



# Investor Presentation

August 27, 2012

## Disclaimer

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*This presentation contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 giving M&T's expectations or predictions of future financial or business performance or conditions. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "target," "estimate," "continue," "positions," "prospects" or "potential," by future conditional verbs such as "will," "would," "should," "could" or "may", or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time. Forward-looking statements speak only as of the date they are made and we assume no duty to update forward-looking statements.*

*In addition to factors previously disclosed in M&T's reports filed with the SEC and those identified elsewhere in this filing, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: ability to obtain regulatory approvals and meet other closing conditions to the merger, including approval by M&T and Hudson City shareholders, on the expected terms and schedule; delay in closing the merger; difficulties and delays in integrating the M&T and Hudson City businesses or fully realizing cost savings and other benefits; business disruption following the Merger; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer acceptance of M&T products and services; customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions and divestitures; economic conditions; and the impact, extent and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms.*

*Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.*



## Compelling Strategic Opportunity

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### Extends M&T's Community Banking Franchise

- ❑ Hudson City's scale retail network + M&T's full commercial banking product suite
- ❑ Expanded presence throughout attractive metro New York / New Jersey region
- ❑ Increased access to broad base of middle-market / small businesses

### Enhanced Risk Profile

- ❑ Hudson City's wholesale borrowings and securities restructured post-closing
  - Mitigates interest rate risk; immediately enhances earnings
- ❑ Diversified pro forma loan portfolio
- ❑ Combines institutions with superior credit performance

### Accretive to Capital

- ❑ Accretive to capital ratios, capital generation, and tangible book value per share
- ❑ Tier 1 Common ratio 8.25% - 8.50% pro forma at closing

### Financially Attractive

- ❑ IRR of 18%+
- ❑ High single-digit EPS accretion by 2014

### Low Integration Risk

- ❑ Simple business model facilitates integration
- ❑ Leverages M&T's proven integration experience
- ❑ Extensive M&T operating experience in Hudson City's markets

## Summary of Key Terms

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<b>Consideration:</b>	<input type="checkbox"/> Consideration per Share:	Value fixed at 0.08403 M&T shares
	<input type="checkbox"/> Consideration Mix:	60% stock, 40% cash
	<input type="checkbox"/> Total Value at Announcement <sup>(1)</sup> :	\$7.22 per share, or \$3.7 billion 0.8x tangible book value
<b>Hudson City Balance Sheet Restructuring:</b>	<input type="checkbox"/> \$15+ billion balance sheet reduction post-closing	
	<input type="checkbox"/> Long-term borrowings to be retired	
	<input type="checkbox"/> Investment securities portfolio to be sold	
<b>Loan Loss Assumptions:</b>	<input type="checkbox"/> \$433 million (1.5% of gross loans, 44% of NPLs)	
<b>Due Diligence:</b>	<input type="checkbox"/> Comprehensive review, including loans, securities, and borrowings	
<b>Synergies and Expenses:</b>	<input type="checkbox"/> 24% operating cost savings – driven by redundant outsourced operations	
	<input type="checkbox"/> No near-term revenue synergies assumed, but anticipated	
	<input type="checkbox"/> \$223 million in merger-related charges (pre-tax)	
<b>Expected Closing:</b>	<input type="checkbox"/> Second quarter of 2013	
<b>Required Approvals:</b>	<input type="checkbox"/> Approval of Hudson City and M&T shareholders	
	<input type="checkbox"/> Customary Regulatory approvals	
<b>Board Representation:</b>	<input type="checkbox"/> Ronald E. Hermance, Jr., Chairman and CEO of Hudson City to join M&T's Board of Directors	

1. Based on M&T's closing price of \$85.87 on 8/24/2012

## Overview of Hudson City

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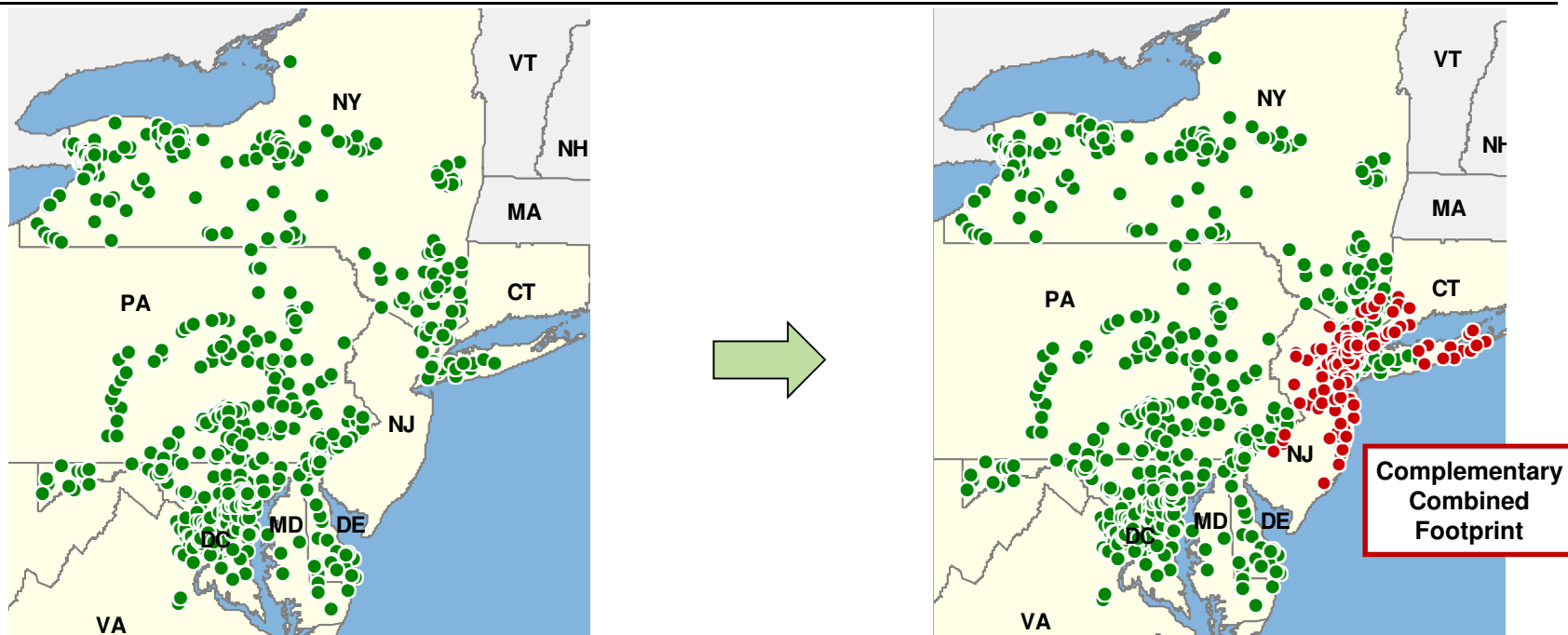
**New Jersey-based thrift with a simple operating model of taking retail deposits and extending single family mortgages**

<b>Branches:</b>	135 (97 in New Jersey, 29 New York and 9 in Connecticut)
<b>Assets:</b>	\$44 billion
<b>Loans:</b>	\$28 billion – Low-LTV residential mortgages with superior credit performance
<b>Investment Securities:</b>	\$13 billion – Primarily low-risk, easily saleable agency MBS
<b>Funding:</b>	\$25 billion in deposits \$13 billion in long-term FHLB / repo borrowings
<b>Strong Capital Position:</b>	19.4% Tier 1 Common ratio 10.4% Tangible Common Equity ratio Preliminary assessment of risk weighted asset calculation under Basel III suggests limited impact

Financial data as of June 30, 2012.  
Tier 1 Common ratio for Hudson City Savings Bank.



