



**Investor Presentations
May 9-11, 2012**

Table of Contents

<u>Tab</u>	<u>Pages</u>	<u>Content</u>
1	6-16	Performance and Peer Comparisons
2	18-25	Net Interest Income
3	27-28	Asset Quality
4	30-32	Noninterest Income and Expense
5	34-35	Capital
6	37-41	Strong Fundamentals
7	43	2012 Outlook
8	45-48	Company Overview
9	50-52	Our Vision and Leadership
10	54-59	Our Strategy
11	61-66	Market Information
12	68-81	Appendices

Contact Information



Martin Dietrich

President and Chief Executive Officer

(607) 337-6119

mdietrich@nbtbank.com



Michael J. Chewens

Senior Executive Vice President and
Chief Financial Officer

(607) 337-6520

mjchewens@nbtbci.com



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.





Performance and Peer Comparisons

Key Financial Indicators

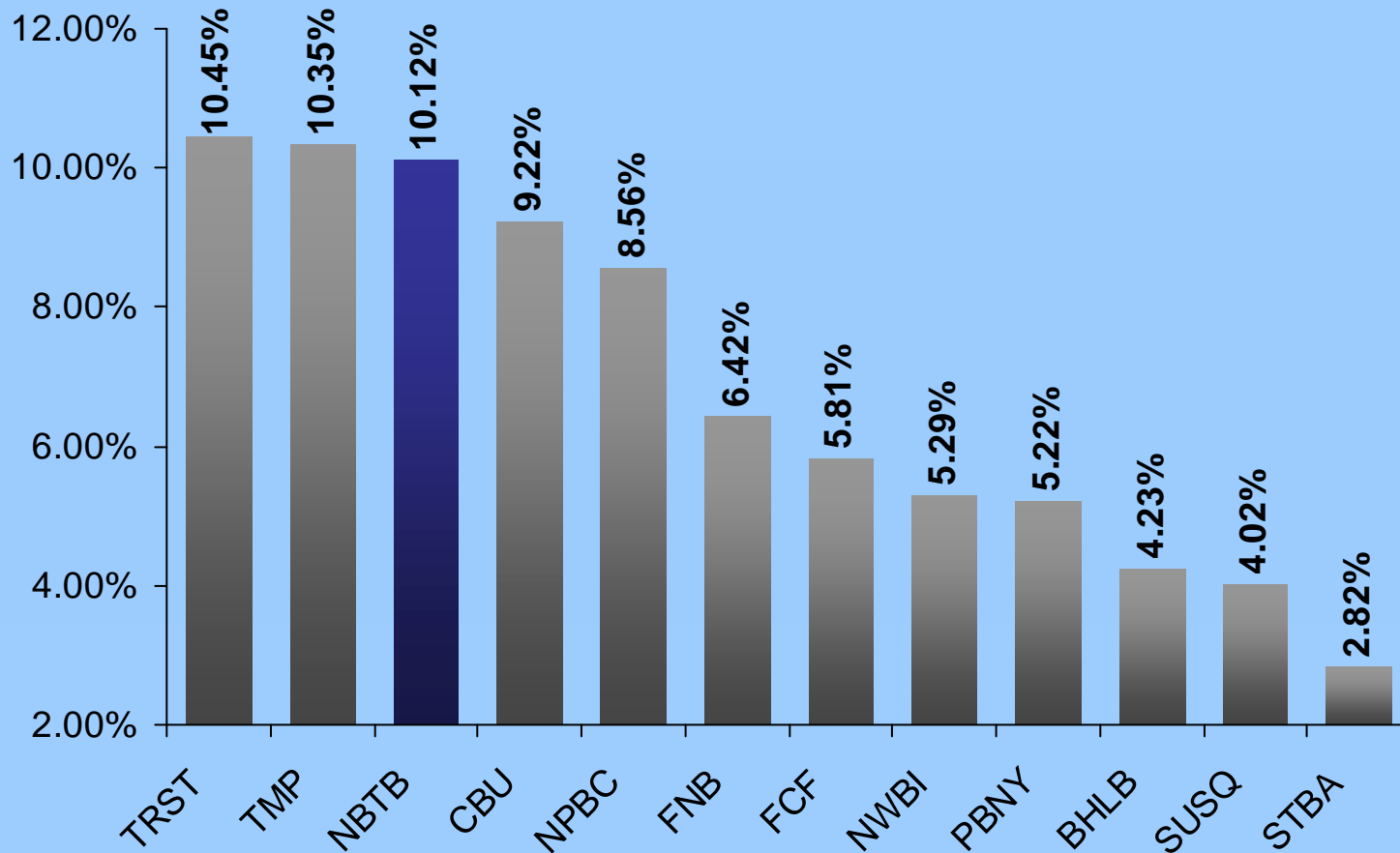
For the quarters ending March 31

	<u>2012</u>	<u>2011</u>
Net interest income	\$49.4	\$49.3
Provision	\$4.5	\$4.0
Noninterest income (excluding securities gains)	\$22.6	\$20.1
Noninterest expense	\$48.5	\$45.1
Net income	\$13.7	\$14.3
Diluted EPS	\$0.41	\$0.41
Net interest margin	3.90%	4.11%
Return on average assets	0.97%	1.08%
Return on average equity	10.12%	10.78%

