M&T Bank

M&T Bank Corporation Announces Second Quarter Results

BUFFALO, N.Y., Jul 12, 2004 /PRNewswire-FirstCall via COMTEX/ -- M&T Bank Corporation ("M&T")(NYSE: MTB) today reported its results of operations for the quarter ended June 30, 2004.

GAAP Results of Operations. Diluted earnings per share measured in accordance with generally accepted accounting principles ("GAAP") for the second quarter of 2004 were $1.53, up 39% from $1.10 in the year-earlier period. GAAP-basis net income in the recent quarter totaled $184 million, 38% higher than $134 million in the second quarter of 2003. GAAP-basis net income for the second quarter of 2004 expressed as an annualized rate of return on average assets and average common stockholders' equity was 1.45% and 13.12%, respectively, up from 1.10% and 10.00%, respectively, in the year-earlier quarter.

M&T's results for the recently completed quarter reflect the impact of a partial reversal of a valuation allowance for possible impairment of capitalized residential mortgage servicing rights of $22 million. After applicable income tax effect, such reversal added $13 million to net income, or $.11 per diluted share. The reduction of the valuation allowance reflects the increase in the value of capitalized mortgage servicing rights resulting from higher residential mortgage loan interest rates at the recent quarter-end as compared with March 31, 2004. M&T had recognized a provision for impairment of capitalized mortgage servicing rights in the second quarter of 2003 of $18 million that after applicable income tax effect reduced that quarter's net income by $11 million, or $.09 per diluted share. The 2003 impairment charge reflected the impact of declining interest rates during last year's second quarter on the value of capitalized mortgage servicing rights.

M&T's results for 2003's second quarter also reflect merger-related expenses incurred in connection with the April 1, 2003 acquisition of Allfirst Financial Inc. ("Allfirst"). Such expenses totaled $22 million, after applicable tax effect, or $.17 per diluted share, and represented costs for professional services, travel, and other expenses associated with the acquisition and the related integration of data processing and other operating systems and functions. There were no similar expenses in the second quarter of 2004.

For the six months ended June 30, 2004, GAAP-basis diluted earnings per share increased 23% to $2.83 from $2.30 in the similar 2003 period. On the same basis, net income for the first half of 2004 totaled $344 million, 37% higher than $251 million in the year-earlier period. Merger-related expenses incurred during the first two quarters of 2003 associated with the acquisition of Allfirst were $25 million, after applicable tax effect, or $.23 per diluted share. There were no merger-related expenses in the first six months of 2004. GAAP-basis net income for the six-month period ended June 30, 2004 expressed as an annualized rate of return on average assets and average common stockholders' equity was 1.37% and 12.15%, respectively, compared with 1.23% and 11.67%, respectively, in the corresponding 2003 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, was $12 million ($.10 per diluted share) in the recent quarter, compared with $14 million ($.11 per diluted share) in the year-earlier quarter. Similar after tax effect amortization charges for the six months ended June 30, 2004 and 2003 were $25 million ($.20 per diluted share) and $21 million ($.20 per diluted share), respectively.

Diluted net operating earnings per share, which exclude the impact of amortization of core deposit and other intangible assets and merger-related expenses, were $1.63 in the second quarter of 2004, 18% higher than $1.38 in the corresponding quarter of 2003. Net operating income during the recent quarter was $196 million, up 16% from $169 million in the year-earlier quarter. Expressed as an annualized rate of return on average tangible assets and average tangible stockholders' equity, net operating income was 1.64% and 30.12%, respectively, in 2004's second quarter, improved from 1.48% and 29.89% in the second quarter of 2003.

For the six-month period ended June 30, 2004, diluted net operating earnings per share were $3.03, up 11% from $2.73 in the corresponding 2003 period. Net operating income for the first half of 2004 rose 24% to $369 million from $297 million in the corresponding 2003 period. For the first six months of 2004, net operating income expressed as an annualized rate of return on average tangible assets and average tangible equity was 1.56% and 27.95%, respectively, compared with 1.54% and 27.39% in the similar 2003 period.

