

# Investor Update | Second Quarter 2022

**M&T** Bank Corporation

# Disclaimer

This presentation may contain forward-looking statements regarding M&T Bank Corporation ("M&T") within the meaning of the Private Securities Litigation Reform Act of 1995. Any statement that does not describe historical or current facts is a forward-looking statement, including statements based on current expectations, estimates and projections about M&T's business, and management's beliefs and assumptions.

Statements regarding the potential effects of notable national and global current events, including the war in Ukraine, the COVID-19 pandemic, and economic conditions and trends, on M&T's business, financial condition, liquidity and results of operations may constitute forward-looking statements. Such statements are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond M&T's control. Also as described further below, statements regarding M&T's expectations or predictions regarding M&T's acquisition of People's United Financial Inc. are forward-looking statements, including statements regarding the expected financial results, prospects, targets, goals and outlook.

Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "target," "estimate," "continue," 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 statements are not guarantees of future performance and involve 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.

Examples of future factors include uncertainties related to: the impact of the People's United transaction (as described in the next paragraph); the impact of the war in Ukraine; ongoing changes in economic conditions, including inflation; the ongoing impact of the COVID-19 pandemic; 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; the impact of changes in market values on trust-related revenues; legislation or regulations affecting the financial services industry and/or M&T and its subsidiaries individually or collectively, including tax policy; regulatory supervision and oversight, including monetary policy and capital requirements; governmental and public policy changes; the outcome of pending and future litigation and governmental proceedings, including tax-related examinations and other matters; changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board, regulatory agencies or legislation; increasing price, product, and 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 and services; containing costs and expenses; protection and validity of intellectual property rights; reliance on large customers; technological, implementation and cost/financial risks in large, multi-year contracts; 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.

In addition, future factors related to the acquisition of People's United include, among others: the outcome of any legal proceedings that may be instituted against M&T; the possibility that the anticipated benefits of the transaction will not be realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where M&T does business; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships; M&T's success in executing its business plans and strategies and managing the risks involved in the foregoing; the business, economic and political conditions in the markets in which M&T operates; and other factors that may affect future results of M&T.

Future factors related to the acquisition also include risks, such as, among others: that there could be an adverse effect on M&T's ability to retain customers and retain or hire key personnel and maintain relationships with customers; that integration efforts may be more difficult or time-consuming than anticipated, including in areas such as sales force, cost containment, asset realization, systems integration and other key strategies; that profitability following the combination may be lower than expected including for possible reasons such as lower than expected revenues or higher or unexpected costs, charges or expenses resulting from the transaction; unforeseen risks relating to liabilities of M&T or People's United that may exist; and other factors that may affect future results of M&T.

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.

M&T provides further detail regarding these risks and uncertainties in its Form 10-K for the year-ended December 31, 2021, including in the Risk Factors section of such report, as well as in other SEC filings. Forward-looking statements speak only as of the date made, and M&T does not assume any duty and does not undertake to update forward-looking statements.

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

# M&T – A High Performing Community-Focused Bank

- Top 20 U.S.-based, commercial bank holding company, with national capabilities from our suite of specialty businesses and Wilmington Trust
- Seasoned management team and deeply embedded culture
- Superior profitability and earnings and dividend growth over multiple economic cycles
- Decades of top quartile loan and deposit growth
- Local scale leading to superior pricing on both sides of the balance sheet, above peer risk-adjusted NIM and credit outperformance
- Disciplined and efficient operator and prudent stewards of shareholder capital
- Growth driven by relentless focus on customers, talent, and delivering innovative capabilities
- Practicing stakeholder capitalism for over 30 years, giving back to our communities

Financial Highlights	1Q22
Symbol	MTB
Stock Price *	\$170.74
Market Capitalization *	\$30.6B
P/TBV *	1.9x
Total Assets **	\$213B
Deposits **	\$179B
Loans **	\$128B
Branches ***	1,048



Notes:

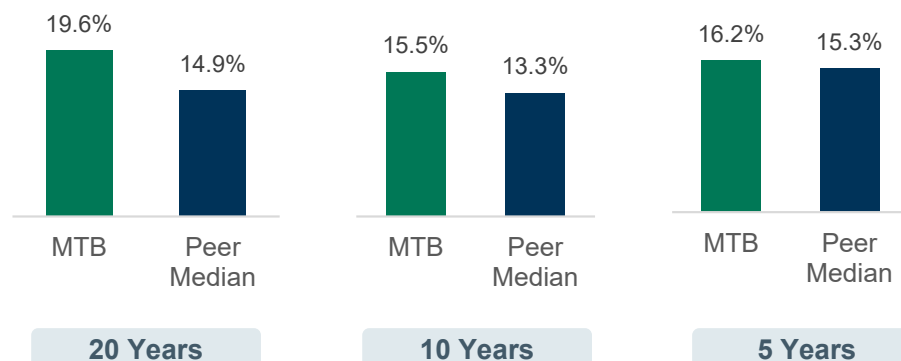
\*Close of business 5/17/2022

\*\* Includes People's United balances as of 3/31/2022 excluding acquisition accounting adjustments.

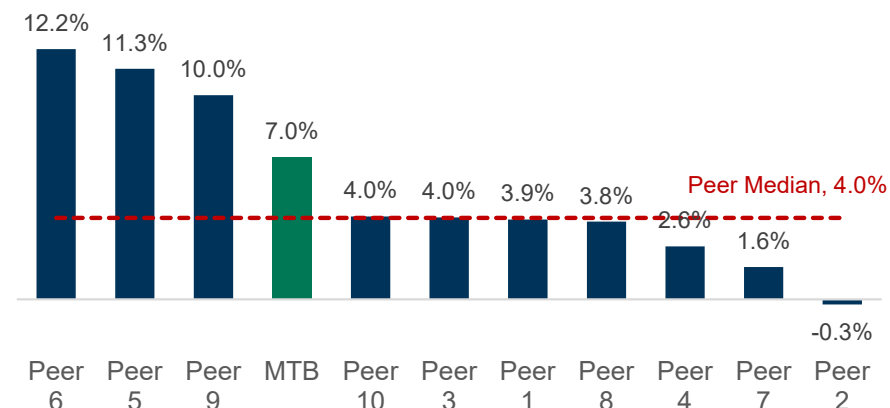
\*\*\* Includes M&T full-service branches and People's United full-service branches as of 3/31/2022.

# Strong Financial Results Over the Long-Term

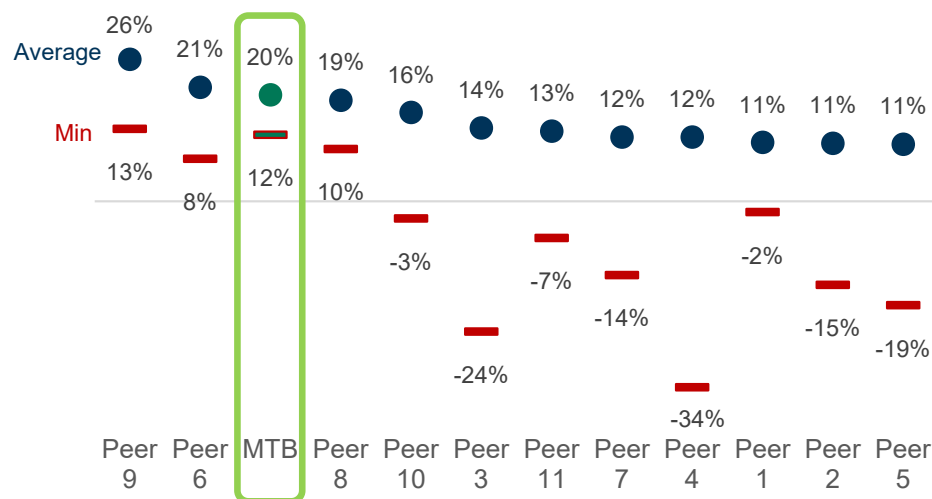
## ROTCE (average)



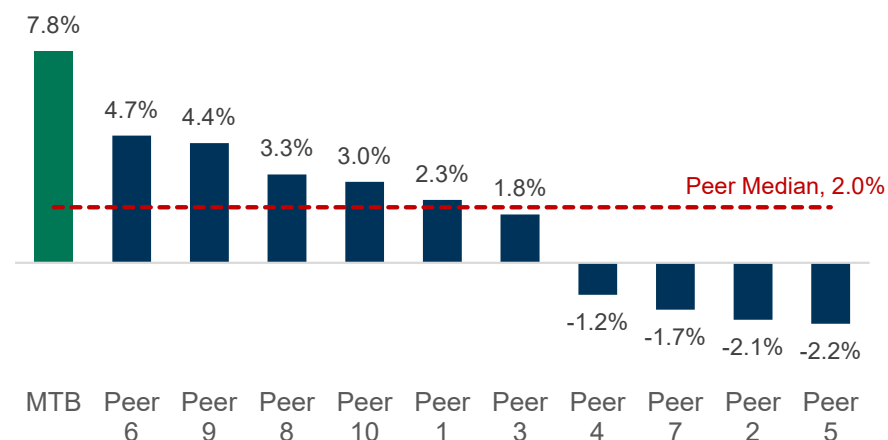
## GAAP EPS Growth – 20 Years (CAGR)



