



M&T Bank Announces Exchange Offer Pricing

BUFFALO, N.Y., Dec 22, 2005 /PRNewswire-FirstCall via COMTEX News Network/ -- M&T Bank, the principal banking subsidiary of M&T Bank Corporation ("M&T") (NYSE: MTB), announced today that approximately 71.5%, or \$357.4 million, in principal amount of its 8.000% Subordinated Notes due 2010 (CUSIP No. 564759MJ4) (the "old notes") were tendered for exchange as of 5:00 p.m., New York City time, on December 19, 2005 (the "early participation date") in connection with its exchange offer, which commenced on November 29, 2005 and was modified on December 13, 2005. M&T Bank offered to exchange new fixed rate/floating rate subordinated notes due 2020 (the "new notes") for any and all of the \$500,000,000 aggregate principal amount of its old notes. M&T Bank also announced today the pricing terms for its exchange offer.

The total exchange price to be paid for old notes validly tendered and not withdrawn by the early participation date is \$1,128.87 per \$1,000 principal amount of old notes. Holders of old notes who tender after the early participation date will receive the total exchange price less the early participation payment, or \$1,108.87 per \$1,000 principal amount of old notes. The total exchange price for the old notes was determined using the bid-side yield on the 4.25% U.S. Treasury Note due October 15, 2010, as of 2:00 p.m., New York City time, on December 21, 2005 (the "pricing time"), which was 4.446%, plus 0.48%, resulting in an exchange offer yield of 4.926%.

The new notes will bear interest at a fixed rate per annum of 5.585% from the settlement date to December 27, 2015. The fixed interest rate was determined using the bid-side yield on the 4.5% U.S. Treasury Note due November 15, 2015 as of the pricing time, which was 4.485%, plus 1.10%. From December 28, 2015 to the maturity date or earlier redemption date, the interest rate per annum for the new notes will be reset monthly at a rate equal to the then applicable U.S. dollar one-month LIBOR plus 1.215%.

The exchange offer will expire at midnight, New York City time, on December 27, 2005, unless extended, and the settlement date for the exchange offer is expected to be December 28, 2005.

The exchange offer is made solely by and upon the terms and subject to the conditions set forth in M&T Bank's Offering Memorandum dated November 29, 2005 (the "Offering Memorandum"). This press release is neither an offer to purchase old notes nor a solicitation of an offer to sell new notes.

Additional information concerning the exchange offer and copies of the Offering Memorandum and related documents may be obtained by contacting Global Bondholder Services Corporation, the information agent, at 1-866-488-1500. Morgan Stanley & Co. Incorporated ("Morgan Stanley") and Lehman Brothers Inc. ("Lehman Brothers") are the dealer managers of the exchange offer. Any questions concerning the terms of the exchange offer should be directed to Morgan Stanley at 1-800-624-1808 or Lehman Brothers at 1-800-438-3242.

The new notes are not required to be, and have not been, registered under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered pursuant to an exemption from registration under the Securities Act provided by Section 3(a)(2) of the Securities Act.

M&T is a bank holding company whose banking subsidiaries, M&T Bank and M&T Bank, National Association, operate branch offices in New York, Pennsylvania, Maryland, Virginia, West Virginia, Delaware, and the District of Columbia.

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