M&T Bank Corporation Announces First Quarter Profits

PRNewswire-FirstCall BUFFALO, N.Y.

M&T Bank Corporation ("M&T") today reported its results of operations for the quarter ended March 31, 2010.

GAAP Results of Operations. Diluted earnings per common share measured in accordance with generally accepted accounting principles ("GAAP") for the first quarter of 2010 rose to \$1.15, up 135% from \$.49 in the first quarter of 2009 and 11% higher than \$1.04 in the final 2009 quarter. GAAP-basis net income in the recently completed quarter totaled \$151 million, compared with \$64 million in the year-earlier quarter and \$137 million in the fourth quarter of 2009. GAAP-basis net income for the initial quarter of 2010 expressed as an annualized rate of return on average assets and average common stockholders' equity was .89% and 7.86%, respectively, improved from .40% and 3.61%, respectively, in the initial quarter of 2009 and from .79% and 7.09%, respectively, in the fourth quarter of 2009.

Commenting on the recent quarter's performance, René F. Jones, Executive Vice President and Chief Financial Officer, noted, "M&T posted strong financial results in the first quarter, led by lower credit costs and further widening of our net interest margin. Average core deposits were up again for this period, rising an annualized 6% from the fourth quarter of last year. Our tangible common equity ratio rose significantly from the 2009 year-end, up 30 basis points to 5.43%. The results illustrate how our fundamental business philosophy of offering banking services to consumers and businesses in our local communities, of prudent underwriting based on local knowledge and of making acquisitions only when and where they make sense has never been more relevant."

Supplemental Reporting of Non-GAAP Results of Operations. M&T consistently provides 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. Reconciliations of GAAP to non-GAAP measures are provided herein.

Diluted net operating earnings per common share, which exclude the impact of amortization of core deposit and other intangible assets and merger-related expenses, increased for the fourth consecutive quarter, aggregating \$1.23 in the recent quarter, up from \$.59 and \$1.16 in the first and fourth quarters of 2009, respectively. Net operating income for the quarter ended March 31, 2010 rose to \$161 million, improved from \$75 million and \$151 million in the quarters ended March 31, 2009 and December 31, 2009, respectively. Expressed as an annualized rate of return on average tangible assets and average tangible common stockholders' equity, net operating income was 1.00% and 17.34%, respectively, in the first quarter of 2010, up from .50% and 9.36% in the initial quarter of 2009 and .92% and 16.73% in the final 2009 quarter.

Taxable-equivalent Net Interest Income. Taxable-equivalent net interest income totaled \$562 million in the first quarter of 2010, compared with \$453 million in the year-earlier quarter and \$565 million in the final quarter of 2009. The significant improvement from 2009's initial quarter reflects a 59 basis point widening of the net interest margin, or taxable-equivalent net interest income expressed as an annualized percentage of average earning assets, and a higher level of average earning assets, which rose \$2.8 billion or 5% to \$60.3 billion from \$57.5 billion in the first quarter of 2009. The net interest margin was 3.78% in the recent quarter, compared with 3.19% in the first 2009 quarter. The most significant factors for the higher net interest margin were lower interest rates paid on deposits and long-term borrowings. The higher earning asset level in the recent quarter resulted from the impact of assets obtained in the 2009 acquisitions related to Provident Bankshares Corporation ("Provident") and Bradford Bank ("Bradford"), which totaled approximately \$5.5 billion at the respective acquisition dates. Net interest margin in the recent quarter improved 7 basis points from 3.71% in last year's fourth quarter.

Provision for Credit Losses/Asset Quality. The provision for credit losses was \$105 million in the first quarter of 2010, down from \$158 million and \$145 million in the year-earlier quarter and in the fourth quarter of 2009, respectively. Net charge-offs of loans during the recent quarter were \$95 million, down from \$100 million in the initial quarter of 2009 and \$135 million in the final 2009 quarter. Expressed as an annualized percentage of average loans outstanding, net charge-offs were .74% and .83% in the first quarters of 2010 and 2009, respectively, and 1.03% in 2009's final quarter.

Reflecting the impact of the poor economic environment on businesses and consumers, loans classified as nonaccrual totaled \$1.34 billion, or 2.60% of total loans at March 31, 2010, compared with \$1.33 billion or 2.56% at December 31, 2009 and \$1.00 billion or 2.05% at March 31, 2009. During the recent quarter, an increase in loans obtained in the Provident and Bradford transactions classified as nonaccrual was largely offset by a decline in nonaccrual loans associated with the legacy M&T portfolio. Assets taken in foreclosure of defaulted loans were \$95 million at each of March 31, 2010 and December 31, 2009,

compared with \$100 million at March 31, 2009.

