



First Empire to Buyback Stock

BUFFALO, NEW YORK -- First Empire State Corporation ("First Empire") (AMEX:FES) announced that it has been authorized by its Board of Directors to purchase and hold as treasury stock up to 155,133 additional shares of its common stock. This represents approximately 2% of common shares currently outstanding. The additional shares of treasury stock will be used in connection with the possible future exercise of outstanding stock options granted under First Empire's 1983 Stock Option Plan. Under this authorization, shares of common stock may be purchased from time-to-time in the open market or in privately negotiated transactions. The previous program to reacquire 303,317 shares authorized on February 18, 1997 was completed on May 20, 1998. As of May 19, 1998, First Empire had 8,027,663 shares of common stock outstanding, and it held 73,876 shares as treasury stock.

First Empire is an approximately \$20 billion bank holding company whose subsidiaries include Manufacturers and Traders Trust Company (Buffalo, New York) and M&T Bank, National Association (Oakfield, New York).