M&T Bank Corporation Announces 2003 Results

BUFFALO, N.Y.—M&T Bank Corporation ("M&T")(NYSE: MTB) today reported its results of operations for 2003.

GAAP Results of Operations. Diluted earnings per share measured in accordance with generally accepted accounting principles ("GAAP") for 2003 were \$4.95, up 4% from \$4.78 in 2002. On the same basis, net income for 2003 totaled \$574 million, 26% higher than the \$457 million earned in 2002. GAAP-basis net income for 2003 expressed as a rate of return on average assets and average common stockholders' equity was 1.27% and 11.62%, respectively, compared with 1.43% and 15.09%, respectively, in 2002.

M&T's financial results for 2003 reflect the impact of operations obtained in the April 1, 2003 acquisition of Allfirst Financial Inc. ("Allfirst") and the related issuance by M&T of 26.7 million common shares on that date. Merger-related expenses in 2003 were \$39 million, after applicable tax effect, or \$.34 per diluted share. Such expenses represent costs for professional services, travel, and other expenses associated with the acquisition, the related integration of data processing and other operating systems and functions with those of M&T, and the commencement of M&T operations in market areas formerly served by Allfirst. There were no similar expenses in 2002.

GAAP-basis diluted earnings per share for the fourth quarter of 2003 rose 8% to \$1.35 from \$1.25 in the similar 2002 period. On the same basis, net income for the recently completed quarter totaled \$167 million, 41% higher than \$119 million in the final quarter of 2002. During the fourth quarter of 2003, M&T incurred merger-related expenses associated with the Allfirst acquisition totaling \$2 million, after applicable tax effect, or \$.01 per diluted share. M&T does not expect to incur any significant additional merger-related expenses relating to the Allfirst transaction. GAAP-basis net income for 2003's final quarter expressed as an annualized rate of return on average assets and average common stockholders' equity was 1.35% and 11.77%, respectively, compared with 1.42% and 15.00%, respectively, in the corresponding 2002 period.

Supplemental Reporting of Non-GAAP Results of Operations. Since 1998, M&T has consistently provided supplemental reporting of its results on a "net operating" or "tangible" basis, from which M&T excludes the after-tax effect of amortization of core deposit and other intangible assets (and the related goodwill, core deposit intangible and other intangible asset balances, net of applicable deferred tax amounts) and expenses associated with merging acquired operations into M&T, since such expenses are considered by management to be "nonoperating" in nature. Although "net operating income" as defined by M&T is not a GAAP measure, M&T's management believes that this information helps investors understand the effect of acquisition activity in reported results. Amortization of core deposit and other intangible assets, after tax effect, totaled \$13 million (\$.11 per diluted share) in the fourth quarter of 2003, compared with \$7 million (\$.07 per diluted share) in the year-earlier quarter. Similar amortization charges, after tax effect, for the years ended December 31, 2003 and 2002 were \$48 million (\$.41 per diluted share), respectively.

Diluted net operating earnings per share, which exclude the impact of amortization of core deposit and other intangible assets and the previously noted merger-related expenses, were \$5.70 for 2003, up 11% from \$5.12 in 2002. Net operating income for 2003 was \$661 million, 35% above \$489 million for 2002. Expressed as a rate of return on average tangible assets and average tangible stockholders' equity, net operating income was 1.55% and 28.49%, respectively, in 2003, compared with 1.59% and 26.71% in 2002.

For the final quarter of 2003, diluted net operating earnings per share were \$1.47, up 11% from \$1.32 in the comparable 2002 period. Net operating income for the fourth quarter of 2003 rose to \$182 million, 44% higher than \$126 million in the corresponding 2002 period. For the three-month period ended December 31, 2003, net operating income expressed as an annualized rate of return on average tangible assets and average tangible equity was 1.57% and 28.33%, respectively, compared with 1.56% and 25.54% in the year-earlier period.