Loans past due 90 days or more and accruing interest totaled \$203 million at the end of the recently completed quarter, including loans guaranteed by government-related entities of \$195 million. Such past due loans were \$143 million and \$208 million at March 31, 2009 and December 31, 2009, respectively, including \$127 million and \$193 million of government quaranteed loans at those respective dates.

Allowance for Credit Losses. M&T regularly performs detailed analyses of individual borrowers and portfolios for purposes of assessing the adequacy of the allowance for credit losses. Reflecting those analyses, the allowance totaled \$891 million at March 31, 2010, increased from \$846 million a year earlier and \$878 million at December 31, 2009. Beginning in 2009, GAAP requires that expected credit losses associated with loans obtained in an acquisition be reflected in the estimation of loan fair value as of each respective acquisition date and prohibits any carryover of the acquired entity's allowance for credit losses. Excluding loans obtained in the Provident and Bradford acquisition transactions, the allowance-to-legacy loan ratio increased to 1.86% at March 31, 2010 from 1.73% at March 31, 2009. That same ratio was 1.83% at December 31, 2009.

Noninterest Income and Expense. Noninterest income aggregated \$258 million in the first quarter of 2010, compared with \$232 million and \$266 million in the first and fourth quarters of 2009, respectively. Reflected in those amounts were losses from investment securities of \$26 million, \$32 million and \$34 million, respectively, each predominantly due to other-than-temporary impairment charges related to certain of M&T's privately issued collateralized mortgage obligations held in the available-for-sale investment securities portfolio. Because those investment securities were previously reflected at fair value on the consolidated balance sheet, the impairment charges did not reduce stockholders' equity.

Excluding gains and losses from investment securities, noninterest income of \$284 million in the recently completed quarter was up 8% from \$264 million in the initial quarter of 2009. Contributing to that rise were service charges on acquisition-related deposit accounts and higher credit-related fees, partially offset by lower mortgage banking revenues. Noninterest income in the fourth quarter of 2009, also excluding gains and losses from investment securities, totaled \$300 million. The decline in such income during the recent quarter as compared with the final 2009 quarter was due, in part, to lower service charges on deposit accounts and mortgage banking revenues.

Noninterest expense in the first quarter of 2010 aggregated \$489 million, compared with \$438 million and \$478 million in the first and fourth quarters of 2009, respectively. Included in such amounts are expenses considered to be nonoperating in nature consisting of amortization of core deposit and other intangible assets and merger-related expenses. Exclusive of these expenses, noninterest operating expenses were \$473 million in the recently completed quarter, \$421 million in the first quarter of 2009 and \$455 million in the final 2009 quarter. The higher level of operating expenses in the recent quarter as compared with the year-earlier quarter was due largely to the operations obtained in the 2009 acquisitions and higher FDIC assessments. The rise in expenses from the fourth quarter of 2009 was largely the result of seasonally higher costs for stock-based compensation, payroll-related taxes and the Company's contributions for retirement savings plan benefits related to incentive compensation payments.

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 bank investment securities and gains on merger transactions), measures the relationship of operating expenses to revenues. M&T's efficiency ratio was 55.9% in the first quarter of 2010, compared with 58.7% in the year-earlier period and 52.7% in the fourth quarter of 2009.

Balance Sheet. M&T had total assets of \$68.4 billion at March 31, 2010, up from \$64.9 billion a year earlier. Loans and leases, net of unearned discount, were \$51.4 billion at the recent quarter-end, up 5% from \$48.9 billion at March 31, 2009. Total deposits rose 12% to \$47.5 billion at March 31, 2010 from \$42.5 billion a year earlier. Deposits at domestic offices increased \$6.4 billion, or 16%, to \$46.7 billion at the most recent quarter-end from \$40.3 billion at March 31, 2009.

Total stockholders' equity increased 15% to \$7.9 billion at March 31, 2010 from \$6.9 billion at March 31, 2009, representing 11.57% of total assets at the recent quarter-end and 10.64% a year earlier. Common stockholders' equity was \$7.2 billion, or \$60.40 per share at March 31, 2010, up from \$6.3 billion, or \$56.95 per share, a year earlier. Tangible equity per common share rose to \$29.59 at March 31, 2010 from \$26.90 a year earlier. Common stockholders' equity per share and tangible equity per common share were \$59.31 and \$28.27, respectively, at December 31, 2009. In the calculation of tangible equity per common share, common 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 \$3.7 billion and \$3.3 billion at March 31, 2010 and 2009, respectively. M&T's tangible common equity to tangible assets ratio was 5.43% at March 31, 2010, compared with 4.86% and 5.13% at March 31, 2009 and December 31, 2009, respectively.