## Leading Regional Bank in Eastern United States



Metropolitan New York / New Jersey<sup>(1)</sup>

Rank		Number of Branches	Deposits (\$ in millions)	Market Share
1	JPMorgan Chase	1,000	\$ 359,265	34.2 %
2	Bank of America	478	96,901	9.2
3	Bank of New York Mellon	7	95,372	9.1
4	Citigroup	290	66,290	6.3
5	HSBC	171	56,615	5.4
6	Wells Fargo	321	41,054	3.9
7	Capital One	353	40,916	3.9
8	Toronto-Dominion	360	37,158	3.5
9	<b>Pro Forma Combined</b>	<b>153</b>	<b>26,886</b>	<b>2.6</b>
9	<b>Hudson City</b>	<b>115</b>	<b>22,768</b>	<b>2.2</b>
10	New York Community	207	15,915	1.5
22	<b>M&amp;T</b>	<b>38</b>	<b>4,118</b>	<b>0.4</b>
<b>Total For Institutions In Market</b>		<b>5,814</b>	<b>1,050,450</b>	

Significantly enhances  
M&T's retail deposit  
presence in metropolitan  
New York / New Jersey

Source: SNL Financial

1. <sup>(1)</sup> New York-Northern New Jersey-Long Island, Metro MSA. Data as of June 30, 2012.

## Enhanced Presence in Attractive, High-Income Markets

- Expanded branch network enhances franchise within sought-after affluent markets

(\$ billions)	M&T	Hudson City	Combined
<b>Assets</b>	\$ 81	\$ 28 <sup>(1)</sup>	\$ 109
<b>Loans</b>	63	26 <sup>(1)</sup>	89
<b>Deposits</b>	63	24 <sup>(1)</sup>	87
<b>Domestic Branches</b>	735	135	870
<b>Deposits per Branch</b> (\$ millions)	\$ 85	\$ 175	\$ 100
<b>Wtd. Median Household Income</b> (\$000's) <sup>(2)</sup>	55	74	61
<b>NYC / Northern NJ Metro MSA</b>			
<b>Branches</b>	# 21	# 12	# 12
<b>Deposits</b>	# 22	# 9	# 9

Financial data as of June 30, 2012, except as noted.

1. Net of purchase accounting adjustments, balance sheet restructuring and expected pre-close run-off.

2. Represents median household income in counties in which institutions have a branch presence..

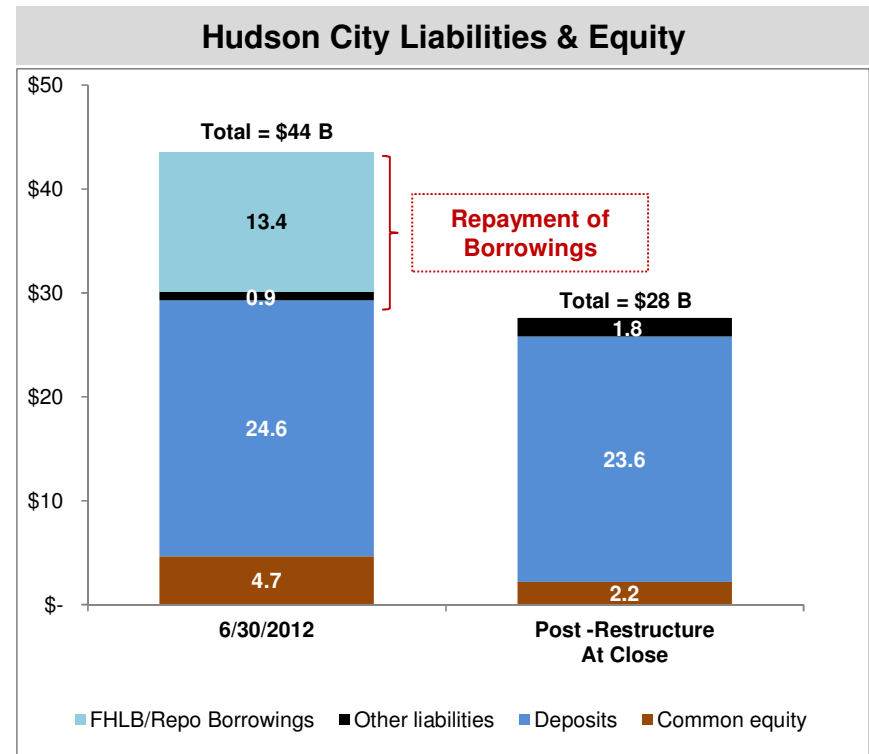
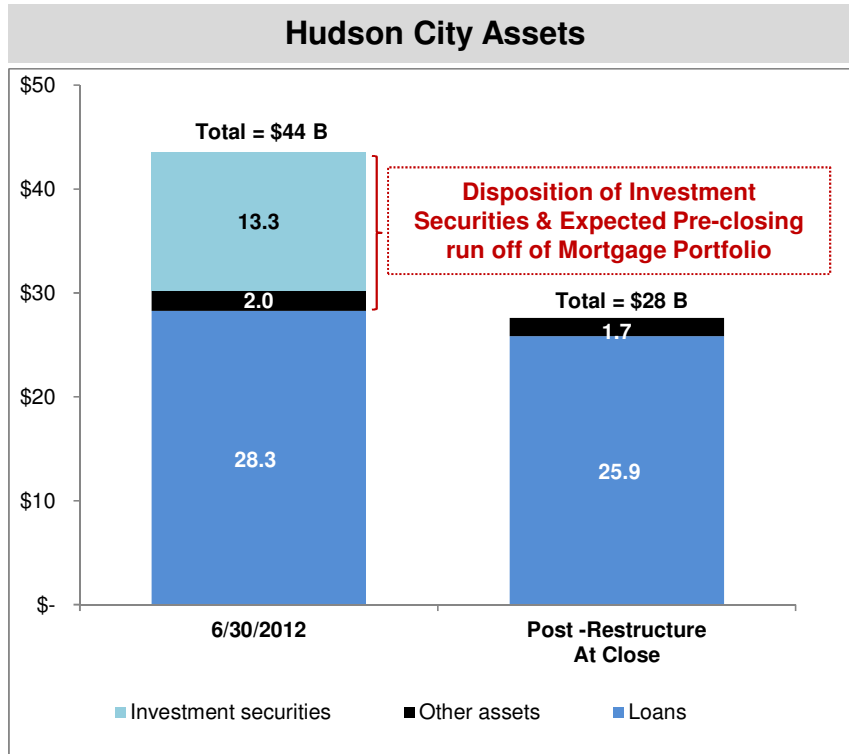
Source: SNL Financial



## Restructuring Deleverages Balance Sheet and Improves Liquidity Profile

**Balance sheet reduction results in a de-risked balance sheet comprised of residential mortgages funded with core deposits**

- ❑ Unwind high cost FHLB and repo borrowings – Q2'12 borrowing cost 4.20%
- ❑ Including fair value adjustments (\$2.5 billion), M&T would retire \$15.4 billion of Hudson City's long-term debt
- ❑ Prepayment to be funded by liquidating Hudson City's investment securities portfolio (Q2'12 yield = 2.66%), cash equivalents and FHLB stock





## Resolves Interest Rate Risk

Hudson City's standalone interest rate risk mitigated through restructuring and combination with M&T's asset-sensitive balance sheet

### Improved Pro Forma Interest Rate Risk Profile

#### Deleveraging

- ❑ Prepayment of structured borrowings reduces pro forma leverage
- ❑ Sale of investment securities