Shown in millions except for EPS and ratios

Return on Average Equity

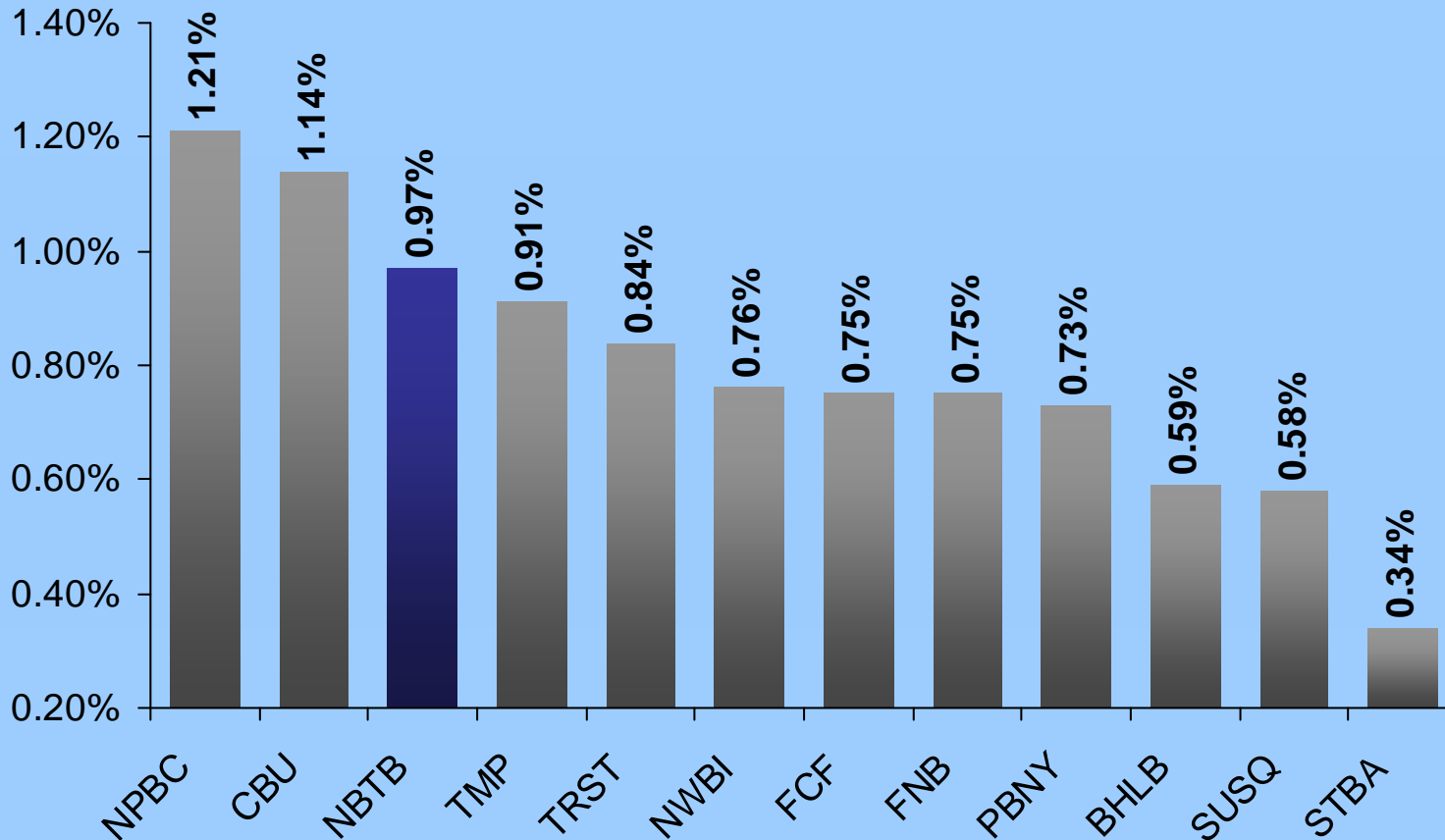
Quarter Ended March 31, 2012



Peer Group Median is 6.12%

Return on Average Assets

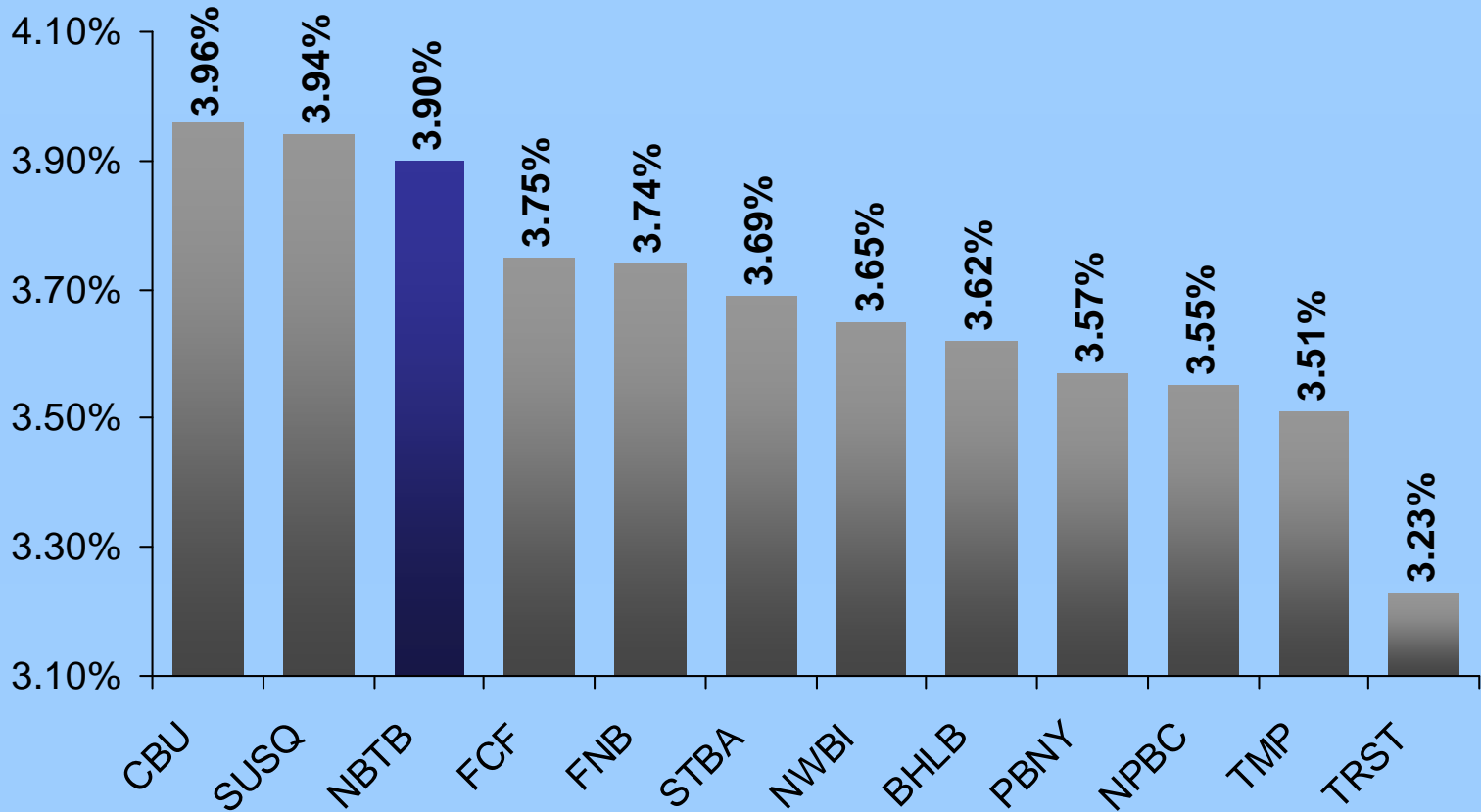
Quarter Ended March 31, 2012



Peer Group Median is 0.76%

Net Interest Margin

Quarter Ended March 31, 2012

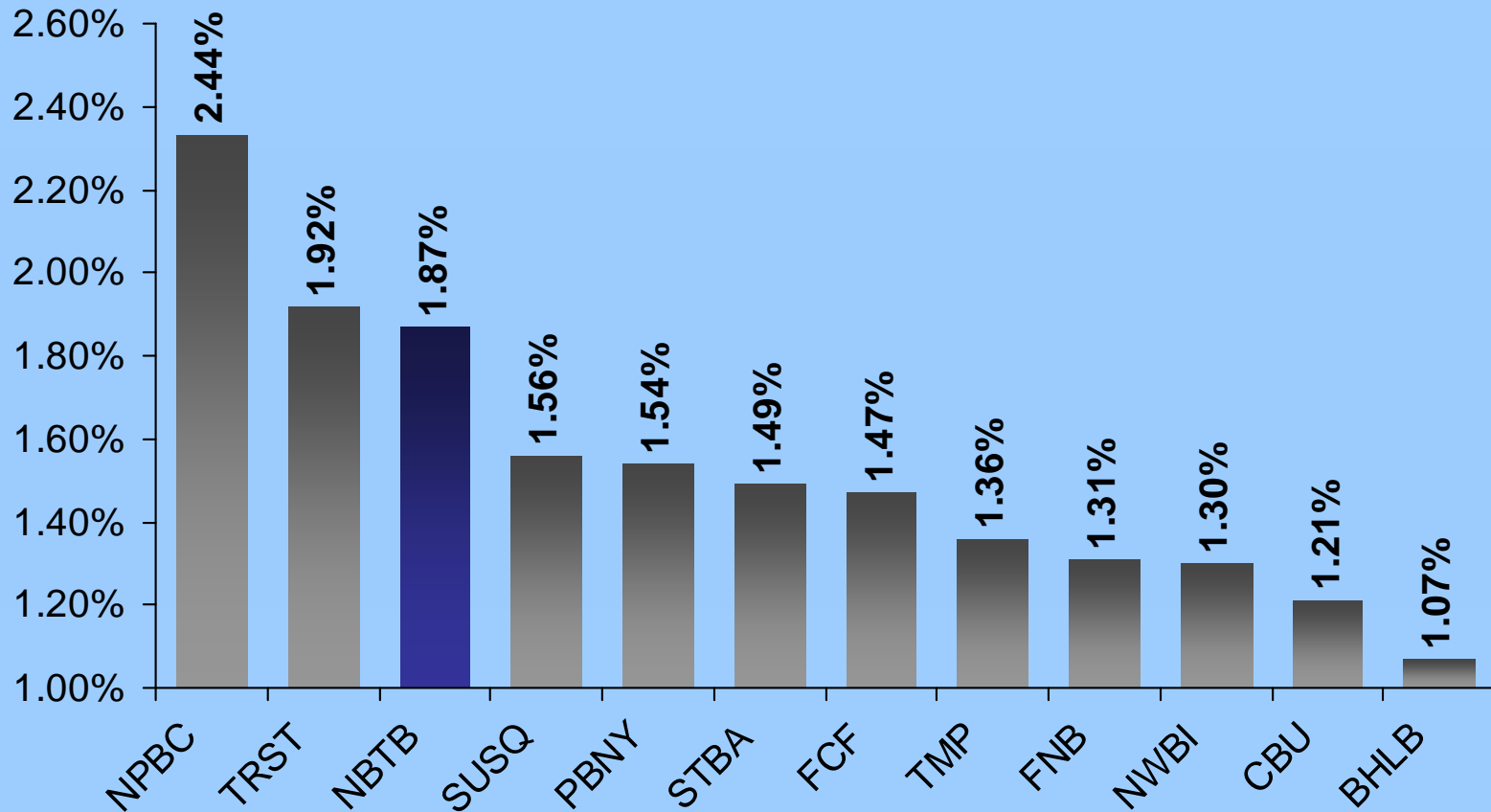


Peer Group Median is 3.67%



Allowance / Total Loans

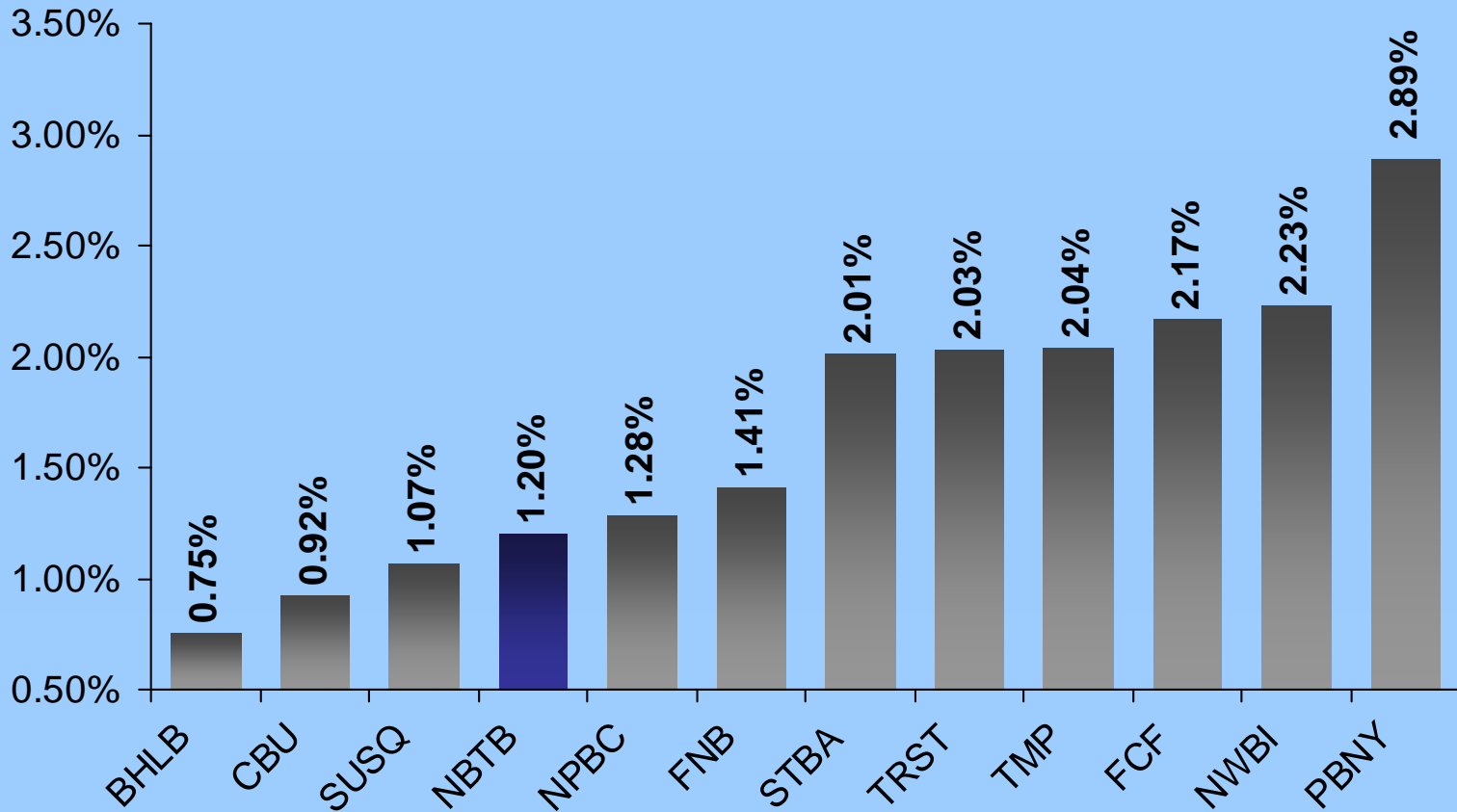
Quarter Ended March 31, 2012



Peer Group Median is 1.48%

Nonperforming Loans / Total Loans

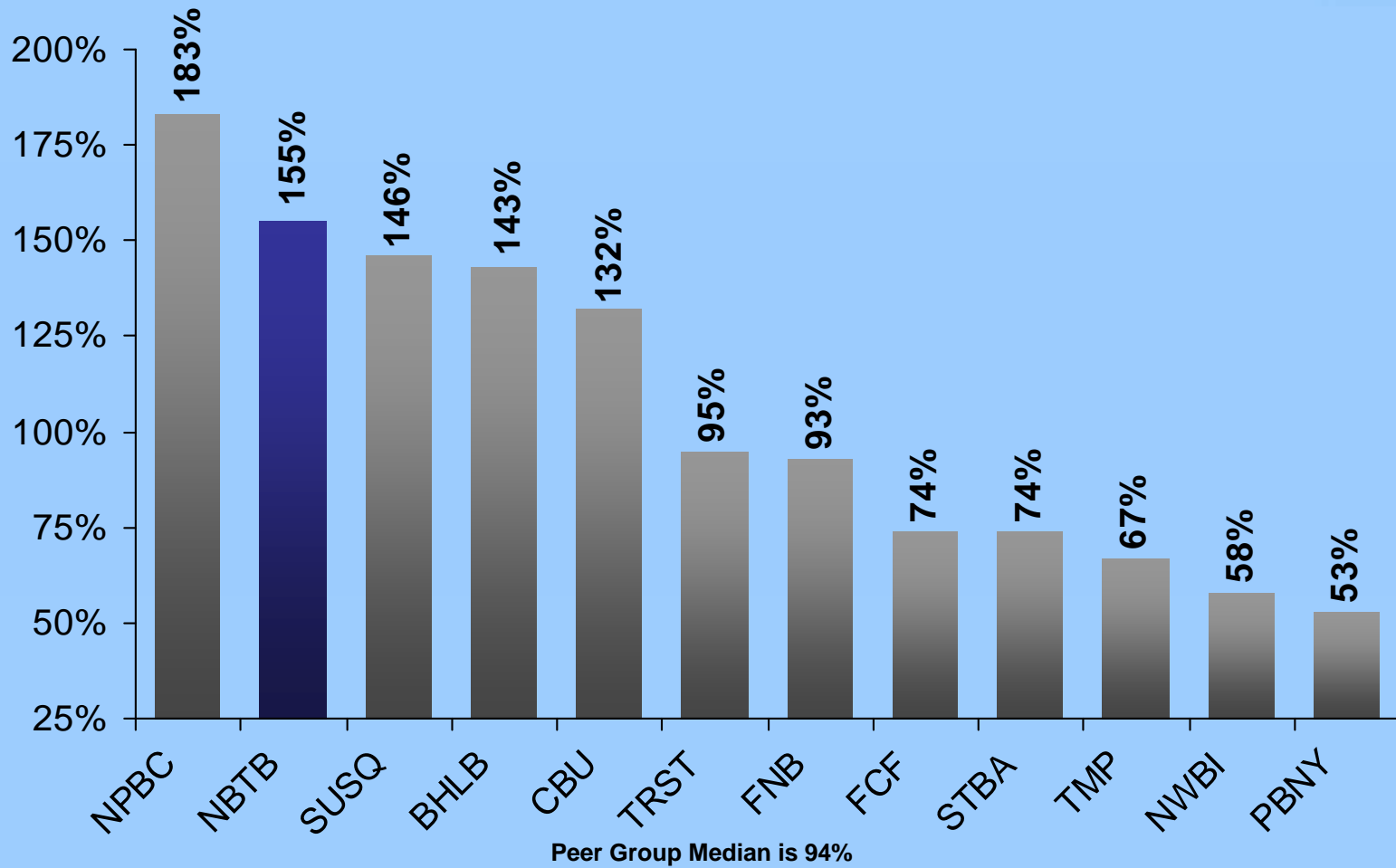
Quarter Ended March 31, 2012



Peer Group Median is 1.71%

Allowance / Nonperforming Loans

Quarter Ended March 31, 2012



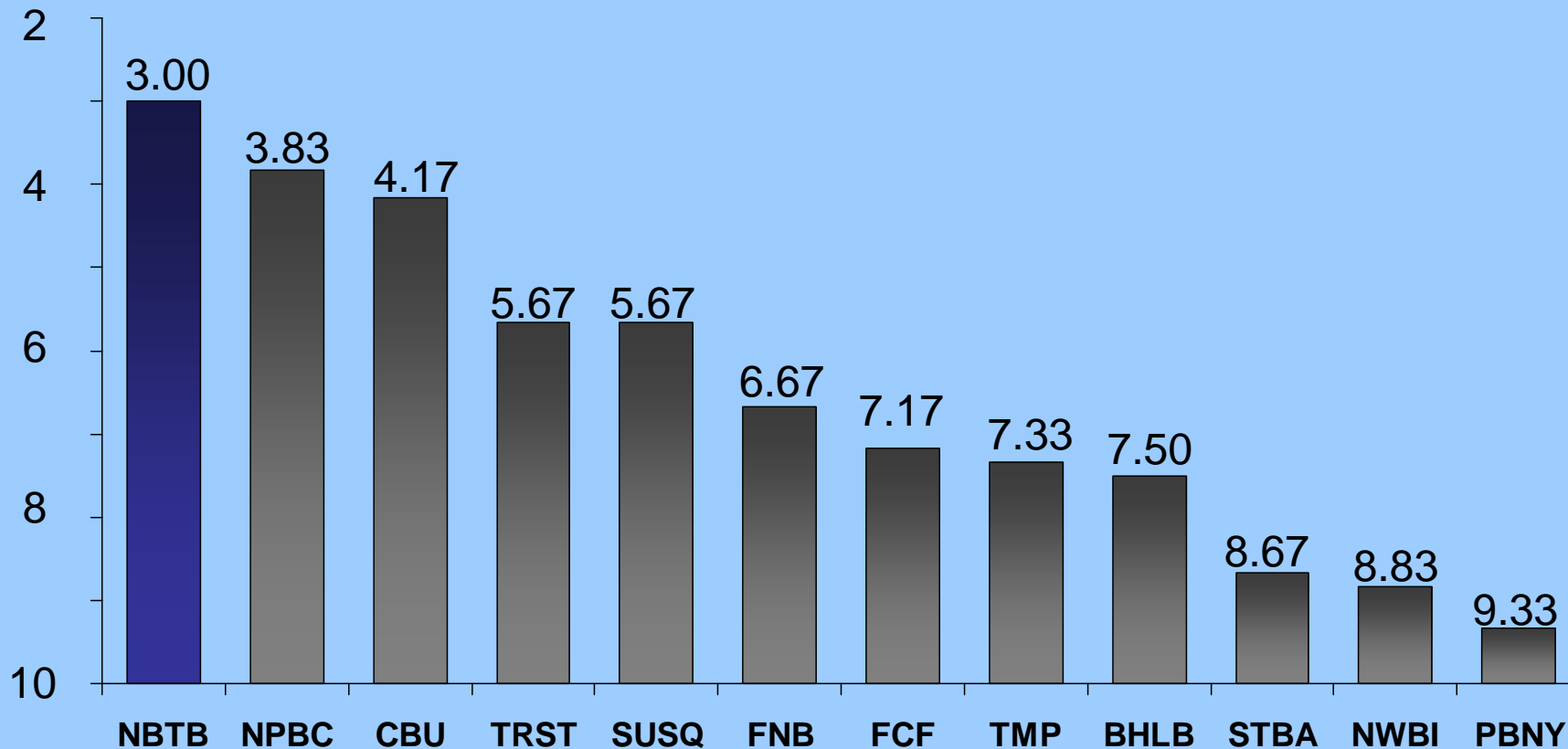
Relative Average Ranking = Balanced Performance

Quarter Ended March 31, 2012

Ratios	Relative Peer Ranking
Return on Average Equity	3
Return on Average Assets	3
Net Interest Margin	3
Allowance for Loan and Leases to Total Loans	3
Nonperforming Loans to Total Loans	4
Allowance for Loan and Leases to Nonperforming Loans	2
NBTB Average Ranking	3.00

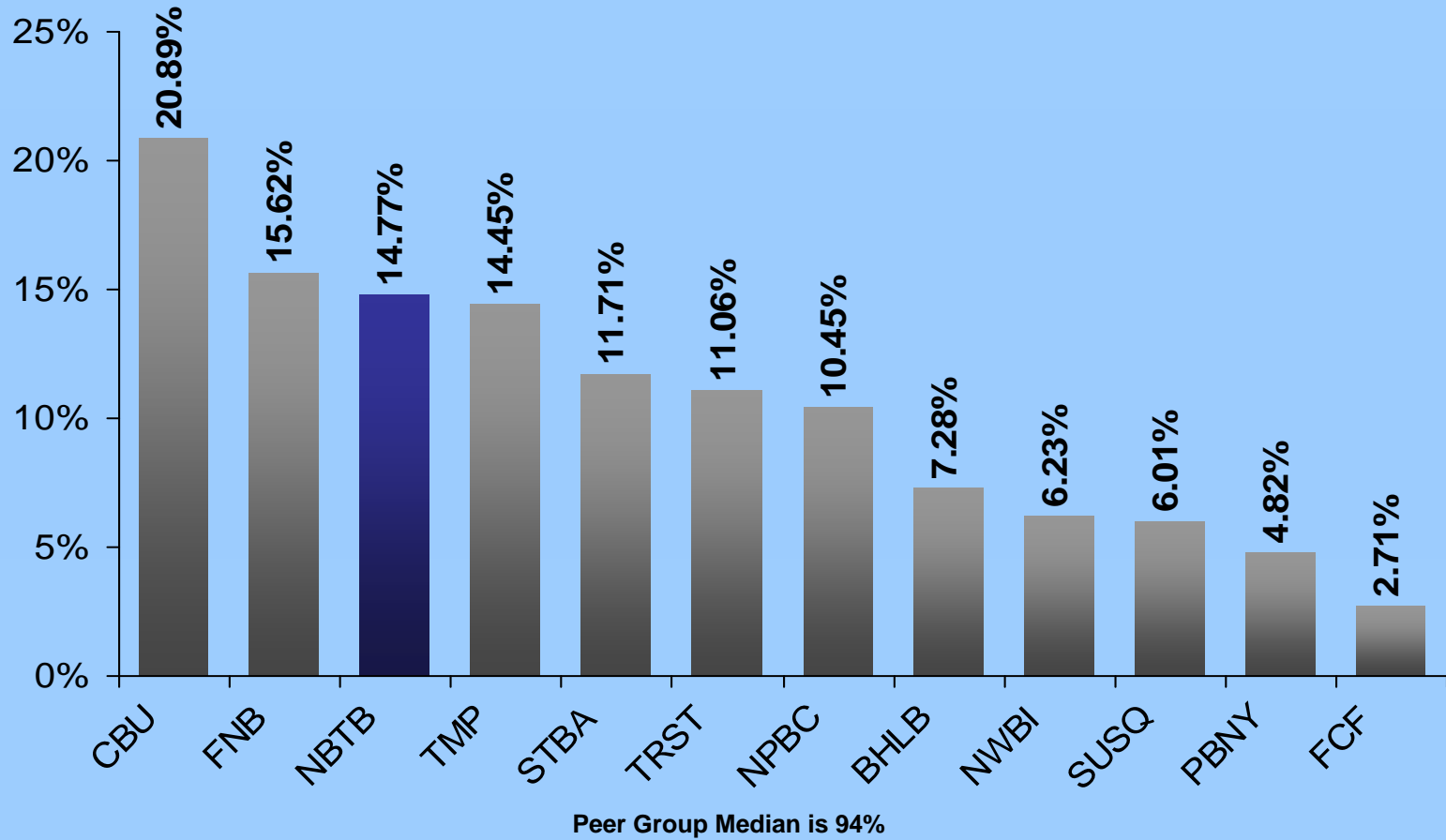
Our Peer Group Relative Average Ranking

Quarter Ended March 31, 2012



Return on Tangible Equity

Quarter Ended March 31, 2012

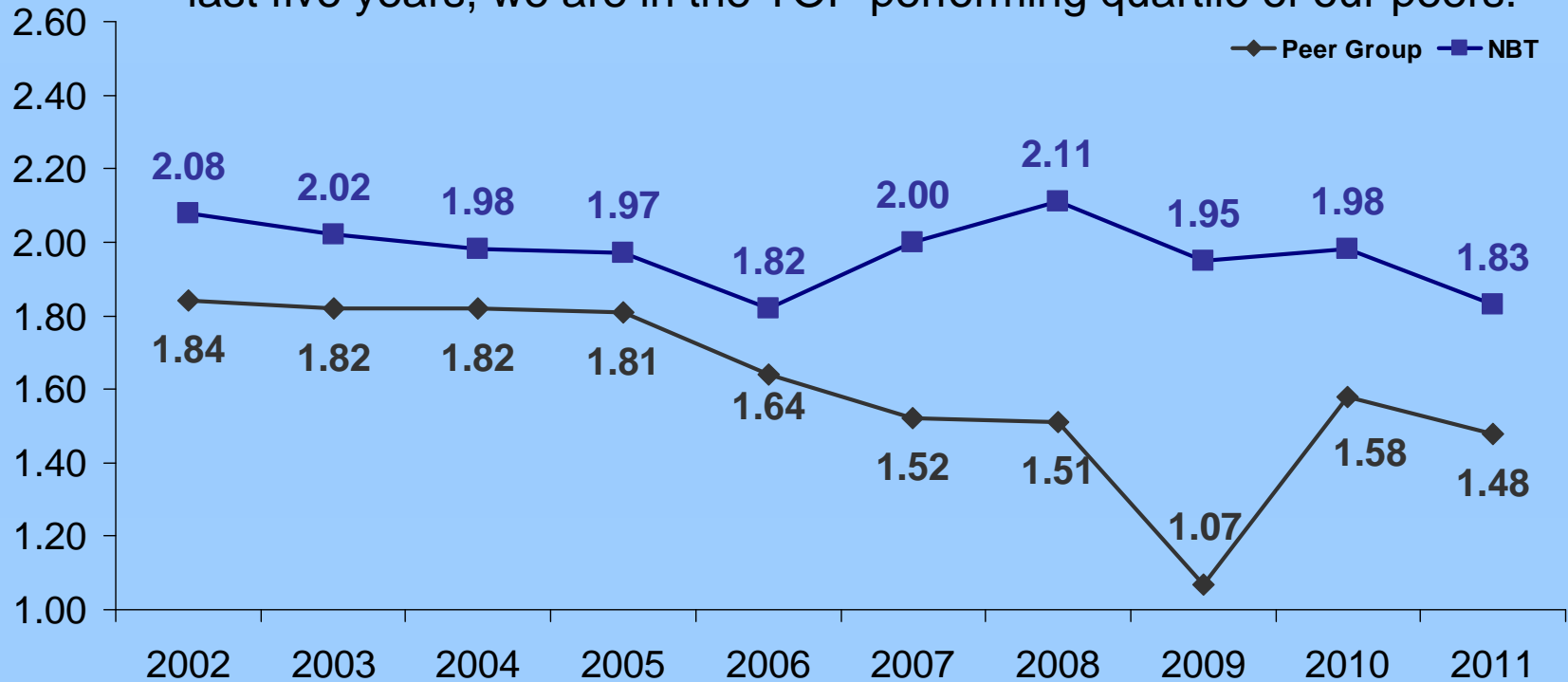


Source: SNL. Refer to Appendix A for Our Peer Group.

Pre-tax Pre-provision ROA

Shown for last ten years

During the first five years, we are above average in our peer group. During the last five years, we are in the TOP performing quartile of our peers.