Conference Call. Investors will have an opportunity to listen to M&T's conference call to discuss first quarter financial results today at 9:30 a.m. Eastern Time. 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. Callers should reference M&T Bank Corporation or the conference ID #68684577. The conference call will be webcast live through M&T's website at

http://ir.mandtbank.com/conference.cfm. A replay of the call will be available until Wednesday, April 21, 2010 by calling (800)642-1687, or (706)645-9291 for international participants, and by making reference to the ID #68684577. The event will also be archived and available by 7:00 p.m. today on M&T's website at http://ir.mandtbank.com/conference.cfm.

M&T is a bank holding company whose banking subsidiaries, M&T Bank and M&T Bank, National Association, operate branch offices in New York, Pennsylvania, Maryland, Virginia, West Virginia, Delaware, New Jersey and the District of Columbia.

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; prepayment speeds, loan originations, credit losses and market values on loans, collateral securing loans, and other assets; sources of liquidity; common shares outstanding; common stock price volatility; fair value of and number of stock-based compensation awards to be issued in future periods; legislation affecting the financial services industry as a whole, and M&T and its subsidiaries individually or collectively, including tax legislation; regulatory supervision and oversight, including monetary policy and required capital levels; changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies; 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; 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, including tax-related examinations and other matters; 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, acquisition and investment activities compared with M&T's initial 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, either nationally or in the states in which M&T and its subsidiaries do business, including interest rate and currency exchange rate fluctuations, changes and trends in the securities markets, and other Future Factors.

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M&T BANK CORPORATION Financial Highlights

Amounts in thousands,	Mai	rch 31	
except per share	2010	2009	Change
Performance			
Net income	\$150,955	64,221	135%
Net income available to con	nmon		
equity	138,341	55,322	150
Per common share:			
Basic earnings	\$1.16	.49	137%
Diluted earnings	1.15	.49	135
Cash dividends	\$.70	.70	-
Common shares outstandin	g:		
Average - diluted (1)	118,256	110,4	39 7%
Period end (2)	118,823	111,132	2 7

Three months ended

Return on (annualized):

Average total assets .89% .40%

Average common stockholders' equity 7.86% 3.61%

Taxable-equivalent net interest

452,740 income \$562,257 24%

Yield on average earning assets 4.59% 4.65%

Cost of interest-bearing

1.04% liabilities 1.74%

3.55% Net interest spread 2.91% Contribution of interest-free funds .23% .28% 3.19%

Net interest margin 3.78%

Net charge-offs to average total

net loans (annualized) .74% .83%

Net operating results (3)

Net operating income \$160,953 75,034 115%

Diluted net operating earnings per

common share 1.23 .59 108

Return on (annualized):

Average tangible assets 1.00% .50% Average tangible common equity 17.34% 9.36%

Efficiency ratio 55.88% 58.68%

At March 31

2010 Change Loan quality 2009

Nonaccrual loans \$1,339,992 1,003,987 33%

Real estate and other foreclosed

assets 95,362 100,270 -5%

Total nonperforming assets \$1,435,354 1,104,257 30%

Accruing loans past due 90 days or

142,842 42%

Renegotiated loans \$220,885 130,932 69%

Government guaranteed loans

included in totals

above:

Nonaccrual loans \$37,048 38,460 -4%

Accruing loans past due 90 days or

127,237 194,523 53% more

Purchased impaired loans (4):

\$148,686 Outstanding customer balance

Carrying amount 73,890

Nonaccrual loans to total net loans 2.60% 2.05%

Allowance for credit losses to:

1.86% Legacy loans 1.73% Total loans 1.73% 1.73%

- (1) Includes common stock equivalents.
- (2) Includes common stock issuable under deferred compensation plans.
- (3) Excludes amortization and balances related to goodwill and core deposit and other intangible assets and merger-related gains and expenses which, except in the calculation of the efficiency ratio, are net of applicable income tax effects. Reconciliations of net income with net operating income appear herein.
- (4) Accruing loans that were impaired at acquisition date and recorded at fair value.

M&T BANK CORPORATION Financial Highlights, Five Quarter Trend

Three months ended

Three months ended				
Amounts in thousands, except per share		Sep Decembe	2009	30,
Performance				
Net income Net income available to common equity	\$150,955 138,341	136,818 124,251	127,664 115,143	
Per common shar Basic earnings Diluted earnings Cash dividends	re: \$1.16	1.05 1.04 .70	.97 .97 .70	
Common shares outstanding: Average -diluted (1) 11 Period end (2)	8,256 1	17,672 118,298	117,547 118,156	
Return on (annualized): Average total assets Average commo stockholders' equity	.89% n 7.86%	.79% 7.09%	.73% 6.72%	
Taxable- equivalent net interest income	\$562,257	564,606	553,450	
Yield on average earning assets Cost of interest-	4.59%	4.58%	4.60%	
bearing liabilities Net interest	1.04%	1.13%	1.26%	
spread Contribution of	3.55%	3.45%	3.34%	
interest-free funds Net interest	.23%	.26%	.27%	
margin	3.78%	3.71%	3.61%	
Net charge-offs to average total net loans (annualized)	.74%	1.03%	1.07%	
Net operating results (3)				
Diluted net operating	\$160,953	150,776	128,761	
earnings per common share Return on (annualized):	1.23	1.16	.98	
Average tangible assets	1.00%	.92%	.78%	