Robert G. Wilmers, M&T's Chairman, President and Chief Executive Officer, commented, "The planning for and execution of the Allfirst merger was clearly M&T's most significant event in 2003. While the ultimate success of this merger will be measured over several years, we are very pleased with the results experienced to date, both financially and in the integration of Allfirst's operations with those of M&T."

Reconciliation of GAAP and Non-GAAP Results of Operations. A reconciliation of diluted earnings per share and net income with diluted net operating earnings per share and net operating income follows:

Three months ended Year ended
December 31 December 31
2003 2002 2003 2002
---- ---- (in thousands, except per share)

```
$ 1.35
Diluted earnings per share
                                        4.95
                                              4.78
Amortization of core deposit
and other intangible assets(1)
                                             .34
Merger-related expenses(1)
                  ----
Diluted net operating earnings
                  $ 1.47 1.32 5.70 5.12
per share
Net income
                    $166,901 118,551 573,942 456,752
Amortization of core deposit
and other intangible assets(1) 13,059 7,209 47,826 32,491
Merger-related expenses(1) 1,634 - 39,163
Net operating income
                   $181,594 125,760 660,931 489,243
                _____ ____
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(1) After any related tax effect

Reconciliation of Total Assets and Equity to Tangible Assets and Equity. A reconciliation of average assets and equity with average tangible assets and average tangible equity follows:

```
Three months ended Year ended
                December 31 December 31
                2003 2002
                             2003 2002
                     (in millions)
                    $49,123 33,174 45,349 31,935
Average assets
Goodwill
                  (2,904) (1,098) (2,456) (1,098)
Core deposit and other
                     (251) (124) (233) (143)
intangible assets
                    - 40 - 46
Deferred taxes
                    $45,968 31,992 42,660 30,740
Average tangible assets
               ====== ====== ======
                   $5,625 3,135 4,941 3,026
Average equity
Goodwill
                 (2,904) (1,098) (2,456) (1,098)
Core deposit and other
intangible assets
                     (251) (124)
                                  (233) (143)
Deferred taxes
                    73 40
                                  68
                    -----
Average tangible equity
                    $ 2,543 1,953 2,320 1,831
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Accounting for Stock-Based Compensation. Effective January 1, 2003, M&T began expensing stock-based compensation in accordance with the fair value method of accounting described in Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," as amended. As a result, salaries and employee benefits expense in 2003 included \$43 million of stock-based compensation, including \$12 million in the recent quarter. After tax effect, stock-based compensation lowered 2003's net income by \$32 million (\$.27 per diluted share). Net income for the fourth quarter of 2003 was lowered by \$8 million (\$.07 per diluted share) as a result of stock-based compensation. Using the retroactive restatement method described in SFAS No. 148, which amended SFAS No. 123, salaries and employee benefits expense for 2002 was restated to include \$41 million of stock-based compensation, resulting in a reduction of previously reported net income of \$28 million, or \$.29 per diluted share. Stock-based compensation expense reflected in M&T's results of operations for the fourth quarter of 2002 was \$10 million (pre- tax), or \$7 million and \$.08 per diluted share after applicable income tax effect. Stock-based compensation expenses are reflected in both the GAAP and supplemental non-GAAP results of operations discussed herein.

Taxable-equivalent Net Interest Income. Growth in average loans outstanding resulted in a rise in taxable-equivalent net interest income of 28% to \$1.62 billion in 2003 from \$1.26 billion in 2002. Including the impact of the \$10.3 billion of loans obtained in the April 1, 2003 acquisition of Allfirst, average loans outstanding increased 33% to \$34.0 billion in 2003 from \$25.5 billion in 2002. Net interest margin, or taxable-equivalent net interest income expressed as a percentage of average earning assets, declined to 4.09% in 2003 from 4.36% in the year-earlier period. The decrease in net interest margin was largely the result of the yields on earning assets and rates paid on interest-bearing liabilities obtained in the Allfirst acquisition.