Ranking: 4 4 5 4 5 2 2 1 2 3

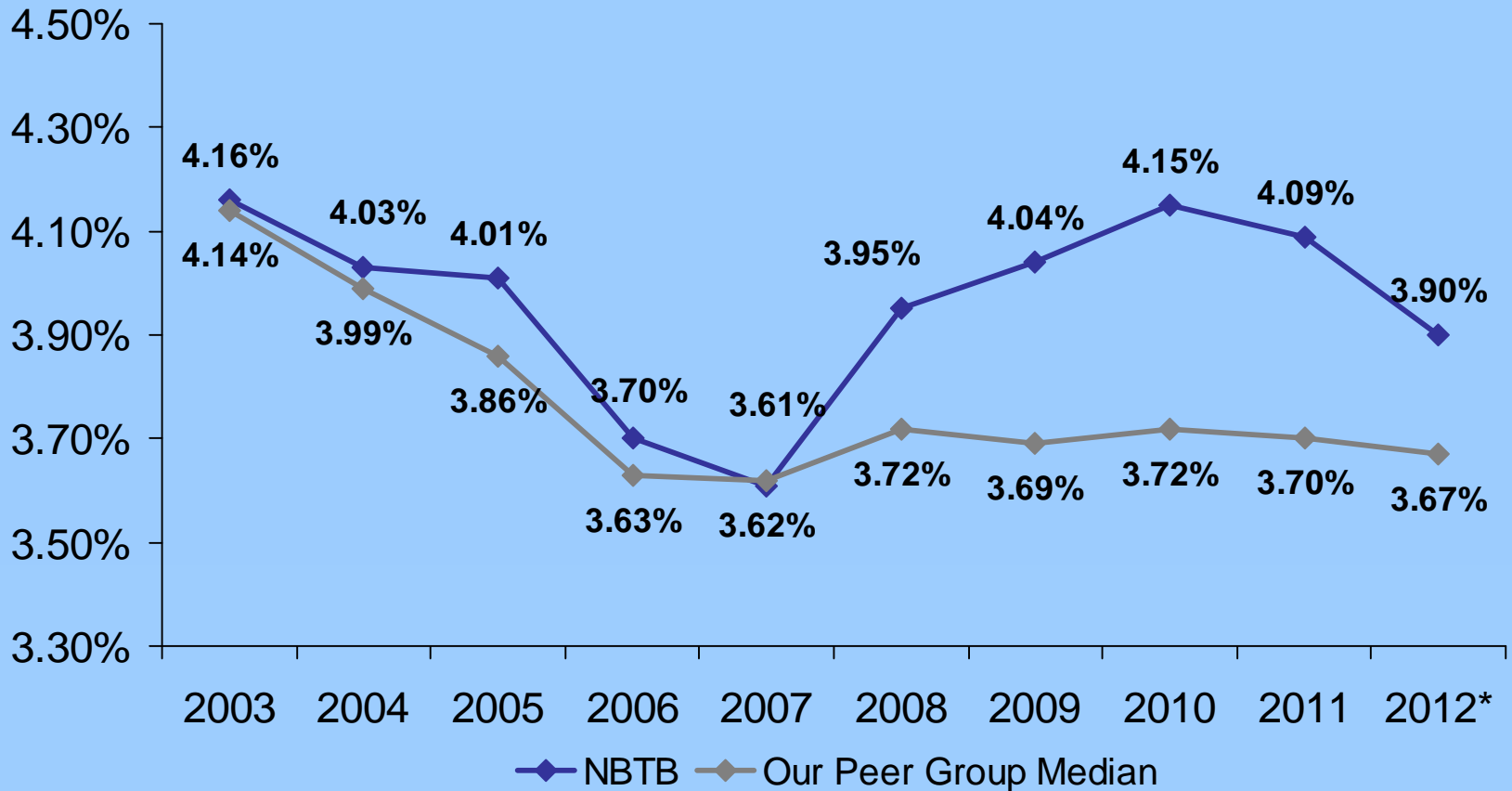




**Net Interest Income
(Margin, Loans, Investments & Deposits)**

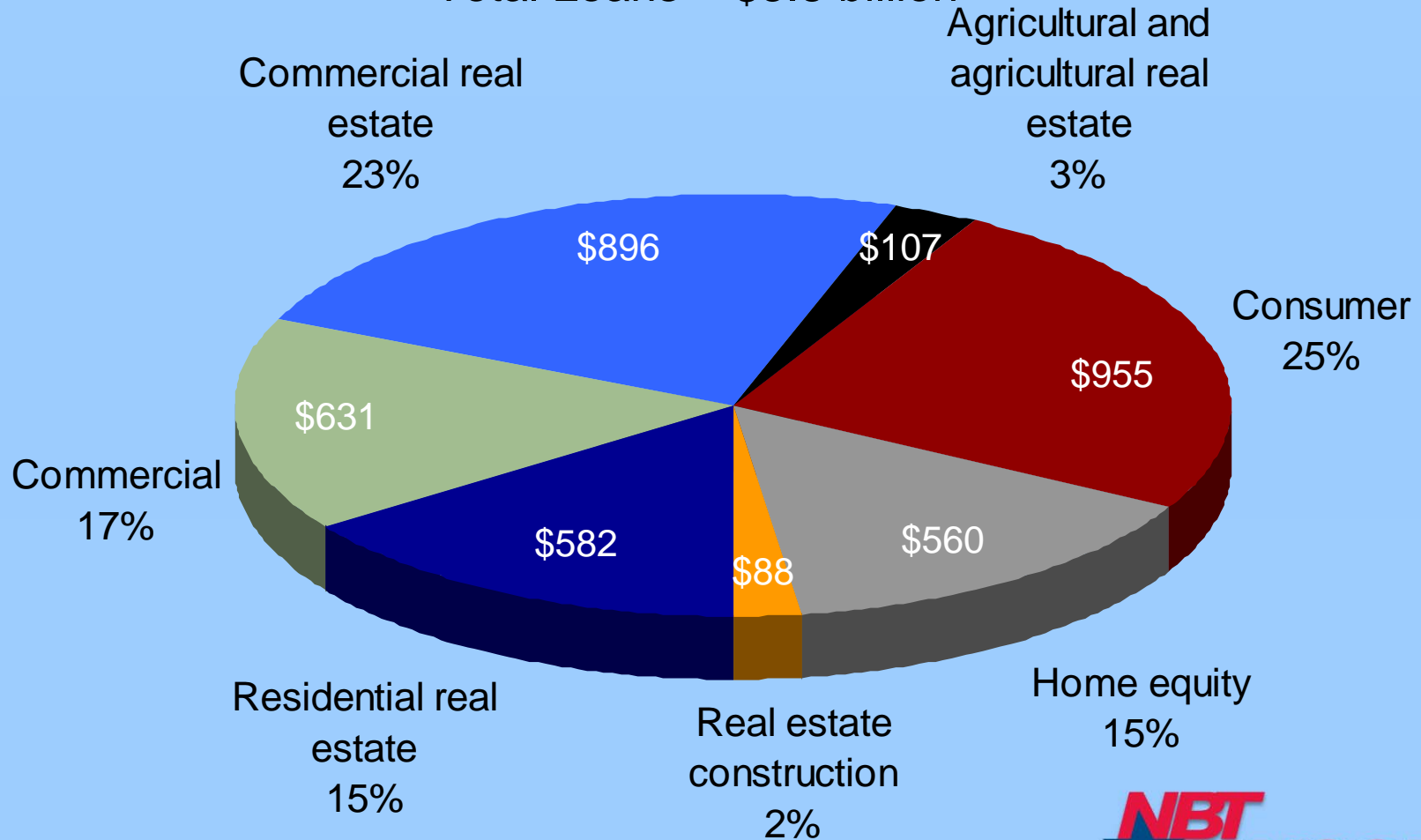
Net Interest Margin

Shown for last ten years



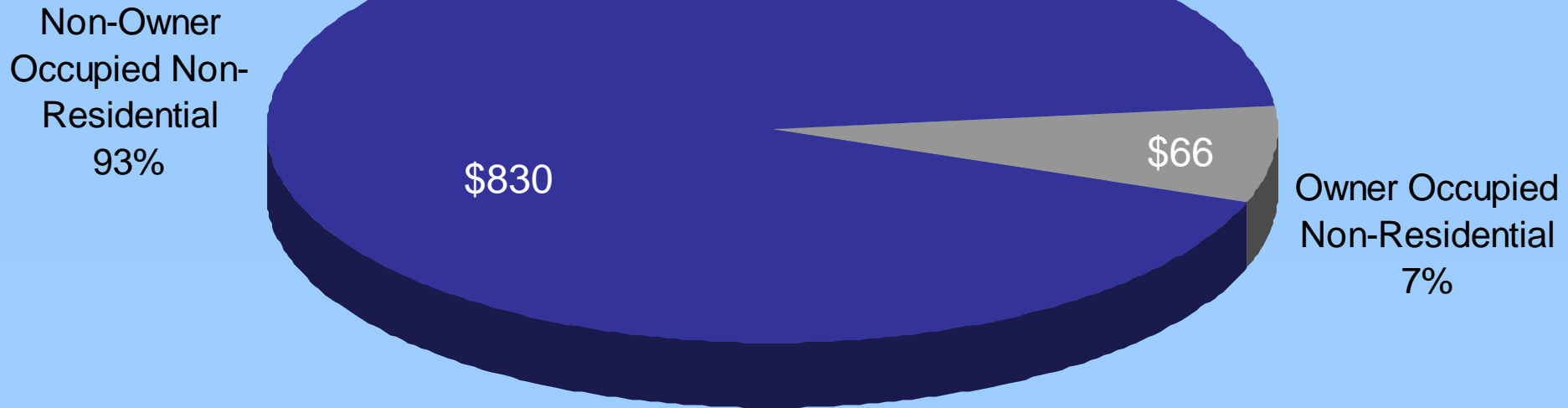
Loan Composition

Total Loans = \$3.8 billion



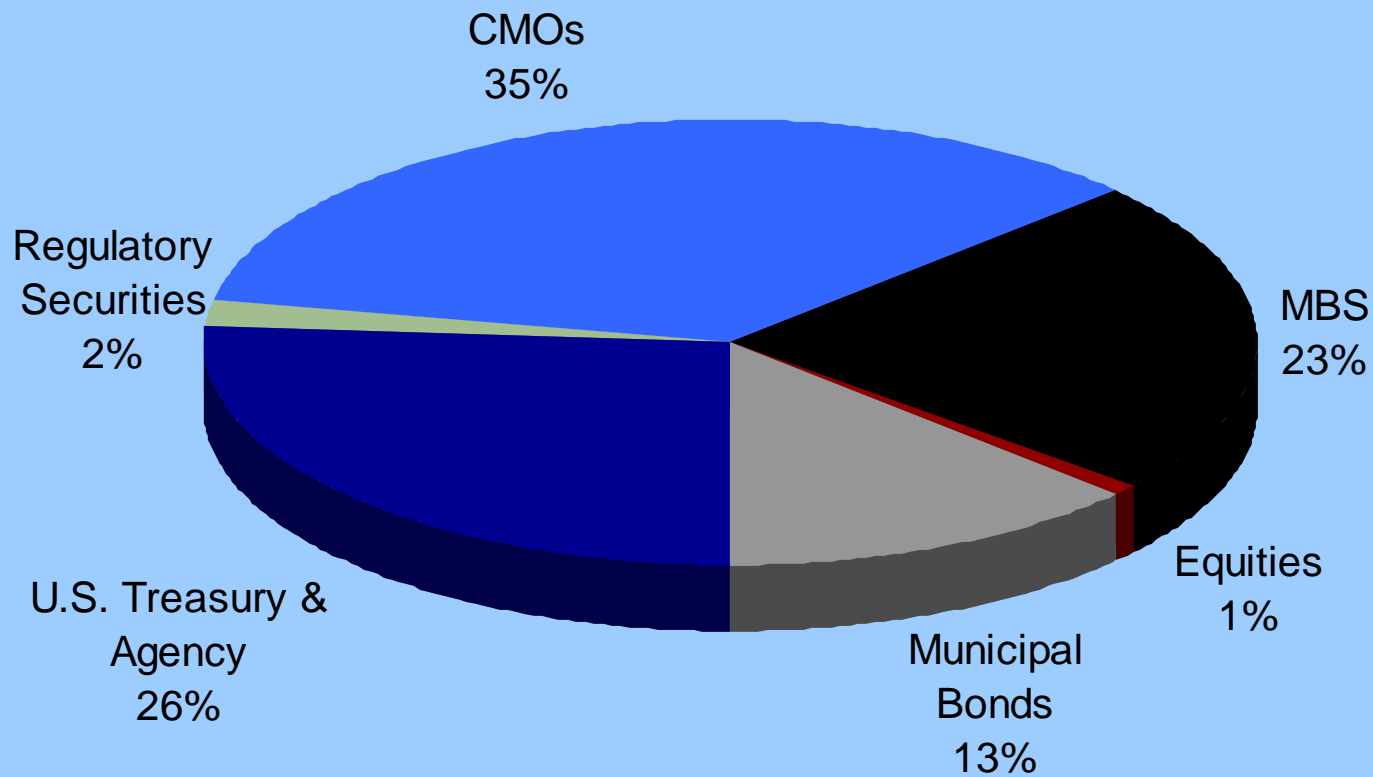
Commercial Real Estate

Total Commercial Real Estate = \$896 million



Investment Portfolio

Total Investments = \$1.34 billion, or 23% Total Assets



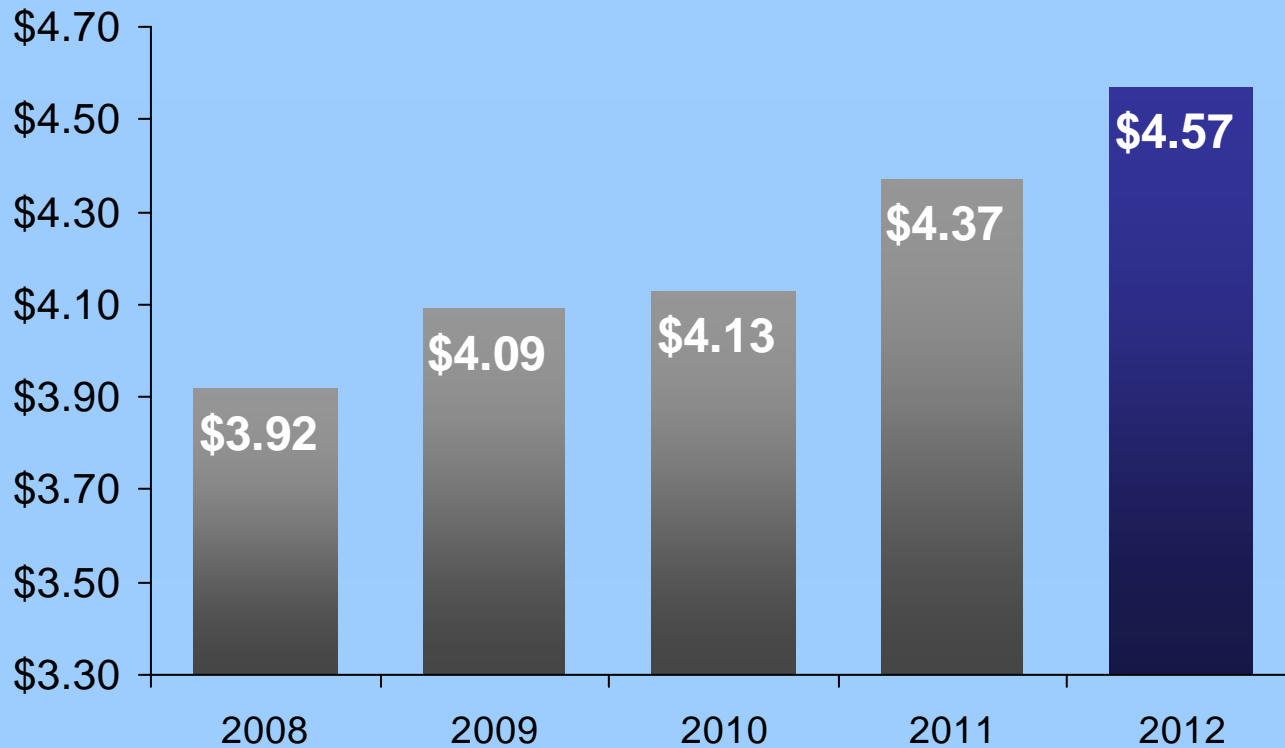
Investment Portfolio Facts

99% of NBTB's portfolio is issued, or guaranteed by, local, state or federal agencies, or government sponsored enterprises.

We currently do not own any private label MBS/CMOs. The CMOs in our portfolio are high quality (Freddie, FNMA, GNMA) short sequentials with limited extension risk.

We currently do not own any perpetual preferred stock or high risk mutual funds.