common equity 17.34% 16.73% 14.87% Efficiency ratio 55.88% 52.69% 55.21%

September

March 31, December 31, 30. 2010 2009 2009 Loan quality

Nonaccrual loans \$1,339,992 1,331,702 1,228,341 Real estate and

other foreclosed

95,362 assets 94,604 84,676

Total

nonperforming

\$1,435,354 1,313,017 assets 1,426,306

Accruing loans

past due 90 days

\$203,443 208,080 182,750 or more

Renegotiated

\$220,885 212,548 190,917 loans

Government guaranteed loans included in totals

above:

Nonaccrual loans \$37,048 38,579 38,590

Accruing loans past due 90 days

or more 194,523 193,495 172,701

Purchased impaired loans (4):

Outstanding

customer balance \$148,686 172,772 209,138 Carrying amount 73,890 108,058 88,170

Nonaccrual loans

to total net

loans 2.60% 2.56% 2.35%

Allowance for credit losses

to:

Legacy loans 1.86% 1.83% 1.81% Total loans 1.73% 1.69% 1.66%

Three months ended

Amounts in thousands, June 30, March 31, 2009 except per share 2009

Performance

51,188 64,221 Net income Net income available to common

55,322 equity 40,964

Per common share:

.49 Basic earnings .36 Diluted earnings .36 .49 Cash dividends .70 .70 Common shares outstanding:

Average - diluted (1) 113,521 110,439 Period end (2) 118,012 111,132

Return on (annualized):

Average total assets .31% .40%

Average common stockholders'

equity 2.53% 3.61%

Taxable-equivalent net interest

income 506,781 452,740

Yield on average earning assets 4.62% 4.65%

Cost of interest-bearing

 liabilities
 1.47%
 1.74%

 Net interest spread
 3.15%
 2.91%

Contribution of interest-free

 funds
 .28%
 .28%

 Net interest margin
 3.43%
 3.19%

Net charge-offs to average total

net loans (annualized) 1.09% .83%

Net operating results (3)

Net operating income 100,805 75,034
Diluted net operating earnings
per common share .79 .59

Return on (annualized):

Average tangible assets .64% .50%
Average tangible common equity 12.08% 9.36%

Efficiency ratio 60.03% 58.68%

June 30, March 31,

Loan quality 2009 2009

Nonaccrual loans 1,111,423 1,003,987

Real estate and other foreclosed

assets 90,461 100,270

Total nonperforming assets 1,201,884 1,104,257

Accruing loans past due 90 days

or more 155,125 142,842

Renegotiated loans 170,950 130,932

Government guaranteed loans

included in totals

above:

Nonaccrual loans 38,075 38,460

Accruing loans past due 90 days

or more 143,886 127,237

Purchased impaired loans (4):

Outstanding customer balance 170,400 -

Carrying amount 97,730

Nonaccrual loans to total net

loans 2.11% 2.05%

Allowance for credit losses to:

Legacy loans 1.76% 1.73% Total loans 1.62% 1.73%

- (1) Includes common stock equivalents.
- (2) Includes common stock issuable under deferred compensation plans.
- (3) Excludes amortization and balances related to goodwill and core deposit and other intangible assets and merger-related gains and

expenses which, except in the calculation of the efficiency ratio, are net of applicable income tax effects. Reconciliations of net income with net operating income appear herein.

income with net operating income appear herein.

(4) Accruing loans that were impaired at acquisition date and recorded at fair value.