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 June 30 2004	Three months ended June 30 2003	Six months ended June 30 2004	Six months ended June 30 2003
	(in thousands, except per share)			
Diluted earnings per share	$ 1.53	1.10	2.83	2.30
Amortization of core deposit and other intangible assets(1)	.10	.11	.20	.20
Merger-related expenses(1)	-	.17	-	.23
Diluted net operating earnings per share	$ 1.63	1.38	3.03	2.73
Net income	$184,385	134,040	343,875	250,578
Amortization of core deposit and other intangible assets(1)	11,773	13,883	24,706	20,977
Merger-related expenses(1)	-	21,513	-	25,112
Net operating income	$196,158	169,436	368,581	296,667

(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 June 30 2004	Three months ended June 30 2003	Six months ended June 30 2004	Six months ended June 30 2003
	(in millions)			
Average assets	$51,251	49,010	50,583	41,062
Goodwill	(2,904)	(2,893)	(2,904)	(2,000)
Core deposit and other intangible assets	(210)	(295)	(220)	(204)
Deferred taxes	-	-	-	-
Average tangible assets	$48,137	45,822	47,459	38,858
Average equity	$ 5,654	5,377	5,693	4,328
Goodwill	(2,904)	(2,893)	(2,904)	(2,000)
Core deposit and other intangible assets	(210)	(295)	(220)	(204)
Deferred taxes	79	85	83	61
Average tangible equity	$ 2,619	2,274	2,652	2,185

Taxable-equivalent Net Interest Income. As a result of growth in average earning assets, taxable-equivalent net interest income increased to $438 million in the second quarter of 2004 from $435 million in the year-earlier quarter. Average earning assets totaled $44.9 billion in the recent quarter, compared with $42.4 billion in the second quarter of 2003. Largely offsetting the favorable impact of higher earning assets was a narrowing of M&T's net interest margin, or taxable-equivalent net interest income expressed as an annualized percentage of average earning assets, to 3.92% in 2004's second quarter from 4.12% in the year-earlier period. The primary factor for such decline was a lower interest rate environment which resulted in the yields on earning assets decreasing more than the rates paid on interest-bearing liabilities.

Provision for Credit Losses/Asset Quality. The provision for credit losses totaled $30 million in the second quarter of 2004, compared with $36 million a year earlier. Net charge-offs of loans during the recent quarter were $21 million, compared with $23 million in the year-earlier period. Expressed as an annualized percentage of average loans outstanding, net charge-offs were .23% in 2004's second quarter, compared with .26% in the corresponding 2003 period. Loans classified as nonperforming totaled $190 million, or .51% of total loans at June 30, 2004, down significantly from $319 million or .86% at June 30, 2003. The substantial decrease in nonperforming loans at the recent quarter-end as compared with a year earlier was largely the result of several large commercial loans that are no longer in M&T's loan portfolio due to a combination of sales, payoffs or charge-offs, including a net reduction of nonperforming loans associated with the former Allfirst franchise totaling $78 million. Loans past due 90 days or more and accruing interest were $135 million at the recent quarter-end, compared with $170 million a year earlier. Included in these loans at June 30, 2004 and 2003 were $112 million and $136 million, respectively, of loans guaranteed by government-related entities. Nonperforming loans and loans past due 90 days or more and accruing interest included loans obtained in the Allfirst transaction of $31 million and $19 million, respectively, at June 30, 2004 and $109 million and $33 million, respectively, at June 30, 2003. Assets taken in foreclosure of defaulted loans were $19 million at June 30, 2004, compared with $23 million a year earlier.

Allowance for Credit Losses. The allowance for credit losses totaled $625 million, or 1.66% of total loans, at June 30, 2004, compared with $604 million, or 1.63%, a year earlier. The ratio of M&T's allowance for credit losses to nonperforming loans was 328% and 189% at June 30, 2004 and 2003, respectively.

Noninterest Income and Expense. Noninterest income in the recent quarter totaled $232 million, compared with $233 million in the year-earlier quarter. Increases in deposit account service charges, letter of credit and other credit-related fees, and other revenues were offset by a $14 million decline in mortgage banking revenues. Such decline reflected lower loan origination and sales volumes and the impact of adopting recently issued accounting guidance provided by the Securities and Exchange Commission ("SEC") in SEC Staff Accounting Bulletin ("SAB") No. 105, "Application of Accounting Principles to Loan Commitments." SAB No. 105 addresses the accounting for loans held for sale and loan commitments accounted for as derivative instruments. M&T adopted the SEC guidance effective April 1, 2004 and although such adoption had no economic impact on M&T, it resulted in a $6 million accounting deferral of mortgage banking revenues from the second quarter to the third quarter of 2004. This accounting deferral reflects a delay in the timing of revenue recognition for servicing and certain other cash flows associated with the underlying loans to the time of loan sale. Neither the amount or timing of receipt of such cash flows nor the economic value of the loans and commitments have changed as a result of this accounting guidance.