Deposit Growth

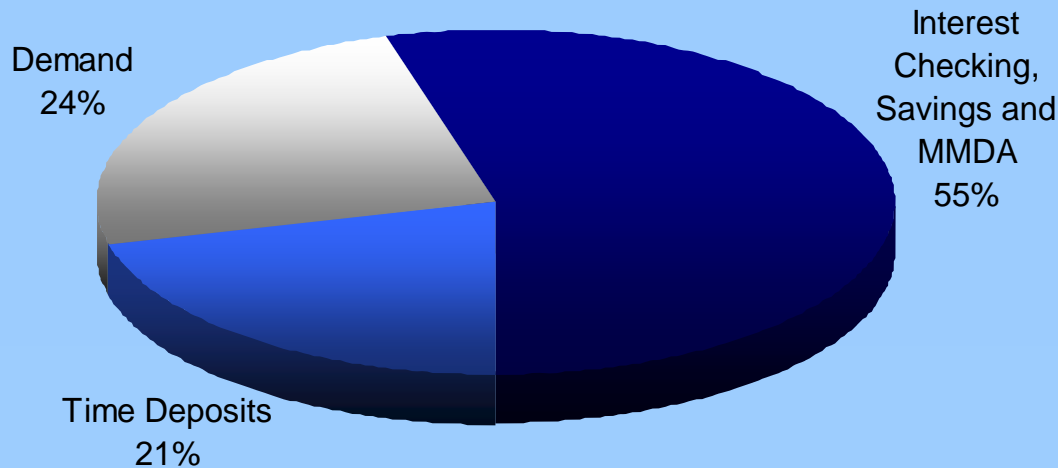


CAGR for the period shown: 4.8%
CAGR without acquisitions: 3.4%

Core Deposit Strength

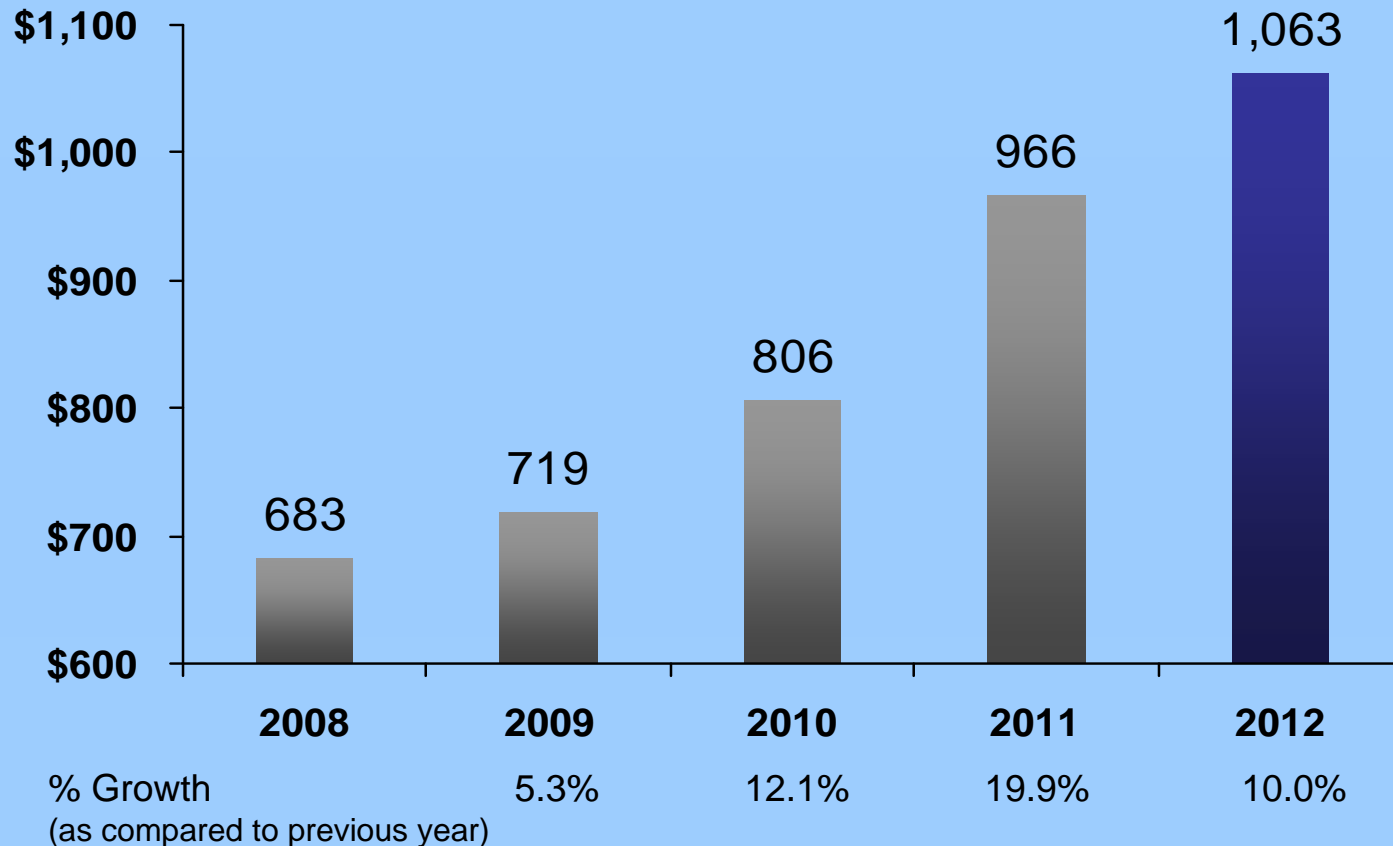
As of March 31, 2012

76% of our consolidated deposit mix is in the form of checking, savings and money market instruments with desirable rate characteristics, which is critical in maintaining a strong net interest margin.



Core Deposits excluding municipal deposits were 60%.

DDA Deposit Growth



CAGR for the period shown: 14.6%
CAGR without acquisitions: 13.6%



Asset Quality

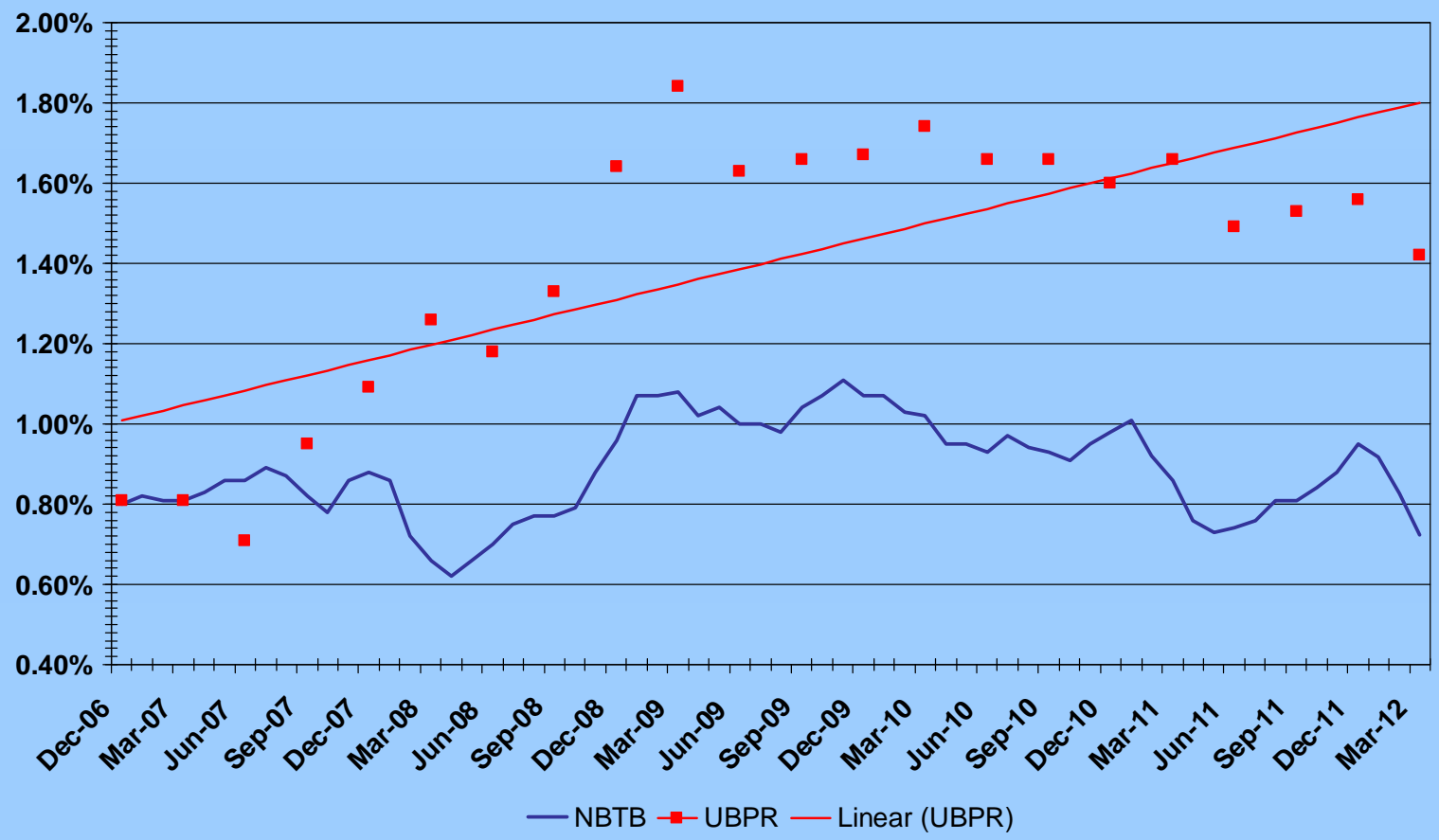
Asset Quality Detail

(Dollars in 000's)

<u>Nonaccrual Loans</u>	<u>3/31/12</u>	<u>12/31/11</u>
Commercial	\$5,674	\$1,705
Commercial real estate	6,793	4,869
Agricultural	2,927	3,262
Agricultural real estate	1,838	2,065
Business banking	7,258	7,489
Indirect	1,633	1,550
Home Equity	8,518	7,929
Direct	376	375
Residential Real Estate	<u>9,464</u>	<u>9,046</u>
Total Nonaccrual Loans	\$44,481	\$38,290
Potential Problem Loans	\$88,870	\$96,946

Leading Indicator – Past Due Ratio History

NBTB's Three Month Rolling Average and Quarterly Uniform Bank Performance Ratio



Past due ratio has historically been between 60 and 115 basis points over the last five years, while the quarterly Uniform Bank Performance Ratio has steadily increased from near 60 bps to over 150.

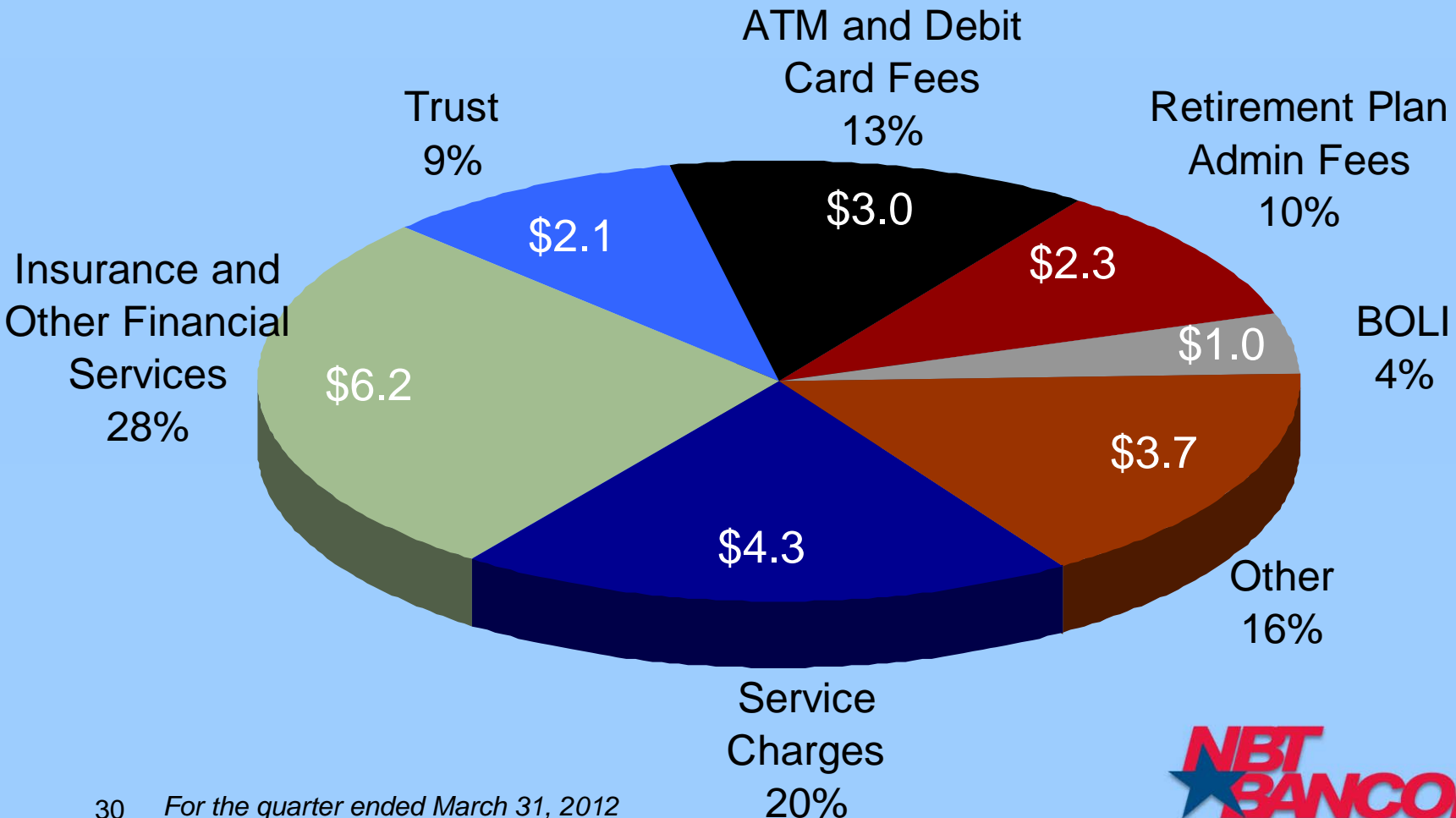




Noninterest Income and Expense

Diverse Sources of Noninterest Income

Total Noninterest Income = \$22.6 million



30 For the quarter ended March 31, 2012
Dollars in millions. Shown excluding securities gains/losses.



Noninterest Income Facts

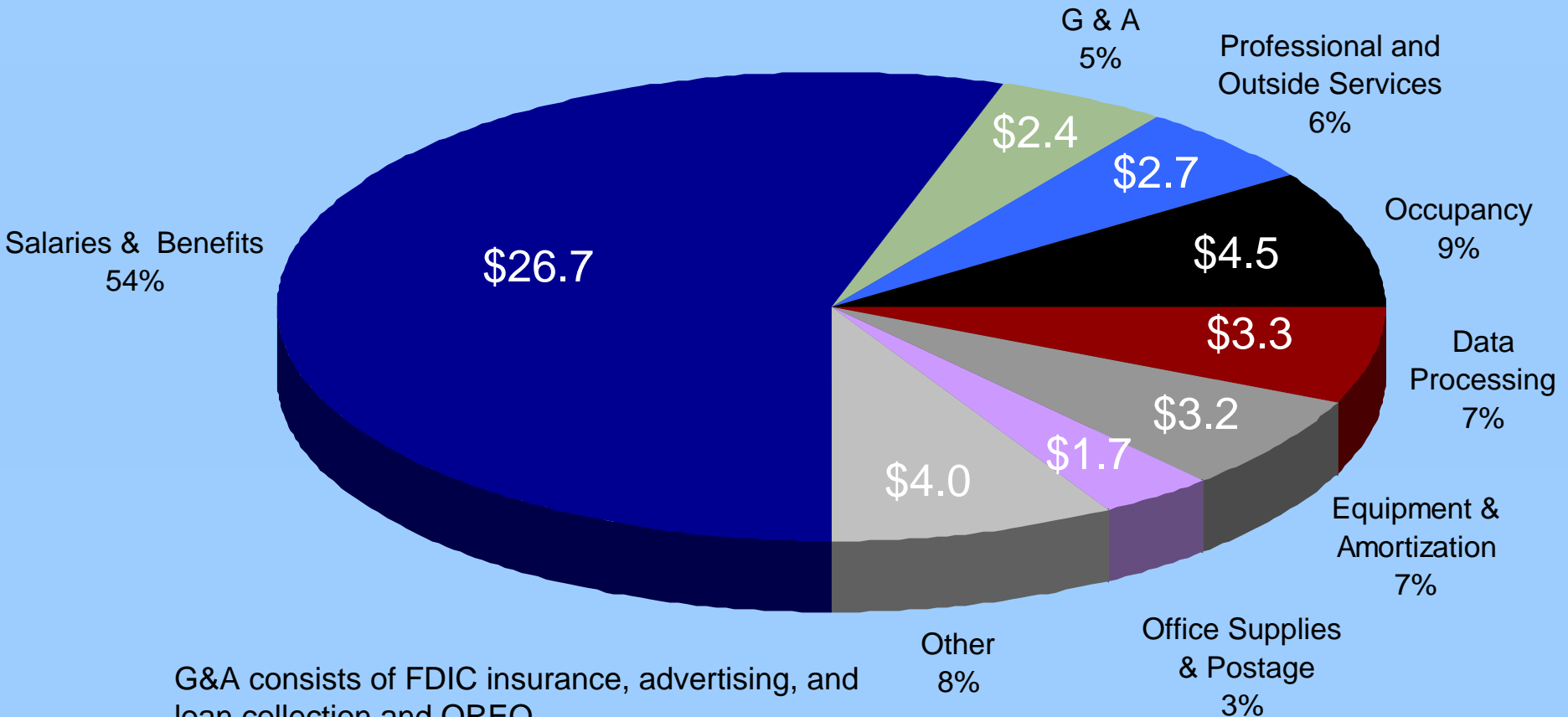
- Consistently near 30% of total revenue for the last four years
- Grown 9% compounded annually for the first quarter periods 2008-2012
- Diverse sources demonstrating high compound annual growth rates (2008-2012)
 - Trust revenue 4%
 - EPIC revenue 8%
 - Financial services revenue 11%

Components of Noninterest Expense

For the quarter ended March 31, 2012

(Dollars in millions)

Total Noninterest Expense = \$48.5 million



G&A consists of FDIC insurance, advertising, and loan collection and OREO.

Other includes merger, contributions, directors' fees, training and development, travel and other.