M&T BANK CORPORATION

Condensed Consolidated Statement of Income

Three months ended March 31

	ended March 31		
Dollars in thousands	2010	2009 Ch	ange
Interest income Interest expense		654,512 206,705	
Net interest income	556,334	447,807	24
Provision for credit losses	105,000	158,000	-34
Net interest income after provision for credit loss	es 451,334	289,807	56
Brokerage services in Trading account and f exchange gains Gain on bank investm securities Other-than-temporary losses recognized in earnin Equity in earnings of E Lending Group LLC Other revenues from o	eposit 120,295 30,928 come 13,10 oreign 4,699 ent 459 5 impairment ags (26,802) Bayview (5,714) operations 79,2	34,880 -1 6 15,390 1,435 2 575 - (32,199) (4,144)	9 1 3 -15 27 -
Total other income	257,706	232,341	11
Other expense Salaries and employer Equipment and net oc Printing, postage and Amortization of core d other intangible assets FDIC assessments Other costs of operation	cupancy 55, supplies 9,043 eposit and 16,475 21,348 ons 123,049	401 48,1 3 9,095 15,370 5,856	72 15 -1 7 265
Total other expens	e 489,362	438,346	12
Income before income ta	xes 219,6	78 83,80	162
Applicable income taxes	68,723 	19,581	251
Net income	\$150,955 =======	64,221 1 ====	35%

M&T BANK CORPORATION

Condensed Consolidated Statement of Income, Five Quarter Trend

Three months ended

	Three months ended
Mar	December September rch 31, 31, 30,
Dollars in thousands	2010 2009 2009
Interest income Interest expense	\$676,386 692,669 700,593 120,052 133,950 152,938
Net interest income	556,334 558,719 547,655
	05,000 145,000 154,000
Net interest income after provision for credit losses 4	151,334 413,719 393,655
Gain (loss) on bank investment securitie Other-than-temporar impairment losses recognized in earn Equity in earnings of Bayview Lending Gr LLC (Other revenues from operations	120,295 127,185 128,502 30,928 29,660 31,586 13,106 14,396 14,329 ains 4,699 6,669 7,478 s 459 354 (56) y ings (26,802) (34,296) (47,033) roup 5,714) (10,635) (10,912)
Other expense Salaries and employed benefits Equipment and net occupancy Printing, postage and supplies Amortization of core deposit and other intangible assets FDIC assessments Other costs of operations	ee 264,046 247,080 255,449 55,401 53,703 58,195 d 9,043 9,338 8,229
Income before income	
	19,678 201,158 171,825
Applicable income taxes	s 68,723 64,340 44,161
Net income ====	\$150,955 136,818 127,664

Three months ended

March June 30. 31.

Dollars in thousands 2009 2009

Interest income 677,423 654,512 175,856 206,705 Interest expense

Net interest income 501,567 447,807

Provision for credit losses 147,000 158,000

Net interest income after

provision for credit losses 354,567 289,807

Other income

Mortgage banking revenues 52,983 56,233

Service charges on deposit accounts 112,479 101,029 32,442 34,880

Trust income

Brokerage services income 13,493 15,393

Trading account and foreign

exchange gains 7,543 1,435

Gain (loss) on bank investment

575 securities 292

Other-than-temporary impairment

losses

recognized in earnings (24,769)(32, 199)

Equity in earnings of Bayview

Lending Group LLC (207)(4,144)

Other revenues from operations 77,393 59,139

Total other income 271,649 232,341

Other expense

Salaries and employee benefits 249,952 249.392 Equipment and net occupancy 51,321 48.172 Printing, postage and supplies 11,554 9,095

Amortization of core deposit and

other

intangible assets 15,231 15,370 FDIC assessments 49,637 5,856 Other costs of operations 186,015 110,461

-----Total other expense 563,710

83,802 Income before income taxes 62,506

Applicable income taxes 11,318 19,581

51,188 Net income 64,221

438,346

M&T BANK CORPORATION

Condensed Consolidated Balance Sheet

March 31

Dollars in thousands 2010 2009 Change

ASSETS

Cash and due from banks \$1,033,269 1,117,845 -8%

Interest-bearing deposits at b	panks 121,305 27,374 343
Federal funds sold and agree to resell securities	ements 10,400 125,800 -92
Trading account assets	403,476 591,802 -32
Investment securities	8,104,646 7,686,845 5
Loans and leases:	
Commercial, financial, etc Real estate - commercial Real estate - consumer Consumer	13,220,181 13,986,663 -5 20,724,118 18,833,865 10 5,664,159 5,171,953 10 11,835,583 10,925,659 8
Total loans and leases, no unearned discount Less: allowance for cred	et of 51,444,041 48,918,140 5 dit losses 891,265 845,971 5
Net loans and leases	50,552,776 48,072,169 5
Goodwill	3,524,625 3,192,128 10
Core deposit and other intan assets	gible 167,545 168,126 -
Other assets	4,521,180 3,901,106 16
Total assets	\$68,439,222 64,883,195 5%
LIABILITIES AND STOCKHO	DLDERS'
Noninterest-bearing deposits U.S. offices	at \$13,622,819 9,544,932 43%
Other deposits at U.S. offices	s 33,125,761 30,763,204 8
Deposits at foreign office	789,825 2,169,220 -64
Total deposits	47,538,405 42,477,356 12
Short-term borrowings	1,870,763 2,641,811 -29
Accrued interest and other liabilities	1,048,473 1,326,545 -21
Long-term borrowings	10,065,894 11,535,644 -13
Total liabilities	60,523,535 57,981,356 4
Stockholders' equity:	
Preferred Common (1)	732,769 568,284 29 7,182,918 6,333,555 13
Total stockholders' equity	7,915,687 6,901,839 15
Total liabilities and stockhol equity ==	ders' \$68,439,222 64,883,195 5%