During the fourth quarter of 2003, taxable-equivalent net interest income was \$425 million, average loans outstanding totaled \$36.4 billion and the annualized net interest margin was 3.96%. In 2002's final quarter, which did not include any Allfirst-related amounts, taxable-equivalent net interest income was \$325 million, average loans outstanding were \$25.9 billion, and the net interest margin was 4.28%. Average loan balances in 2003 and 2002 reflect fourth quarter transactions in each year in which

M&T converted residential real estate loans of \$1.3 billion and \$1.1 billion, respectively, into mortgage-backed securities.

Provision for Credit Losses/Asset Quality. The provision for credit losses was \$131 million in 2003, up from \$122 million in 2002. Net charge- offs of loans during the recent year totaled \$97 million, or .28% of average loans outstanding, compared with \$108 million or .42% of average loans in 2002. The provision for credit losses was \$28 million and \$33 million during the final quarter of 2003 and 2002, respectively. Net charge-offs were \$32 million in the fourth quarter of 2003, or an annualized .35% of average loans outstanding, compared with \$31 million or .48% during 2002's final quarter. Net charge-offs of loans acquired from Allfirst during 2003 were not significant.

Loans classified as nonperforming totaled \$240 million, or .67% of total loans at December 31, 2003, compared with \$215 million or .84% a year earlier. Loans past due 90 days or more and accruing interest were \$155 million at the recent year-end, little changed from \$154 million a year earlier. Included in the past due but accruing amounts were loans guaranteed by government-related entities of \$125 million and \$129 million at December 31, 2003 and 2002, respectively. Nonperforming loans and loans past due 90 days or more and accruing interest at December 31, 2003 included loans obtained in the Allfirst acquisition of \$67 million and \$17 million, respectively. Assets taken in foreclosure of defaulted loans were \$20 million at December 31, 2003, compared with \$17 million at December 31, 2002.

Allowance for Credit Losses. The allowance for credit losses totaled \$614 million, or 1.72% of total loans, at December 31, 2003, compared with \$436 million, or 1.70%, a year earlier. On the April 1, 2003 acquisition date, Allfirst had an allowance for credit losses of \$146 million, or 1.43% of Allfirst's loans then outstanding. Immediately following the April 1 merger, the combined balance sheet of M&T and Allfirst included an allowance for credit losses of \$591 million that was equal to 1.62% of the \$36.5 billion of then outstanding loans. The ratio of M&T's allowance for credit losses to nonperforming loans was 256% and 203% at December 31, 2003 and 2002, respectively.

Noninterest Income and Expense. Noninterest income in 2003 grew to \$831 million, 62% higher than \$512 million in 2002. Approximately \$279 million of the increase was attributable to revenues related to operations in market areas associated with the former Allfirst franchise. Higher mortgage banking revenues and service charges on deposit accounts also contributed to the improvement. As a result of Allfirst-related revenues, noninterest income of \$234 million in the fourth quarter of 2003 was up 69% from \$138 million in the corresponding quarter of 2002.

Noninterest expense in 2003 totaled \$1.45 billion, 51% higher than \$962 million in 2002. Included in such amounts are expenses considered to be "nonoperating" in nature, consisting of the previously noted amortization of core deposit and other intangible assets of \$78 million in 2003 and \$51 million in 2002, and merger-related expenses of \$60 million in 2003. There were no merger-related expenses in 2002. Exclusive of these nonoperating expenses, noninterest operating expenses were \$1.31 billion in 2003, compared with \$910 million in 2002. The increase in operating expenses was largely related to operations formerly associated with Allfirst. Partially offsetting these higher expenses were lower charges for impairment of capitalized residential mortgage servicing rights. Such charges totaled \$2 million in 2003 and \$32 million in 2002. The impairment charges resulted from changes in the estimated fair value of capitalized mortgage servicing rights that reflect the impact of changing interest rates on the expected rate of residential mortgage loan prepayments. Capitalized residential mortgage servicing rights, net of an impairment valuation allowance, are included in "other assets" in M&T's consolidated balance sheet and totaled \$129 million and \$103 million at December 31, 2003 and 2002, respectively. Residential mortgage loans serviced for others totaled approximately \$13 billion at December 31, 2003 and 2002.