Noninterest expense in the second quarter of 2004 totaled $357 million, 17% lower than $431 million in 2003's second quarter. Included in such amounts are expenses considered to be nonoperating in nature consisting of amortization of core deposit and other intangible assets of $19 million in 2004 and $23 million in 2003, and merger-related expenses of $33 million in 2003. There were no merger-related expenses in 2004. Exclusive of these nonoperating expenses, noninterest operating expenses were $338 million in the recent quarter, down from $375 million in the second quarter of 2003. The most significant contributor to the lower nonoperating expenses in 2004 was the $22 million partial reversal of the valuation allowance for the impairment of capitalized mortgage servicing rights recorded during the recently completed quarter. As already noted, the partial reversal of the valuation allowance reflects the increase in the value of capitalized mortgage servicing rights resulting from higher residential mortgage loan interest rates at June 30, 2004 as compared with a quarter earlier. An $18 million provision for the impairment of capitalized mortgage servicing rights was recorded during the second quarter of 2003, largely the result of the low interest rate environment that existed at the end of that quarter. Capitalized residential mortgage servicing rights, net of impairment valuation allowance, are included in "other assets" in M&T's consolidated balance sheet and totaled $140 million and $92 million at June 30, 2004 and 2003, respectively.

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 50.4% in the second quarter of 2004, improved from 56.2% in the year-earlier period.

Commenting on M&T's financial performance during the recent quarter, Michael P. Pinto, Executive Vice President and Chief Financial Officer, said, "M&T's second quarter results reflect continued strong credit quality. During the period, several large nonperforming commercial credits were worked out, resulting in a significant reduction in M&T's nonperforming loans. We continue to be encouraged by growth in our loan portfolios. Furthermore, although residential mortgage banking revenues decreased significantly from 2003's second quarter, the expected reversal of $22 million of the valuation allowance for the impairment of capitalized mortgage servicing rights more than offset that decline." Looking forward to the remainder of 2004, Mr. Pinto commented, "Subject to the impact of future economic and political conditions, at this time we expect that M&T's full-year GAAP-basis diluted earnings per share for 2004 will be consistent with our previously announced estimate."

Balance Sheet. M&T had total assets of $52.1 billion at June 30, 2004, up from $50.4 billion at June 30, 2003. Loans and leases, net of unearned discount, aggregated $37.5 billion at the recent quarter-end, compared with $37.0 billion a year earlier. Deposits were $35.0 billion at June 30, 2004, up from $32.5 billion at June 30, 2003. Total stockholders' equity was $5.7 billion at June 30, 2004, representing 10.86% of total assets, compared with $5.4 billion or 10.78% a year earlier. Common stockholders' equity per share was $48.21 and $45.46 at June 30, 2004 and 2003, respectively. Tangible equity per common share was $22.40 at June 30, 2004, compared with $19.47 at June 30, 2003. 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 $3.0 billion and $3.1 billion at June 30, 2004 and 2003, respectively.

In February 2004, M&T announced that it had been authorized by its Board of Directors to purchase up to 5,000,000 shares of its common stock. During the recent quarter, 1,848,900 shares of common stock were repurchased by M&T pursuant to such plan at an average cost per share of $87.19. During the first half of 2004, M&T had repurchased 3,616,800 shares of its common stock at an average cost of $89.41 per share, including 1,367,900 shares repurchased under a November 2001 authorization that was completed during 2004's initial quarter.

Conference Call. Investors will have an opportunity to listen to M&T's conference call to discuss second quarter financial results at 9:00 a.m. Eastern Daylight Saving Time today, July 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 July 13, 2004 by calling 877-519-4471, code 4889769 and 973-341-3080 for international participants. The event will also be archived and available by noon 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 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, including interest rate and currency exchange rate fluctuations, and other Future Factors.

M&T BANK CORPORATION
Financial Highlights

Amounts in thousands, except per share	Three months ended June 30			Six months ended June 30		
	2004	2003	Change	2004	2003	Change
Performance						
Net income	$184,385	134,040	38%	$343,875	250,578	37%
Per common share:						
Basic earnings	$ 1.56	1.12	39%	$ 2.89	2.36	22%
Diluted earnings	1.53	1.10	39	2.83	2.30	23
Cash dividends	$ .40	.30	33	$ .80	.60	33
Common shares outstanding:						