⁽¹⁾ Reflects accumulated other comprehensive loss, net of applicable income tax effect, of \$255.2 million at March 31, 2010 and \$622.4 million at March 31, 2009.

M&T BANK CORPORATION

Condensed Consolidated Balance Sheet, Five Quarter Trend

Condensed Consol	idated Balance	Sneet, Five C	auarter Frend
N Dollars in	March 31, D	ecember 31,	September 30,
thousands	2010	2009	2009
ASSETS			
Cash and due from banks		1,226,223	1,356,508
Interest-bearing deposits at banks	121,305	5 133,335	54,443
Federal funds sold and agreements to resell securities	10,400	20,119	17,206
Trading account assets	403,476	386,984	497,064
Investment securities	8,104,646	7,780,609	7,634,262
Loans and leases:			
Commercial, financial, etc Real estate -	13,220,181	13,479,447	13,517,538
commercial	20,724,118	20,949,931	21,007,376
Real estate - consumer Consumer	5,664,159 11,835,583		5,427,260 5 12,251,598
Total loans and leases, net of unearned disco	unt 51,444,0)41 51,936,6	52,203,772 867,874
Net loans and leases	50,552,776	51,058,664	51,335,898
Goodwill	3,524,625	3,524,625	3,524,625
Core deposit and other intangible assets	167,545	182,418	199,148
Other assets	4,521,180 	4,567,422	4,378,296
Total assets	\$68,439,222 ======		9 68,997,450 ======
LIABILITIES AND STOCKHOLDERS EQUITY	,		
Noninterest- bearing deposits at U.S. offices	\$13,622,819	13,794,636	3 12,730,083

Other deposits at U.S. offices 33,125,761 32,604,764 32,813,698

Deposits at foreign office	789,825 	1,050,438	1,318,070
Total deposits	47,538,40	5 47,449,838	46,861,851
Short-term borrowings	1,870,763	2,442,582	2,927,268
Accrued interest and other liabilities	1,048,473	995,056 1,	241,576
Long-term borrowings	10,065,894	10,240,016	10,354,392
Total liabilities	60,523,535	61,127,492	61,385,087
Stockholders' equity:			
Preferred Common (1)		730,235 8 7,022,672 	
Total stockholders' equity	7,915,687 	7,752,907 7	7,612,363
Total liabilities and stockholder equity		68,880,399	
Dollars in thousar		e 30, Maro 2009 	ch 31, 2009
ASSETS			
Cash and due from	n banks	1,148,428	1,117,845
Interest-bearing deposits at banks 59,950 27,374			
Federal funds solo to resell securities	-	nts 2,300	125,800
Trading account a	ssets	495,324	591,802
Investment securi	ties	8,155,434	7,686,845
Loans and leases	:		
Commercial, fin Real estate - co Real estate - co Consumer	mmercial nsumer	14,180,609 20,787,198 5,471,775 2,275,062	13,986,663 18,833,865 5,171,953 10,925,659

 Real estate - consumer Consumer
 5,471,775 12,275,062 10,925,659
 5,171,953 10,925,659

 Total loans and leases, net of unearned discount Less: allowance for credit losses 855,365 10,925,659
 48,918,140 845,971 10,925,659

 Net loans and leases 51,859,279
 48,072,169

Goodwill 3,524,625 3,192,128

Core deposit and other intangible

assets 216,072 168,126

Other assets	4,451,805	3,901,106

Total assets 69,913,217 64,883,195 ========

LIABILITIES AND STOCKHOLDERS' EQUITY

Noninterest-bearing deposits at U.S.

12,403,999 9,544,932 offices

Other deposits at U.S. offices 33,265,704 30,763,204

Deposits at foreign office 1,085,004 2,169,220 -----

Total deposits 46,754,707 42,477,356

Short-term borrowings 2,951,149 2,641,811

Accrued interest and other

liabilities 1,238,959 1,326,545

Long-term borrowings 11,568,238 11,535,644

Total liabilities 62,513,053 57,981,356

Stockholders' equity:

Preferred 725,472 568,284 Common (1) 6,674,692 6,333,555

Total stockholders' equity 7,400,164 6,901,839

Total liabilities and stockholders'

69,913,217 equity 64,883,195

(1) Reflects accumulated other comprehensive loss, net of applicable income tax effect, of \$255.2 million at March 31, 2010, \$336.0 million at December 31, 2009, \$419.3 million at September 30, 2009, \$580.8 million at June 30, 2009 and \$622.4 million at March 31, 2009.