NEW YORK

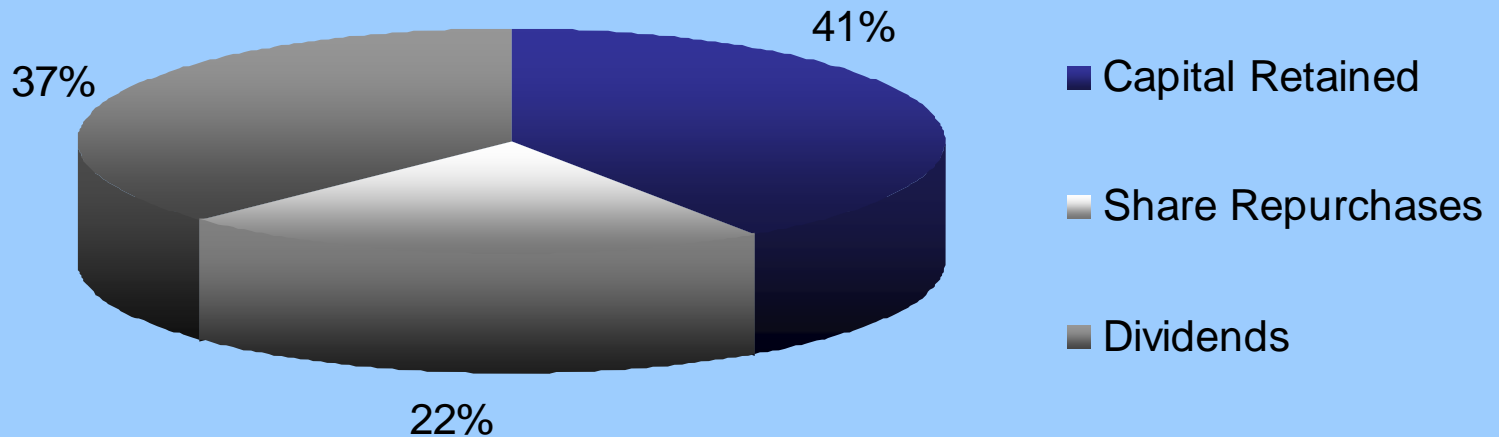
TOKYO



Capital

Utilization of Capital

Cumulative Capital Retained, Dividends and Share Repurchases 2003 - 2012

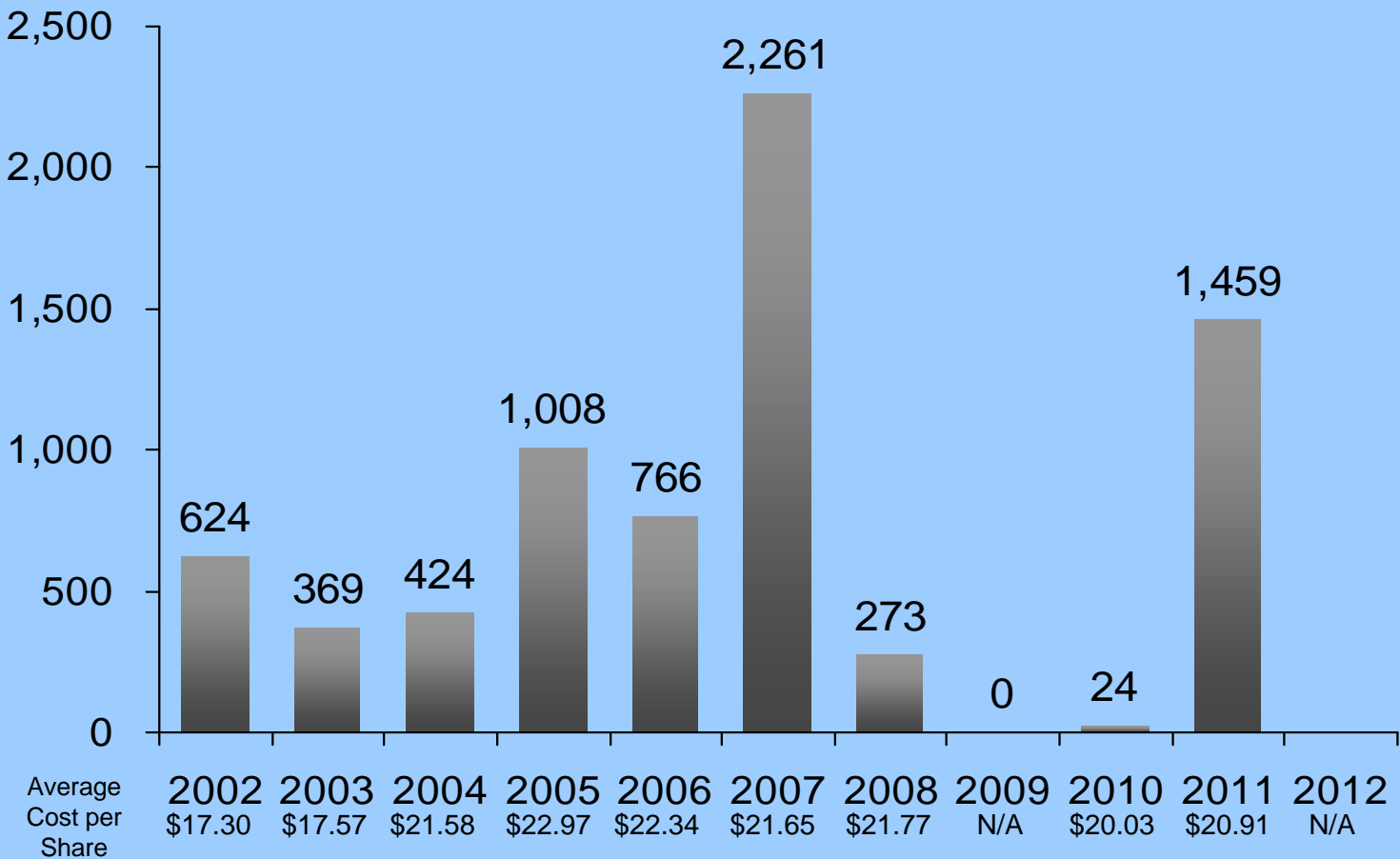


The Company has a diversified utilization of Capital with a strong return to its shareholders.



Stock Repurchase History

Number of shares repurchased by year



Since 2002:
7,208,279
shares were
repurchased
at an average
cost of
\$21.17/share
for a total of
\$152,580,967

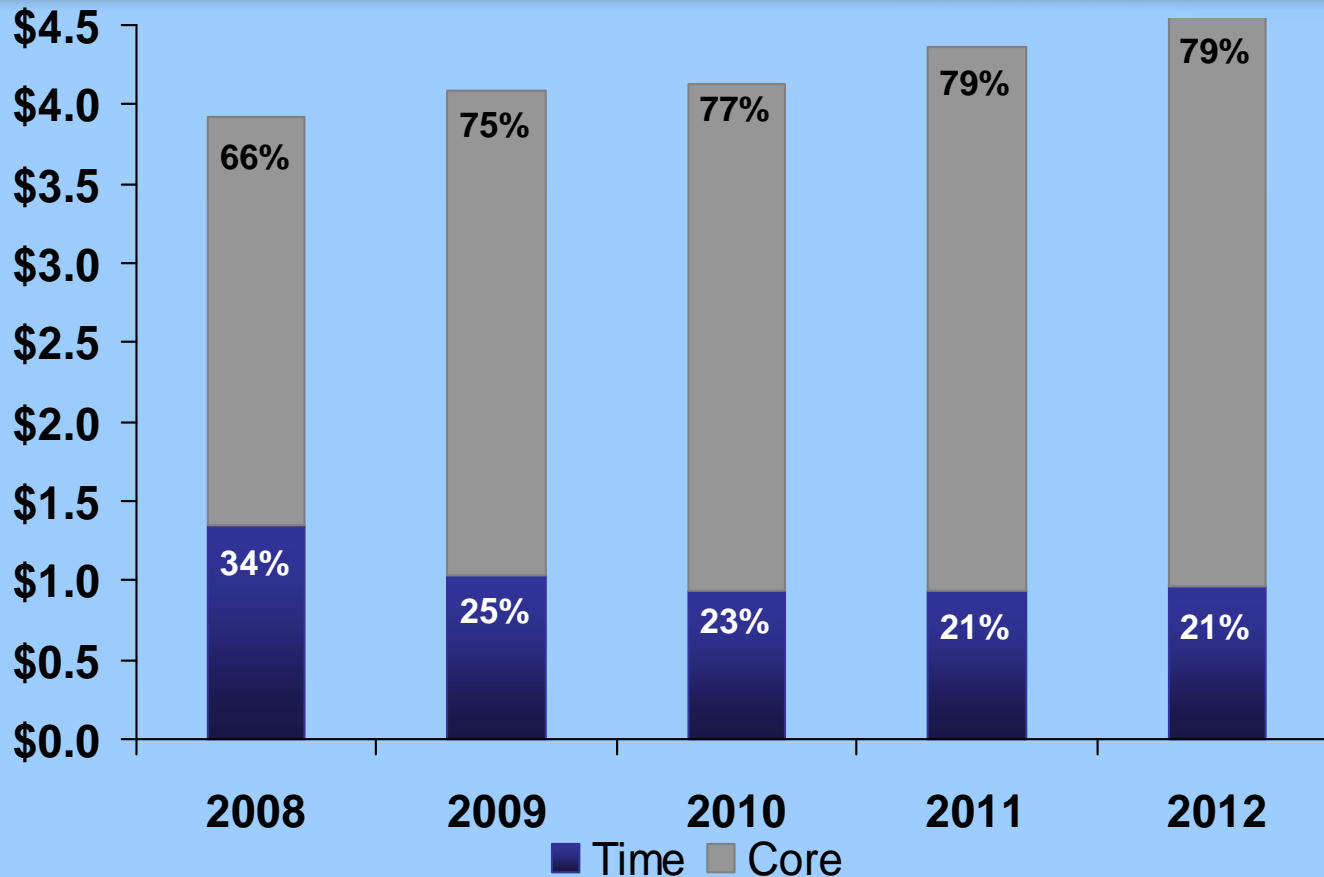
1,517,581 remaining shares authorized for repurchase
under the existing stock buyback plan.





Strong Fundamentals

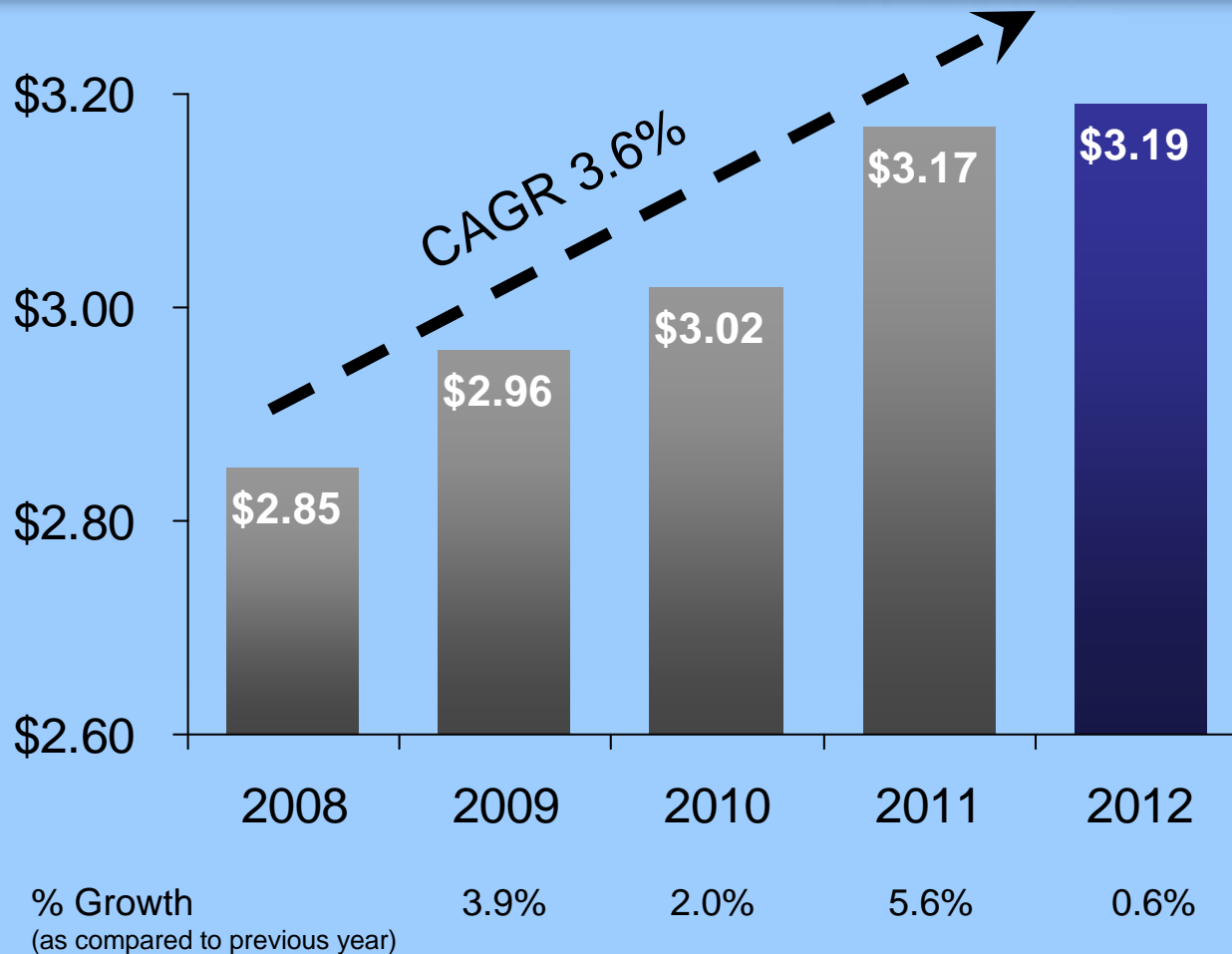
Core Deposit Growth



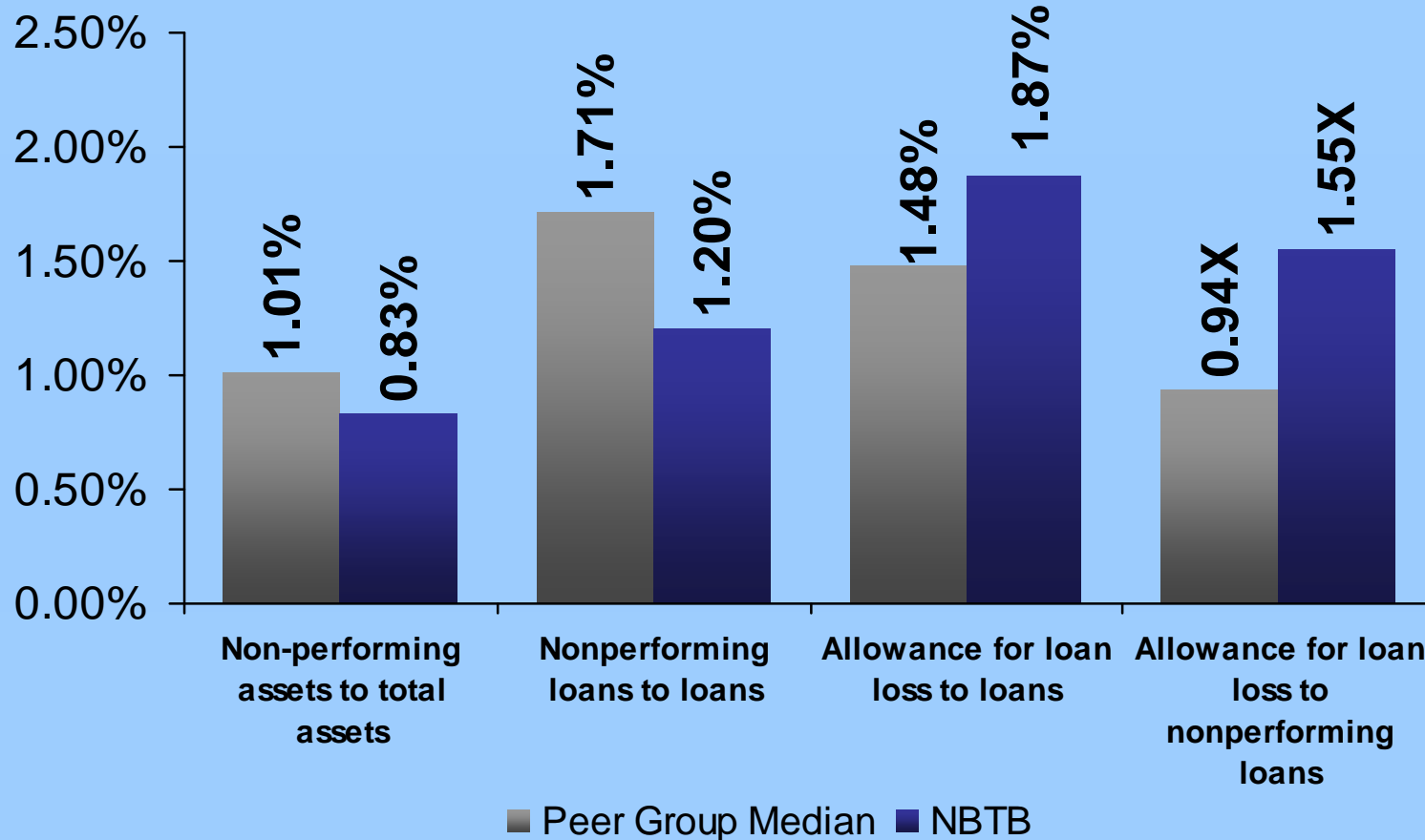
CAGR in Core Deposits for the period shown: 11.0%