Average - diluted (1)	120,655	122,366	-1%	121,486	108,789	12%
Period end (2)	117,324	119,519	-2	117,324	119,519	-2
Return on (annualized):						
Average total assets	1.45%	1.10%		1.37%	1.23%	
Average common stockholders' equity	13.12%	10.00%		12.15%	11.67%	
Taxable-equivalent net interest income	$438,285	435,198	1%	$861,818	754,788	14%
Yield on average earning assets	5.06%	5.50%		5.08%	5.68%	
Cost of interest-bearing liabilities	1.39%	1.65%		1.41%	1.75%	
Net interest spread	3.67%	3.85%		3.67%	3.93%	
Contribution of interest-free funds	.25%	.27%		.25%	.27%	
Net interest margin	3.92%	4.12%		3.92%	4.20%	
Net charge-offs to average total net loans (annualized)	.23%	.26%		.22%	.31%	
Net operating results (3)						
Net operating income	$196,158	169,436	16%	368,581	296,667	24%
Diluted net operating earnings per common share	1.63	1.38	18	3.03	2.73	11
Return on (annualized):						
Average tangible assets	1.64%	1.48%		1.56%	1.54%	
Average tangible common equity	30.12%	29.89%		27.95%	27.39%	
Efficiency ratio	50.39%	56.20%		53.55%	53.62%	

	At June 30		
Loan quality	2004	2003	Change
Nonaccrual loans	$181,974	311,881	-42%
Renegotiated loans	8,163	6,985	17
Total nonperforming loans	$190,137	318,866	-40%
Accruing loans past due 90 days or more	$134,757	169,753	-21%
Nonperforming loans to total net loans	.51%	.86%	
Allowance for credit losses to total net loans	1.66%	1.63%	

(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 is included herein.

M&T BANK CORPORATION
Condensed Consolidated Statement of Income

Dollars in thousands	Three months ended June 30 2004	Three months ended June 30 2003	Change	Six months ended June 30 2004	Six months ended June 30 2003	Change
Interest income	$560,601	576,396	-3%	$1,106,733	1,011,955	9%
Interest expense	126,805	145,506	-13	253,634	265,098	-4
Net interest income	433,796	430,890	1	853,099	746,857	14
Provision for credit losses	30,000	36,000	-17	50,000	69,000	-28
Net interest income after provision for credit losses	403,796	394,890	2	803,099	677,857	18
Other income						
Mortgage banking revenues	30,134	43,915	-31	58,392	78,379	-26
Service charges on deposit accounts	91,104	85,882	6	179,429	129,231	39
Trust income	34,576	33,640	3	68,162	47,839	42
Brokerage services income	13,245	14,361	-8	27,098	24,409	11
Trading account and foreign exchange gains	3,844	5,689	-32	8,967	6,330	42
Gain on sales of bank investment securities	-	250	-	2,512	483	-
Other revenues from operations	59,431	49,160	21	115,925	79,073	47
Total other income	232,334	232,897	-	460,485	365,744	26
Other expense						
Salaries and employee benefits	202,647	205,481	-1	403,397	329,555	22
Equipment and net occupancy	44,811	47,896	-6	92,183	75,047	23
Printing, postage and supplies	8,494	10,926	-22	18,386	17,939	2
Amortization of core deposit and other intangible assets	19,250	22,671	-15	40,398	34,269	18
Other costs of operations	82,005	144,173	-43	192,810	216,615	-11
Total other expense	357,207	431,147	-17	747,174	673,425	11

Income before income

taxes	278,923	196,640	42	516,410	370,176	40
Applicable income taxes	94,538	62,600	51	172,535	119,598	44
Net income	$184,385	134,040	38%	$343,875	250,578	37%

Summary of merger-related expenses included above:				
Salaries and employee benefits	$-	3,553	$-	3,838
Equipment and net occupancy	-	800	-	896
Printing, postage and supplies	-	2,319	-	2,361
Other costs of operations	-	26,486	-	31,508
Total merger-related expenses	$-	33,158	$-	38,603

M&T BANK CORPORATION
Condensed Consolidated Balance Sheet

	June 30		
Dollars in thousands	2004	2003	Change
ASSETS			
Cash and due from banks	$ 1,697,173	2,565,621	-34%
Money-market assets	167,817	288,929	-42
Investment securities	8,161,040	5,945,533	37
Loans and leases, net of unearned discount	37,522,401	37,001,556	1
Less: allowance for credit losses	624,516	603,501	3
Net loans and leases	36,897,885	36,398,055	1
Goodwill	2,904,081	2,904,081	-
Core deposit and other intangible assets	200,433	283,936	-29
Other assets	2,066,029	2,012,973	3
Total assets	$52,094,458	50,399,128	3%
LIABILITIES AND STOCKHOLDERS' EQUITY			
Noninterest-bearing deposits at U.S. offices	$ 8,204,704	8,764,640	-6%

Other deposits at U.S. offices	23,030,317	22,364,719	3
Deposits at foreign office	3,718,490	1,409,414	164
Total deposits	34,953,511	32,538,773	7
Short-term borrowings	4,862,362	4,631,346	5
Accrued interest and other liabilities	794,719	1,036,791	-23
Long-term borrowings	5,827,180	6,758,781	-14
Total liabilities	46,437,772	44,965,691	3
Stockholders' equity (1)	5,656,686	5,433,437	4
Total liabilities and stockholders' equity	$52,094,458	50,399,128	3%

(1) Reflects accumulated other comprehensive loss, net of applicable income tax effect, of $15.7 million at June 30, 2004 and accumulated other comprehensive income, net of applicable income tax effect, of $52.4 million at June 30, 2003.

