

Item 5. Other Events.

First Empire State Corporation ("First Empire") announced on December 27, 1996 that its New York City-based savings bank subsidiary, The East New York Savings Bank ("East New York"), would be merged with and into First Empire's Buffalo-based commercial bank subsidiary, Manufacturers and Traders Trust Company ("M&T Bank"). The merger is subject to the approvals of the Federal Reserve Board and the New York State Banking Board, and it is currently expected that it will be completed by the end of May 1997.

M&T Bank and East New York had assets of \$10.9 billion and \$2.0 billion, respectively, as of September 30, 1996. Following the merger, East New York will operate as the New York City Division of M&T Bank.

The merger will involve some initial costs and create some operating efficiencies, but neither such costs nor such efficiencies is expected by First Empire's management to be material to First Empire's results of operations.

The text of the news release issued by First Empire on December 27, 1996 to announce the merger is set forth as Exhibit No. 99 hereto.

Item 7. Financial Statements and Exhibits.

The following exhibits are filed as a part of this report:

Exhibit No.

99 News release. Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FIRST EMPIRE STATE CORPORATION

Date: January 2, 1997

By: _____

Michael P. Pinto
Senior Vice President
and Controller

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Report Dated: January 2, 1997

Commission File Number: 1-9861

FIRST EMPIRE STATE CORPORATION
(Exact name of registrant as specified in its charter)

EXHIBITS

EXHIBIT INDEX

Exhibit No.

99 News release.

FIRST EMPIRE STATE CORPORATION ONE M&T PLAZA BUFFALO, NEW YORK 14240
NEWS RELEASE

CONTACT: Gary S. Paul
(716) 842-5130

FOR IMMEDIATE RELEASE:
December 27, 1996

BUFFALO, NEW YORK -- First Empire State Corporation ("First Empire") (AMEX:FES) today announced that its savings bank subsidiary located in New York City, The East New York Savings Bank ("East New York") will be merged into First Empire's principal commercial banking subsidiary, Manufacturers and Traders Trust Company ("M&T Bank"). At September 30, 1996, East New York had assets of approximately \$2 billion and M&T Bank had assets of approximately \$11 billion.

Subject to the approvals of the Federal Reserve Board and the New York State Banking Board, the merger is expected to be completed by Memorial Day weekend of 1997. Following the merger, East New York will operate as the New York City Division of M&T Bank.

East New York's president, Atwood Collins, III, will become the New York City Division's president, while East New York's board of directors will become the division's regional advisory board.

Following the merger, East New York customers will have access to M&T Bank's network of 162 branches located throughout New York State, as well as to an expanded variety of products and services available through the commercial banking institution. East New York operates 13 branches in the New York City metropolitan area. While the merger will also create some operating efficiencies and involve some initial costs, neither are expected to be material to First Empire's operating results.

First Empire, with assets of approximately \$13 billion as of September 30, 1996, is a Buffalo, New York based bank holding company. In addition to M&T Bank and East New York, First Empire is the parent company of M&T Bank, National Association (Oakfield, New York).

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