CAGR in Core Deposits without acquisitions: 9.9%

Core Loan Growth



Strong Asset Quality



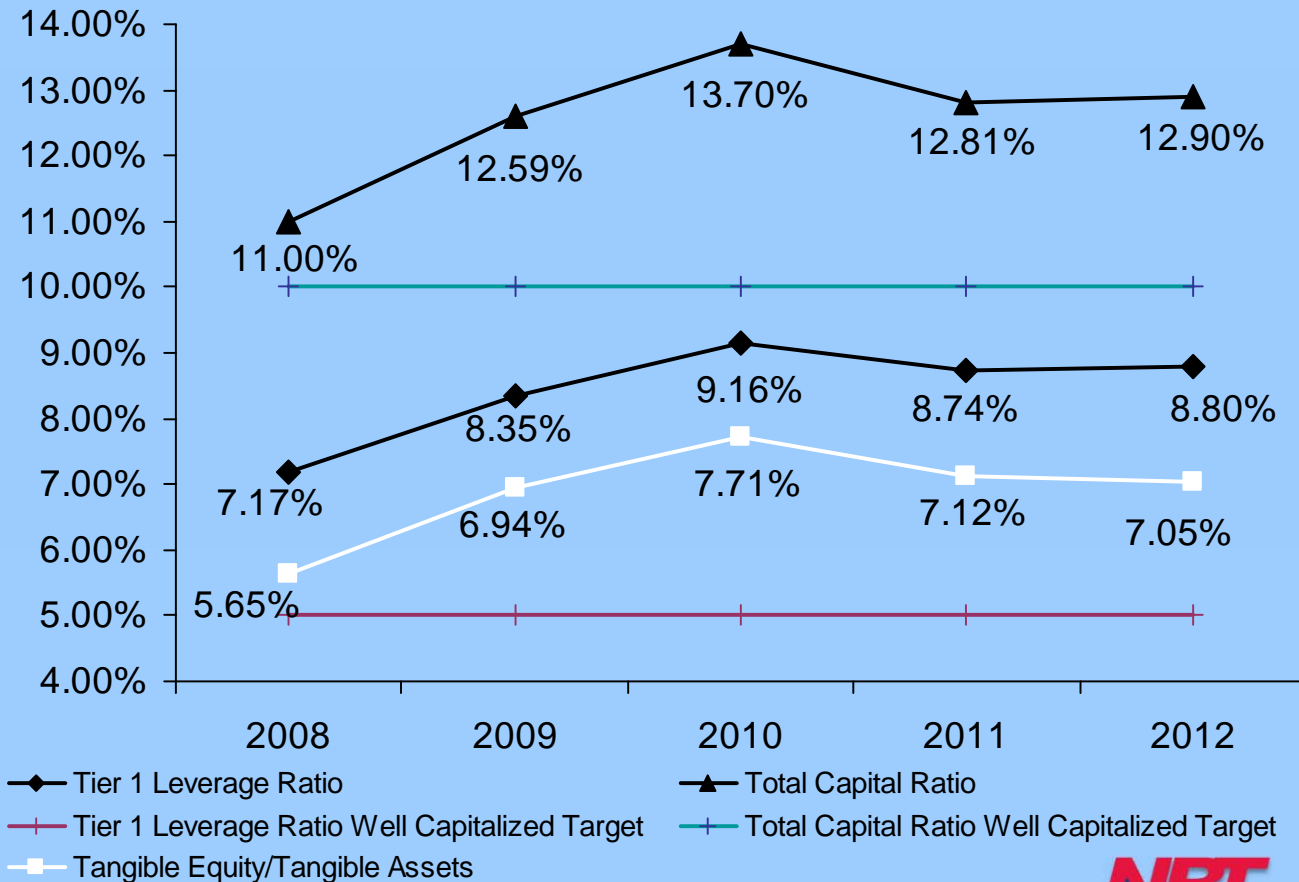
Conservative ALCO Strategies

- Maintain excess liquidity
- Conservative investment portfolio
 - Risk averse
 - No credit risk
 - Reduced municipal exposure
- Managing portfolio duration for rising rate environment in the intermediate future
- Maintain pricing discipline
- Focus on DDA growth
- Focus on variable rate lending

Demonstrated strong ALCO discipline in the current environment by maintaining liquidity and interest rate risk profiles.

Capital Strength

NBT remains above levels considered well capitalized by regulators.



NEW YORK

TOKYO



2012 Outlook

2012 Outlook

- Continued strong fundamentals (organic loan growth, core deposit growth, stable asset quality)
- Margin compression
 - Pricing pressure from deployment of liquidity from branch deals
 - Continued lower returns on reinvestment of cash flows partially mitigated by earning asset growth
- Continued service charge decrease
- Pension expense increase
- Normalized tax rate

NBTB will be faced with the same challenges as most in the banking industry faced in 2010-2012. Our strong fundamentals should continue to lead us through these challenges.



Company Overview

Corporate Structure and Operations

- NBT Bancorp Inc. (NBTB) is a financial holding company
 - Headquartered in Norwich, NY
 - Approximately 1,669 employees
 - Established in 1986 in the state of Delaware
- Primarily operates through one bank subsidiary and two financial services subsidiaries
 - NBT Bank, N.A.
 - NBT Financial Services, Inc.
 - NBT Holdings, Inc.
- Provides community banking services, as well as retirement plan administration services, trust and wealth management services and insurance services

Corporate Structure and Operations

- NBT Bank, N.A. (NBT) was established in 1856
 - Second largest community bank headquartered in upstate New York
 - Two operating divisions
 - NBT Bank
 - 89 branches in 20 Upstate New York counties
 - 5 branches in Berkshire Country, Massachusetts
 - 3 branches in Vermont
 - 5 branches in New Hampshire (June 8, 2012)
 - Pennstar Bank
 - 35 branches in 6 northeastern Pennsylvania counties
- NBT Financial Services, Inc. provides retirement plan administration services through EPIC Advisors, Inc.
- NBT Holdings, Inc. provides insurance services through Mang Insurance Agency, LLC



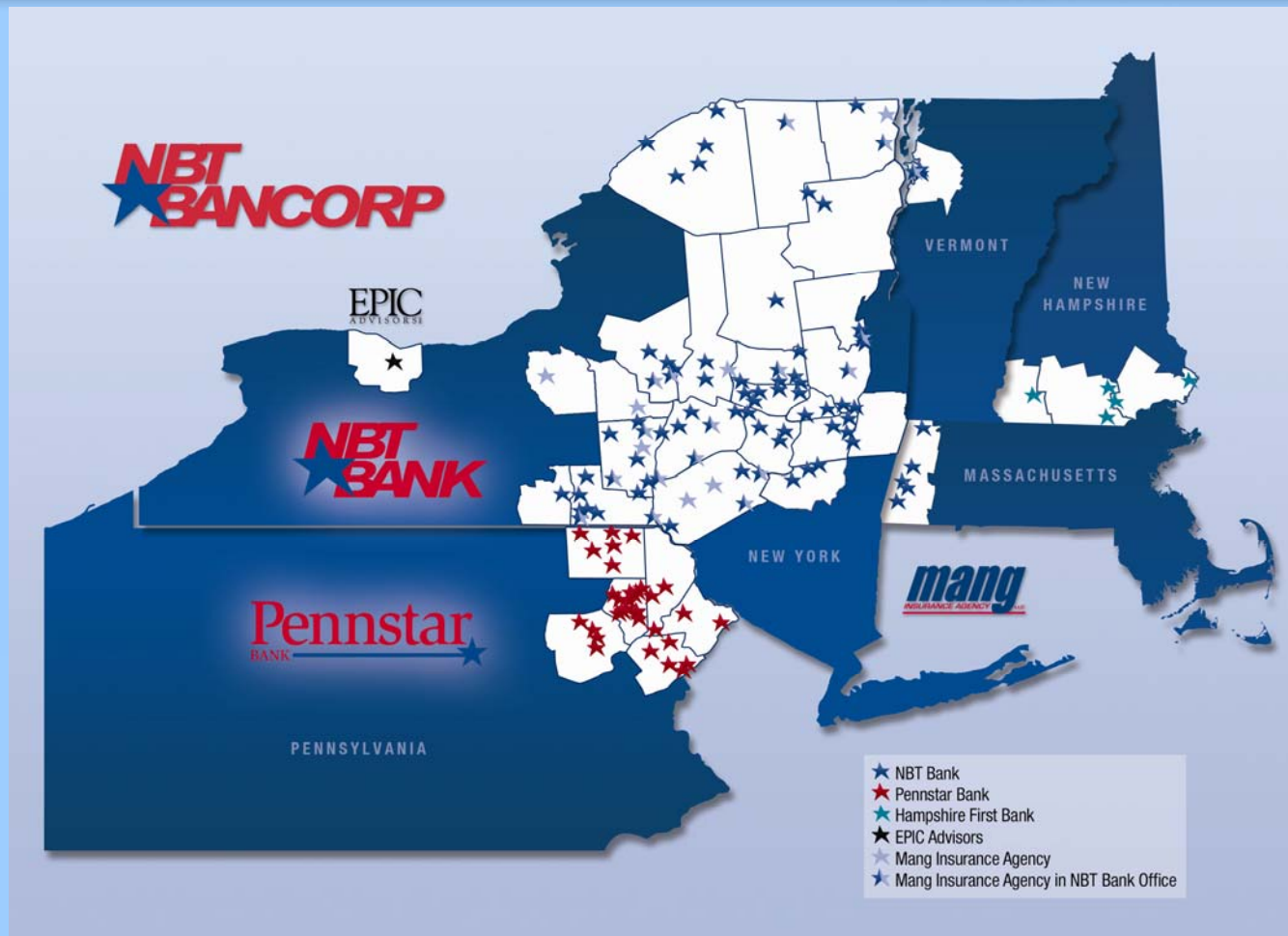
Company Profile

As of March 31, 2012

Assets	\$5.8 billion
Loans	\$3.8 billion
Deposits	\$4.6 billion
Shareholders' Equity	\$549 million
Market Capitalization	\$734 million
NASDAQ Symbol	NBTB
Assets Under Administration (Trust)	\$3.3 billion
Number of Customers*	358,538
Number of Active Accounts	611,533

*Number of customers who are the primary owner of at least one account

Our Footprint





Our Vision and Leadership

Strategic Vision

NBT Bancorp Inc. will strive to remain an independent **community-oriented** financial service provider positioned to take advantage of **strategic growth** opportunities. **Stockholder value will be enhanced** by profitably serving our markets and by offering our customers products and services that satisfy their changing needs while building customer loyalty through **responsive and superior customer service.**

We will cultivate a **positive working environment** that promotes pride and teamwork while recognizing achievement. The company will reward employees who think like owners and exhibit the initiative necessary to ensure our growth and continued success.

Strategic Initiatives

- Deliver a consistently superior customer experience, our proven competitive advantage.
- Recruit, develop, motivate and retain leadership talent to achieve individual and company success.
- Sharpen our focus on organic growth, particularly in the area of core deposits.
- Develop and/or enhance strategically relevant lines of business to reduce dependency on interest income.
- Optimize our cost structure, placing special attention on better allocating our assets.
- Enhance capital utilization.

Corporate Values

- Customer Service
- Empowerment
- Continuous Improvement
- Integrity
- Mutual Respect
- Open Communication
- Community Involvement
- Teamwork
- Accountability
- Positive Attitude
- Profitability

NEW YORK

TOKYO



Our Strategy

Dual Strategy



DUAL
\$ \$ \$ \$ \$
STRATEGY



Legacy Markets

- Significant market share
(See Appendix C)
 - Pricing power
 - Strong returns
- “But limited growth opportunities...”*

New Markets

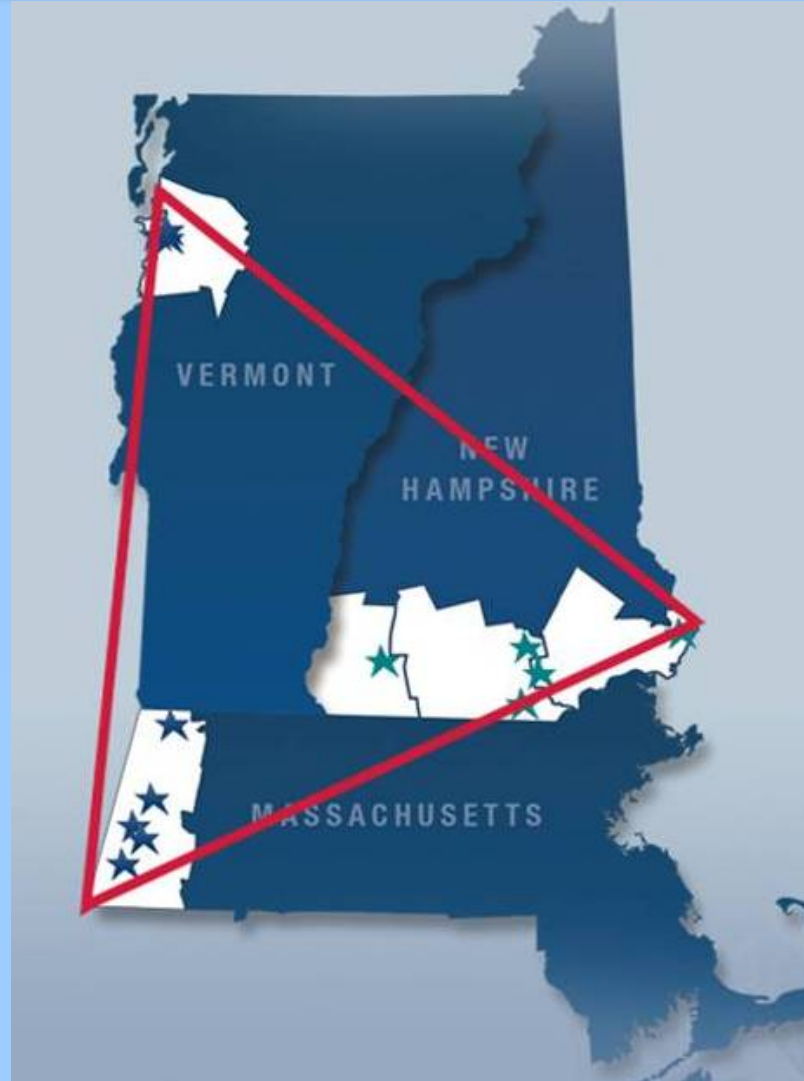
- Market disruption
 - Acquisition of best
in-market talent
 - Capitalize on opportunities
- “Markets where we can grow”*

De Novo Market Growth

Branches opened January 1, 2007 - Present

Branch Location	Year	Region
Lenox	2012	Massachusetts
Essex	2011	Vermont
Binghamton East	2011	Greater Binghamton
Williston	2011	Vermont
Schenectady	2010	Capital
Queensbury	2010	Glens Falls
Burlington	2009	Vermont
Glens Falls	2008	Glens Falls
Johnson City	2008	Greater Binghamton
South Glens Falls	2008	Glens Falls
East Greenbush	2008	Capital
Latham	2007	Capital
Bartonsville	2007	Pike/Monroe/Luzerne
East Stroudsburg	2007	Pike/Monroe/Luzerne

New England Expansion



New England Expansion

Within our New England Footprint:

- Top 4 banks control 60% of market share
- TD Bank
- Citizens Bank
- Bank of America
- People's United Bank

New England Expansion

State	Year Opened	Branches	Assets
Vermont	2009	3	\$160 Million
Massachusetts	2011	5	\$143 Million
New Hampshire	2012	5	\$272 Million
		13	\$575 Million

Acquisition History (2000 - Present)

- Hampshire First Bank *Pending* (6/8/12)
- 3 Berkshire Bank Branches (and deposits of additional branch) (1/21/12)
- 4 Legacy Banks Branches (10/21/11)
- 1 Wayne Bank Branch – Deposits Only (4/1/09)
- Mang Insurance Agency, LLC (9/1/08)
- CNB Bancorp Inc. (2/10/06)
- EPIC Advisors, Inc. (1/21/05)
- 1 Alliance Bank Branch (6/20/03)
- CNB Financial Corp. (11/8/01)
- Mohawk Community Bank Branch - Deposits Only (9/14/01)
- First National Bancorp (6/1/01)
- 6 Sovereign Bank Branches (11/10/00)
- Pioneer American Holding Co. (7/1/00)
- 2 Mellon Bank Branches (6/2/00)
- M. Griffith, Inc. (5/5/00, divested 3/15/05)
- Lake Ariel Bancorp, Inc. (2/17/00)

NEW YORK

TOKYO



Market Information

Stock Information

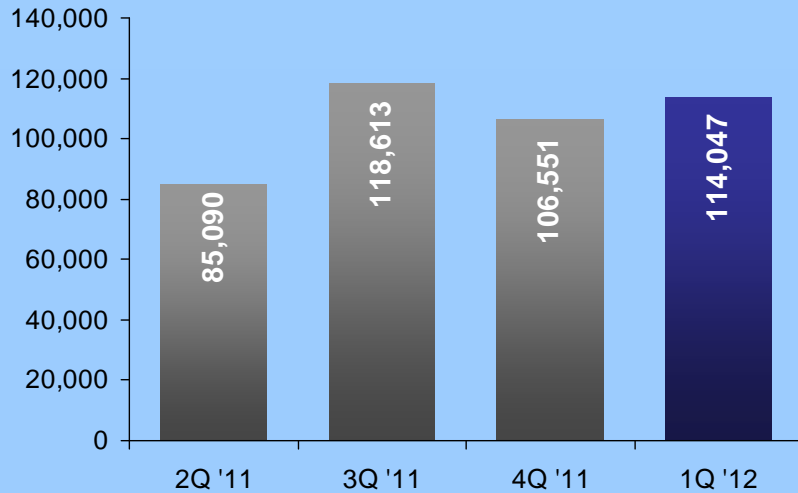
Ticker Symbol	NASDAQ: NBTB
52-week High-Low	\$24.10 - \$17.05
Share Price	\$20.55
Shares Outstanding (approximate)	33.24 million
Market Capitalization (approximate)	\$683 million
Average Trading Volume (3 months)	110,048
Annual Dividend	\$0.80
Dividend Yield	3.89%