## ROTCE – 20 Years



## Dividend Growth – 20 Years (CAGR)



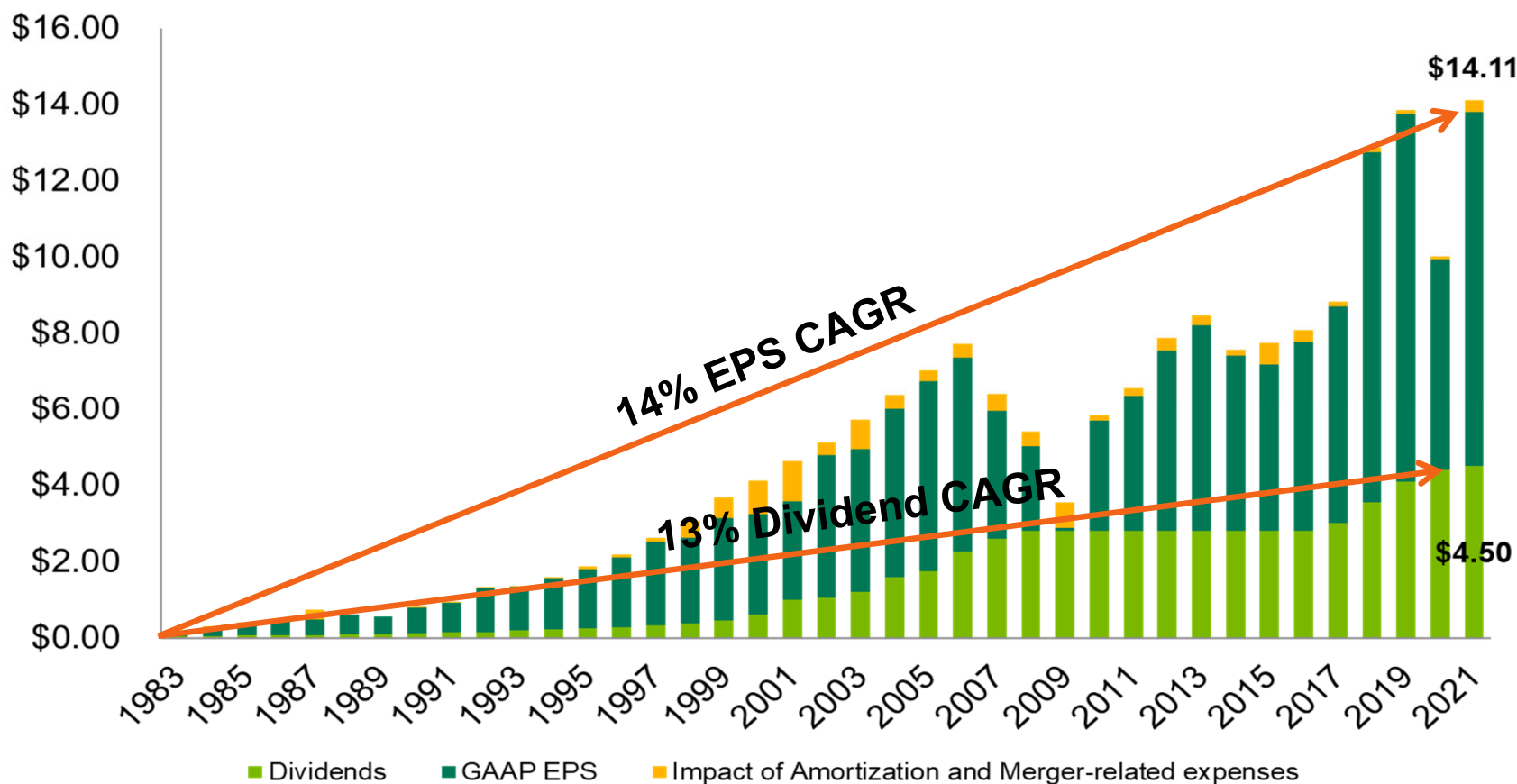
Source: S&P Global Market Intelligence.

Notes: Historical data is through 2021 full year. EPS and dividend growth exclude firms that were not publicly traded in 2001.

See Appendix for reconciliation of GAAP and non-GAAP measures.

# Delivering Superior Financial Results Over Decades

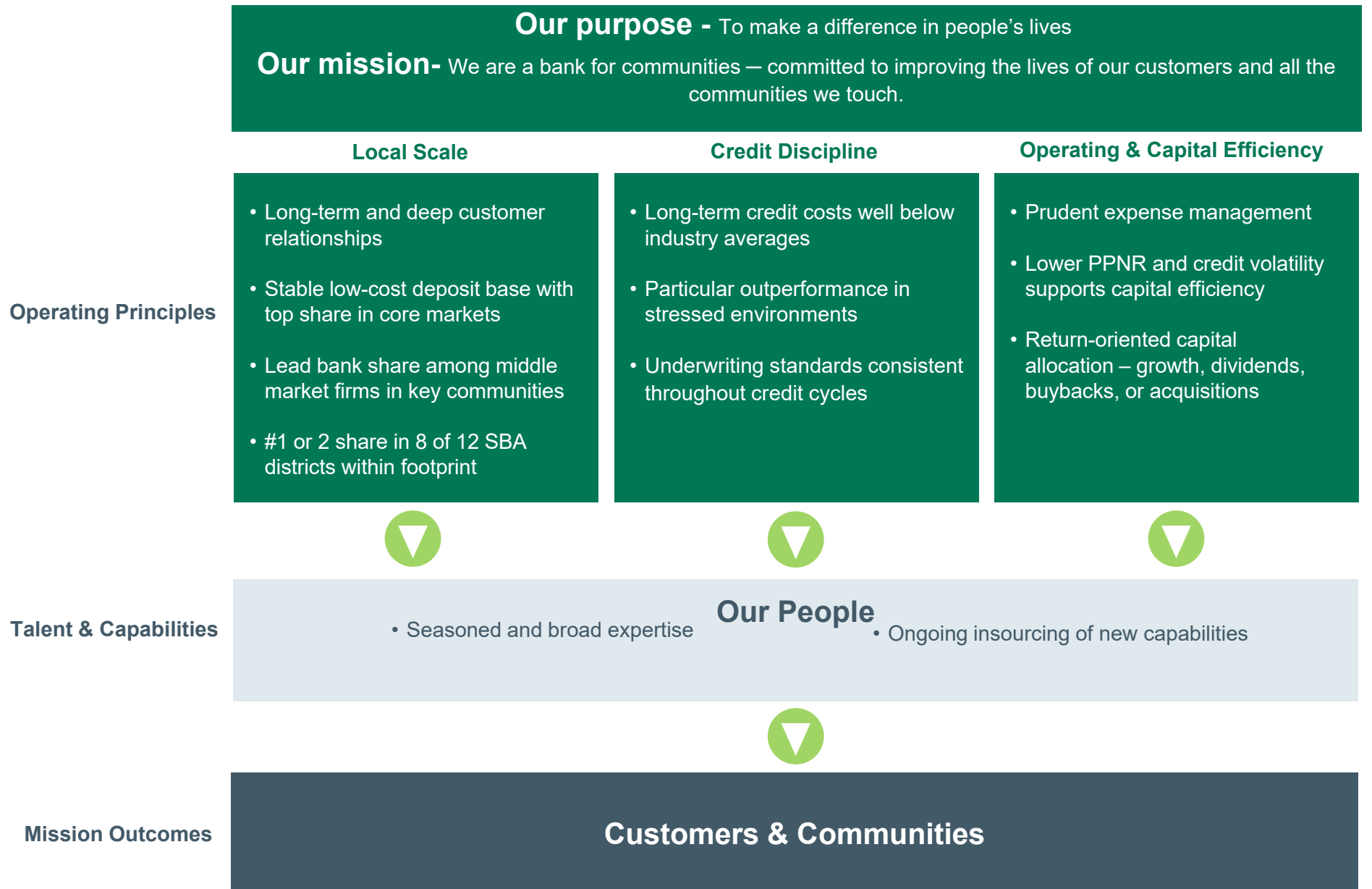
## Earnings & Dividend Growth: 1983 – 2021







Notes: CAGRs are from 1983 to full year 2021. The \$14.11 operating EPS equals GAAP EPS of \$13.80 plus the after-tax impact of amortization and merger-related expenses. See appendix for GAAP to non-GAAP reconciliation.

# The M&T Story: A High Performing Community-Focused Bank...

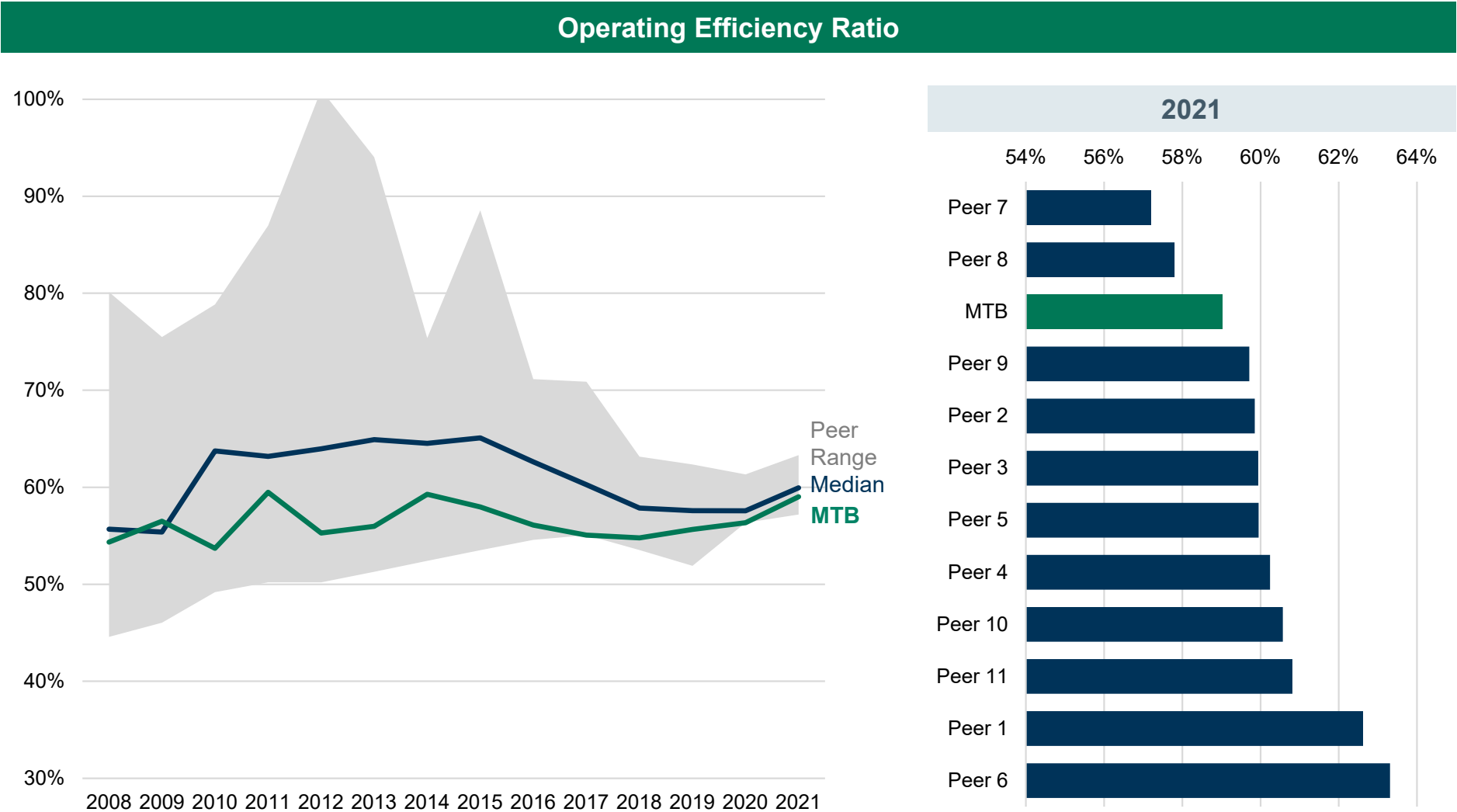
## ....Our Operating Principles



# Prudent Stewards of Shareholders' Capital

How we think about capital allocation	Results
Disciplined return criteria – lending and investments	 Higher return earning asset mix
Moderate dividend payout	 One of two S&P banks to maintain dividend through the Great Financial Crisis
Acquisitions that clearly present value creation	 History of accretive acquisitions
Consistently return excess capital to investors	 Top quartile returns; best-in-class EPS growth