#### Balance Sheet Transformation

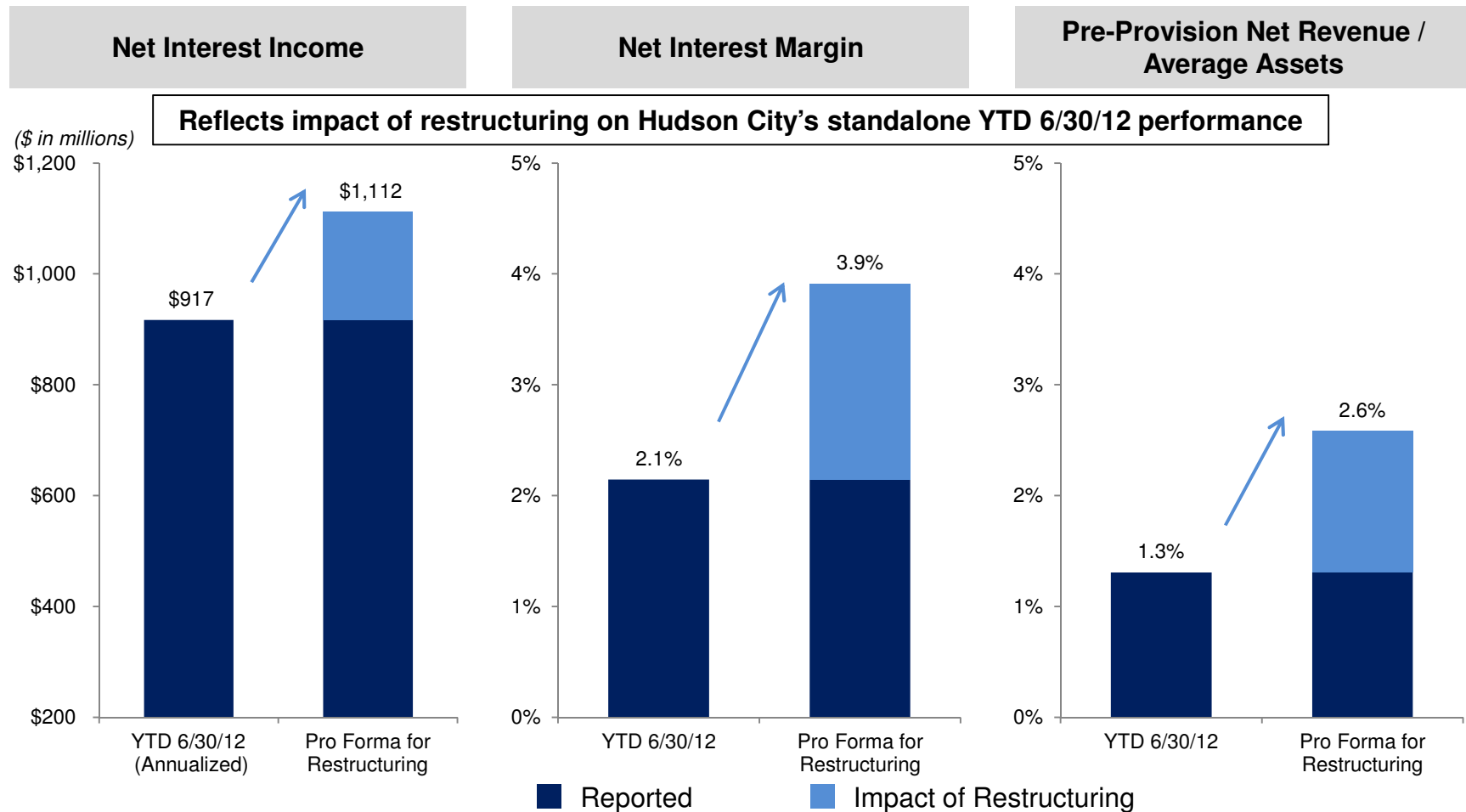
- ❑ Reduced interest rate risk over time
- ❑ Residential mortgage portfolio run-off
- ❑ Growth in variable-rate commercial loans

#### Asset-Sensitive Combined Balance Sheet

- ❑ M&T's asset-sensitive profile absorbs interest rate risk inherent in Hudson City's balance sheet

## Immediate Profitability Improvement

Prepaying Hudson City's high-cost debt by liquidating its low-yielding investment securities portfolio improves future profitability



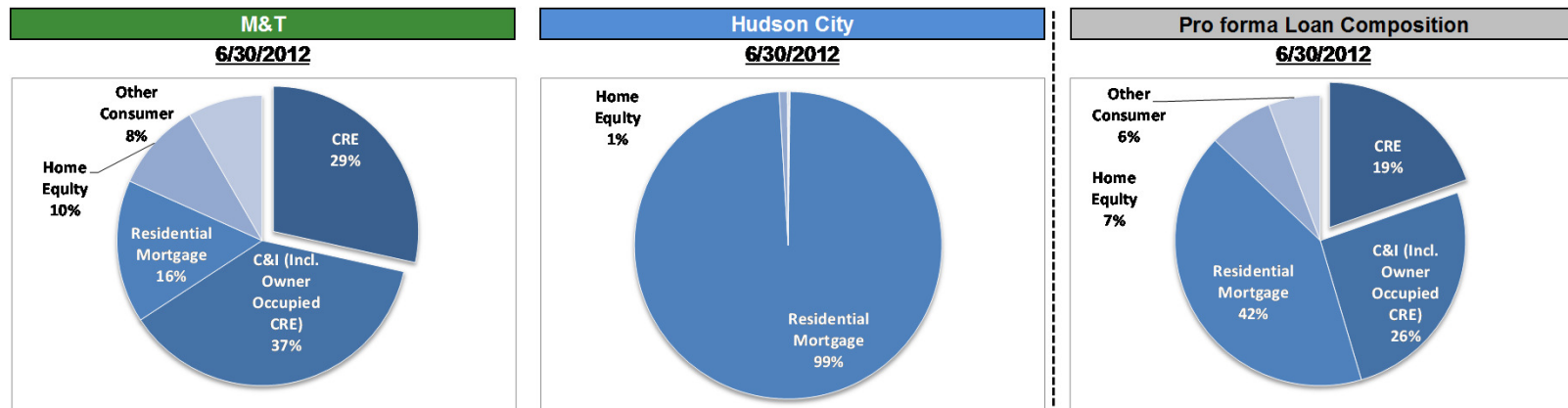
Reported Hudson City financial data as of or for the half-year ended June 30, 2012. Does not reflect purchase accounting adjustments.



## Diversified and De-Risked Loan Portfolio

**Transaction would mitigate Hudson City's residential mortgage monoline focus, resulting in a more diversified loan portfolio**

- ❑ Commercial real estate (CRE) would comprise smaller share of M&T's pro forma loan portfolio
- ❑ Acquired residential mortgage portfolio is expected to run off quickly – historical annual pay down of 20-23%
- ❑ Approximately 40% of the combined company's loan portfolio marked to fair value



Loan Portfolio Breakdown (\$ millions)						
	M&T Bank (6/30/2012)		Hudson City (6/30/2012)		Pro Forma (6/30/2012)	
	\$	%	\$	%	\$	%
<b>Loans</b>						
CRE	17,877	29%	34	0%	17,911	19%
C&I (Incl. Owner Occupied CRE)	23,470	37%	20	0%	23,490	26%
Residential Mortgage	10,012	16%	27,965	99%	37,977	42%
Home Equity	6,253	10%	243	1%	6,496	7%
Other Consumer	5,239	8%	22	0%	5,261	6%
<b>Total</b>	<b>62,851</b>		<b>28,284</b>		<b>91,135</b>	
<b>% of Portfolio Marked</b>	11%				39%	

Source: Regulatory Filings

Note: Owner Occupied CRE is included in C&I segment, as the repayment source for these loans are cash flow from operations rather than the real estate.



## Immediately Supplements Tangible Capital Base

Hudson City contributes \$3.2 billion of tangible capital after restructuring and purchase accounting adjustments

<b>Hudson City - 6/30/12 Tangible Common Equity</b>		<b>\$ 4.5</b>
<b>Restructuring</b>	Retirement of Borrowings	(1.5)
	Investment Securities Sale	0.1
<b>Other Adjustments</b>	Loan Fair Value Adjustment <sup>(1)</sup>	0.4
	Other Adjustments	(0.3)
<b>Net Tangible Common Equity Contribution</b>		<b>\$ 3.2</b>

Restructuring charges and adjustments net of tax. Represents net tangible common equity contribution before cash consideration to be paid for the transaction.