M&T BANK CORPORATION

Condensed Consolidated Average Balance Sheet
and Annualized Taxable-equivalent Rates

Dollars in millions	Three months ended June 30 2004 Balance	2004 Rate	2003 Balance	2003 Rate	Change in balance
ASSETS					
Money-market assets	$ 76	.74%	100	1.21%	-24%
Investment securities	7,943	4.16	5,654	4.41	40
Loans and leases, net of unearned discount					
Commercial, financial, etc	9,464	4.30	9,985	4.34	-5
Real estate - commercial	12,962	5.60	12,059	6.14	7
Real estate - consumer	3,218	5.89	3,853	6.18	-16
Consumer	11,260	5.46	10,735	6.19	5
Total loans and leases, net	36,904	5.26	36,632	5.67	1
Total earning assets	44,923	5.06	42,386	5.50	6

Goodwill	2,904		2,893		-
Core deposit and other intangible assets	210		295		-29
Other assets	3,214		3,436		-6
Total assets	$51,251		49,010		5%
LIABILITIES AND STOCKHOLDERS' EQUITY					
Interest-bearing deposits					
NOW accounts	$ 368	.30	903	.40	-59%
Savings deposits	15,667	.57	14,428	.79	9
Time deposits	6,842	2.13	7,489	2.40	-9
Deposits at foreign office	2,829	.99	996	1.16	184
Total interest-bearing deposits	25,706	1.03	23,816	1.30	8
Short-term borrowings	5,141	1.02	4,789	1.22	7
Long-term borrowings	5,869	3.30	6,698	3.22	-12
Total interest-bearing liabilities	36,716	1.39	35,303	1.65	4
Noninterest-bearing deposits	7,996		7,373		8
Other liabilities	885		957		-8
Total liabilities	45,597		43,633		5
Stockholders' equity	5,654		5,377		5
Total liabilities and stockholders' equity	$51,251		49,010		5%
Net interest spread		3.67		3.85	
Contribution of interest-free funds		.25		.27	
Net interest margin		3.92%		4.12%	

	Six months ended June 30				
Dollars in millions	2004		2003		Change in
	Balance	Rate	Balance	Rate	balance
ASSETS					
Money-market assets	81	.87%	337	1.27%	-76%

Investment securities	7,729	4.13	4,652	4.80	66
Loans and leases, net of unearned discount					
Commercial, financial, etc	9,282	4.19	7,675	4.43	21
Real estate - commercial	12,742	5.65	10,880	6.33	17
Real estate - consumer	3,151	5.92	3,519	6.31	-10
Consumer	11,199	5.56	9,167	6.23	22
Total loans and leases, net	36,374	5.29	31,241	5.86	16
Total earning assets	44,184	5.08	36,230	5.68	22
Goodwill	2,904		2,000		45
Core deposit and other intangible assets	220		204		8
Other assets	3,275		2,628		25
Total assets	$50,583		41,062		23%
LIABILITIES AND STOCKHOLDERS' EQUITY					
Interest-bearing deposits					
NOW accounts	741	.35	846	.38	-12%
Savings deposits	15,211	.59	12,039	.86	26
Time deposits	6,717	2.17	6,687	2.50	-
Deposits at foreign office	2,831	.98	1,024	1.18	176
Total interest-bearing deposits	25,500	1.05	20,596	1.39	24
Short-term borrowings	4,956	1.02	4,143	1.25	20
Long-term borrowings	5,717	3.37	5,774	3.41	-1
Total interest-bearing liabilities	36,173	1.41	30,513	1.75	19
Noninterest-bearing deposits	7,780		5,565		40
Other liabilities	937		656		43
Total liabilities	44,890		36,734		22
Stockholders' equity	5,693		4,328		32
Total liabilities and stockholders' equity	$50,583		41,062		23%
Net interest spread		3.67		3.93	

Contribution of interest-free funds	.25	.27
Net interest margin	3.92%	4.20%

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