# Efficient Operator Through the Cycles





# Delivering Growth Over Decades

## EOP Loan and Deposit Growth per Share (2001-2021, CAGR)

Loans:	<u>MTB</u>		<u>Peer Median</u>	<u>Quartile</u>
Commercial Real Estate	5%	>	2%	Top
Commercial & Industrial	5%	>	4%	2 <sup>nd</sup>
Residential Real Estate	5%	>	3%	Top
Consumer	<u>4%</u>	>	<u>2%</u>	2 <sup>nd</sup>
<b>Total Loans</b>	5%	>	2%	Top

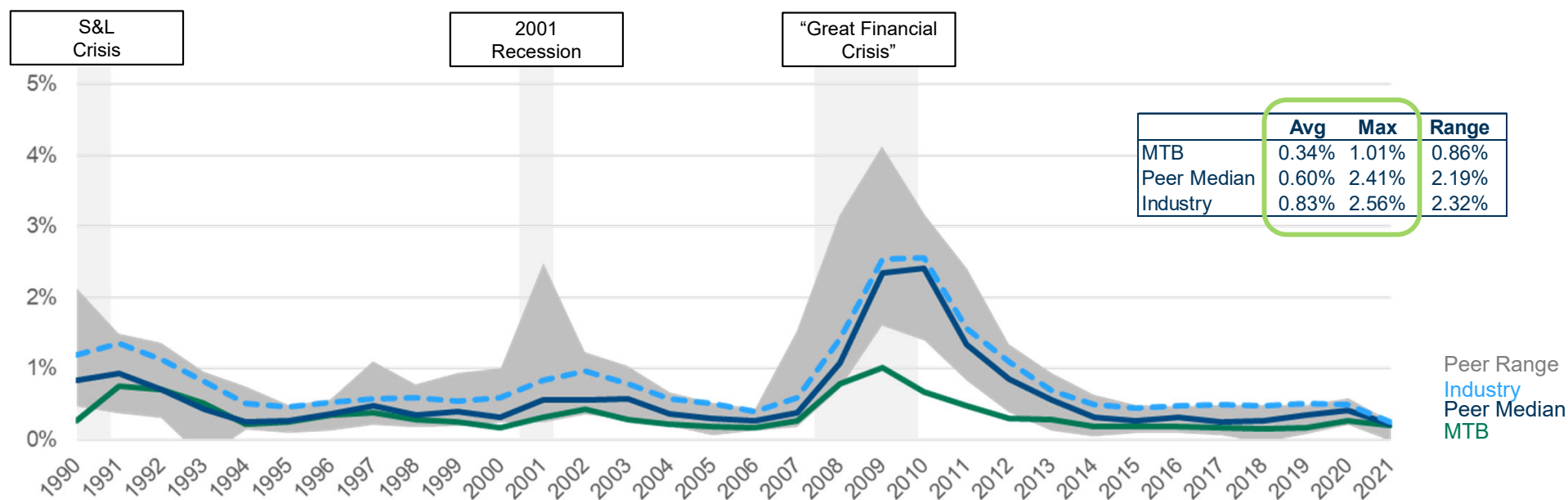
Deposits:				
Noninterest-Bearing	13%	>	9%	Top
Interest-Bearing	<u>5%</u>	>	<u>3%</u>	Top
<b>Total Deposits</b>	8%	>	5%	Top

# Superior Credit Losses Through Multiple Economic Cycles

## M&T Credit Philosophy

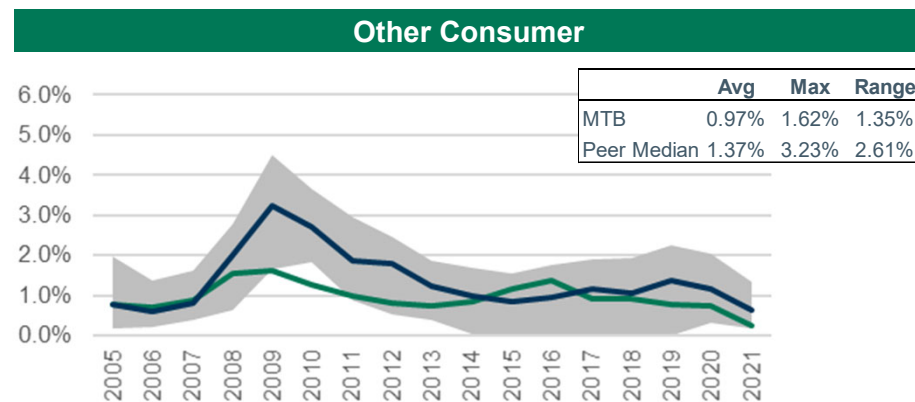
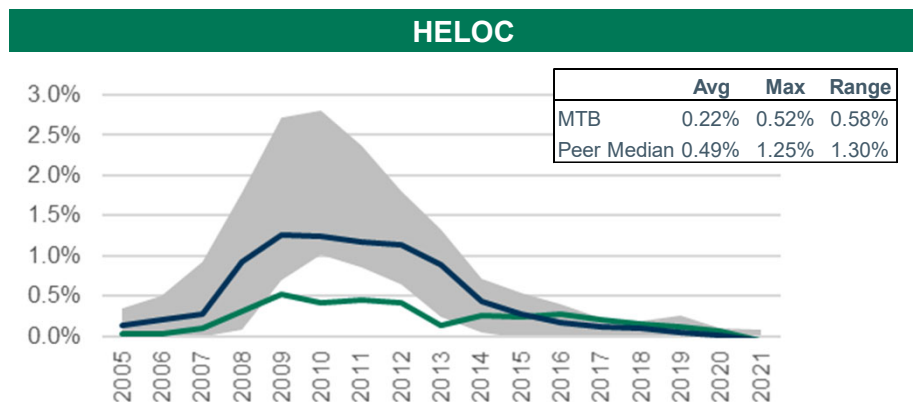
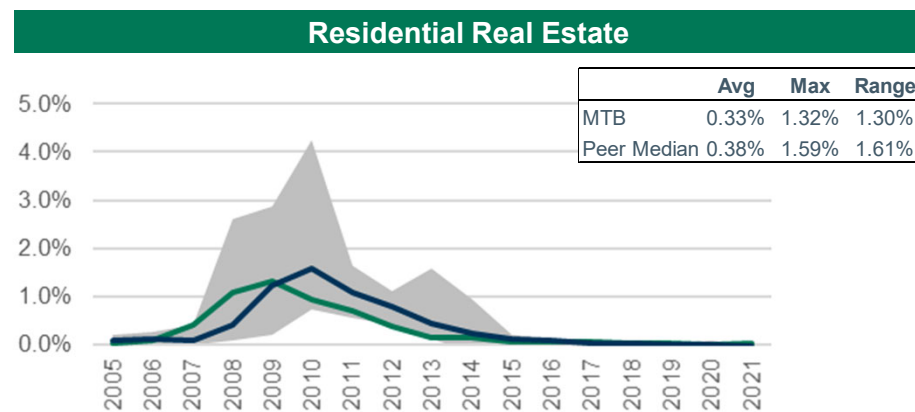
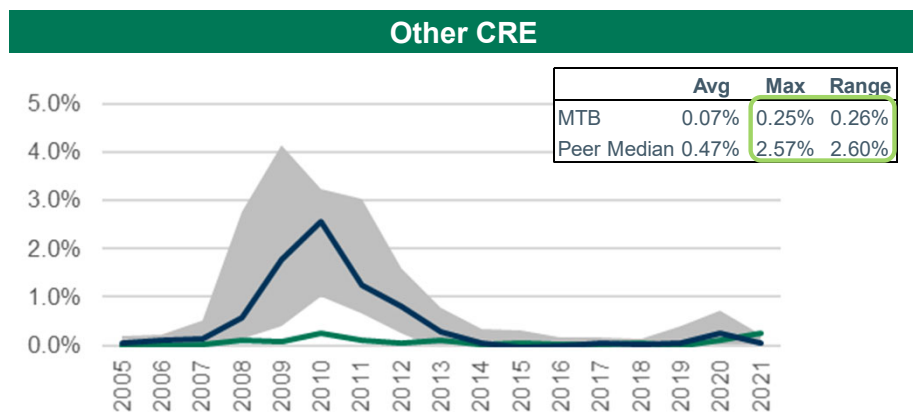
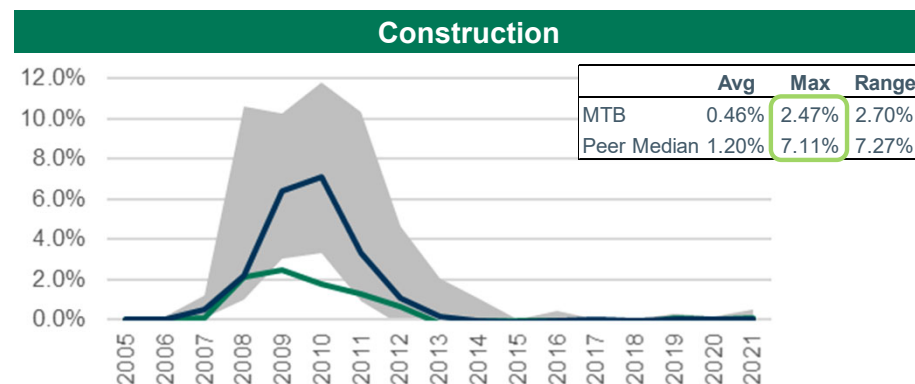
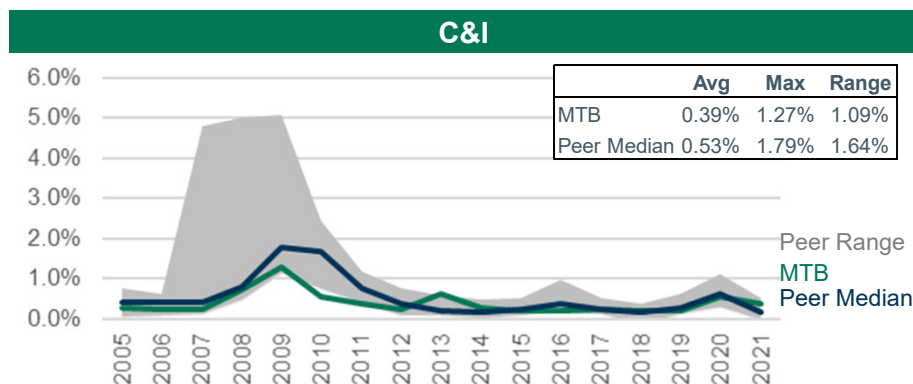
- Consistent credit standards through economic cycles
- Emphasis on secured lending: cash flow + collateral + guarantees
- Customer selection, supported by local market knowledge
- Working with customers to achieve best long-term outcome

