

NBT BANCORP INC
Form 424B2
March 27, 2009

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Registration No. 333-158197

Prospectus Supplement
March 26, 2009
(To the prospectus dated March 24, 2009)

1,576,230 Shares

NBT BANCORP INC.

Common Stock

We are offering 1,576,230 shares of our common stock in this offering. We will receive all of the net proceeds from the sale of such common stock.

Our common stock is listed on the NASDAQ Global Select Market under the symbol "NBTB." The last reported sale price of our common stock on the NASDAQ Global Select Market on March 26, 2009 was \$22.13 per share.

Investing in our common stock involves risks. See the "Risk Factors" discussed in our reports filed with the Securities and Exchange Commission and incorporated by reference in this prospectus supplement and the accompanying prospectus before investing in our common stock.

	Per Share	Total
Public Offering Price	\$ 22.00	\$ 34,677,060
Underwriting Discounts and Commissions	\$ 0.66	\$ 1,040,312
Proceeds, before expenses, to NBT Bancorp Inc.	\$ 21.34	\$ 33,636,748

We have granted the underwriter an option to purchase a maximum of 236,434 additional shares of our common stock to cover over-allotments of shares, exercisable at any time until 30 days after the date of this prospectus supplement.

Delivery of the shares of common stock will be made on or about April 1, 2009.

These securities are not deposits or obligations of a bank or savings association and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission or regulatory authority has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

KEEFE, BRUYETTE & WOODS

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
Common Stock, par value \$0.01 per share	1,812,664	\$22.00	\$39,878,608	\$2,226

(1) Includes shares of common stock subject to an overallotment option granted by the registrant to the underwriter.

(2) Calculated in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes our common stock and certain other matters relating to our company. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the offering. Generally, the term “prospectus” refers to both parts combined.

You should read this prospectus supplement along with the accompanying prospectus. You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus which we deliver to you. We have not, and the underwriter has not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information provided by this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of these documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

If the information varies between this prospectus supplement and the accompanying prospectus, the information in this prospectus supplement supersedes the information in the accompanying prospectus.

References to “NBT Bancorp,” “we,” “us” and “our” in this prospectus supplement and the accompanying prospectus are to NBT Bancorp Inc. and its consolidated subsidiaries or, as the context may require, NBT Bancorp Inc. only.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the information included or incorporated by reference in them includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often include the words “believes,” “expects,” “anticipates,” “estimates,” “forecasts,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook” or similar expressions or future conditional verbs such as “may,” “will,” “should,” “would” and “could.” These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the statements, including:

- changes in general business, industry or economic conditions or competition;
- changes in any applicable law, rule, regulation, policy, guideline or practice governing or affecting financial holding companies and their subsidiaries or with respect to tax or accounting principals or otherwise;
 - adverse changes or conditions in capital and financial markets;
 - changes in interest rates;
- higher than expected costs or other difficulties related to integration of combined or merged businesses;
- the inability to realize expected cost savings or achieve other anticipated benefits in connection with business combinations and other acquisitions;
 - changes in the quality or composition of our loan and investment portfolios;
 - increased competition;
 - deposit attrition;

- changes in the cost of funds, demand for loan products or demand for financial services; and
- other economic, competitive, governmental or technological factors affecting our operations, markets, products, services and prices.

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Some of these and other factors are discussed in our annual and quarterly reports filed with the SEC. Such developments could have an adverse impact on our financial position and our results of operations.

The forward-looking statements are based upon management's beliefs and assumptions and are made as of the date of this prospectus. We undertake no obligation to publicly update or revise any forward-looking statements included or incorporated by reference in this prospectus or to update the reasons why actual results could differ from those contained in such statements, whether as a result of new information, future events or otherwise, except to the extent required by federal securities laws. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus or in the incorporated documents might not occur, and you should not put undue reliance on any forward-looking statements.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information from this prospectus supplement and the accompanying prospectus. It does not contain all of the information that may be important to you. We encourage you to carefully read this entire prospectus supplement and the accompanying prospectus, especially the “Risk Factors” sections in our Annual Report on Form 10-K for the year ended December 31, 2008, as well as the other documents incorporated by reference into this prospectus supplement, before making an investment decision. The information presented in this prospectus supplement assumes that the underwriter does not exercise its overallotment option, unless otherwise indicated.

NBT Bancorp Inc.

NBT Bancorp Inc. is a registered financial holding company incorporated in the State of Delaware in 1986, with its principal headquarters located in Norwich, New York. On a consolidated basis, at December 31, 2008 we had assets of \$5.3 billion and stockholders’ equity of \$431.8 million. NBT Bancorp is the parent holding company of NBT Bank, N.A. (the “Bank”), NBT Financial Services, Inc. (“NBT Financial”), NBT Holdings, Inc. (“NBT Holdings”), CNBF Capital Trust I, NBT Statutory Trust I and NBT Statutory Trust II (the “Trusts”). Through the Bank and NBT Financial, we are focused on community banking operations. Through NBT Holdings, we operate Mang Insurance Agency, LLC, a full-service insurance agency. The Trusts were organized to raise additional regulatory capital and to provide funding for certain acquisitions. Our primary business consists of providing commercial banking and financial services to our customers in our market area. Our principal assets are all of the outstanding shares of common stock of our direct subsidiaries, and our principal sources of revenue are the management fees and dividends we receive from the Bank, NBT Financial and NBT Holdings.