Shareholder Profile

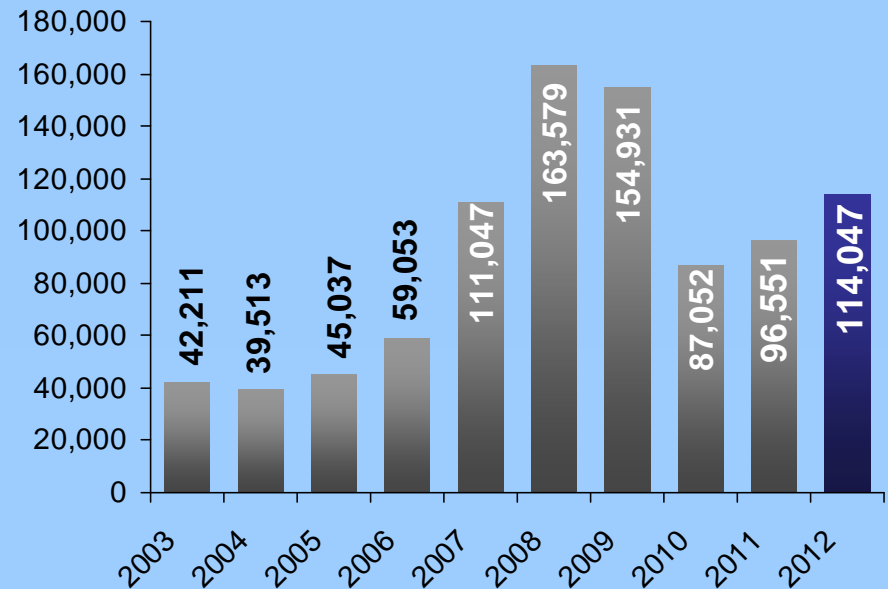
<i>(Shares shown in thousands)</i>	# of Shares	% Shares Outstanding
Total Shares Outstanding	33,241	100.00%
Shares held by Institutions	13,173	39.63%
SEC-defined Insiders	1,197	3.60%
401k/ESOP (net of insider shares)	1,469	4.42%
Retail	14,852	44.68%
Dividend Reinvestment Plan	2,550	7.67%
Total Number of Shareholders		6,558
<i>(Does not include approximately 5,000 shareholders in street name)</i>		
Number of Greater-Than-5% Owners		Two

Average Daily Volume

Last Four Quarters

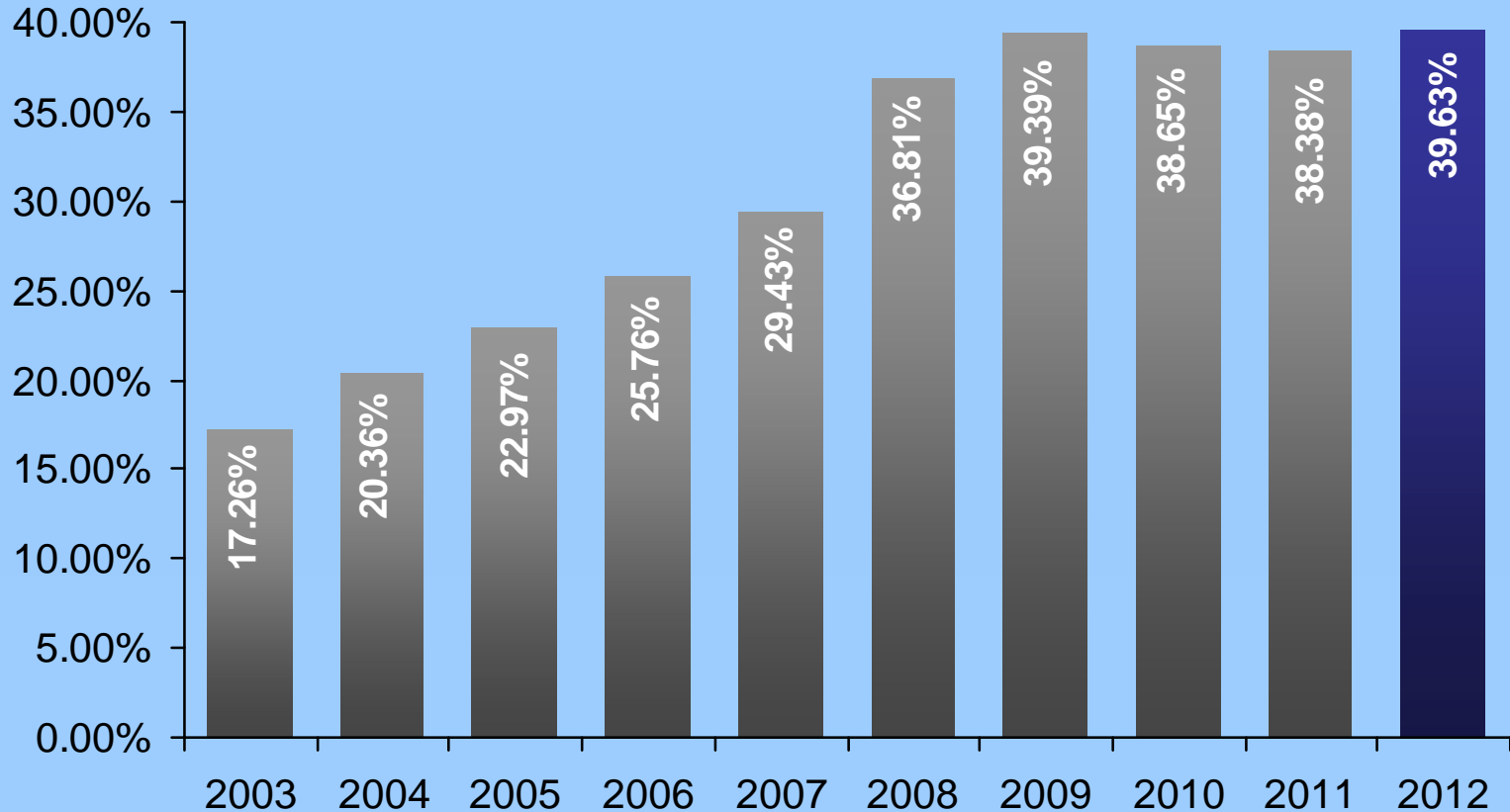


Last Ten Years



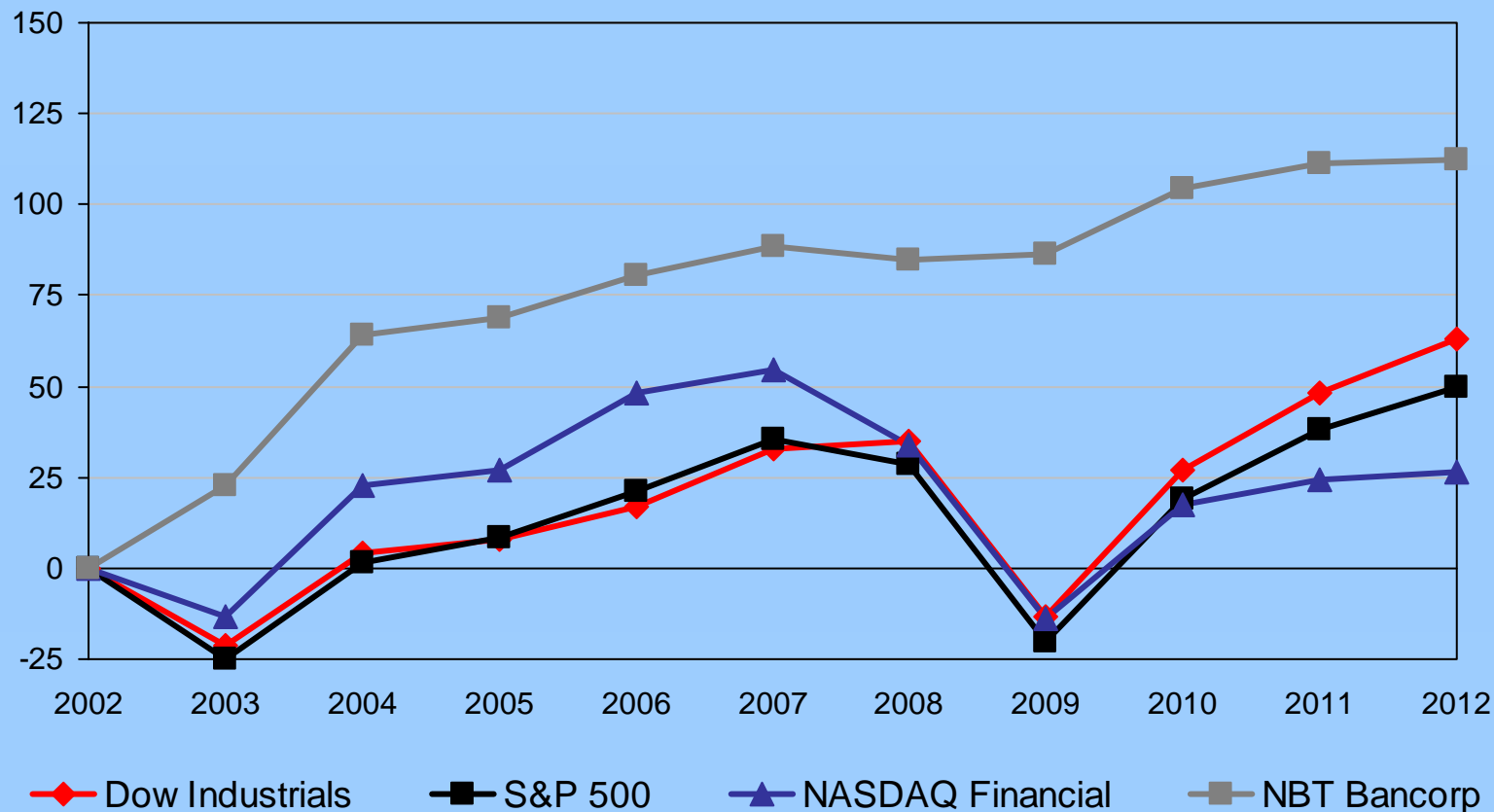
Institutional Ownership

Last Ten Years



Ten-Year Comparative Returns

For the period from March 31, 2002 to March 31, 2012



Source: Bloomberg



Relative Valuation Multiples

	<u>NBTB</u>	<u>Peer Group Average</u>
Price / Earnings Ratio⁽¹⁾		
FY12 Consensus EPS (NBT = \$1.57)	14.04x	14.65x
FY13 Consensus EPS (NBT = \$1.68)	13.18x	12.84x
Price / Tangible Book Value⁽²⁾	1.85x	1.64x
Price / Book Value⁽²⁾	1.34x	1.11x
Dividend Yield⁽²⁾	3.62%	2.92%

Source: Peer Press Release

Refer to Appendix A for Our Peer Group.

(1) Based on analyst consensus for NBTB and peers as of April 26, 2012

(2) As of March 31, 2012 closing prices



Appendices

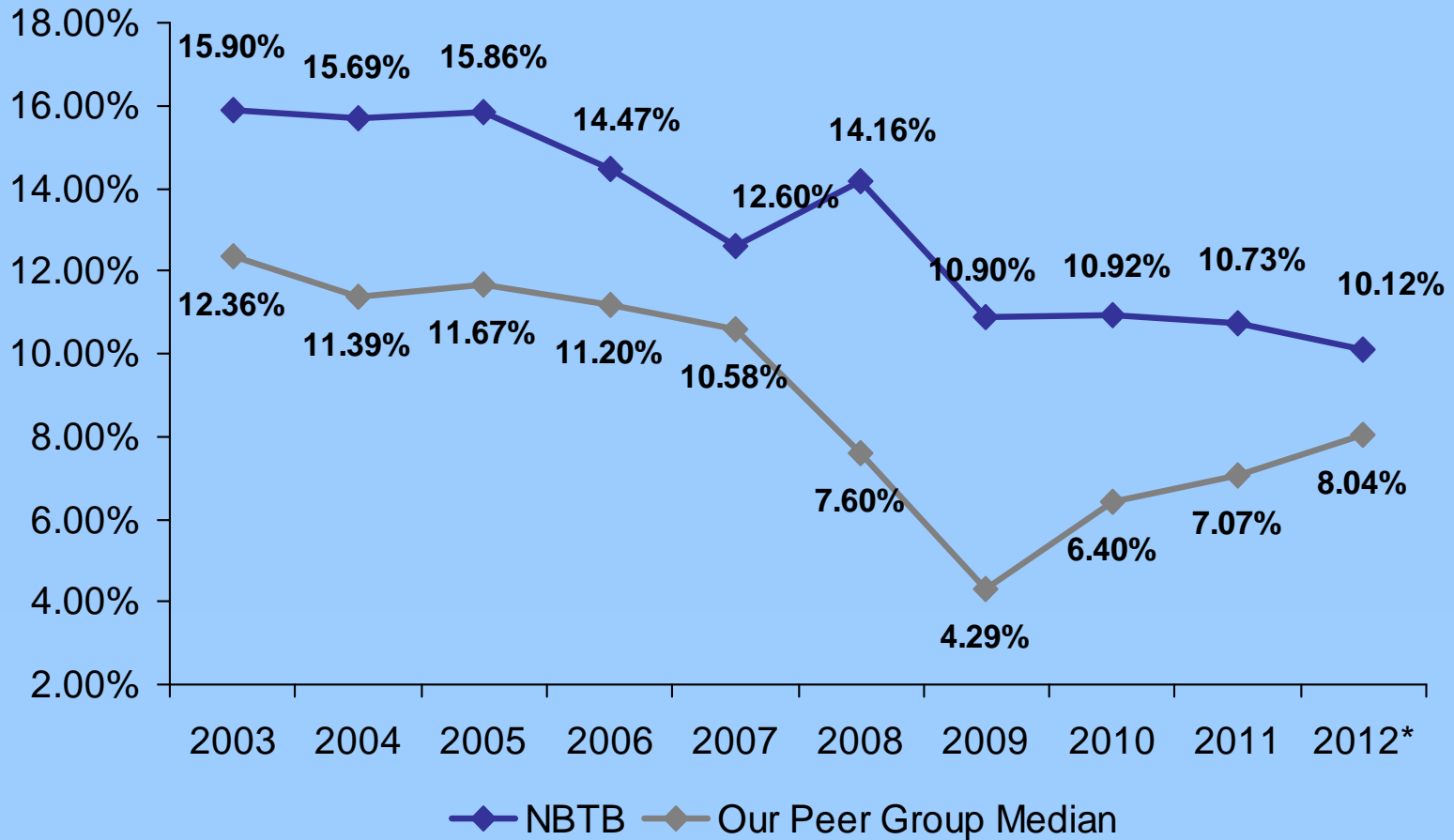
Appendix A - Our Peer Group

NAME	HQ CITY	STATE	TICKER
Berkshire Hills Bancorp, Inc.	Pittsfield	MA	BHLB
Community Bank System, Inc.	Dewitt	NY	CBU
First Commonwealth Financial Corporation	Indiana	PA	FCF
F.N.B. Corporation	Heritage	PA	FNB
National Penn Bancshares, Inc.	Boyertown	PA	NPBC
Northwest Bancorp, Inc.	Warren	PA	NWBI
Provident New York Bancorp	Montebello	NY	PBNY
S&T Bancorp, Inc.	Indiana	PA	STBA
Susquehanna Bancshares	Lititz	PA	SUSQ
Tompkins Financial Corporation	Ithaca	NY	TMP
TrustCo Bank Corp NY	Glenville	NY	TRST

Appendix B

Return on Average Equity

Shown for last ten years



Source: Peer Press Release

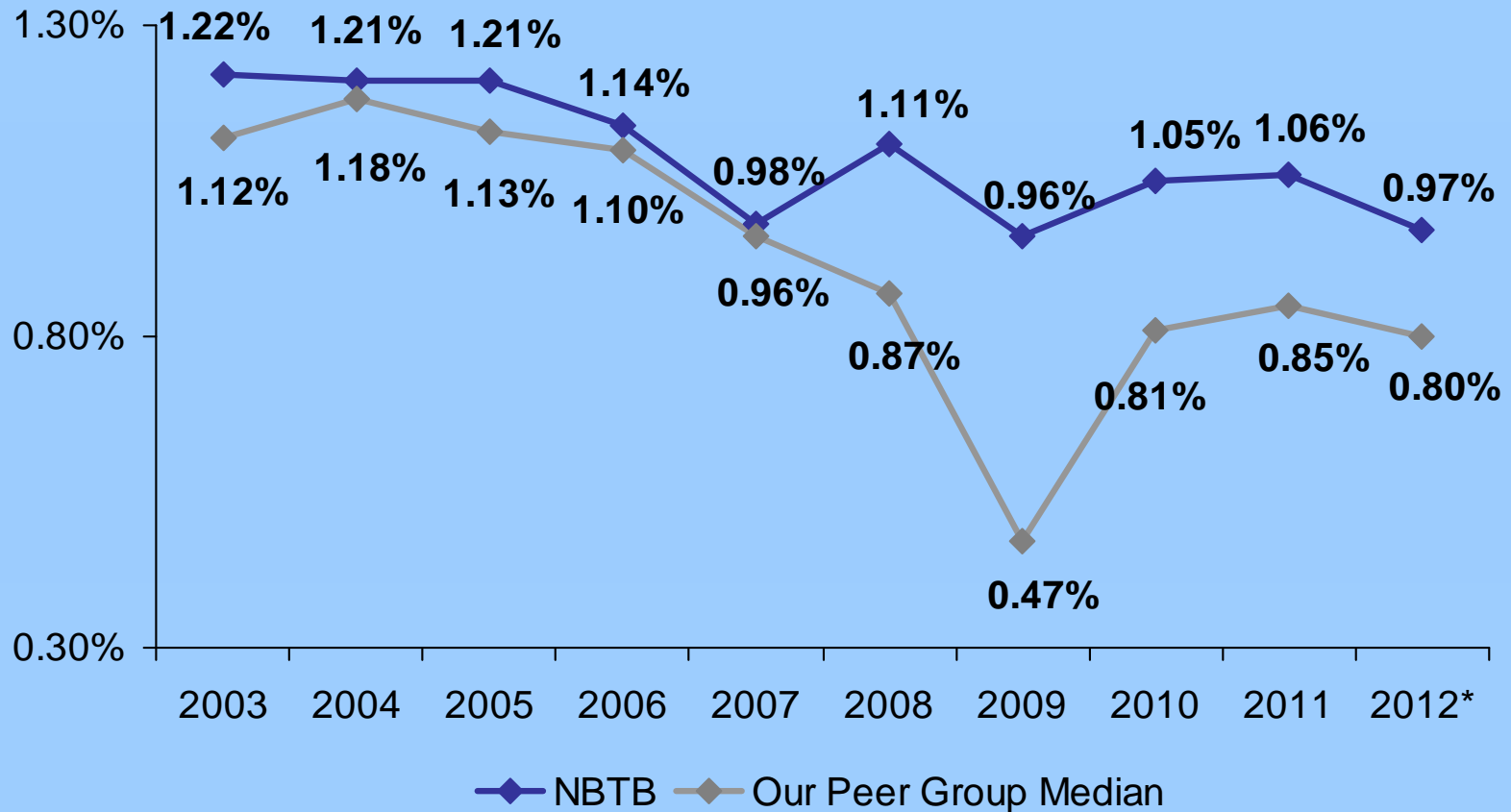
*2012 shown as of March 31

Refer to Appendix A for Our Peer Group.