## NCO % of Loans



While M&T's long-term average nonaccrual rate has exceeded the peer median (1.1% vs. 0.9% for peers), its peak annual loss rate was 42% of the peer median – *nonaccruals may not translate to losses*

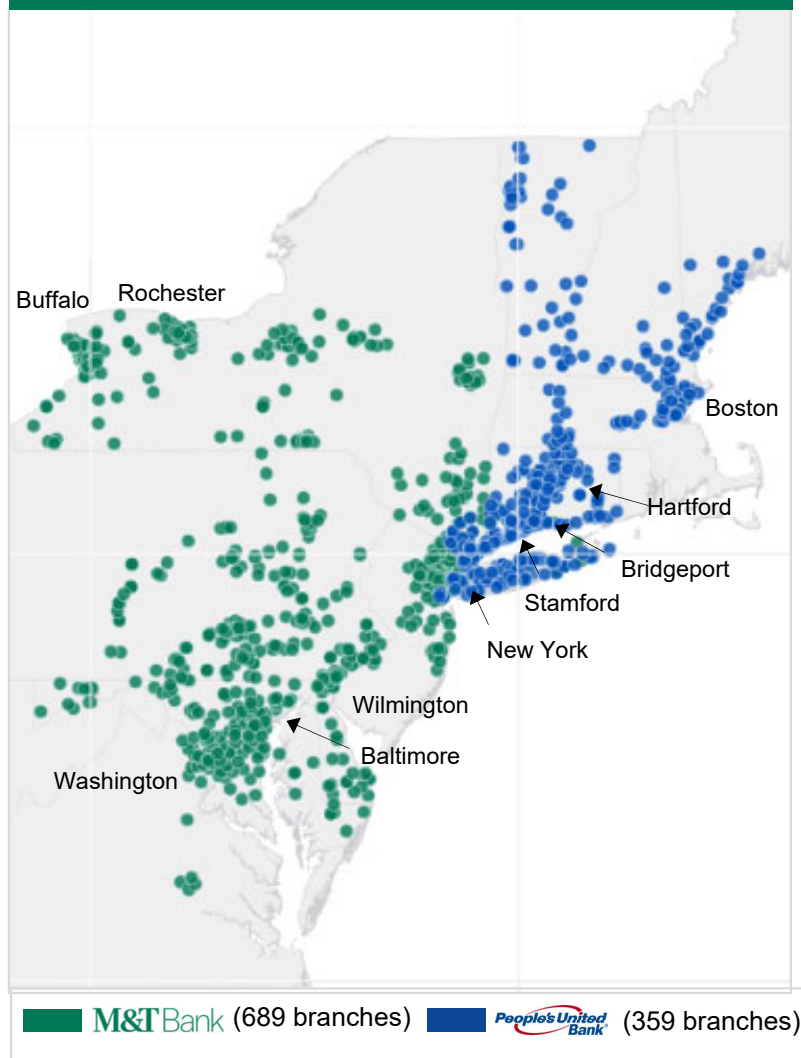
# Best-In-Class Credit NCO Ratios Across All Portfolios



# Local Scale in Key Markets in M&T Footprint

People's United transaction adds a leading market position in New England while increasing density in attractive New York markets

## Contiguous Branch Footprint...



## ...Combining Market Leading Franchises...

### Top 10 MSAs by Deposits

		PF Rank
Buffalo	M&T Bank	1
Fairfield Co., CT <sup>(1)</sup>	People's United Bank	1
Rochester	M&T Bank	1
Baltimore	M&T Bank	2
Hartford	People's United Bank	2
New Haven	People's United Bank	2
Philadelphia	M&T Bank	7
Boston	People's United Bank	8
Washington	M&T Bank	11
New York	M&T Bank   People's United Bank	16

### Top Northeast Banks by Branches<sup>(2)</sup>

	Branches
1 Bank of America	1,209
<b>M&amp;T + People's United</b>	<b>1,048</b>
2 JPMorgan Chase	1,044
3 Citizens	1,036
4 Wells Fargo	969
5 Toronto-Dominion	930
6 PNC	899
7 Truist	852
<b>8 M&amp;T</b>	<b>689</b>
9 Santander	521
10 KeyCorp	453
<b>11 People's United</b>	<b>359</b>

## ...In Demographically Attractive Geographies

### Median Household Income



Source: S&P Global Market Intelligence and FDIC Summary of Deposits.

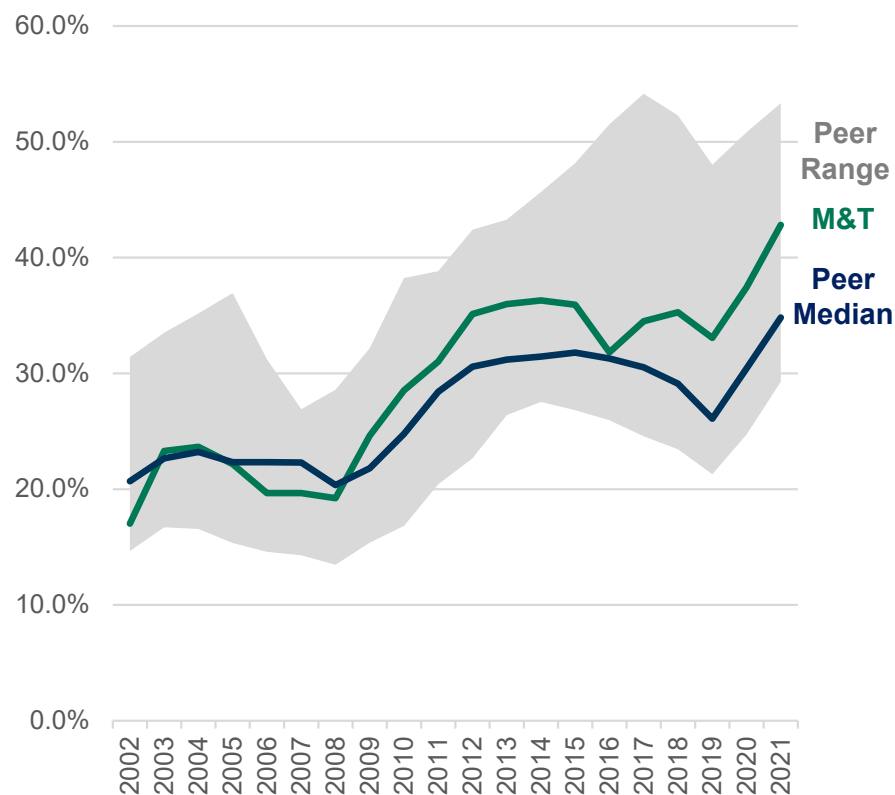
Notes: Demographics shown are deposit-weighted averages by MSA and county.

(1) Bridgeport-Stamford-Norwalk MSA

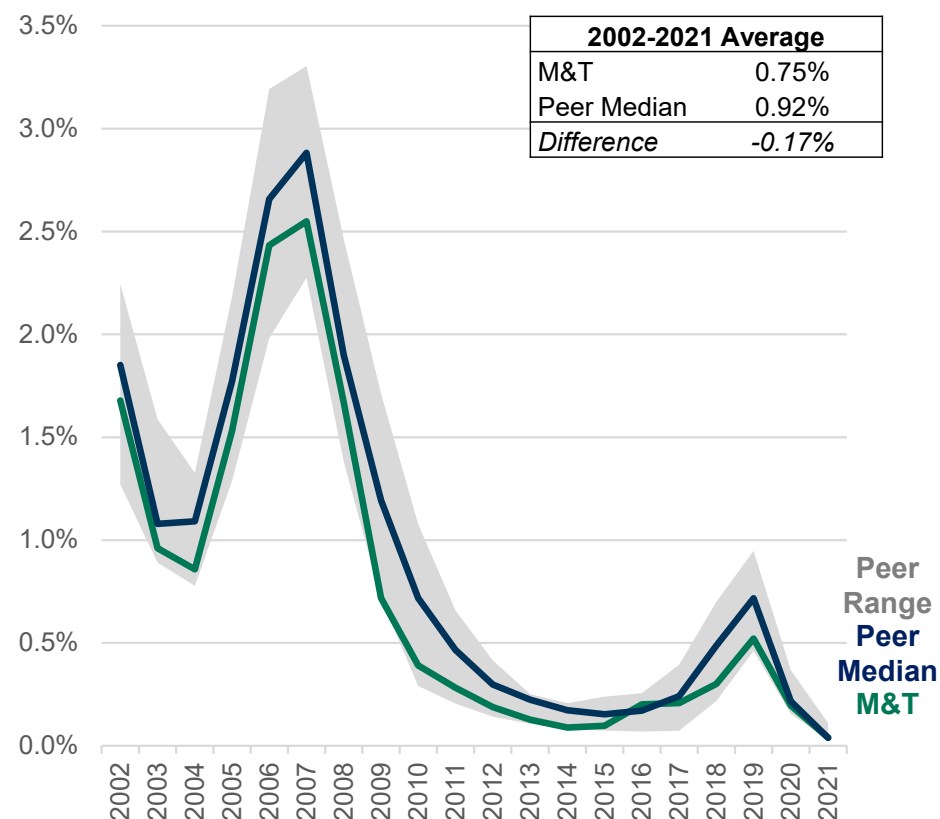
(2) As of 3/31/2022 for MTB and PBCT and as of 6/30/2021 for other banks. Top banks and thrifts by number of branches in Northeast / Mid-Atlantic regions (CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV)

