

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

OMB APPROVAL

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SCHEDULE 13G

INFORMATION STATEMENT PURSUANT TO RULES 13d-1 (b) AND (c) AND AMENDMENTS THERETO
FILED PURSUANT TO 13d-2 (b)

(AMENDMENT NO.____)*

FIRST EMPIRE STATE CORPORATION

(Name of Issuer)

COMMON STOCK

(Title of Class of Securities)

320076102

(CUSIP Number)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

- ITEM 1 (a) NAME OF ISSUER:
First Empire State Corporation
- (b) ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:
One M&T Plaza, 5th Floor
Buffalo, NY 14240
- ITEM 2 (a) NAME OF PERSON FILING:
OPPENHEIMER CAPITAL
- (b) ADDRESS OF PRINCIPAL BUSINESS OFFICE:
Oppenheimer Tower, World Financial Center
New York, New York 10281
- (c) CITIZENSHIP:
Not Applicable.
- (d) TITLE OF CLASS OF SECURITIES:
Common Stock
- (e) CUSIP NUMBER:
320076102
- ITEM 3 IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(b), OR 13d-2(b),
CHECK WHETHER THE PERSON FILING IS A:
- (a) Broker or Dealer registered under Section 15 of the Act.
- (b) Bank as defined in Section 3(a)(6) of the Act.
- (c) Insurance Company as defined in Section 3(a)(19) of the Act.
- (d) Investment Company registered under Section 8 of the Investment Company Act.
- (e) Investment Adviser registered under Section 203 of the Investment Advisors Act of 1940.
- (f) Employee Benefit Plan, Pension Fund which is subject to the provisions of the Employee Retirement Income Security Act of 1974 or Endowment Fund; see [Paragraph] 240.13d-1(b)(1)(ii)(F).
- (g) Parent Holding Company, in accordance with [Paragraph] 13d-1(b)(ii)(G).
- (h) Group, in accordance with [Paragraph] 13d-1(b)(1)(ii)(H).

ITEM 4 OWNERSHIP.

- (a) Amount beneficially owned: 467,510 **
- (b) Percent of Class: 7.1
- (c) Number of shares as to which such person has:
 - (i) Sole power to vote or direct the vote: -0-
 - (ii) Shared power to vote: 467,510 **
 - (iii) Sole power to dispose or direct the disposition of: -0-
 - (iv) Shared power to dispose or direct the disposition of:
467,510 **

**This report is being filed on behalf of Oppenheimer Capital, a Delaware general partnership and/or certain investment advisory clients or discretionary accounts relating to their collective beneficial ownership of shares of common stock of the Issuer. Oppenheimer Capital is a registered investment adviser under Section 203 of the Investment Advisers Act of 1940. As a result of its role as investment adviser Oppenheimer may be deemed may be deemed to be the beneficial owner of the securities of the Issuer. Oppenheimer Capital has the sole power to dispose of the shares and to vote the shares under its written guidelines established by its Management Board.

ITEM 5 OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [] .

ITEM 6 OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Our clients have the right to receive or the power to direct the receipt of dividends or the profits from the sale of such securities. No one client owns more than five percent of the securities of the Issuer.

ITEM 7 IDENTIFICATION AND CLARIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY.

Not Applicable.

ITEM 8 IDENTIFICATION AND CLARIFICATION OF MEMBERS OF THE GROUP.

Not Applicable.

ITEM 9 NOTICE OF DISSOLUTION OF GROUP.

Not Applicable.

ITEM 10 CERTIFICATION.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 27, 1998

/s/ Thomas Duggan

General Counsel