the magazine sought to answer the question "What makes a good bank good?" Three important measures were: high profitability, a strong balance sheet and outstanding asset quality.

Using data from the second half of 2004 and the first half of 2005, the magazine applied the three measures to rank publicly owned banks and thrifts whose assets placed them among the 150 largest nationwide.

Jack Milligan, a senior editor with *Bank Director* and author of the article, told NBT Bancorp that the rankings highlight "an all-around good-performing bank, one that is built to go the distance." According to the magazine's "2005 Bank Performance Scorecard," NBT Bancorp was the top-ranked financial company based in upstate New York. ★



# New Products in 2005



**VISA® EXTRAS REWARDS PROGRAM**  
Customers can earn rewards points whenever they use their debit cards.



**PENNSTAR PREMIUM AND STAR CHECKING**  
Pennstar Bank's checking products offer many benefits.



**HEALTH SAVINGS ACCOUNTS**  
Health Savings Accounts are a new way for individuals to pay for medical expenses.



**PENNSTAR PREMIUM CHECKING**

- No Minimum Balance Requirement
- One Complimentary Order of Checks Per Year
- Preferred Rates on Installment Loans
- Free Traveler's Checks
- Free Pennstar Online Banker
- Accidental Death & Dismemberment Insurance
- Credit Card Protection
- Discount Car and Truck Rental
- Discount Contact Lenses
- Discount Pharmacy Products
- Discount Travel Services
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## *Helping small businesses*

The U.S. Small Business Administration's Syracuse District recognized NBT Bank as the "2005 Southern Tier Large Community Lender of the Year." Leading all large banks having assets between \$1 billion and \$10 billion, NBT Bank distributed 35 SBA loans valued at \$7.64 million to small businesses in the SBA's nine-county Southern Tier region. This region includes these counties: Broome, Chemung, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

As part of its lending efforts, NBT Bank utilized *SBAExpress*, the SBA's centralized processing program. *SBAExpress* allows the bank to make business loans of up to \$350,000 using its own forms and analyses to process and close loans. Since the SBA delegates credit decisions to the bank, the time to process and close loans is quicker.

"NBT Bank has been a solid SBA participant for many years. Its lenders have worked closely with our Elmira office to deliver SBA-guaranteed loans to small businesses in the Southern Tier," said Bernard Paprocki, the SBA's Syracuse District director. "By utilizing our loan products, NBT Bank lenders can better assist their customers in starting or expanding businesses."



On February 15, 2006, Bernard Paprocki (left), director of the U.S. Small Business Administration's Syracuse District, presented Ronald Goodwin, NBT Bank vice president and commercial banking officer based at the Greater Binghamton Financial Center, with an award honoring the bank as the "2005 Southern Tier Large Community Lender of the Year."



**Amsterdam Office** – NBT Bank's Amsterdam Office was remodeled in May 2005.



**Mount Cobb Office** – Pennstar Bank's Mount Cobb Office was renovated in October 2005.



**EPIC** – EPIC Advisors moved into the second floor of this downtown Rochester building in October 2005.



**Herkimer Office** – NBT Bank's stand-alone Herkimer Office opened in December 2005. The bank was previously located in a nearby Wal-Mart.

# BANKING LOCATIONS

In our listing of locations, a number in parentheses indicates where there are multiple offices serving a community.

## NBT BANK LOCATIONS

### ALBANY COUNTY

Albany (2), Guilderland

### BROOME COUNTY

Binghamton (2), Deposit, Endicott,  
Maine, Vestal, Whitney Point

### CHENANGO COUNTY

Afton, Bainbridge, Earlville, Greene,  
New Berlin, Norwich (3), Oxford,  
Sherburne, South Otselic

### CLINTON COUNTY

Ellenburg Depot, Plattsburgh (2)