Noninterest expense in the fourth quarter of 2003 totaled \$378 million, compared with \$251 million in the year-earlier quarter. Included in such amounts were amortization of core deposit and other intangible assets of \$21 million in 2003 and \$12 million in 2002, and merger-related expenses of \$3 million in 2003. Exclusive of these nonoperating expenses, noninterest operating expenses were \$354 million in the recently completely quarter, compared with \$239 million in the final quarter of 2002. The increase in operating expenses was largely related to operations formerly related to Allfirst. Changes in the estimated fair value of capitalized mortgage servicing rights also affected M&T's expenses in the fourth quarters of 2003 and 2002. Those expenses in the fourth quarter of 2003 reflect a \$4 million reduction in total expenses resulting from a partial reversal of the valuation allowance for possible impairment of capitalized residential mortgage servicing rights, while a \$13 million increase in the valuation allowance in 2002's fourth quarter added to total expenses.

The efficiency ratio, or noninterest operating expenses divided by the sum of taxable-equivalent net interest income and noninterest income (exclusive of gains and losses from sales of bank investment securities), measures the relationship of operating expenses to revenues. M&T's efficiency ratio was 53.6% in 2003, compared with 51.3% in 2002. During 2003's fourth quarter, M&T's efficiency ratio was 53.9%, compared with 51.7% in the year-earlier quarter. The higher ratios in 2003 reflect the impact of the acquired Allfirst operations that are now a part of M&T.

Balance Sheet. M&T's total assets rose 50% to \$49.8 billion at December 31, 2003 from \$33.2 billion a year earlier. Loans and leases, net of unearned discount, were \$35.8 billion at the 2003 year-end, up 39% from \$25.7 billion at December 31, 2002. Deposits increased to \$33.1 billion at December 31, 2003 from \$21.7 billion at the end of 2002. Total assets, loans and deposits obtained in the Allfirst transaction were \$16 billion, \$10 billion and \$11 billion, respectively. Total stockholders' equity was \$5.7

billion at December 31, 2003, representing 11.47% of total assets, compared with \$3.2 billion or 9.66% a year earlier. Common stockholders' equity per share was \$47.55 and \$34.82 at December 31, 2003 and 2002, respectively. Tangible equity per common share was \$21.97 at December 31, 2003, compared with \$22.04 at December 31, 2002. In the calculation of tangible equity per common share, stockholders' equity is reduced by the carrying values of goodwill and core deposit and other intangible assets, net of applicable deferred tax balances, which aggregated \$3.1 billion and \$1.2 billion at December 31, 2003 and 2002, respectively.

Looking forward to 2004, Michael P. Pinto, M&T's Executive Vice President and Chief Financial Officer, noted, "We expect that the economy and the overall business environment in 2004 will present many challenges for regional banks and other financial institutions. M&T will, of course, not be immune to these challenges. Subject to the impact of actual events and circumstances that may occur throughout this year, our present estimate of GAAP-basis diluted earnings per share for 2004 is in the range of \$5.90 to \$6.10."

Conference Call. Investors will have an opportunity to listen to M&T's conference call to discuss fourth quarter and full year financial results at 10:00 a.m. Eastern Time today, January 12, 2004. Those wishing to participate in the call may dial 877-780-2276. International participants, using any applicable international calling codes, may dial 973-582-2700. The conference call will be webcast live on M&T's website at http://ir.mandtbank.com/conference.cfm. A replay of the call will be available until January 13, 2004 by calling 877-519-4471, code 4399838 and 973-341-3080 for international participants. The event will also be archived and available by 1:00 p.m. today on M&T's website at http://ir.mandtbank.com/conference.cfm.