Appendix B

Return on Average Assets

Shown for last ten years



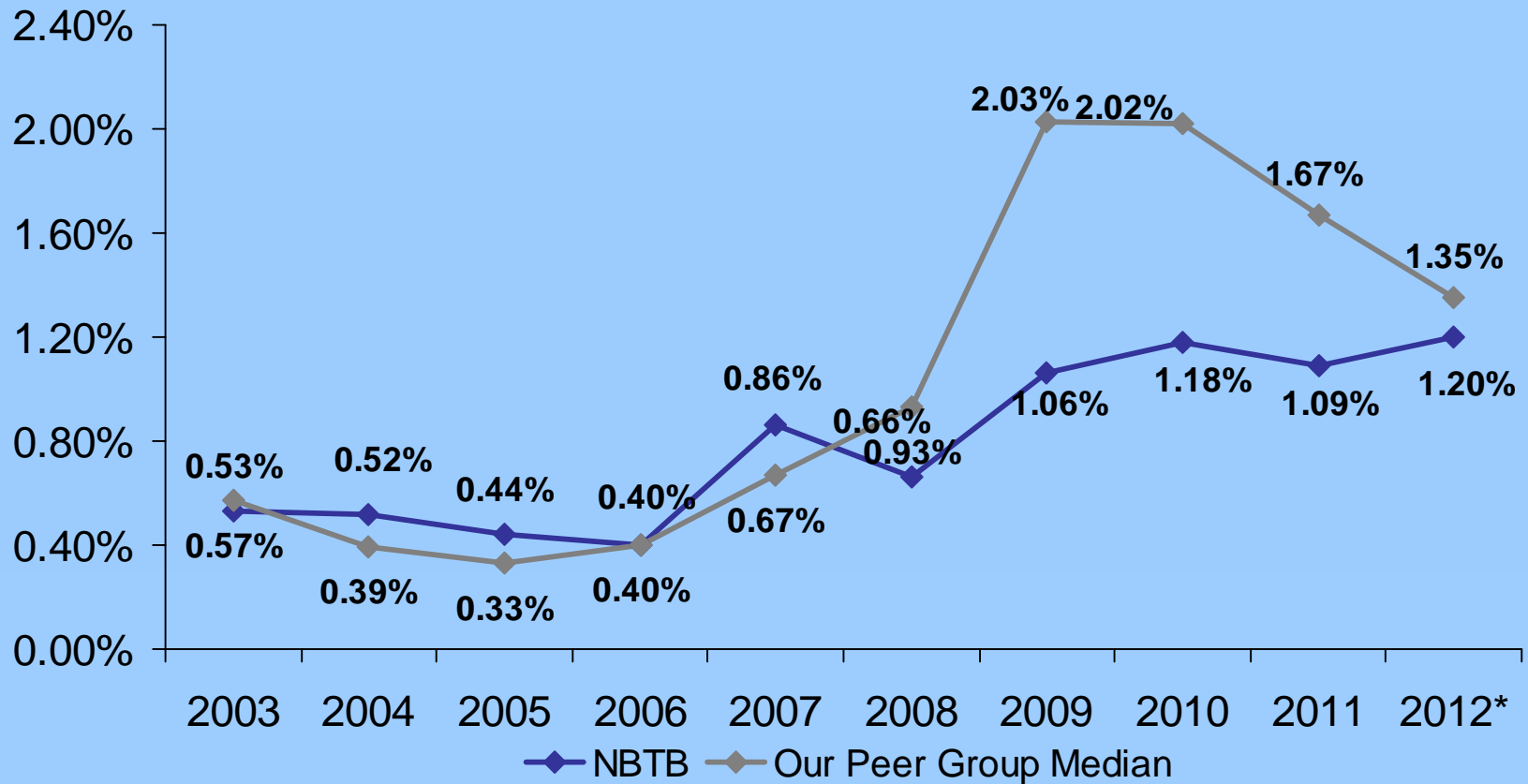
Source: Peer Press Release
 *2012 shown as of March 31
 Refer to Appendix A for Our Peer Group.



Appendix B

Nonperforming Loans / Total Loans

Shown for last ten years



Source: Peer Press Release

*2012 shown as of March 31

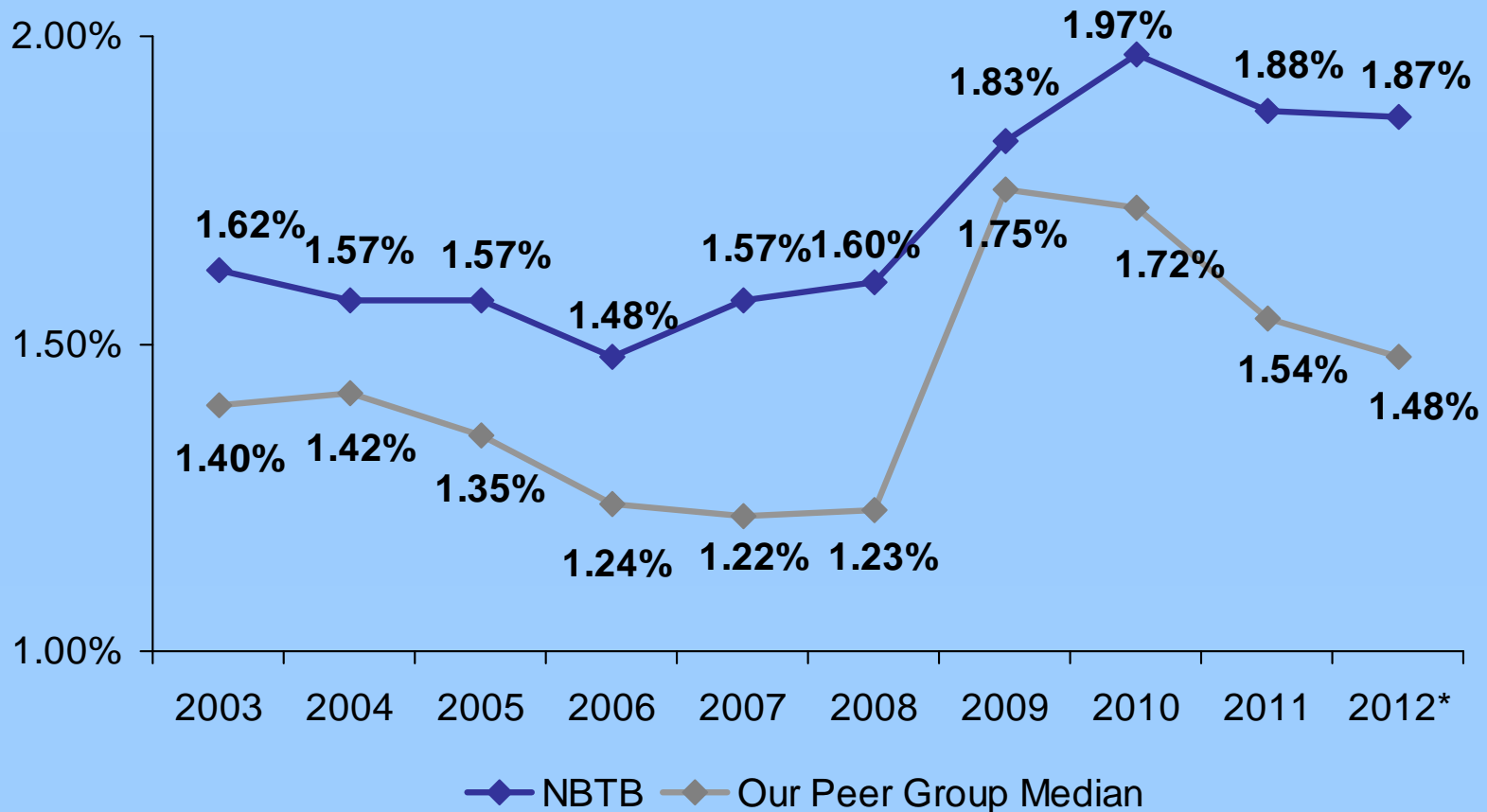
Refer to Appendix A for Our Peer Group.



Appendix B

Allowance for Loan Losses / Loans

Shown for last ten years



Source: Peer Press Release

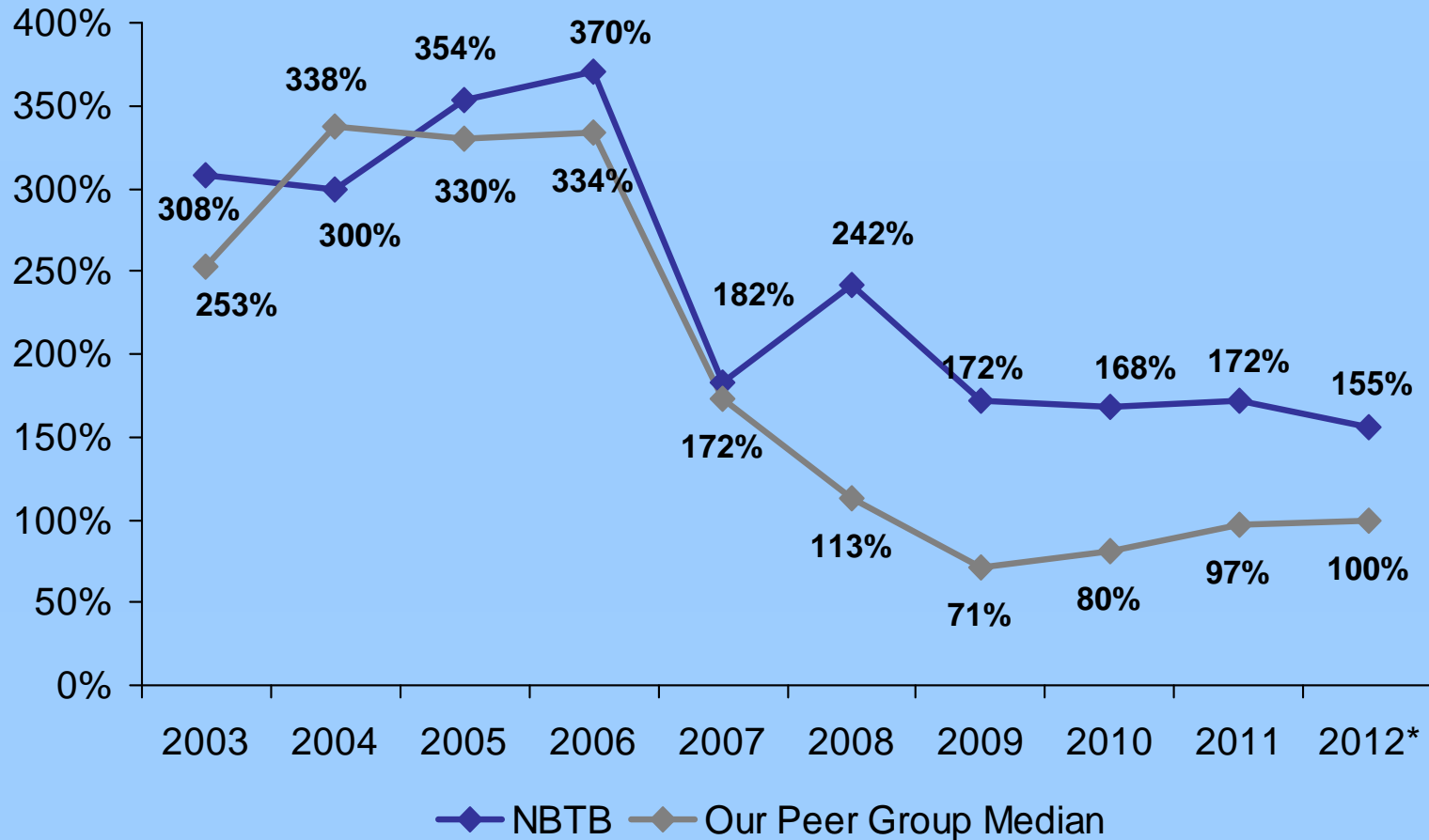
*2012 shown as of March 31

Refer to Appendix A for Our Peer Group.

Appendix B

Allowance for Loan Losses / Nonperforming Loans

Shown for last ten years



Source: Peer Press Release

*2012 shown as of March 31

Refer to Appendix A for Our Peer Group.

Appendix C

Market Share in Existing NY Markets

As of June 30, 2011

COUNTY	MARKET RANK	NUMBER OF BRANCHES	COMPANY DEPOSITS IN MARKET (\$000)	DEPOSIT MARKET SHARE (%)
Chenango	1	11	466,890	80.19
Fulton	1	7	360,613	56.68
Delaware	1	5	307,417	34.57
Otsego	2	9	287,487	28.77
Oneida	4	6	260,872	8.41
Broome	3	8	244,529	11.12
Montgomery	2	6	205,961	30.46
Schoharie	1	4	173,906	45.01
Albany	11	4	150,830	1.15
Essex	2	3	126,299	24.39
Saratoga	11	4	124,362	3.69
Saint Lawrence	3	5	120,852	10.62
Schenectady	8	2	89,333	3.77
Clinton	6	3	81,652	6.40
Warren	7	2	51,936	3.78
Herkimer	6	2	37,797	6.71
Hamilton	2	1	32,338	47.50
Tioga	5	1	30,615	7.43
Franklin	5	1	25,545	5.61
Rensselaer	13	1	23,496	1.27

Appendix C

Market Share in Existing PA Markets

As of June 30, 2011

COUNTY	MARKET RANK	NUMBER OF BRANCHES	COMPANY DEPOSITS IN MARKET (\$000)	DEPOSIT MARKET SHARE (%)
Lackawanna	7	14	361,709	7.76
Wayne	4	5	152,793	12.17
Susquehanna	3	6	135,500	19.98
Luzerne	15	4	111,859	1.95
Monroe	7	5	84,645	3.64
Pike	5	2	57,733	10.53

Appendix C

Market Share in Existing VT Markets

As of June 30, 2011

COUNTY	MARKET RANK	NUMBER OF BRANCHES	COMPANY DEPOSITS IN MARKET (\$000)	DEPOSIT MARKET SHARE (%)
Chittenden	7	2	24,496	0.72

Appendix C

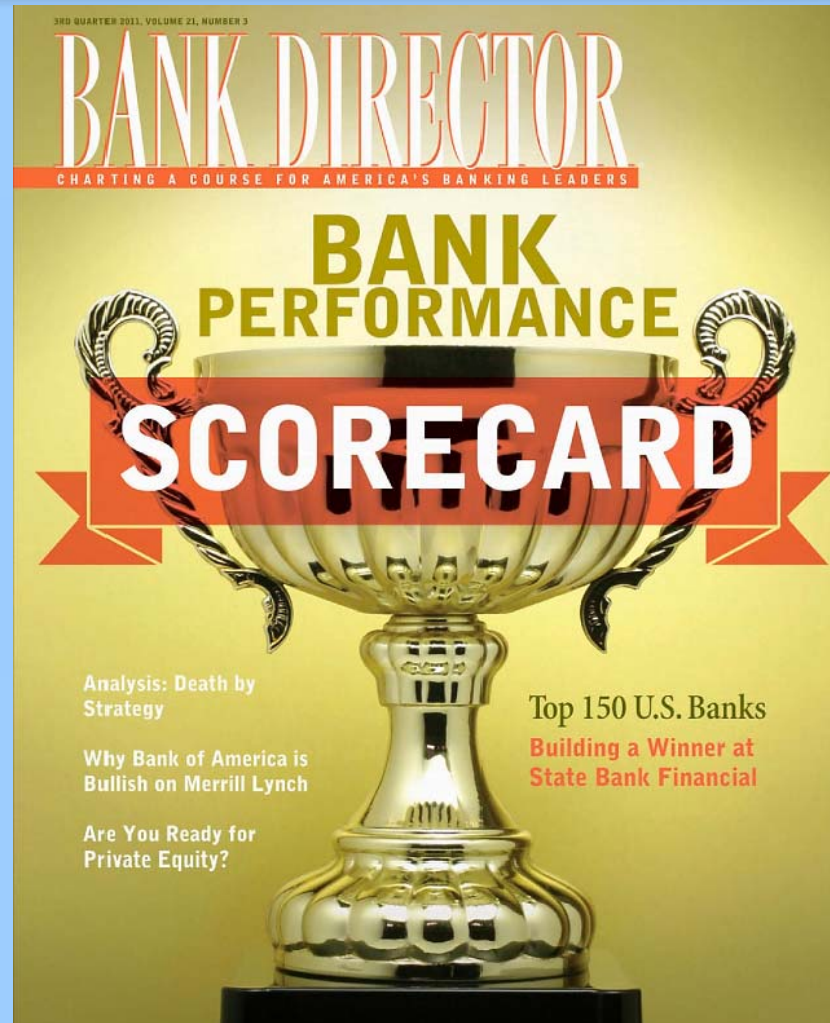
Market Share in Existing MA Markets

As of June 30, 2011

COUNTY	MARKET RANK	NUMBER OF BRANCHES	COMPANY DEPOSITS IN MARKET (\$000)	DEPOSIT MARKET SHARE (%)
Berkshire	6	4	163,918	5.53

Appendix D

Bank Director – Bank Performance Scorecard Q3 2012



Appendix D

Forbes America's Best and Worst Banks

Forbes

DECEMBER 13, 2011 | WWW.FORBES.COM

America's Best And Worst Banks


- In top 20 best banks

Appendix D

SNL's 2011 Regional Bank Ranking



832.98	+3.98	(0.32%)
73.12	+1.32	(2.12%)
833.22	-3.21	(0.99%)
8,212.30	-0.32	(5.32%)
3.00	+9.73	(0.02%)
83.12	+2.09	(1.87%)
63.98	+9.32	(1.56%)

Monday, April 16, 2012 9:03 AM ET  Extra

SNL'S 2011 regional bank ranking

- NBTB Ranks #17

Appendix E

Company Websites

- www.nbtbancorp.com
- www.nbtbank.com
- www.pennstarbank.com
- www.epic1st.com
- www.manginsurance.com