

NBT BANCORP INC
Form 10-Q
November 09, 2012

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

(Mark One)

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

For the quarterly period ended September 30, 2012.

OR

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

For the transition period from _____ to _____.

COMMISSION FILE NUMBER 0-14703

NBT BANCORP INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State of Incorporation)

16-1268674
(I.R.S. Employer Identification No.)

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

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

None

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

As of October 31, 2012, there were 33,745,327 shares outstanding of the Registrant's common stock, \$0.01 par value per share.

NBT BANCORP INC.

FORM 10-Q--Quarter Ended September 30, 2012

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Item 1 – FINANCIAL STATEMENTS

NBT Bancorp Inc. and Subsidiaries
Consolidated Balance Sheets (unaudited)

(In thousands, except share and per share data)	September 30, 2012	December 31, 2011
Assets		
Cash and due from banks	\$ 137,747	\$ 128,517
Short-term interest bearing accounts	2,693	864
Securities available for sale, at fair value	1,191,107	1,244,619
Securities held to maturity (fair value \$62,401 and \$72,198, respectively)	61,302	70,811
Trading securities	3,851	3,062
Federal Reserve and Federal Home Loan Bank stock	28,706	27,020
Loans and leases	4,251,119	3,800,203
Less allowance for loan and lease losses	70,734	71,334
Net loans and leases	4,180,385	3,728,869
Premises and equipment, net	77,326	74,541
Goodwill	152,251	132,029
Intangible assets, net	17,346	18,194
Bank owned life insurance	79,854	77,626
Other assets	96,348	92,254
Total assets	\$ 6,028,916	\$ 5,598,406
Liabilities		
Demand (noninterest bearing)	\$ 1,187,502	\$ 1,052,906
Savings, NOW, and money market	2,599,556	2,381,116
Time	1,018,957	933,127
Total deposits	4,806,015	4,367,149
Short-term borrowings	137,365	181,592
Long-term debt	367,144	370,344
Trust preferred debentures	75,422	75,422
Other liabilities	66,309	65,789
Total liabilities	5,452,255	5,060,296
Stockholders' equity		
Preferred stock, \$0.01 par value. Authorized 2,500,000 shares at September 30, 2012 and December 31, 2011	-	-
Common stock, \$0.01 par value. Authorized 100,000,000 shares at September 30, 2012 and 50,000,000 December 31, 2011; issued 39,305,131 at September 30, 2012 and 38,035,539 at December 31, 2011	393	380
Additional paid-in-capital	345,934	317,329
Retained earnings	351,261	329,981
Accumulated other comprehensive loss	(3,746)	(6,104)
Common stock in treasury, at cost, 5,562,454 and 4,878,829 shares at September 30, 2012 and December 31, 2011, respectively	(117,181)	(103,476)
Total stockholders' equity	576,661	538,110
Total liabilities and stockholders' equity	\$ 6,028,916	\$ 5,598,406

See accompanying notes to unaudited interim consolidated financial statements.

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NBT Bancorp Inc. and Subsidiaries Consolidated Statements of Income (unaudited) (In thousands, except per share data)	Three months ended September		Nine months ended September	
	2012	30, 2011	2012	30, 2011
Interest, fee, and dividend income				
Interest and fees on loans and leases	\$ 53,817	\$ 50,991	\$ 154,534	\$ 152,977
Securities available for sale	6,550	7,771	21,024	23,622
Securities held to maturity	572	680	1,829	2,225
Other	348	342	1,153	1,275
Total interest, fee, and dividend income	61,287	59,784	178,540	180,099
Interest expense				
Deposits	4,544	5,352	14,521	17,690
Short-term borrowings	60	56	149	166
Long-term debt	3,640	3,621	10,801	10,783
Trust preferred debentures	436	394	1,319	1,683
Total interest expense	8,680	9,423	26,790	30,322
Net interest income	52,607	50,361	151,750	149,777
Provision for loan and lease losses	4,755	5,175	13,329	15,161
Net interest income after provision for loan and lease losses	47,852	45,186	138,421	134,616
Noninterest income				
Insurance and other financial services revenue	5,591	5,127	17,024	15,925
Service charges on deposit accounts	4,626	5,532	13,538	16,059
ATM and debit card fees	3,378	3,135	9,403	8,731
Retirement plan administration fees	2,718	2,295	7,462	6,734
Trust	2,242	2,090	6,683	6,384
Bank owned life insurance	639	674	2,228	2,369
Net securities gains	26	12	578	98
Other	2,407	1,329	8,449	3,881
Total noninterest income	21,627	20,194	65,365	60,181
Noninterest expense				
Salaries and employee benefits	26,641	25,068	78,358	74,107
Occupancy	4,437	3,887	13,150	12,396
Data processing and communications	3,352	3,054	10,041	9,085
Professional fees and outside services	2,735	2,215	7,848	6,369
Equipment	2,435	2,288	7,224	6,658
Office supplies and postage	1,597	1,531	4,842	4,418
FDIC expenses	939	920	2,812	3,381
Advertising	701	685	2,308	2,286
Amortization of intangible assets	870	782	2,530	2,286
Loan collection and other real estate owned	614	676	2,051	1,838
Merger expenses	558	155	1,895	155
Other	4,552	3,785	12,236	10,285
Total noninterest expense	49,431	45,046	145,295	133,264
Income before income tax expense	20,048	20,334	58,491	61,533
Income tax expense	5,513	5,117	17,049	17,354
Net income	\$ 14,535	\$ 15,217	\$ 41,442	\$ 44,179
Earnings per share				
Basic	\$ 0.43	\$ 0.46	\$ 1.24	\$ 1.30

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Diluted	\$ 0.43	\$ 0.45	\$ 1.23	\$ 1.29
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See accompanying notes to unaudited interim consolidated financial statements.

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	Three months ended September 30,		Nine months ended September 30,	
Consolidated Statements of Comprehensive Income (unaudited) (In thousands)	2012	2011	2012	2011
Net income	\$ 14,535	\$ 15,217	\$ 41,442	\$ 44,179
Other comprehensive income, net of tax				
Unrealized net holding gains arising during the period (pre-tax amounts of \$1,463,\$5,978, \$1,798 and \$13,719)	878	3,609	1,079	8,284
Reclassification adjustment for net gains related to securities available for sale included in net income (pre-tax amounts of \$26, \$12, \$578 and \$98)	(16)	(7)	(347)	