Forward-Looking Statements. This news release contains forward-looking statements that are based on current expectations, estimates and projections about M&T's business, management's beliefs and assumptions made by management. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions ("Future Factors") which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements.

Future Factors include changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity; credit losses; sources of liquidity; common shares outstanding; common stock price volatility; fair value of and number of stock options to be issued in future periods; legislation affecting the financial services industry as a whole, and M&T and its subsidiaries individually or collectively; regulatory supervision and oversight, including required capital levels; increasing price and product/service competition by competitors, including new entrants; rapid technological developments and changes; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; the mix of products/services; containing costs and expenses; governmental and public policy changes, including environmental regulations; protection and validity of intellectual property rights; reliance on large customers; technological, implementation and cost/financial risks in large, multi-year contracts; the outcome of pending and future litigation and governmental proceedings; continued availability of financing; financial resources in the amounts, at the times and on the terms required to support M&T and its subsidiaries' future businesses; and material differences in the actual financial results of merger and acquisition activities compared with M&T's expectations, including the full realization of anticipated cost savings and revenue enhancements.

These are representative of the Future Factors that could affect the outcome of the forward-looking statements. In addition, such statements could be affected by general industry and market conditions and growth rates, general economic and political conditions, including interest rate and currency exchange rate fluctuations, and other Future Factors.

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M&T BANK CORPORATION
Financial Highlights
            Three months ended
                                   Year ended
Amounts in thousands, December 31
                                        December 31
                  2003 2002 Change 2003
                                               2002 Change
except per share
Performance
Net income
                $166,901 118,551 41% $573,942 456,752 26%
Per common share:
                  $1.39
                         1.29 8%
                                    $5.08
Basic earnings
                                             4.94
                                                  3%
Diluted earnings
                  1.35
                         1.25 8
                                    4.95
                                           4.78 4
                                   $1.20
Cash dividends
                  $ .30
                          .30
                                           1.05 14
Common shares
outstanding:
Average - diluted (1) 123,328 94,950 30% 115,932 95,522 21%
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Period end (2) 120,231 92,155 30 120,231 92,155 30

Return on (annualized):

Average total assets 1.35% 1.42% 1.27% 1.43% Average common stockholders' equity 11.77% 15.00% 11.62% 15.09%

Taxable-equivalent net

interest income \$425,500 325,157 31% \$1,615,068 1,261,634 28%

Yield on average

earning assets 5.16% 6.08% 5.42% 6.42%

Cost of interest-bearing

liabilities 1.48% 2.09% 1.61% 2.39%

Net interest spread 3.68% 3.99% 3.81% 4.03% Contribution of

interest-free funds .28% .29% .28% .33% Net interest margin 3.96% 4.28% 4.09% 4.36%

Net charge-offs to

average total

net loans (annualized) .35% .48% .28% .42%

Net operating results (3)

Net operating income \$181,594 125,760 44% \$660,931 489,243 35%

Diluted net operating earnings per common

share 1.47 1.32 11 5.70 5.12 11

Return on (annualized):

Average tangible

assets 1.57% 1.56% 1.55% 1.59%

Average tangible

 common equity
 28.33%
 25.54%
 28.49%
 26.71%

 Efficiency ratio
 53.93%
 51.65%
 53.59%
 51.30%

At December 31 Change

Loan quality 2003 2002

Nonaccrual loans \$232,983 207,038 13% Renegotiated loans 7,309 8,252 -11

Total nonperforming

loans \$240,292 215,290 12%

Accruing loans past

due 90 days or more \$154,759 153,803 1%

Nonperforming loans to

total net loans .67% .84%

Allowance for credit losses to total net

loans 1.72% 1.70%

- (1) Includes common stock equivalents.
- (2) Includes common stock issuable under deferred compensation plans.
- (3) Excludes merger-related expenses and amortization and balances related to goodwill and core deposit and other intangible assets which, except in the calculation of the efficiency ratio, are net of applicable income tax effects. A reconciliation of net income and net operating income appears on page 4.