1. Includes credit and other fair value adjustments net of allowance for loan losses.

## Accretive to Earnings and Capital

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### Immediate Earnings Accretion

- ❑ Accretive to earnings in 2013
- ❑ High single-digit percentage EPS accretion in 2014

### Attractive Returns

- ❑ 18%+ IRR
- ❑ 10% accretive to tangible book value per share
- ❑ Improves return on tangible equity

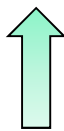

### Accretive to Capital

- ❑ Tier 1 common ratio: 8.25% - 8.50% pro forma at June 30, 2013
- ❑ Immediate 30 - 40 bps benefit to Tier 1 common ratio
- ❑ Comparable benefit under recent Basel III proposals<sup>(1)</sup>
- ❑ Improves tangible capital generation

1. Preliminary estimate based on Federal Reserve Basel III and Standardized Approach NPRs dated June 7, 2012.

## Significant Commercial Lending Opportunity

- ❑ Hudson City's footprint hosts 7,500 middle-market and over 300,000 small businesses
- ❑ Concentration of small and middle market businesses are higher than M&T's mid-Atlantic Footprint
- ❑ Opportunity for M&T to significantly increase market share by increasing market penetration

(\$ in billions)	Middle Market (\$10 - \$500 mil. Annl. Sales)			Small Business (\$0 - \$10 mil. Annl. Sales)		
	Companies	M&T's Current Penetration		Companies	M&T's Current Penetration	
<b>M&amp;T's Mid-Atlantic Footprint <sup>(1)</sup></b>	3,451	22%		256,958	15%	
<b>Hudson City Footprint <sup>(2)</sup></b>	7,586	5%		323,931	1%	

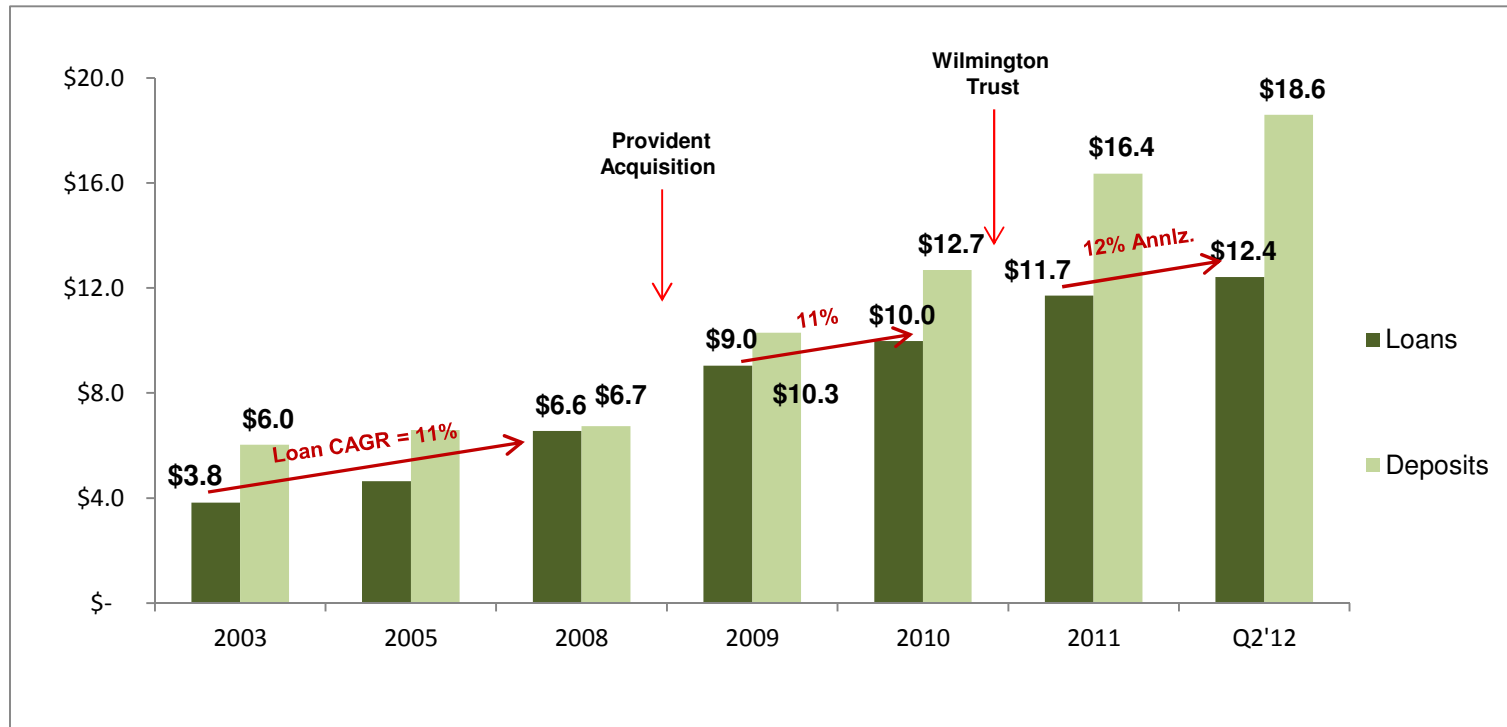
**Significant  
Opportunity**

1. Includes all counties in DC, DE, MD, VA and WV with M&T's presence.  
 2. Includes all counties in CT, NJ, and NY with Hudson City presence.  
 Source: Hoovers Financial, Infogroup, M&T's internal analysis

## Demonstrated Success in New Market Expansion

**M&T successfully leveraged its community banking model to build a leading presence in Mid-Atlantic region <sup>(1)</sup>**

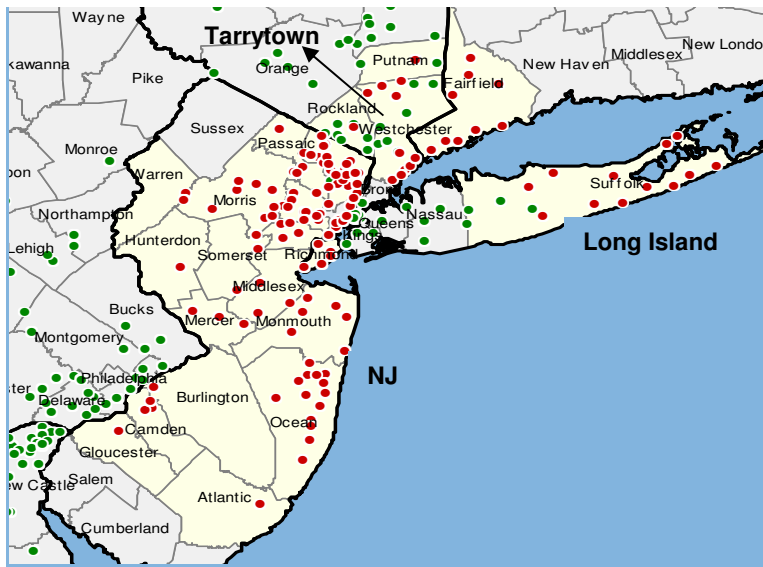
- ❑ Since initially entering Maryland through the 2003 acquisition of Allfirst, M&T has achieved:
  - #1 market share for lead bank relationships among middle-market companies (State of Maryland overall)
  - #1 SBA lending share (Baltimore)
  - #1 branch market share (Baltimore) and #2 deposit market share (Baltimore).