# Local Scale Leads to Superior Deposit Franchise

## Noninterest Bearing Deposits / Total Deposits



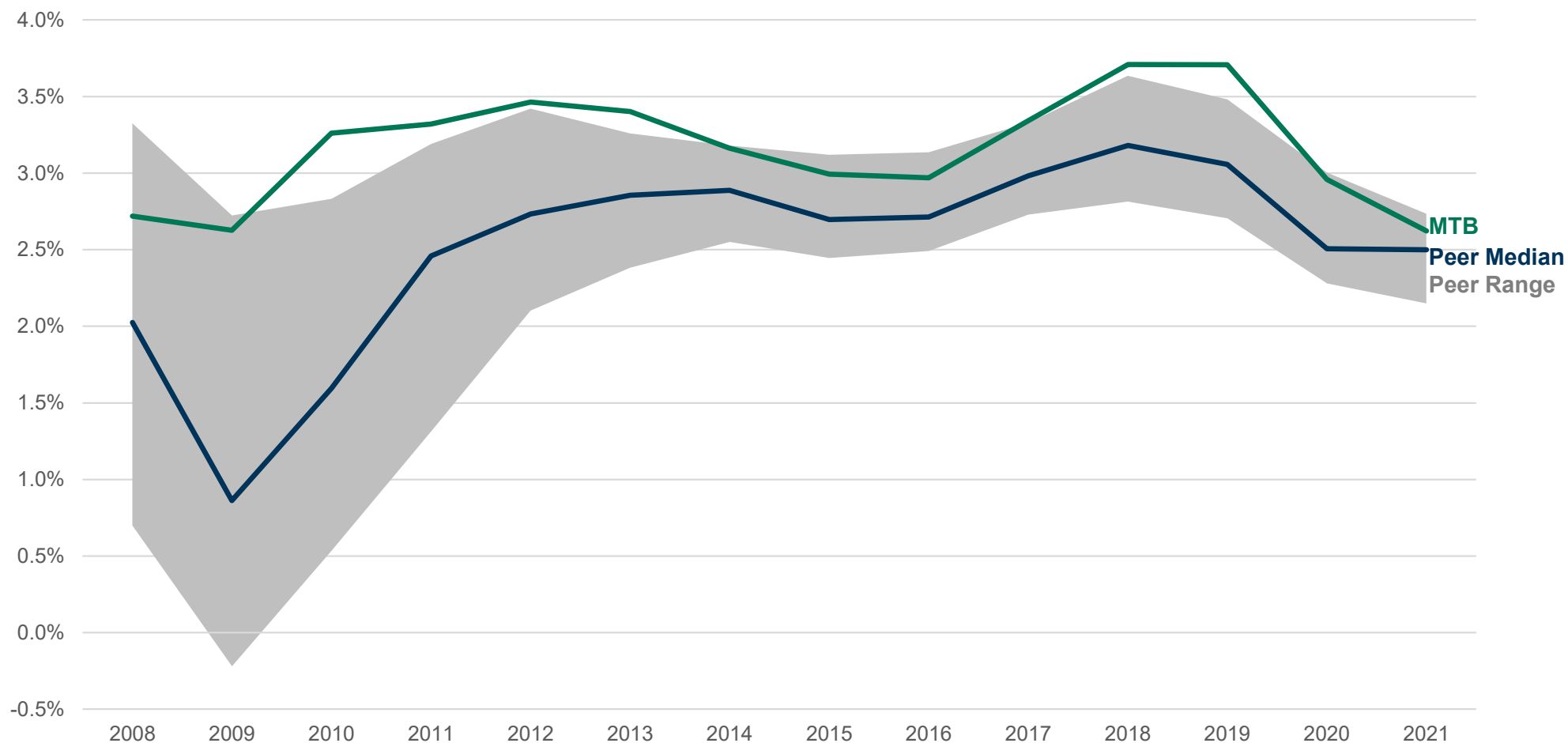
## Total Cost of Deposits



**Noninterest-bearing deposits** represented 45% of 1Q 2022 average total deposits for M&T compared to 35% peer median

# Higher Returns Relative to Risk

## Risk Adjusted Net Interest Margin (*NII less NCO % of AEA*)



# Meeting Evolving Needs: Talent Is the Greatest Differentiator



## Seasoned, Skilled, and Stable

- 18-year average tenure for executive management
- Talent development programs span 4 decades
- Only 3 CEOs, 4 CFOs, and 2 CCOs in 38 years

## Increasingly Diverse

- More than 40% of our Board of Directors team is diverse
- Several diversity recognition programs and initiatives

## New Capabilities

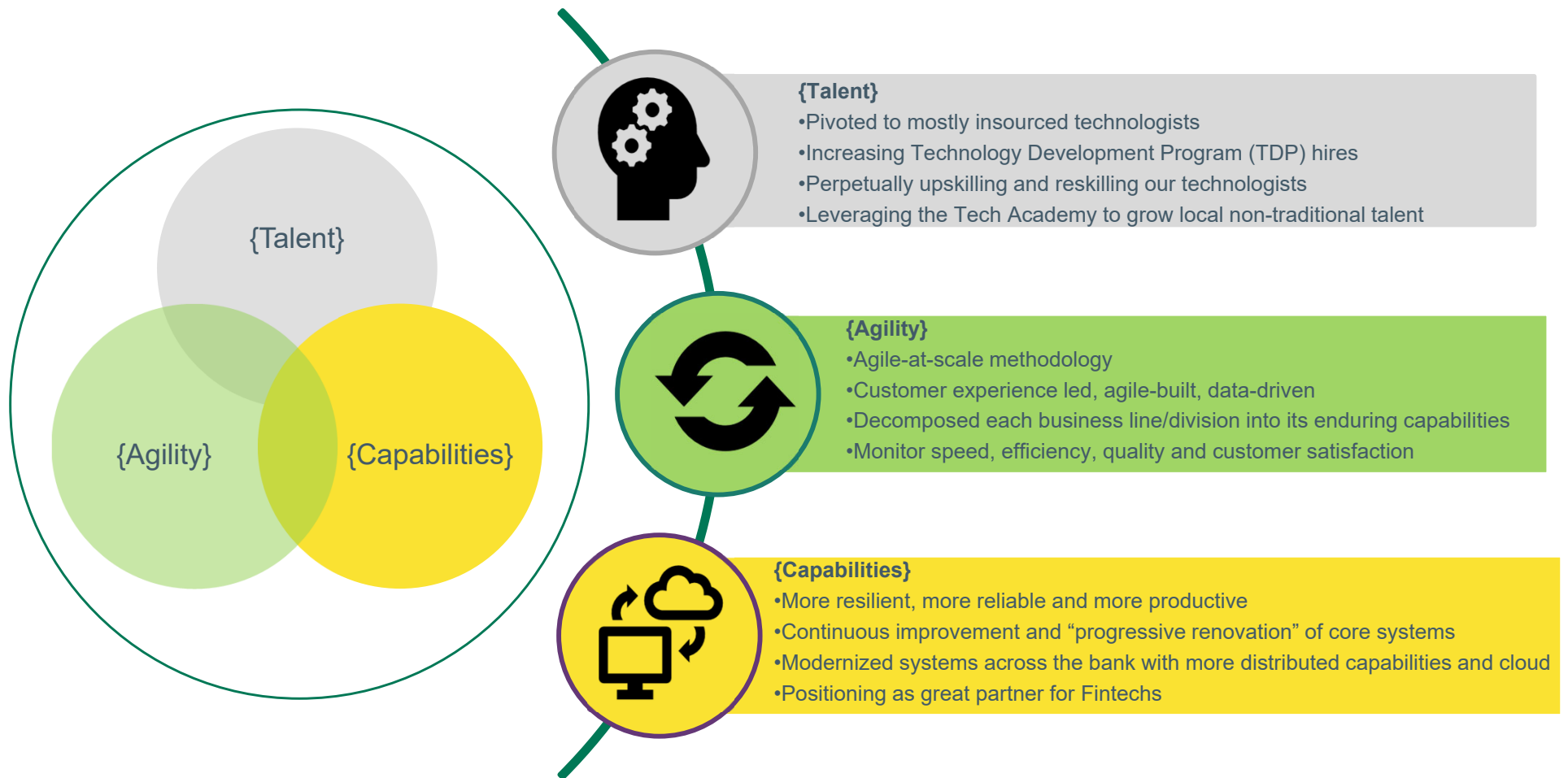
- Digitally forward, locally focused
- Enhanced team with new skill sets including design engineers and anthropologists to solve problems & deliver solutions
- Partnerships with Fintechs to innovate and create customer solutions

Delivering for our customers

# Delivering Innovative Capabilities...

## ...as Technology Transformation Continues

Our Technology transformation is centered around Three Key Dimensions





# Our Focus on Customers, Communities and Innovation Pays Dividends

## When our customers and communities succeed, we all succeed



### Customer Focused

- Long lasting relationships
- Offered pandemic-related mortgage loan relief to >129,000 customers
- Through the PPP program, funded >59K loans (\$9.9 billion) and supported roughly 850K jobs in our local communities



### Community Engagement

- \$1.5 billion in community development loans, lines of credit, & investments
- 40 hours of paid volunteer time to employees yearly
- \$279 million in charitable contributions to not-for-profits over the past decade
- Launched Tech Academy Community Bootcamp
- Co-investments with start-ups



### Business Support

- Won 112 Greenwich Excellence awards in Small Business since 2011
- Ranked #7 SBA Lender in the country
- 91% of M&T Small Business customers rated M&T as excellent or above average in overall satisfaction



### Top Rankings

- Highest possible CRA rating from Federal Reserve since 1982
- #1 or #2 SBA lender in 8 out of 12 markets
- One of seven banks nationally to receive a "Standout" rating in Greenwich's Crisis Response Index
- 15 Greenwich Excellence & 3 Best Brand Awards in Small Business Banking
- 14 Greenwich Excellence & 3 Best Brand Awards for Middle Market Banking

# A Bank for Communities & Making a Difference – Our ESG Commitment

## ESG Accomplishments and Highlights since Last Year

Launched Operational Sustainability Initiatives to Reduce Carbon Footprint

### 2021 ESG report included

- Inaugural TCFD<sup>(1)</sup> disclosure
- Second SASB<sup>(2)</sup> report

Defined Board and Management ESG Governance

Built a Centralized ESG Team

Completed our 1<sup>st</sup> Materiality Assessment

### Environment



- **\$638.4 million** funded in renewable energy projects over the past three years
- **\$173.8 million** in financing provided for renewable energy projects in 2021
- **18% reduction** in our total electricity usage since 2017
- **21% reduction** in Scope 1 and 2 GHG emissions since 2019

### Social



- **\$33.9 million** awarded in charitable contributions
- **\$1.7 billion** in lending to projects containing affordable housing
- Designated as one of the **Best Places to Work for LGBTQ+ Equality** by the Human Rights Campaign Foundation and one of the **Best Places to Work for Disability Inclusion** in the 2021 Disability Equality Index

### Governance



- **84%** of Board members were independent
- **42%** of Board members represented diverse groups
- We are committed to complying with the highest standards of business ethics and integrity