M&T BANK CORPORATION

Condensed Consolidated Statement of Income

Three months ended December 31 Year ended December 31

Dollars in thousands 2003 2002 Change 2003 2002 Change

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Interest income \$550,473 458,216 20% \$2,126,565 1,842,099 15% Interest expense 129,173 136,358 -5 527,810 594,514 -11 Net interest income 421,300 321,858 31 1,598,755 1,247,585 28 Provision for credit losses 28,000 33,000 -15 131,000 122,000 7 Net interest income after provision for credit losses 393,300 288,858 36 1,467,755 1,125,585 30 Other income Mortgage banking revenues 31,944 34,879 -8 149,105 116,408 28 Service charges on deposit accounts 89,591 44,123 103 309,749 167,531 85 34,467 14,475 138 Trust income 114,620 60,030 91 Brokerage services income 13,455 9,209 46 51,184 43,261 18 Trading account and foreign exchange gains 4,993 1,144 336 15,989 2,860 459 Gain (loss) on sales of bank investment securities 1,946 51 -2,487 (608)Other revenues from operations 57,361 34,297 67 187,961 122,449 54 Total other 233,757 138,178 69 831,095 511,931 62 income Other expense Salaries and employee benefits 196,651 124,447 58 740,324 496,990 49 Equipment and net occupancy 47,126 26,818 76 170,623 107,822 58 Printing, postage and supplies 9,954 6,486 53 36,985 25,378 46 Amortization of core deposit and other intangible assets 21,345 11,788 81 78,152 51,484 52 Other costs of operations 103,279 81,550 27 422,096 279,937 51 ----------Total other expense 378,355 251,089 51 1,448,180 961,611 51 Income before income taxes 248,702 175,947 41 850,670 675,905 26 Applicable income 81,801 57,396 43 276,728 219,153 26 taxes Net income \$166,901 118,551 41% \$ 573,942 456,752 26% Summary of mergerrelated expenses included above: Salaries and employee benefits \$ 426 -\$ 8,542 Equipment and net 472 -2,126 occupancy Printing, postage and supplies 241 -3,216 Other costs of operations 1,394 46,503

| Total | |
|---------|--|
| merger- | |
| related | |

expenses \$2,533 - \$60,387

M&T BANK CORPORATION

Condensed Consolidated Balance Sheet

December 31

Dollars in thousands 2003 2002 Change

ASSETS

Cash and due from banks \$1,877,494 963,772 95%

Money-market assets 250,315 379,843 -34

Investment securities 7,259,150 3,955,150 84

Loans and leases, net of unearned

discount 35,772,435 25,727,784 39 Less: allowance for credit losses 614,058 436,472 41

Net loans and leases 35,158,377 25,291,312 39

Goodwill 2,904,081 1,097,553 165

Core deposit and other intangible

assets 240,830 118,790 103

Other assets 2,135,834 1,394,761 53

Total assets \$49,826,081 33,201,181 50%

LIABILITIES AND STOCKHOLDERS' EQUITY

Noninterest-bearing deposits at U.S.

offices \$ 8,411,296 4,072,085 107%

Other deposits at U.S. offices 22,494,197 16,432,122 37

Deposits at foreign office 2,209,451 1,160,716 90

Total deposits 33,114,944 21,664,923 53

Short-term borrowings 4,442,246 3,429,414 30

Accrued interest and other

liabilities 1,016,256 400,991 153

Long-term borrowings 5,535,425 4,497,374 23

Total liabilities 44,108,871 29,992,702 47

Stockholders' equity (1) 5,717,210 3,208,479 78

Total liabilities and stockholders'

equity \$49,826,081 33,201,181 50%

 Reflects accumulated other comprehensive income, net of applicable income taxes, of \$25.7 million at December 31, 2003 and \$54.8 million at December 31, 2002.