### DELAWARE COUNTY

Grand Gorge, Hancock, Hobart,  
Margaretville, Sidney

### ESSEX COUNTY

Lake Placid (2), Saranac Lake

### FRANKLIN COUNTY

Malone

### FULTON COUNTY

Gloversville (4), Johnstown (2), Northville (2),  
Perth, Vail Mills

### HAMILTON COUNTY

Speculator

### HERKIMER COUNTY

Herkimer, Middleville

### MONTGOMERY COUNTY

Amsterdam (2), Canajoharie, Fonda,  
Fort Plain, Palatine Bridge, St. Johnsville

### ONEIDA COUNTY

Clinton, New Hartford (2), Rome (2), Whitesboro

### OTSEGO COUNTY

Cherry Valley, Cooperstown (2), Edmeston,  
Oneonta (4), Richfield Springs

### SARATOGA COUNTY

Clifton Park, Halfmoon, Saratoga Springs (2)

### SCHENECTADY COUNTY

Duanesburg

### SCHOHARIE COUNTY

Cobleskill, Middleburgh, Schoharie, Sharon  
Springs

### ST. LAWRENCE COUNTY

Canton, Massena, Norfolk, Ogdensburg,  
Potsdam

### TIOGA COUNTY

Newark Valley

## PENNSTAR BANK LOCATIONS

### LACKAWANNA COUNTY

Archbald, Carbondale (2), Clarks Green,  
Clarks Summit, Dalton, Dickson City,  
Dunmore (2), Elmhurst, Eynon, Mayfield,  
Mount Cobb, Scranton (4), Taylor

### LUZERNE COUNTY

Dallas, Kingston, Mountaintop,  
Wilkes-Barre

### MONROE COUNTY

Marshalls Creek, Mountainhome,  
Mount Pocono, Tannersville

### PIKE COUNTY

Lords Valley, Milford (2)

### SUSQUEHANNA COUNTY

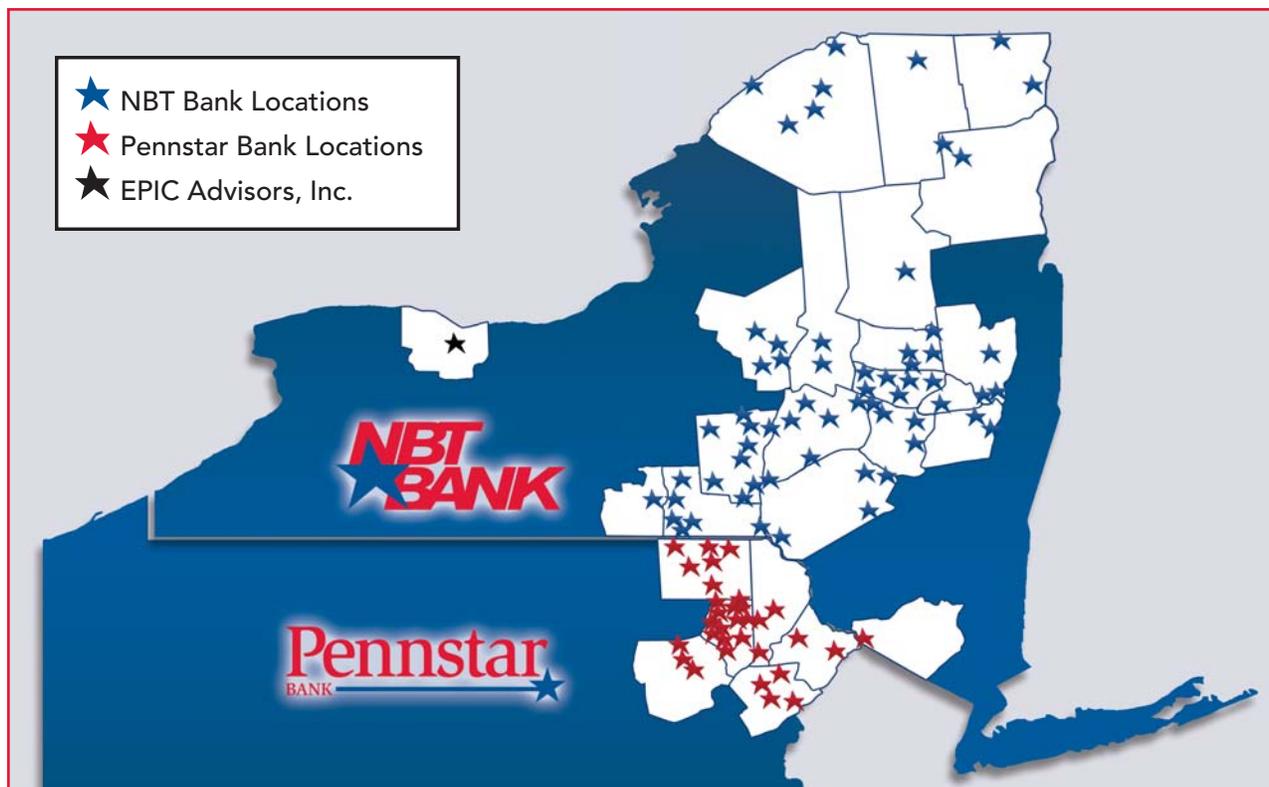
Choconut, Great Bend, Lenox, Montrose,  
New Milford, Susquehanna