M&T BANK CORPORATION

Condensed Consolidated Average Balance Sheet and Annualized Taxable-equivalent Rates

Three months ended

March 31, March 31, December 31,

2010 2009 Dollars in millions

Balance Rate Balance Rate

ASSETS

Interest-bearing

deposits at banks \$127 .02% 20 .16% 74 .08%

Federal funds sold

and agreements

to resell securities 24 .22 102 .23 23 .19

Trading account

assets 60 .80 73 .67 70 .66

Investment securities 8,172 4.44 8,490 4.81 8,197 4.63

Loans and leases, net of unearned discount

Commercial,

financial, etc. 13,408 3.88 14,031 3.74 13,527 3.87

Real estate -

commercial 20,867 4.48 18,795 4.40 20,950 4.48

Real estate -

 consumer
 5,742
 5.31
 5,033
 5.59
 5,457
 5.37

 Consumer
 11,931
 5.26
 10,965
 5.62
 12,153
 5.32

Total loans and

leases, net 51,948 4.63 48,824 4.64 52,087 4.59

Total earning assets 60,331 4.59 57,509 4.65 60,451 4.58

Goodwill 3,525 3,192 3,525

Core deposit and other intangible

assets 176 176 191

Other assets 4,851 3,889 4,752

Total assets \$68,883 64,766 68,919

LIABILITIES AND STOCKHOLDERS' EQUITY

Interest-bearing

deposits

 NOW accounts
 \$585
 .14
 536
 .25
 579
 .18

 Savings deposits
 25,068
 .33
 21,203
 .80
 24,237
 .36

 Time deposits
 7,210
 1.66
 8,720
 2.81
 8,304
 1.89

Deposits at foreign

office 1,237 .11 2,473 .16 1,300 .11

Total interest-

bearing deposits 34,100 .60 32,932 1.28 34,420 .72

Short-term borrowings 2,367 .15 3,477 .27 2,308 .17 Long-term borrowings 10,160 2.74 11,643 3.51 10,253 2.73

Total interest-

bearing liabilities 46,627 1.04 48,052 1.74 46,981 1.13

Noninterest-bearing

deposits 13,294 8,555 12,945

Other liabilities 1,094 1,379 1,307

---- ----

Total liabilities 61,015 57,986 61,233

 Stockholders' equity
 7,868
 6,780
 7,686

Total liabilities and

stockholders' equity \$68,883 64,766 68,919

====== ======

Net interest spread 3.55 2.91 3.45 Contribution of

Continuation of

interest-free funds .23 .28 .26 Net interest margin 3.78% 3.19% 3.71%

Change in balance
March 31, 2010 from

Dollars in millions	March 31.	December 31.
Dollars in millions	٥١,	31,
	2009	2009

ASSETS

Interest-bearing deposits at

banks 535% 73%

Federal funds sold and

agreements

to resell securities -76 4

Trading account assets -18 -14

Investment securities -4 -

Loans and leases, net of

unearned discount

Commercial, financial, etc. -4 -1
Real estate - commercial 11 Real estate - consumer 14 5
Consumer 9 -2
Total loans and leases, net 6 -

Total earning assets 5

Goodwill 10 -

Core deposit and other

intangible assets - -8

Other assets 25 2

Total assets 6% - %

LIABILITIES AND STOCKHOLDERS' EQUITY

Interest-bearing deposits

NOW accounts 9% 1%
Savings deposits 18 3
Time deposits -17 -13
Deposits at foreign office -50 -5
Total interest-bearing deposits 4 -1

Short-term borrowings -32 3 Long-term borrowings -13 -1

Total interest-bearing

liabilities -3 -1

Noninterest-bearing deposits 55 3

Other liabilities -21 -16

Total liabilities 5 -

Stockholders' equity 16 2

Total liabilities and

stockholders' equity 6% - %

Net interest spread Contribution of interest-free funds

M&T BANK CORPORATION

Reconciliation of Quarterly GAAP to Non-GAAP Measures, Five Quarter Trend

Three months ended

December September March 31, 31, 30,

2010 2009 2009

Income statement data

In thousands, except per share

Net income

Net income \$150,955 136,818 127,664

Amortization of core deposit and

other

9,998 10,152 10,270 intangible assets (1) Merger-related gain (1) - (17.684) Merger-related expenses (1) - 3,806 8,511