# M&T – A High Performing Community-Focused Bank

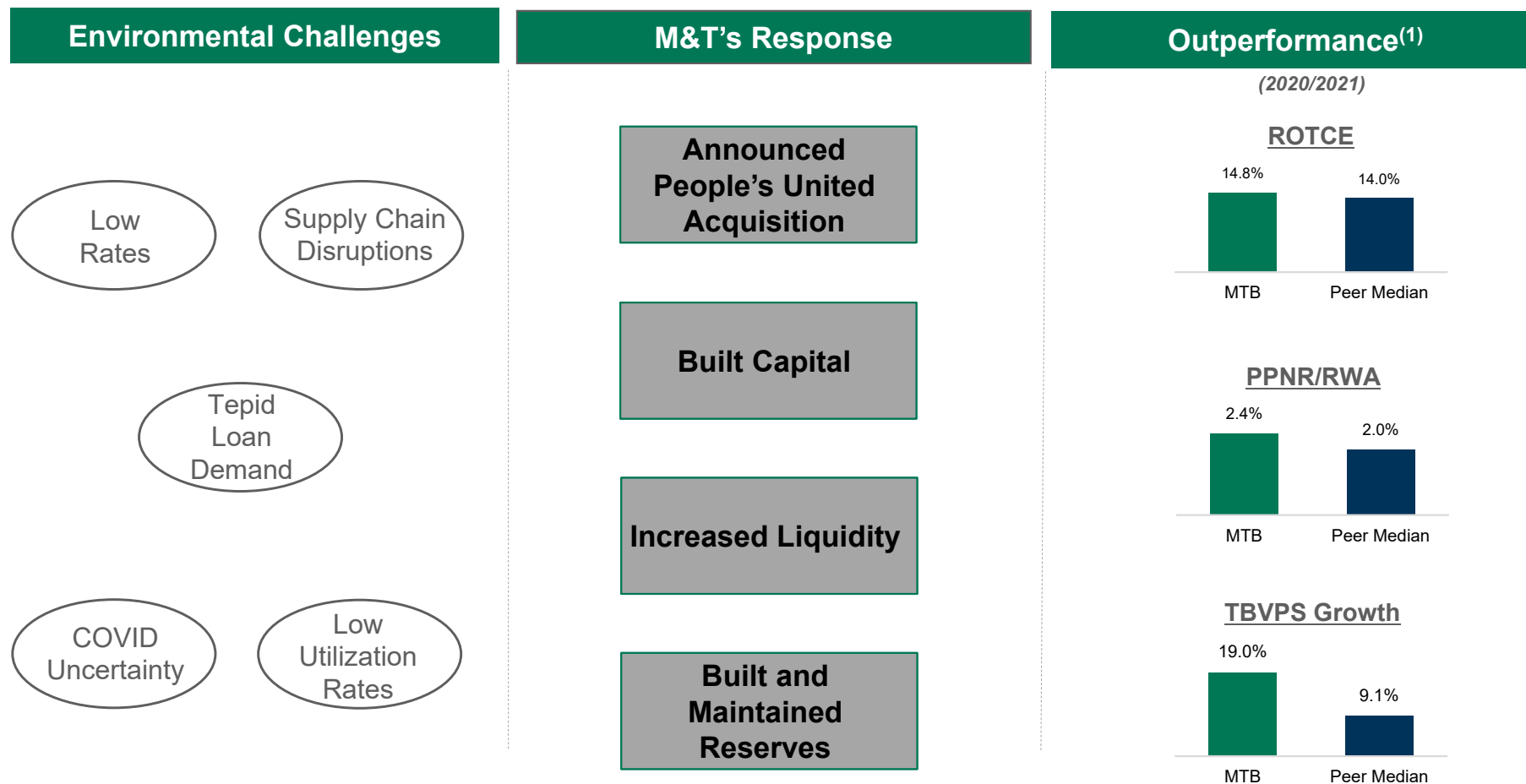
- Top 20 U.S.-based, commercial bank holding company, with national capabilities from our suite of specialty businesses and Wilmington Trust
- Seasoned management team and deeply embedded culture
- Superior profitability and earnings and dividend growth over multiple economic cycles
- Decades of top quartile loan and deposit growth
- Local scale leading to superior pricing on both sides of the balance sheet, above peer risk-adjusted NIM and credit outperformance
- Disciplined and efficient operator and prudent stewards of shareholder capital
- Growth driven by relentless focus on customers, talent, and delivering innovative capabilities
- Practicing stakeholder capitalism for over 30 years, giving back to our communities



The background of the slide features a complex geometric pattern. It consists of various shades of green and grey. On the left, there are vertical rectangular blocks. On the right, there are large, overlapping circular and semi-circular shapes. A horizontal band with a dark green, textured, fabric-like appearance runs across the middle of the slide, serving as a backdrop for the title.

# Current Themes & Key Messages

# Performance Through Unprecedented Environment Over Last 2 Years



**Faced with a challenging environment, M&T conservatively navigated the last two years while still outperforming the peer group.**

# Environment Opening Up for “Dry Powder” Deployment

	2020 and 2021	2022+
<b>People’s United Acquisition</b>	<ul style="list-style-type: none"> <li>Announced acquisition of like-minded banking franchise with contiguous footprint</li> </ul>	<b>Complete integration process and begin realizing synergies</b>
<b>Excess Liquidity</b>	<ul style="list-style-type: none"> <li>Preserved liquidity in low-rate environment</li> <li>Maintained highest cash levels as a % of earning assets to our history and versus our peer group</li> </ul>	<b>Higher interest rates supporting opportunities for cash deployment</b>
<b>Excess Capital</b>	<ul style="list-style-type: none"> <li>Grew capital ratios to historical highs and highest in peer group</li> </ul>	<b>Reaffirmed \$800 million share repurchase program</b>
<b>ACL Release Below Peers</b>	<ul style="list-style-type: none"> <li>Built ACL significantly above CECL Day 1 levels while the peer median is now slightly lower than CECL Day 1 levels</li> </ul>	<b>Minimal opportunity for peer benefits from ACL releases</b>
		<b>Goal: Top Quartile ROTCE</b>

# People's United Financial Merger Creates Long-Term Shareholder Value

- On April 1, 2022, M&T successfully completed the acquisition of People's United Financial valued at approximately \$8.4 billion
- Complementary community banking purpose and commitment; since announcement, core People's United customer retention strong
- Deal Pro Forma and Acquisition Accounting marks expected to be completed later in the second quarter
- Compelling Returns
  - EPS accretion likely to be lower than announcement as M&T standalone has improved
  - Annual tangible capital generation<sup>(1)</sup> expected to be >\$650 million compared to >\$600 million at announcement
  - Cost saves still expected at \$330 million; full run rate expected in early 2023
  - Expect transaction to be slightly dilutive to tangible book value but with the CET1 ratio >11% at closing
- Reaffirmed \$800 million share repurchase program in February and have resumed repurchases in 2Q22
- Systems conversion completion expected to occur in 3Q22



# 2022 Outlook Including Impact from People's United

	April 1 Combined <sup>(1)</sup>	YE 2022 Guide	2021 <sup>(2)</sup> Avg	2022 Avg
Total Loans	\$128 Billion	Up 3-5% (up 4-6% ex PPP/GNMA Buyouts)	\$97 Billion	Up 24-26%
Securities	\$21 Billion	Growth of ~\$2 billion per quarter		
Interest-Earning Cash	\$45 Billion	Slightly under \$30 billion		
	2021 <sup>(2)</sup>	2022 Outlook		
NII (FTE)	\$3,840 Million	Up 48%-52%		
Fees (ex Securities G/L)	\$2,188 Million	Up 11%-13%		
Operating Expenses <sup>(3)</sup>	\$3,558 Million	Up 23%-26%		

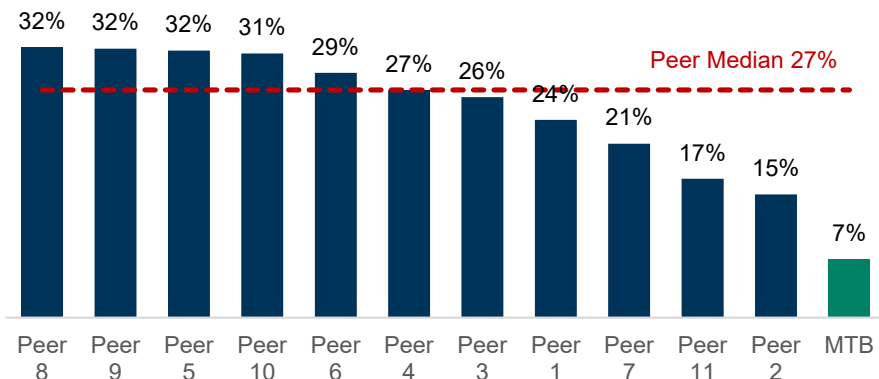
Note: (1) "Combined" includes legacy M&T as well as People's United balances as of April 1, 2022. Balances do not yet include finalized acquisition accounting adjustments.

(2) 2021 figures are pre-merger financials for standalone M&T. (3) Operating expenses excludes amortization of intangibles and merger-related costs.

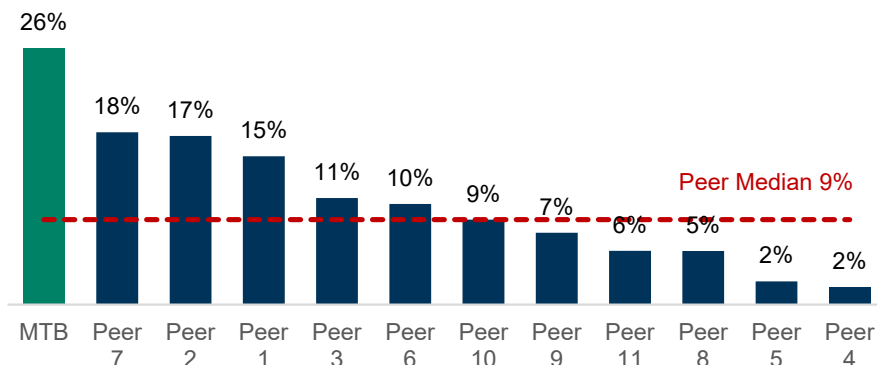


# “Dry Powder” from Above Peer Excess Liquidity

## Securities as a % of Total Earning Assets – As of 3/31/21



## Interest-Earning Deposits at Banks and Fed Funds Sold as a % of Total Earning Assets – As of 3/31/21



### On the path to reduce downside risk...

- Increase fixed rate exposure, reduce asset sensitivity
  - On balance sheet:
    - Retain residential mortgages
    - Purchase securities
  - Off-balance sheet:
    - Rebuild hedge portfolio

### ...with still lots of “Dry Powder”

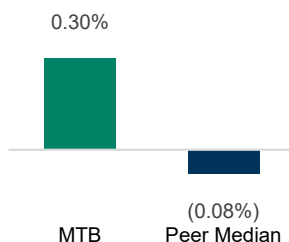
- We estimate a 25-basis point rate increase translates to about \$165 million to \$225 million in incremental NII and +10 to +14 basis points in NIM
- Experiencing a meaningful increase in money market fee recapture in 2Q; we estimate \$10 million in incremental fees for 2Q22 vs. 1Q22

# “Dry Powder” from Credit and Capital

M&T’s credit and capital position support earnings growth in a recovering market and serve as a prudent starting point for the 2022 CCAR cycle

## Credit

### Δ in ACL Ratio vs. CECL Day 1<sup>(1)</sup>

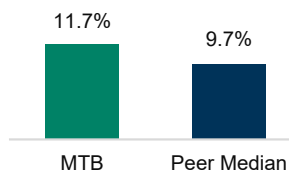


**Rank: 1<sup>st</sup>**

- Above average ACL build compared to CECL Day 1 levels. M&T’s ACL/loans ratio is 30 bps above the CECL Day 1 level while the peer median is below (-8 bp) at 3/31/22
- Recapture of reserves in excess of CECL Day 1 levels would translate into future earnings

## Capital

### CET1 Ratio (1Q22)



**Rank: 1<sup>st</sup>**

- CET1 Ratio elevated versus peer group and historical levels
- M&T’s Board of Directors reaffirmed an \$800 million share repurchase program in 1Q22
- Issued \$500 million in preferred stock in 2021 supporting Tier 1 regulatory capital levels

Source: S&P Global Market Intelligence and company filings

Note: (1) The chart shows the difference in the ALLL ratio for March 31, 2022, minus the CECL Day 1 ACL ratio.