### WAYNE COUNTY

Green Dreher, Hamlin Corners, Lake Ariel

### ORANGE COUNTY, NY

Port Jervis



The blue and red stars on the map represent the communities served by our 122 banking locations, including the offices of City National Bank acquired in February 2006. The black star represents EPIC Advisors, Inc., our full-service 401(k) plan recordkeeping firm based in Rochester.

## EXECUTIVE MANAGEMENT AND BOARD OF DIRECTORS

### NBT BANCORP EXECUTIVE MANAGEMENT TEAM

**Martin A. Dietrich,**  
*President and  
Chief Executive Officer*

**David E. Raven,**  
*Pennstar Bank President  
and Chief Executive  
Officer*

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

**Jane E. Neal,**  
*Acting Director of Human  
Resources*

**Lance D. Mattingly,**  
*Executive Vice President  
and Chief Information  
Officer*

### BOARD LISTINGS

#### NBT BANCORP INC.

Daryl R. Forsythe,  
*Chairman*

Martin A. Dietrich,  
*President and CEO*

Richard Chojnowski  
Patricia T. Civil  
Peter B. Gregory, DDS  
William C. Gumble  
Paul D. Horger, Esq.  
Michael Hutcherson  
Janet H. Ingraham  
Andrew S. Kowalczyk Jr., Esq.  
John C. Mitchell  
Michael M. Murphy  
Joseph G. Nasser  
William L. Owens, Esq.  
Van Ness D. Robinson  
Joseph A. Santangelo

#### NBT BANK, N.A.

Daryl R. Forsythe,  
*Chairman*

Martin A. Dietrich,  
*President and CEO*

Kenneth M. Axtell Jr.  
Patricia T. Civil  
Peter B. Gregory, DDS  
Michael Hutcherson  
Janet H. Ingraham  
Andrew S. Kowalczyk Jr., Esq.  
John C. Mitchell  
William L. Owens, Esq.  
Van Ness D. Robinson  
Joseph A. Santangelo  
Robert A. Wadsworth

#### Honorary Directors

J. Peter Chaplin  
Leah S. Drexler  
Thomas J. Mirabito  
Richard F. Monroe  
Anthony M. Paino  
William Sluiter  
Paul O. Stillman  
J.K. Weinman

#### PENNSTAR BANK

William C. Gumble,  
*Chairman*

David E. Raven,  
*President and CEO*

Donald E. Chapman  
Richard Chojnowski  
Martin A. Dietrich  
Daryl R. Forsythe  
Paul D. Horger, Esq.  
Susan H. Kwiatek  
Michael M. Murphy  
Joseph G. Nasser  
Harry F. Schoenagel

#### NBT FINANCIAL SERVICES, INC.

Daryl R. Forsythe,  
*Chairman*  
Martin A. Dietrich  
*President and CEO*

Michael J. Chewens  
Andrew S. Kowalczyk Jr., Esq.  
John C. Mitchell

Executive management and board information is as of December 31, 2005. Additional information regarding our executive management team and board of directors can be found in our proxy statement for our 2006 Annual Meeting of Stockholders.

## CORPORATE HEADQUARTERS

NBT Bancorp Inc.  
52 South Broad Street • Norwich, New York 13815  
607-337-6416

## ANNUAL MEETING

Tuesday, May 2, 2006, 10:00 a.m.  
Binghamton Regency Hotel and Conference Center  
One Sarbro Square • Binghamton, New York 13901  
1-800-723-7676

## STOCK INFORMATION

The common stock of NBT Bancorp Inc. is traded on the Nasdaq National Market under the symbol NBTB.