Net operating income \$160,953 150,776 128,761

Earnings per common share

Diluted earnings per common share \$1.15 1.04

Amortization of core deposit and

other

intangible assets (1) .08 .09 .09 Merger-related gain (1) - (.15) Merger-related expenses (1) .03 .07

Diluted net operating earnings per

common share \$1.23 1.16 .98

===== ====

Other expense

\$489,362 478,451 500,056 Other expense

Amortization of core deposit and

other

intangible assets (16,475) (16,730) (16,924) Merger-related expenses - (6,264) (14,010)

Noninterest operating expense \$472,887 455,457 469,122

Merger-related expenses

Salaries and employee benefits \$ -381 870 Equipment and net occupancy - 545 1,845 Printing, postage and supplies - 233 629 - 5,105 10,666 Other costs of operations -----

Total \$ - 6,264 14,010 === ======

Balance sheet data

-----In millions Average assets

Average assets \$68,883 68,919 69,154 Goodwill (3,525) (3,525) (3,525)Core deposit and other intangible

(191) (208) assets (176)Deferred taxes 34 37 41

Average tangible assets \$65,216 65,240 65,462

Average common equity

Average total equity \$7,868 7,686 7,521 Preferred stock (732) (729) (727)

Average common equity 7,136 6,957 6,794 Goodwill (3,525) (3,525) (3,525) Core deposit and other intangible (176)(208)assets Deferred taxes 37 Average tangible common equity \$3,469 3.278 3.102 At end of quarter Total assets Total assets \$68,439 68,880 68,997 Goodwill (3,525) (3,525) (3,525) Core deposit and other intangible (199) assets (182)(167)Deferred taxes 31 35 Total tangible assets \$64,778 65,208 65,312 ===== Total common equity Total equity \$7,916 7,753 7,612 Preferred stock (730) (728) Undeclared dividends -preferred stock (6)(6) (5) Common equity, net of undeclared preferred dividends 7,177 7,017 6,879 Goodwill (3,525) (3,525) (3,525) Core deposit and other intangible (199)assets (167)(182)Deferred taxes 31 35 39 Total tangible common equity \$3,516 3,345 3,194

Three months ended

June 30, March 31, 2009 2009

2003 20

Income statement data

In thousands, except per share

Net income

Net income 51,188 64,221

Amortization of core deposit and

other

intangible assets (1) 9,247 9,337 Merger-related gain (1) - -

Merger-related expenses (1) 40,370 1,476

Net operating income 100,805 75,034

Earnings per common share

Diluted earnings per common share .36 .49

Amortization of core deposit and

other

intangible assets (1) .08 .09

Merger-related gain (1) -
Merger-related expenses (1) .35 .01

wierger-related expenses (1) .55 .0

Diluted net operating earnings per

common share .79 .59

Other expense

Other expense 563,710 438,346

Amortization of core deposit and

other

intangible assets (15,231) (15,370) Merger-related expenses (66,457) (2,426)

Noninterest operating expense 482,022 420,550

Merger-related expenses

Salaries and employee benefits 8,768 11 Equipment and net occupancy 581 4 Printing, postage and supplies 2,514 301 Other costs of operations 54,594 2,110			
Total	66,457 =====		
	=====	=====	
Balance sheet data			
In millions			
Average assets	66,98	1 61	766
Average assets Goodwill	(3 326)	(3,192)	700
Core deposit and other into		(0,102)	•
assets	(188)	(176)	
Deferred taxes	30	22	
Average tangible assets	63,		61,420
Average common equity			
Average total equity	7,12	7 6,7	780
Preferred stock	(636)	(568	3)
Average common equity Goodwill Core deposit and other into		 5,491	6,212
Goodwill	(3,326)	(3,192))
Core deposit and other into			
assets	(188) 30	(176)	
Deferred taxes		22	
Average tangible commo	n equity	3,007 =====	2,866
At end of quarter			
Total assets			
Total assets		64,88	
Goodwill		(3,192)	
Core deposit and other into assets	(216)	(168)	
Deferred taxes	43	21	
Total tangible assets	66,21 =====	5 61	,544
Total common equity			
Total equity	7,400	6,902	
Preferred stock	(725)	(568	3)
Undeclared dividends -pre		(5)	
stock	(6)	(5)	
Common equity, net of undeclared			
preferred dividends	6,66	9 6.3	329
Goodwill	(3,525)	(3,192)	
Core deposit and other into		,	
assets	(216)	(168)	
Deferred taxes	43	21	
Total tangible common ed	quity	 2,971	2,990

(1) After any related tax effect.

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Web Site: http://www.mandtbank.com/

https://newsroom.mtb.com/2010-04-19-M-T-Bank-Corporation-Announces-First-Quarter-Profits