# Q1 2022 | Appendix

# Key Ratios

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>1Q '21</u>	<u>4Q '21</u>	<u>1Q '22</u>
<b>Superior Pre-Credit Earnings</b>									
<b>Net Interest Margin</b>	3.11%	3.47%	3.83%	3.84%	3.16%	2.76%	2.97%	2.58%	2.65%
<b>Efficiency Ratio – Operating <sup>(1)</sup></b>	56.10%	55.07%	54.79%	55.66%	56.35%	59.02%	60.33%	59.71%	64.95%
<b>PPNR <sup>(1)</sup></b>	2,248	2,492	2,640	2,723	2,570	2,380	568	585	485
<b>PPNR to RWA <sup>(1)(3)</sup></b>	2.29%	2.53%	2.72%	2.70%	2.44%	2.27%	2.18%	2.24%	1.90%
<b>Strong Credit Metrics</b>									
<b>Allowance to Loans (As At)</b>	1.09%	1.16%	1.15%	1.16%	1.76%	1.58%	1.65%	1.58%	1.60%
<b>Net Charge-Offs to Loans</b>	0.18%	0.16%	0.15%	0.16%	0.26%	0.20%	0.31%	0.13%	0.03%
<b>Focused on Returns</b>									
<b>Net Operating Return on:</b>									
<b>Tangible Assets <sup>(1)(2)</sup></b>	1.14%	1.23%	1.72%	1.69%	1.04%	1.28%	1.29%	1.23%	1.04%
<b>Tangible Common Equity <sup>(1)(2)</sup></b>	12.25%	13.00%	19.09%	19.08%	12.79%	16.80%	17.05%	15.98%	12.44%
<b>Consistent Capital Generation</b>									
<b>Tangible Common Equity to Tangible Assets</b>	8.92%	9.10%	8.31%	8.55%	7.49%	7.68%	7.26%	7.68%	7.94%
<b>Common Equity Tier 1 Ratio</b>	10.70%	10.99%	10.13%	9.73%	10.00%	11.42%	10.42%	11.42%	11.66%
<b>Tier 1 Capital Ratio</b>	11.92%	12.26%	11.38%	10.94%	11.17%	13.11%	11.61%	13.11%	13.36%
<b>Balance Sheet (As At)</b>									
<b>Loans to Deposits</b>	95.1%	95.2%	98.1%	95.9%	82.2%	70.6%	77.3%	70.6%	72.7%
<b>Securities to Assets</b>	13.2%	12.4%	10.6%	7.9%	4.9%	4.6%	4.4%	4.6%	6.2%

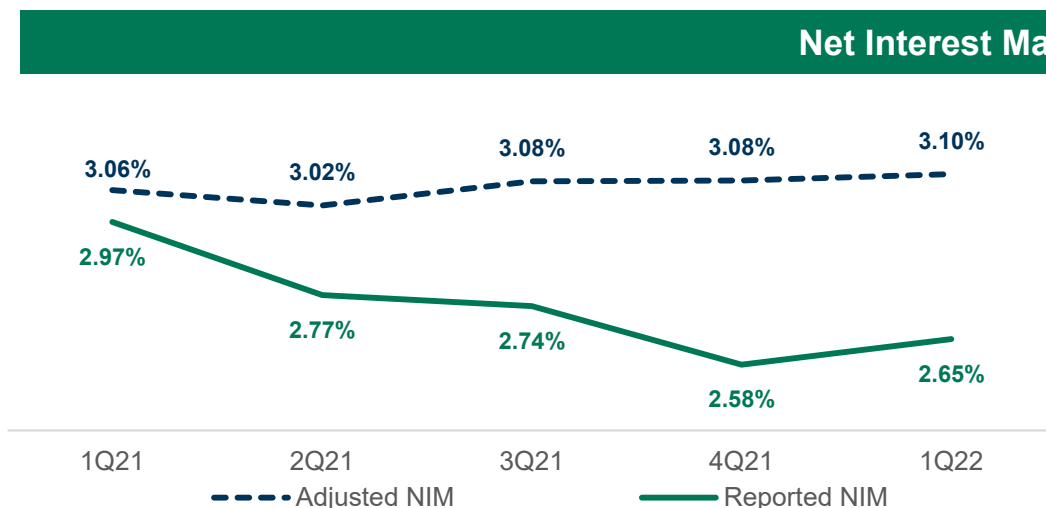
Notes:

(1) The Efficiency Ratio and Pre-provision Net Revenue are non-GAAP financial measures. The Efficiency Ratio reflects non-interest expense (excluding amortization expense associated with intangible assets and merger-related expenses) as a percentage of fully taxable equivalent net interest income and non-interest revenues (excluding gains or losses from securities transactions and merger-related gains)

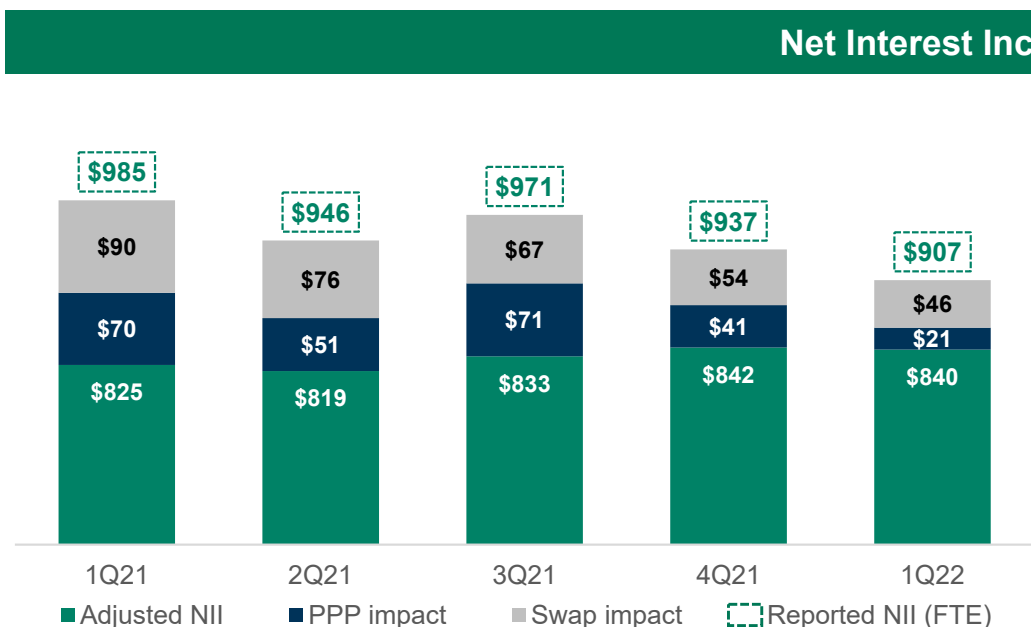
(2) Excludes merger-related gains and expenses and amortization expense associated with intangible assets.

(3) Annual and quarterly PPNR to Risk Weighted Assets calculated using average of quarterly reported RWA balances after 2017. Average RWA is calculated using the average of year end balances for 2016.

# Stable Adjusted Net Interest Margin Trends



- In addition to low rates, excess cash balances<sup>(1)</sup>, PPP, and swaps were the main drivers of NIM volatility during the crisis
- Adjusted<sup>(2)</sup> NIM has been stable to slightly higher over the last five quarters
- Excess cash<sup>(1)</sup> had a negative 64 bps impact on NIM in 1Q but only a modest impact to NII



- Recent declines in reported net interest income have been driven by lower swap income and volatility in PPP income
- Adjusted<sup>(2)</sup> net interest income has been stable to higher over the last year
- Benefits from higher rates to significantly outweigh expected declines in both PPP and swap income in 2Q22

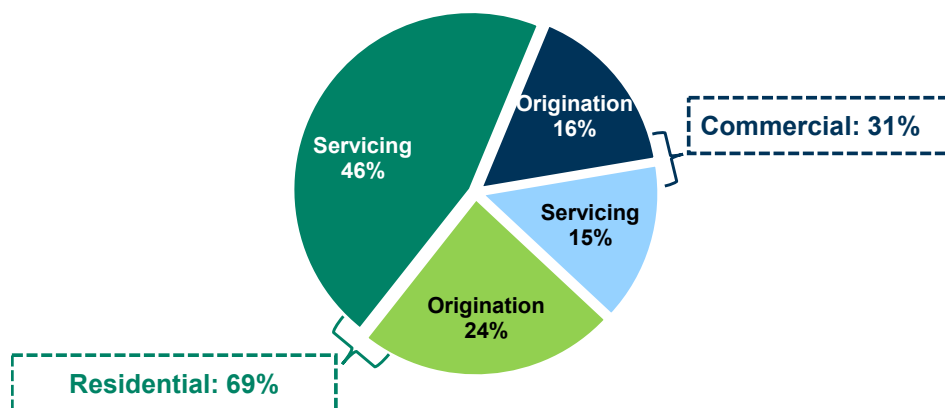
Notes:

(1) The impact to NIM from excess cash balances is calculated by comparing the sum of Federal funds sold and agreements to resell securities, interest earnings deposits at banks and trading assets at the end of each quarter to the sum at December 31, 2019. Given the low-rate environment these interest-earning cash balances had a negligible impact on NII.

(2) Adjusted NII and NIM excludes the impact from PPP, excess cash and cash flow hedges.