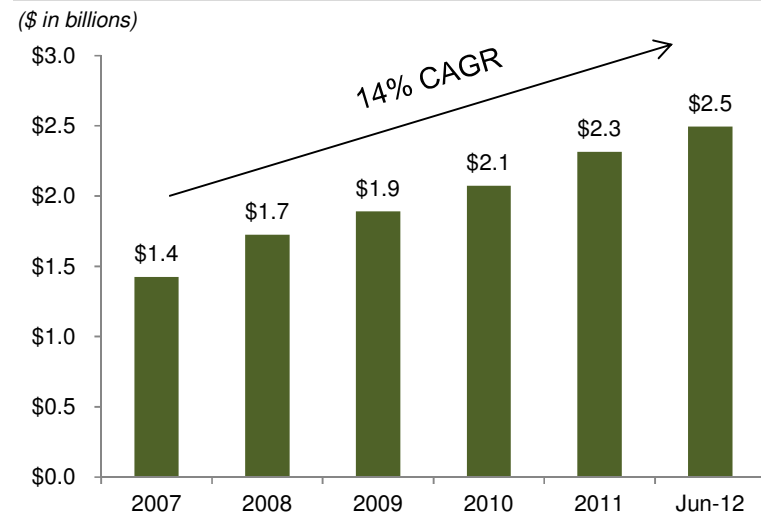
1. Includes Baltimore, Chesapeake, Washington, Central Virginia & Delaware

## M&T's Commercial Portfolio and Infrastructure in Hudson City's Markets

- ❑ M&T's regional teams have successfully expanded its lending portfolio within these regions despite a limited branch network
- ❑ Established commercial lending presence would be augmented by expanded branch network



**M&T's Commercial Loans in Hudson City's Footprint**



**M&T's Current Total Loans & Deposits in Selected Regions**

(\$ in billions)	Hudson City Markets					
	NYC Market	Philadelphia	NJ	Tarrytown	Long Island	Total
Loans	\$7.6	\$2.4	\$0.4	\$1.9	\$0.4	\$12.7
Deposits	\$2.1	\$1.0	\$0.1	\$0.9	\$0.8	\$4.9
Cmcl. Rel. Mgrs / Lenders	39	30	14	17	9	109

**Opportunity to make these regions self-funded**



## Leverages M&T's Long-Standing Commercial Presence in Hudson City's Footprint

**M&T's Commercial management team has many years of experience within the market and a long tenure with M&T**

- ❑ M&T Bank has a long history within the NYC metropolitan area that dates back to the acquisition of East New York Savings in 1987
- ❑ \$11.5 billion Middle Market (C&I) and CRE loan portfolio in the region <sup>(1)</sup>
- ❑ \$2.5 billion Middle Market and CRE loan portfolio in Hudson City's core footprint

Average Tenure of Management by Region			
Region	Length of Service (Years)		
	Middle-Market / CRE	Business Banking	Total
New York City	15	11	13
Tarrytown	13	13	13
Philadelphia	11	9	10
Long Island	7	11	9
New Jersey	6	13	9
<b>Average</b>	<b>12</b>	<b>11</b>	<b>11</b>

1. Includes Philadelphia



## **Transaction Benefits Hudson City's Customers and Markets**

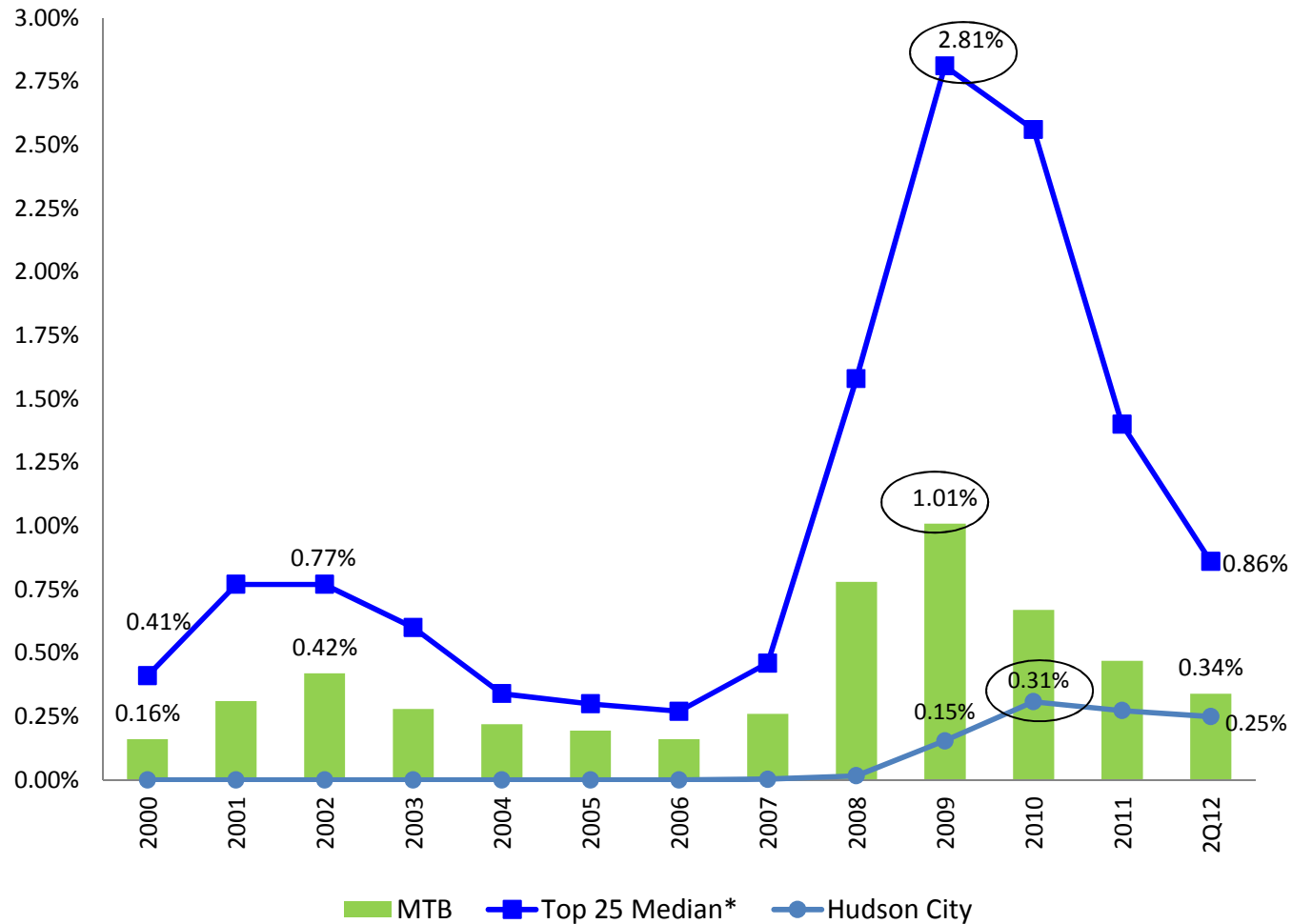
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- ☐ **Enhanced range of banking products for Hudson City customers and communities**
  - Full suite of commercial banking, small business and wealth management products
  
- ☐ **Introduces strong small business and middle-market lending competitor**
  - Leading middle market and SBA lender in its core markets
  - #6 SBA lender nationally and #3 in Eastern U.S.
  - Most honored bank in 2011 Greenwich Excellence Awards for Small Business Banking: 12 national awards and 2 regional awards
  
- ☐ **Expanded branch network throughout the Mid-Atlantic and Northeast**
  - Minimal branch overlap or consolidations
  
- ☐ **M&T has received the highest possible CRA rating on every exam since 1982**

## Shared History of Strong Credit Performance

Conservative underwriting and well-secured, portfolio lending approaches have contributed to below-average loss rates for both institutions throughout the recent credit cycle