The Bank is a full service commercial bank formed in 1856, which provides a broad range of financial products to individuals, corporations and municipalities throughout the central and upstate New York and northeastern Pennsylvania market areas. The Bank conducts business through two geographic operating divisions, NBT Bank and Pennstar Bank.

At year end 2008, the NBT Bank division had 84 divisional offices and 114 automated teller machines (ATMs), located primarily in central and upstate New York. At December 31, 2008, the NBT Bank division had total loans and leases of \$2.9 billion and total deposits of \$3.1 billion.

At year end 2008, the Pennstar Bank division had 38 divisional offices and 57 ATMs, located primarily in northeastern Pennsylvania. At December 31, 2008, the Pennstar Bank division had total loans and leases of \$761.0 million and total deposits of \$827.2 million.

Our common stock is listed on the NASDAQ Global Select Market under the symbol “NBTB.” Our principal executive offices are located at 52 South Broad Street, Norwich, New York 13815. Our telephone number is (607) 337-2265. Our website is <http://www.nbtbancorp.com>. References to our website and those of our subsidiaries are not intended to be active links and the information on such websites is not, and you must not consider the information to be, a part of this prospectus supplement.

Recent Developments

Standard & Poor’s Index Services (“S&P”) announced on March 18, 2009 that, effective as of the close of trading on March 26, 2009, it will include our common stock in the S&P SmallCap 600, which is comprised of 600 common stocks that S&P selects. Index funds whose portfolios are primarily based on stocks included in the S&P SmallCap 600 may be required to purchase shares of our common stock as a result of the inclusion of our common stock in the index.

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The Offering

The following is a brief summary of certain terms of this offering. For a more complete description of our common stock, see “Description of Capital Stock” in the accompanying prospectus.

Issuer	NBT Bancorp Inc.
Common stock offered to the public	1,576,230 shares
Common stock to be outstanding after this offering	34,226,351 shares (1)
Use of proceeds	Our net proceeds from this offering will be approximately \$33.4 million, or approximately \$38.4 million if the underwriter exercises its over-allotment option in full, after deducting underwriting discounts and commissions and other estimated expenses of this offering. We intend to use all of the net proceeds of the offering for general corporate purposes. For a more complete description, see “Use of Proceeds.”
NASDAQ symbol	NBTB
Settlement Date	Delivery of shares of our common stock will be made against payment therefor on or about April 1, 2009, which will be the fourth business day after pricing of our common stock.
Risk Factors	For other information you should consider before buying shares of our common stock, see the “Risk Factors” sections in our Annual Report on Form 10-K for the year ended December 31, 2008, as well as the other documents incorporated by reference into this prospectus supplement.

(1) The number of shares of our common stock to be outstanding after this offering is based on 32,650,121 shares outstanding as of March 26, 2009 and assumes no exercise of the underwriter’s over-allotment option. If the underwriter’s over-allotment option is exercised in full, the number of shares of our common stock outstanding upon completion of this offering will be 34,462,785.

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Summary Consolidated Financial Information

The following table sets forth summary historical consolidated financial information as of and for each of the three years ended December 31, 2008, 2007 and 2006. This information was derived from our audited consolidated financial statements. The financial information below should be read together with, and is qualified in its entirety by reference to, our historical consolidated financial statements and the accompanying notes and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" which are set forth in such Annual Report on Form 10-K.

	At or for the Year Ended December 31,		
	2008	2007	2006
	(Dollars in thousands, except per share data)		
Statement of Income:			
Interest, fee, and dividend income	\$ 294,414	\$ 306,117	\$ 288,842
Total interest expense	108,368	141,090	125,009
Net interest income	186,046	165,027	163,833
Provision for loan and lease losses	27,181	30,094	9,395
Noninterest income	71,706	59,699	48,629
Noninterest expense	146,813	122,517	122,966
Income before income tax expense	83,758	72,115	80,101
Income tax expense	25,405	21,787	24,154
Net income	\$ 58,353	\$ 50,328	\$ 55,947
Earnings per share			
Basic	\$ 1.81	\$ 1.52	\$ 1.65
Diluted	\$ 1.80	\$ 1.51	\$ 1.64
Balance Sheet Data			
Total assets	\$ 5,336,088	\$ 5,201,776	\$ 5,087,572
Net loans and leases	3,593,347	3,401,668	3,362,067
Goodwill and other intangible assets, net	138,205	113,571	115,340
Deposits	3,923,258	3,872,093	3,796,238
Short-term borrowings, long-term debt, trust preferred debentures and other liabilities			