# Diversity in Mortgage Banking Revenues

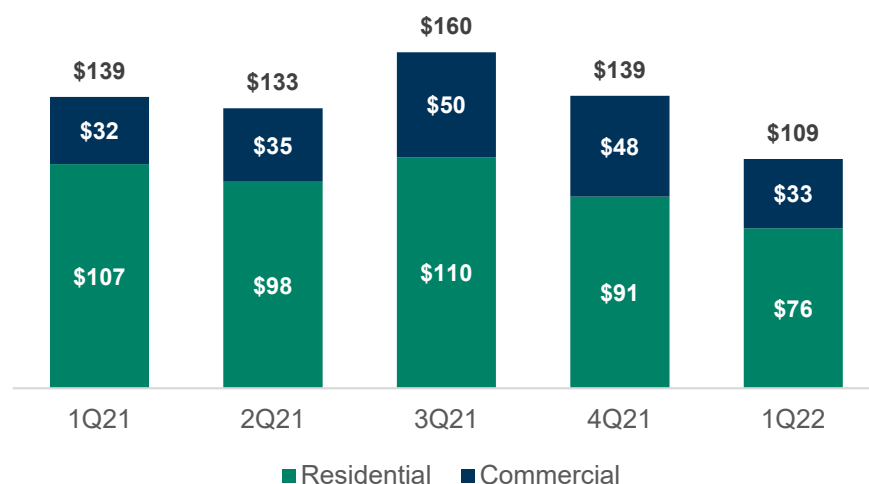
## Total Mortgage Fee Mix – 1Q22 (TTM)



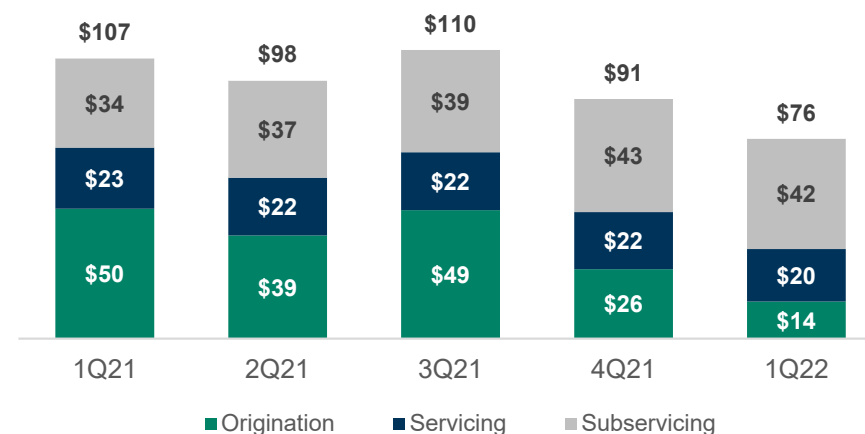
## Highlights

- While M&T has benefitted from a favorable residential origination environment, more than half of our mortgage revenue is comprised of fees from servicing residential and commercial loans for others
- The diversity of our mortgage revenue serves as a natural hedge in different environments and reduces the volatility often associated with residential GOS fees
- For 1Q22 (TTM), residential GOS accounted for only 24% of total mortgage banking revenues
- Recent decline in residential origination reflects increased retention of assets on balance sheet

## Commercial fees a solid contributor to mortgage revenue



## Residential Mortgage Trends



# Reconciliation of GAAP and Non-GAAP Measures

## **Net Income** **\$ in millions**

	2016	2017	2018	2019	2020	2021	1Q21	4Q21	1Q22
Net income	\$ 1,315.1	\$ 1,408.3	\$ 1,918.1	\$ 1,929.1	\$ 1,353.2	\$ 1,858.7	\$ 447.2	\$ 458.0	\$ 362.2
Intangible amortization*	25.9	19.0	18.1	14.4	11.0	7.5	2.0	1.4	0.9
Merger-related items*	21.7	-	-	-	-	33.6	8.1	16.1	12.9
Net operating income	\$ 1,362.7	\$ 1,427.3	\$ 1,936.2	\$ 1,943.5	\$ 1,364.1	\$ 1,899.8	\$ 457.4	\$ 475.5	\$ 376.0

## **PPNR**

Net Income for EPS	\$ 1,223.5	\$ 1,327.5	\$ 1,836.0	\$ 1,849.5	\$ 1,279.1	\$ 1,777.0	\$ 428.1	\$ 434.2	\$ 339.6
Preferred Div., Amort. of Pref. Stock & Unvested Stock Awards	91.7	80.8	82.1	79.6	74.1	81.8	19.2	23.8	22.6
Income Taxes	743.3	915.6	590.2	618.1	416.4	596.4	145.3	142.0	113.1
GAAP Pre-tax Income	2,058.4	2,323.9	2,508.2	2,547.3	1,769.5	2,455.1	592.5	599.9	475.3
Provision for credit losses	190.0	168.0	132.0	176.0	800.0	(75.0)	(25.0)	(15.0)	10.0
Pre-Tax, Pre-Provision Net Revenue	\$ 2,248.4	\$ 2,491.9	\$ 2,640.2	\$ 2,723.3	\$ 2,569.5	\$ 2,380.1	\$ 567.5	\$ 584.9	\$ 485.3

## **Earnings Per Share**

Diluted earnings per share	\$ 7.78	\$ 8.70	\$ 12.74	\$ 13.75	\$ 9.94	\$ 13.80	\$ 3.33	\$ 3.37	\$ 2.62
Intangible amortization*	0.16	0.12	0.12	0.11	0.08	0.06	0.02	0.01	0.01
Merger-related items*	0.14	-	-	-	-	0.25	0.06	0.12	0.10
Diluted net operating earnings per share	\$ 8.08	\$ 8.82	\$ 12.86	\$ 13.86	\$ 10.02	\$ 14.11	\$ 3.41	\$ 3.50	\$ 2.73

## **Efficiency Ratio**

### **\$ in millions**

Non-interest expenses	\$ 3,047.5	\$ 3,140.3	\$ 3,288.1	\$ 3,468.7	\$ 3,385.2	\$ 3,611.6	\$ 919.4	\$ 927.5	\$ 959.7
less: intangible amortization	42.6	31.4	24.5	19.5	14.9	10.2	2.7	2.0	1.3
less: merger-related expenses	35.8	-	-	-	-	43.9	10.0	21.2	17.4
Non-interest operating expenses	\$ 2,969.1	\$ 3,109.0	\$ 3,263.5	\$ 3,449.2	\$ 3,370.4	\$ 3,557.6	\$ 906.8	\$ 904.4	\$ 941.1
Tax equivalent revenues	\$ 5,322.8	\$ 5,666.8	\$ 5,950.2	\$ 6,214.8	\$ 5,972.0	\$ 6,006.5	\$ 1,490.7	\$ 1,516.0	\$ 1,448.3
less: gain/(loss) on sale of securities	30.3	21.3	(6.3)	18.0	(9.4)	(21.2)	(12.3)	1.4	(0.7)
less: net OTTI losses recognized	-	-	-	-	-	-	-	-	-
less: merger-related gains	-	-	-	-	-	-	-	-	-
Denominator for efficiency ratio	\$ 5,292.5	\$ 5,645.5	\$ 5,956.5	\$ 6,196.8	\$ 5,981.5	\$ 6,027.7	\$ 1,503.0	\$ 1,514.6	\$ 1,449.0
Net operating efficiency ratio	56.1%	55.1%	54.8%	55.7%	56.3%	59.0%	60.3%	59.7%	64.9%

\*Net of tax

# Reconciliation of GAAP and Non-GAAP Measures

## **Average Assets**

### **\$ in millions**

	2016	2017	2018	2019	2020	2021
Average assets	\$ 124,340	\$ 120,860	\$ 116,959	\$ 119,584	\$ 135,480	\$ 152,669
Goodwill	(4,593)	(4,593)	(4,593)	(4,593)	(4,593)	(4,593)
Core deposit and other intangible assets	(117)	(86)	(59)	(38)	(21)	(8)
Deferred taxes	46	33	16	10	5	2
Average tangible assets	\$ 119,676	\$ 116,214	\$ 112,323	\$ 114,963	\$ 130,871	\$ 148,070

## **Average Common Equity**

### **\$ in millions**

Average common equity	\$ 15,122	\$ 15,063	\$ 14,398	\$ 14,446	\$ 14,741	\$ 15,471
Goodwill	(4,593)	(4,593)	(4,593)	(4,593)	(4,593)	(4,593)
Core deposit and other intangible assets	(117)	(86)	(59)	(38)	(21)	(8)
Deferred taxes	46	33	16	10	5	2
Average tangible common equity	\$ 10,458	\$ 10,417	\$ 9,762	\$ 9,825	\$ 10,132	\$ 10,872

1Q21	4Q21	1Q22
\$ 148,157	\$ 157,722	\$ 151,648
(4,593)	(4,593)	(4,593)
(13)	(5)	(3)
3	1	1
\$ 143,554	\$ 153,125	\$ 147,053
\$ 15,077	\$ 15,863	\$ 16,144
(4,593)	(4,593)	(4,593)
(13)	(5)	(3)
3	1	1
\$ 10,474	\$ 11,266	\$ 11,549



# Reconciliation of GAAP and Non-GAAP Measures

<b>Net Interest Margin</b>	<b>1Q21</b>	<b>2Q21</b>	<b>3Q21</b>	<b>4Q21</b>	<b>1Q22</b>
Net Interest Margin	2.97%	2.77%	2.74%	2.58%	2.65%
Less: Excess Cash	(0.45%)	(0.51%)	(0.67%)	(0.74%)	(0.64%)
Less: PPP	0.09%	0.04%	0.14%	0.09%	0.05%
Less: Swap Income	0.27%	0.22%	0.19%	0.15%	0.14%
Adjusted Net Interest Margin	3.06%	3.02%	3.08%	3.08%	3.10%

<b>Risk Adjusted Net Interest Margin</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>1Q22</b>
<b>\$ in millions</b>									
Net interest income—taxable-equivalent	\$ 2,700	\$ 2,867	\$ 3,497	\$ 3,816	\$ 4,094	\$ 4,153	\$ 3,884	\$ 3,840	907
Less Net charge-offs	121	134	157	140	130	144	247	192	7
Numerator for Risk Adj. NIM	2,579	2,733	3,340	3,676	3,964	4,009	3,636	3,647	901
Average earning assets	81,681	91,187	112,556	110,002	106,766	108,222	122,869	139,068	138,624
Risk Adjusted NIM (Annualized)	3.16%	3.00%	2.97%	3.34%	3.71%	3.70%	2.96%	2.62%	2.63%

## M&T Peer Group

Citizens Financial Group, Inc.

Comerica Incorporated

Fifth Third Bancorp

First Horizon National Corporation

Huntington Bancshares Incorporated

KeyCorp

M&T Bank Corporation

PNC Financial Services Group, Inc.

Regions Financial Corporation

Truist Financial Corporation

U.S. Bancorp

Zions Bancorporation, NA