Net Charge-Offs / Average Loans



\* Top 25 publicly traded banks in each year

Source: SNL financial



## Loan Credit Marks

### Favorable residential mortgage portfolio characteristics mitigate credit risk exposure

#### Portfolio Review

- ❑ Extensive due diligence by M&T, including detailed on-site loan-level file reviews
- ❑ Favorable underwriting characteristics
  - Original LTV: 68%
  - Average current FICO: 730
- ❑ ~80% of loans in Hudson City's core Tri-State footprint (NJ, NY, CT)
  - <0.25% of portfolio in "sunshine" states
- ❑ Granular loan portfolio : 69,937 loans, Only 9 loans > \$3 million and 161 loans > \$2 million
- ❑ Small commercial portfolio of 109 loans; Only 12 loans > \$1 million with the largest loan balance of \$6 million

- ❑ **Estimated credit mark of \$433 million**
  - ~1.5% of total loans
- ❑ **Represents >6 years of Hudson City's annualized YTD 6/30/12 net charge-offs**

1. Includes AZ, CA, FL, GA, NV



## Low Integration Risk

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**M&T will leverage its extensive integration experience, which includes integration of institutions significantly more complex than Hudson City**

- ☐ Extensive prior integration experience: 23 acquisitions in last 25 years
- ☐ Demonstrated success in previous thrift conversions to M&T commercial banking model (East NY, Empire, Goldome, OnBanc, Partners Trust)
- ☐ Established presence and operating experience in Hudson City's markets
- ☐ Strong M&T management team and organization already in place in Hudson City's markets
- ☐ Hudson City's monoline residential mortgage-focused business model streamlines integration
- ☐ Active involvement of Hudson City's long-tenured management team
- ☐ Hudson City's core operating systems outsourced – minimizes systems integration complexities

## M&T's History of Well-Executed Sizeable Acquisitions

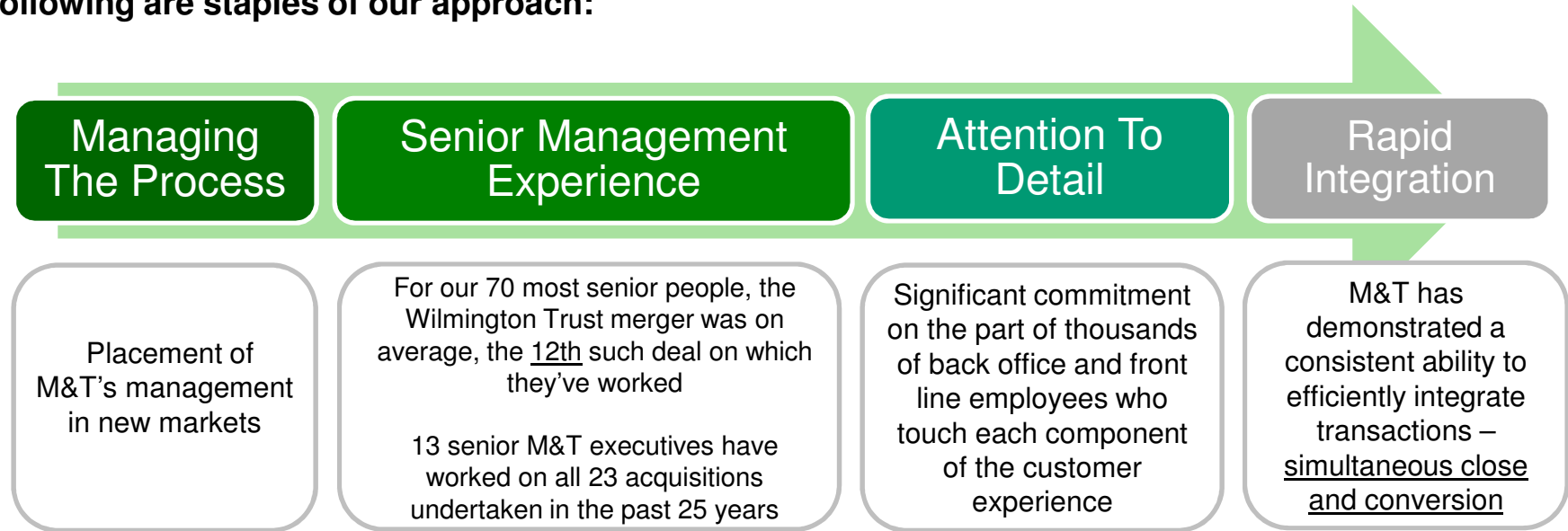
(\$ in millions)

Date of Acquisition	Bank Acquired	Assets Acquired (\$mm)	Deposits Acquired (\$mm)	Primary Market(s)	% M&T Deposits
May-11	Wilmington Trust	10,845	8,864	Delaware	17.5%
Nov-10	K Bank	154	491	Baltimore, MD	1.0%
Aug-09	Bradford Bank	302	361	Baltimore, MD	0.8%
May-09	Provident Bancshares	6,300	5,100	Baltimore, MD & Washington, DC	12.0%
Dec-07	First Horizon Branches	214	216	Fairfax, VA & Baltimore, MD	0.6%
Nov-07	Partners Trust Financial Group	3,500	2,200	Binghamton, Utica, NY	5.7%
Jun-06	Citibank, N.A. branches	269	1,000	Buffalo, Rochester, NY	2.6%
Apr-03	Allfirst Financial	16,000	11,000	MD, PA, VA, DE & Washington, DC	50.2%
Feb-01	Premier National Bancorp	1,800	1,400	Hudson Valley, NY	6.9%
Oct-00	Keystone Financial	7,420	5,183	Central Pennsylvania	35.3%
Sep-99	Chase Branches	44	634	Binghamton, Jamestown, Buffalo, NY	4.3%
Jun-99	FNB Rochester	676	511	Rochester, NY	3.5%
Apr-98	ONBANCorp	5,493	3,768	Syracuse, NY & Northeast PA	34.0%
Jan-97	GreenPoint Branches	NA	131	Westchester, NY	1.2%
Jul-95	Chase Manhattan Branches	4	84	Hudson Valley, NY	1.0%
Dec-94	Chemical Bank Branches	NA	146	Hudson Valley, NY	2.0%
Dec-94	Ithaca Bancorp	470	330	Ithaca, NY	4.5%
Jul-92	Central Trust, Endicott Trust	1,400	1,300	Binghamton, Rochester, NY	18.2%
May-91	Goldome	1,700	2,200	Buffalo, NY	36.5%
Sep-90	Empire Federal Savings Bank	450	1,240	Buffalo, Rochester, NY	24.5%
Jan-90	Monroe Savings	439	479	Rochester, NY	9.8%
Dec-87	East NY Savings	1,855	1,641	New York City	60.0%

\* Large transactions are highlighted

## M&T Integration Approach and Experience

Our commitment to seamless merger and integration activity is practiced and refined. The following are staples of our approach:



### Integration Timeline – Recent M&T Acquisitions

Transaction	Announcement Date	Closing Date	Conversion Date
Allfirst	9/26/02	4/1/03	7/4/03
Citibank Branches	4/25/06	6/30/06	Simultaneous
Partners Trust	7/19/07	11/30/07	Simultaneous
Provident	12/19/08	5/23/09	Simultaneous
Wilmington	11/1/10	5/16/11	8/27/11

## **M&T: A “Super-Community Bank”**

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### **Our approach is simple:**

- ☐ **We provide banking services in communities where we live and work**
- ☐ **We focus on carefully underwritten lending, based on local knowledge**
- ☐ **We take a prudent approach to acquisitions – we grow when and where it makes sense**
- ☐ **We view our long-tenured and engaged employees as key to our success**
- ☐ **The result is a history of above-average shareholder returns**



## Commitment to Our Communities



Westminster Community Charter School



United Way Day of Caring in Baltimore



Gettysburg Visitor Center

### Charitable Giving

- ❑ Donated more than \$147 million to community-based organizations over the past 10 years