## INVESTOR/SHAREHOLDER INQUIRIES

Requests for information or assistance regarding NBT Bancorp Inc. should be directed to the Shareholder Relations Department in writing in the care of NBT Bank, 20 Mohawk Street, Canajoharie, New York 13317. To make contact by phone, please call 1-800-NBT-BANK and select Option 7. Information is also available on our website at [www.nbtbankcorp.com](http://www.nbtbankcorp.com).

## FORM 10-K ANNUAL REPORT

Copies of the company's annual report to the Securities and Exchange Commission on Form 10-K, quarterly reports, quarterly reports on Form 10-Q and news releases may be obtained without charge by writing to Michael J. Chewens, chief financial officer, at the corporate headquarters address. Select information is also available on the Internet at [www.nbtbankcorp.com](http://www.nbtbankcorp.com).

## STOCK TRANSFER AGENT AND REGISTRAR

NBT Bank  
20 Mohawk Street • Canajoharie, New York 13317  
1-800-NBT-BANK, Option 7

## MARKET MAKERS

Goldman, Sachs & Co.  
Morgan Stanley & Co., Inc.  
UBS Securities, LLC  
Knight Equity Markets, L.P.  
Citigroup Global Markets Inc.  
UBS Capital Markets L.P.  
Keefe, Bruyette & Woods, Inc.  
Lehman Brothers Inc.  
E\*Trade Capital Markets LLC  
Ryan Beck & Co. Inc.  
Susquehanna Capital Group  
Merrill Lynch, Pierce, Fenner  
Moors & Cabot, Inc.  
McConnell Budd & Downes  
Citadel Derivatives Group LLC  
Maxim Group LLC  
Prudential Equity Group, Inc.  
Advest Inc.  
Boenning & Scattergood Inc.  
Sandler O'Neill & Partners

## DIVIDEND REINVESTMENT AND DIRECT STOCK PURCHASE PLAN

Shareholders may participate in the Dividend Reinvestment and Direct Stock Purchase Plan. The plan provides that additional shares of common stock may be purchased with reinvested dividends and by voluntary cash payments. A plan description and an enrollment card may be obtained upon request to the Shareholder Relations Department.

## DIVIDEND CALENDAR

Dividends on NBT Bancorp Inc. common stock are customarily payable on or about the 15th of March, June, September and December.

## DIRECT DEPOSIT OF DIVIDENDS

Direct deposit is a safe, convenient method for the receipt of dividend payments. Direct deposit of dividends to a personal checking, savings or other account can be arranged by contacting the Shareholder Relations Department in writing in the care of NBT Bank, 20 Mohawk Street, Canajoharie, New York 13317. To make contact by phone, please call 1-800-NBT-BANK and select Option 7. Electing direct deposit will not affect the mailing of annual and quarterly reports and proxy materials.

## DUPLICATE MAILING NOTIFICATION

Shareholders of record who are currently receiving multiple copies of the annual report are encouraged to contact the Shareholder Relations Department in writing in the care of NBT Bank, 20 Mohawk Street, Canajoharie, New York 13317. To make contact by phone, please call 1-800-NBT-BANK and select Option 7.

## PRODUCT INFORMATION

To find out about the wide range of products offered by:

- **NBT Bank**, visit [www.nbtbank.com](http://www.nbtbank.com) or call 1-800-NBT-BANK.  
For **Trust and Investments**, select Option 4.  
For **NBT Financial Services**, select Option 1, ext. 6005.  
For **NBT Capital Corp.**, select Option 1, ext. 6141.
- **Pennstar Bank**, visit [www.pennstarbank.com](http://www.pennstarbank.com) or call 1-800-4STAR-PA.  
For **Trust and Investments**, call 570-341-8468.  
For **Pennstar Financial Services**, call 570-341-8416.
- **NBT Settlement Services**, call 1-866-763-8573.
- **EPIC Advisors, Inc.**, visit [www.epic1st.com](http://www.epic1st.com) or call 585-232-9060, ext. 158.

## EQUAL OPPORTUNITY AT NBT BANCORP INC.

NBT Bancorp Inc. and its subsidiaries are Equal Opportunity Employers. M/F/V/D