M&T BANK CORPORATION

and Annualized Taxable-equivalent Rates

Three months ended December 31

Dollars in millions

2003 2002

------ Change in

Balance Rate Balance Rate balance

ASSETS

Money-market assets \$ 99 1.00% 509 1.47% -81%

Investment securities 6,212 3.98 3,745 5.23 66

Loans and leases, net of unearned

discount

 Commercial, financial, etc
 9,202
 4.00
 5,273
 4.83
 75

 Real estate - commercial
 12,344
 5.86
 9,650
 6.76
 28

 Real estate - consumer
 3,758
 6.06
 3,638
 6.70
 3

 Consumer
 11,057
 5.79
 7,303
 6.63
 51

Jonsumer 11,037 3.79

Total loans and leases, net 36,361 5.37 25,864 6.29 41

Total earning assets 42,672 5.16 30,118 6.08 42

Goodwill 2,904 1,098 165

Core deposit and other intangible

assets 251 124 101

Other assets 3,296 1,834 80

Total assets \$49,123 33,174 48%

LIABILITIES AND STOCKHOLDERS' EQUITY

Interest-bearing deposits

 NOW accounts
 \$ 1,160
 .33
 794
 .45
 46%

 Savings deposits
 14,674
 .70
 9,355
 1.08
 57

 Time deposits
 6,440
 2.29
 6,673
 2.75
 -3

 Deposits at foreign office
 2,378
 .96
 934
 1.43
 154

Total interest-bearing deposits 24,652 1.12 17,756 1.70 39

 Short-term borrowings
 4,162 1.02 3,651 1.50 14

 Long-term borrowings
 5,922 3.27 4,486 4.11 32

Total interest-bearing liabilities 34,736 1.48 25,893 2.09 34

Noninterest-bearing deposits 7,705 3,752 105

Other liabilities. 1,057 394 168

Total liabilities 43,498 30,039 45

Stockholders' equity 5,625 3,135 79

Total liabilities and stockholders'

equity \$49,123 33,174 48%

Net interest spread 3.68 3.99

Contribution of interest-free funds .28 .29

Net interest margin 3.96% 4.28%

| December 31 | | |
|--|--|--|
| Dollars in millions | 2003 2002 | |
| В | Change in lalance Rate Balance Rate balance | |
| ASSETS | | |
| Money-market assets | \$ 216 1.24% 291 1.64% -26% | |
| Investment securities | 5,344 4.40 3,123 5.63 71 | |
| | unearned etc 8,523 4.21 5,146 5.09 66 al 11,573 6.10 9,498 6.96 22 3,777 6.15 4,087 6.98 -8 10,098 6.02 6,776 6.89 49 | |
| Total loans and leases | s, net 33,971 5.61 25,507 6.57 33 | |
| Total earning assets | 39,531 5.42 28,921 6.42 37 | |
| Goodwill | 2,456 1,098 124 | |
| Core deposit and other intangible assets 233 143 62 | | |
| | 3,129 1,773 77 | |
| Total assets | \$45,349 31,935 42% | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| | \$1,021 .35 761 .51 34% 13,278 .77 8,899 1.21 49 6,638 2.41 7,398 3.20 -10 e 1,445 1.04 569 1.49 154 | |
| Total interest-bearing deposits 22,382 1.25 17,627 2.02 27 | | |
| Short-term borrowings Long-term borrowings | 4,331 1.13 3,125 1.69 39 6,018 3.29 4,162 4.45 45 | |
| | ilities 32,731 1.61 24,914 2.39 31 | |
| Other liabilities | sits 6,801 3,618 88 876 377 132 | |
| Total liabilities | 40,408 28,909 40 | |
| Stockholders' equity | 4,941 3,026 63 | |

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\$45,349

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Contribution of interest-free funds .28 .33

31,935

3.81 4.03

=====

4.09%

42%

4.36%

Total liabilities and stockholders'

Net interest spread

http://www..com

Net interest margin

equity

https://newsroom.mtb.com/2004-01-12-M-T-Bank-Corporation-Announces-2003-Results