### Community Investment

- ❑ Earned highest possible Community Reinvestment Act rating on every exam since 1982

### Volunteerism

- ❑ In the first half of 2012, over 3,600 M&T employees reported volunteering their time with over 1,200 community and not-for-profit organizations, logging more than 30,000 volunteer hours

### Consistent and Conservative Lending

- ❑ Winner of 14 2011 Greenwich Excellence Awards for small business banking
- ❑ #1 SBA lender in core Mid-Atlantic markets of Baltimore, Wilmington, Washington, DC and Philadelphia and Upstate New York markets of Binghamton, Buffalo, Syracuse and Rochester – ranked 6<sup>th</sup> nationally

## Strong Presence In Our Communities

We lend in the markets where we live and work to people and enterprises whom we know

**#1 market share for lead bank relationships among middle market clients in:<sup>(1)</sup>**

Baltimore  
Binghamton  
Buffalo  
Harrisburg  
Northern Pennsylvania  
Rochester  
Syracuse  
State of Maryland overall  
State of Delaware overall

**#1 Small Business Administration Lender in:**

Baltimore  
Binghamton  
Buffalo  
Philadelphia  
Rochester  
Syracuse  
Washington, DC  
Wilmington

***Ranked 6<sup>th</sup> Nationally  
Ranked 3<sup>rd</sup> in Eastern U.S.***

**#1 or #2 deposit market share in 8 of top 10 communities:**

#2 in Baltimore  
#1 in Binghamton  
#1 in Buffalo  
#2 in Harrisburg  
#2 in Rochester  
#1 in Syracuse  
#1 Wilmington / State of Delaware <sup>(2)</sup>  
#1 in York

(1) Independent 3<sup>rd</sup> party market research

(2) Reflects in-market deposits only

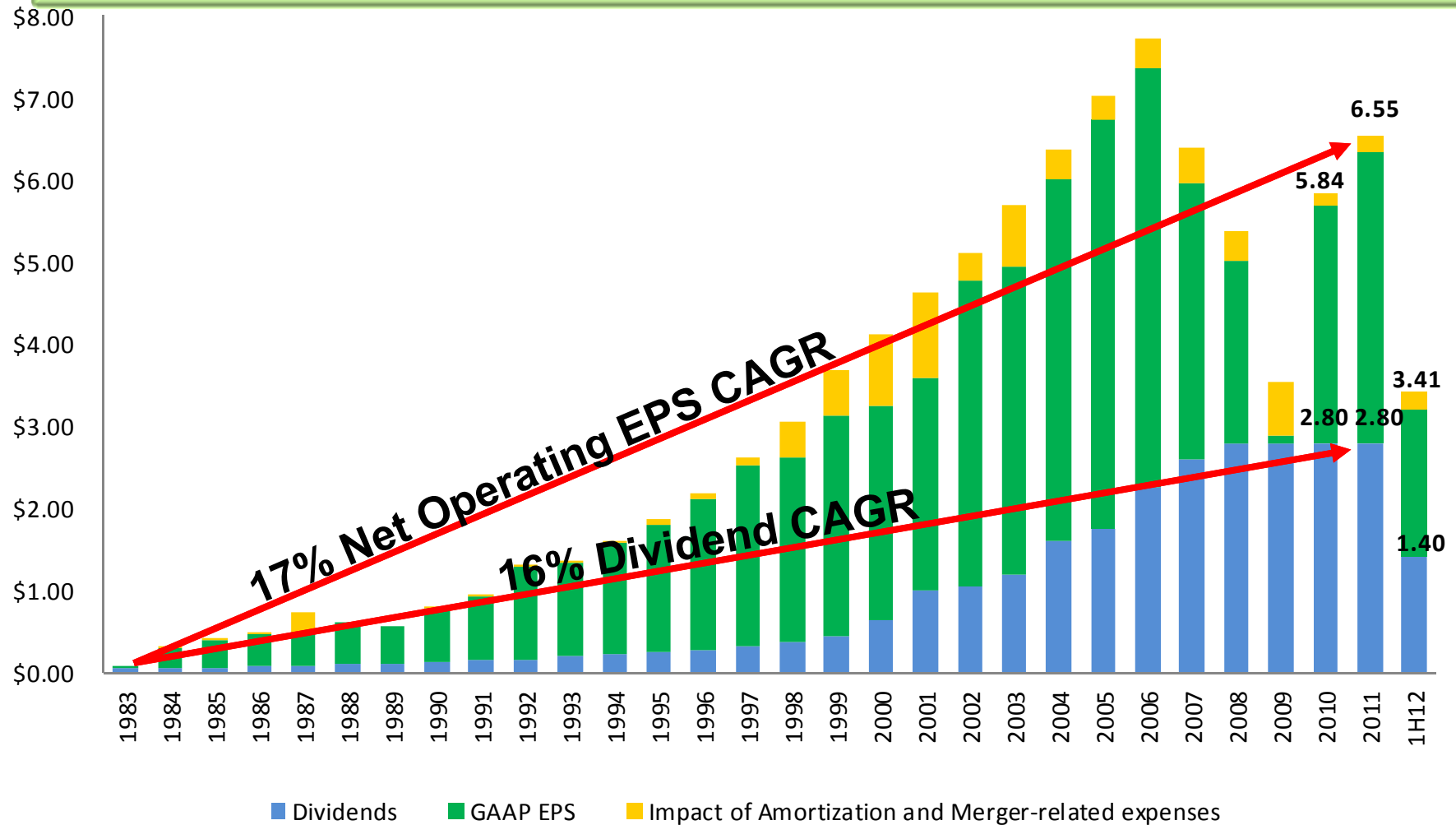
## A History of Above-Average Shareholder Returns

Our “super-community bank” model is validated through our long-term results

- ❑ M&T has been profitable in every quarter of the last 36 years – 144 consecutive quarters
  - ❑ Since 1983, when Chairman Robert Wilmers came to M&T, achieved compound annual growth in operating earnings per share of 17%
  - ❑ M&T is only commercial bank in S&P 500 not to cut dividend or execute dilutive equity offering during the financial crisis
- 
- **Over 16% annualized total return** to shareholders from 1983 through 6/30/12
  - **22<sup>nd</sup> highest annual total return** to shareholders among the universe of 687 US-based stocks that have traded continuously since 1980
  - M&T's stock has **outperformed the S&P Bank Index by 18%, 37% and 47%** over the 3-, 5-, and 10-year periods ending 6/30/12
  - **Highest stock price appreciation** among 100 largest banks in 1983, of which only 23 remain today

## Earnings & Dividend Growth: 1983 – 2Q'12

M&T maintained its dividend and experienced no losses through the recent crisis



Note: Data prior to 1998 does not include provisions of SFAS No. 123 and No. 148 stock option expensing. Net Operating Income and Net Operating EPS are non-GAAP financial measures. Refer to the Appendix for a reconciliation between these measures and GAAP



## Appendix

## Reconciliation of GAAP and Non-GAAP Measures

<b>Net Income</b>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	1Q12	2Q12
<b><i>\$'s in millions</i></b>														
Net income	\$268.2	\$353.1	\$456.7	\$573.9	\$722.5	\$782.2	\$839.2	\$654.3	\$555.9	\$379.9	\$736.2	\$859.5	\$206.5	\$233.4
Intangible amortization*	56.1	99.4	32.5	47.8	46.1	34.7	38.5	40.5	40.5	39.0	35.3	37.6	10.2	9.7
Merger-related items*	16.4	4.8	-	39.2	-	-	3.0	9.1	2.2	36.5	(16.3)	(12.8)	1.7	4.3
Net operating income	\$340.7	\$457.3	\$489.2	\$660.9	\$768.6	\$816.9	\$880.7	\$703.8	\$598.6	\$455.4	\$755.2	\$884.3	\$218.4	\$247.4
<b><u>Pre-Tax, Pre-Provision</u></b>														
<b><u>Income</u></b>														
Net Income for EPS	\$268.2	\$353.1	\$456.8	\$573.9	\$722.5	\$782.2	\$839.2	\$654.3	\$555.1	\$332.0	\$675.9	\$781.8	\$188.2	\$214.7
Preferred Div., Amort. of Pref. Stock & Unvested Stock Awards	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.8	\$47.9	\$60.3	\$77.7	\$18.2	\$18.7
Income Taxes	\$154.1	\$198.5	\$219.1	\$276.8	\$344.0	\$388.7	\$392.4	\$309.2	\$183.9	\$139.4	\$356.6	\$365.1	\$102.0	\$118.8
GAAP Pre-tax Income	\$422.3	\$551.6	\$675.9	\$850.7	\$1,066.5	\$1,170.9	\$1,231.6	\$963.5	\$739.8	\$519.3	\$1,092.8	\$1,224.6	\$308.4	\$352.2
Provision for credit losses	38.0	103.5	122.0	131.0	95.0	88.0	80.0	192.0	412.0	604.0	368.0	270.0	49.0	60.0
Pre-Tax, Pre-Provision Income	\$460.3	\$655.1	\$797.9	\$981.7	\$1,161.5	\$1,258.9	\$1,311.6	\$1,155.5	\$1,151.8	\$1,123.3	\$1,460.8	\$1,494.6	\$357.4	\$412.2
<b><u>Earnings Per Share</u></b>														
Diluted earnings per share	\$3.24	\$3.58	\$4.78	\$4.95	\$6.00	\$6.73	\$7.37	\$5.95	\$5.01	\$2.89	\$5.69	\$6.35	\$1.50	\$1.71
Intangible amortization*	0.67	1.00	0.34	0.41	0.38	0.30	0.33	0.37	0.36	0.34	0.29	0.31	0.08	0.08
Merger-related items*	0.20	0.05	-	0.34	-	-	0.03	0.08	0.02	0.31	(0.14)	(0.10)	0.01	0.03
Diluted net operating earnings per share	\$4.11	\$4.63	\$5.12	\$5.70	\$6.38	\$7.03	\$7.73	\$6.40	\$5.39	\$3.54	\$5.84	\$6.55	\$1.59	\$1.82
<b><u>Efficiency Ratio</u></b>														
<b><i>\$'s in millions</i></b>														
Non-interest expenses	\$718.6	\$980.6	\$961.6	\$1,448.2	\$1,516.0	\$1,485.1	\$1,551.7	\$1,627.7	\$1,727.0	\$1,980.6	\$1,914.8	\$2,478.1	\$639.7	\$627.4
less: intangible amortization	69.6	121.7	51.5	78.2	75.4	56.8	63.0	66.5	66.6	64.3	58.1	61.6	16.8	15.9
less: merger-related expenses	26.0	8.0	-	60.4	-	-	5.0	14.9	3.5	89.2	0.8	83.7	2.7	7.2
Non-interest operating expenses	\$623.0	\$850.9	\$910.1	\$1,309.6	\$1,440.6	\$1,428.3	\$1,483.7	\$1,546.3	\$1,656.8	\$1,827.2	\$1,856.0	\$2,332.8	\$620.2	\$604.3
Tax equivalent revenues	\$1,189.4	\$1,653.3	\$1,773.6	\$2,446.2	\$2,694.9	\$2,761.3	\$2,883.1	\$2,804.1	\$2,900.6	\$3,125.7	\$3,399.6	\$3,998.6	\$1,003.8	\$1,046.3
less: gain/(loss) on sale of securities	(3.1)	1.9	(0.6)	2.5	2.9	1.2	2.6	1.2	34.4	1.2	2.8	150.2	0.05	(0.4)
less: net OTTI losses recognized	-	-	-	-	-	(29.4)	-	(127.3)	(182.2)	(138.3)	(86.3)	(77.0)	(11.5)	(16.2)
less: merger-related gains	-	-	-	-	-	-	-	-	-	29.1	27.5	64.9	-	-
Denominator for efficiency ratio	\$1,192.5	\$1,651.4	\$1,774.2	\$2,443.7	\$2,692.0	\$2,789.5	\$2,880.5	\$2,930.2	\$3,048.4	\$3,233.7	\$3,455.6	\$3,860.5	\$1,015.3	\$1,062.9
Net operating efficiency ratio	52.3%	51.5%	51.3%	53.6%	53.5%	51.2%	51.5%	52.8%	54.4%	56.5%	53.7%	60.4%	61.1%	56.9%

\*Net of tax

## Reconciliation of GAAP and Non-GAAP Measures

### **Average Assets**

***\$'s in millions***

	2006	2007	2008	2009	2010	2011	1Q12	2Q12
Average assets	\$ 55,839	\$ 58,545	\$ 65,132	\$ 67,472	\$ 68,380	\$ 73,977	\$ 78,026	\$ 80,087
Goodwill	(2,908)	(2,933)	(3,193)	(3,393)	(3,525)	(3,525)	(3,525)	(3,525)
Core deposit and other intangible assets	(191)	(221)	(214)	(191)	(153)	(168)	(168)	(151)
Deferred taxes	38	24	30	33	29	43	48	44
Average tangible assets	<u>\$ 52,778</u>	<u>\$ 55,415</u>	<u>\$ 61,755</u>	<u>\$ 63,921</u>	<u>\$ 64,731</u>	<u>\$ 70,327</u>	<u>\$ 74,381</u>	<u>\$ 76,455</u>

### **Average Common Equity**

***\$'s in millions***

Average common equity	\$ 6,041	\$ 6,247	\$ 6,423	\$ 6,616	\$ 7,367	\$ 8,207	\$ 8,510	\$ 8,668
Goodwill	(2,908)	(2,933)	(3,193)	(3,393)	(3,525)	(3,525)	(3,525)	(3,525)
Core deposit and other intangible assets	(191)	(221)	(214)	(191)	(153)	(168)	(168)	(151)
Deferred taxes	38	24	30	33	29	43	48	44
Average tangible common equity	<u>\$ 2,980</u>	<u>\$ 3,117</u>	<u>\$ 3,046</u>	<u>\$ 3,065</u>	<u>\$ 3,718</u>	<u>\$ 4,557</u>	<u>\$ 4,865</u>	<u>\$ 5,036</u>

## Important Additional Information

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*In connection with the proposed merger, M&T Bank Corporation ("M&T") will file with the U.S. Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 that will include a Joint Proxy Statement of M&T and Hudson City Bancorp, Inc. ("Hudson City") and a Prospectus of M&T, as well as other relevant documents concerning the proposed transaction. SHAREHOLDERS OF M&T AND HUDSON CITY ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.*

*A free copy of the Joint Proxy Statement/Prospectus, as well as other filings containing information about M&T and Hudson City, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from M&T at [www.mtb.com](http://www.mtb.com) under the tab "About Us" and then under the heading "Investor Relations" and then under "SEC Filings" or from Hudson City by accessing Hudson City's website at [www.hcsbonline.com](http://www.hcsbonline.com) under the heading "Investor Relations." Copies of the Joint Proxy Statement/Prospectus can also be obtained, free of charge, by directing a request to Investor Relations, One M&T Plaza, Buffalo, New York 14203, (716) 842-5445.*

*M&T and Hudson City and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of M&T and Hudson City in connection with the proposed merger. Information about the directors and executive officers of M&T and their ownership of M&T common stock is set forth in the proxy statement for M&T's 2012 annual meeting of shareholders, as filed with the SEC on Schedule 14A on March 7, 2012. Information about the directors and executive officers of Hudson City and their ownership of Hudson City common stock is set forth in the proxy statement for Hudson City's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 19, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement/Prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.*