

M&T Bank Corporation (“M&T”) has outstanding warrants to purchase shares of common stock of M&T, which are currently traded on the New York Stock Exchange (NYSE: MTB-WS). The warrants are exercisable, in whole or in part, at any time and from time to time until December 23, 2018. The number of shares issuable upon the exercise of each warrant and the warrant exercise price is subject to adjustment upon the occurrence of certain events, including cash dividends in excess of \$0.70 per share quarterly.

The following is a summary of the adjustment provisions of the warrants. This summary is not complete, and is subject in its entirety to the terms of the warrants (which was filed with the Securities and Exchange Commission on December 12, 2012 as Exhibit 4.1 to M&T’s Form 8-A12B and may be viewed on the Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov)).

Under the terms of the warrants, the Exercise Price of the warrants (as defined in the warrants) will be reduced effective as of the close of business on the record date for each regular quarterly cash dividend declared in an amount above the Ordinary Cash Dividend of \$0.70 per share (as adjusted for any stock split, reverse stock split, reclassification or similar transaction). The new Exercise Price will be calculated by multiplying the current Exercise Price by the quotient of:

- the market price of M&T’s common stock on the last trading day preceding the first date on which M&T’s common stock trades regular way on the NYSE (where M&T’s common stock is listed) without the right to receive such distribution; minus
- the amount of cash and/or the fair market value of the securities, evidences of indebtedness, assets, rights or warrants to be distributed in respect of one share of M&T’s common stock (the “Per Share Fair Market Value”); divided by
- the market price on the date specified in the first bullet point.

This adjustment is to be made successively whenever such a record date is fixed.

In the case of an adjustment for a cash dividend that is, or is coincident with, a regular quarterly cash dividend, the Per Share Fair Market Value is reduced by the per share amount of the portion of the cash dividend that would constitute an Ordinary Cash Dividend. On February 22, 2017, M&T’s Board of Directors declared a regular quarterly cash dividend of \$0.75 per share on its common stock which represents an increase of \$0.05 per share from the previous \$0.70 per share dividend paid quarterly since September 2007. The dividend is payable March 31, 2017 to shareholders of record at the close of business on March 6, 2017.

All calculations with respect to the Exercise Price are to be made to the nearest 1/10th of a cent; however, no adjustment in the Exercise Price will be made if the amount of such adjustment would be less than \$0.01, but such amount will be carried forward in a manner similar to that described below for Warrant Share Number adjustments.

Additionally, the Warrant Share Number of each warrant (as defined in the warrants) will be increased effective as of the close of business on the record date for each quarterly dividend declared in an amount above \$0.70 per share. The new Warrant Share Number will be calculated by multiplying the current Warrant Share Number by the quotient of:

- the Exercise Price of the warrants prior to the distribution giving rise to this adjustment; divided by

- the new Exercise Price determined as described above.

All calculations with respect to the Warrant Share Number will be made to the nearest 1/100th of a share; however, no adjustment in the Warrant Share Number will be made if the amount of such adjustment would be less than 1/10th of a share of common stock although any such amount will be carried forward (each a "Carry Forward Amount") and an adjustment with respect thereto will be made at the time of and together with any subsequent adjustment which, together with the relevant Carry Forward Amount, equals or exceeds in the aggregate \$0.01 or 1/10<sup>th</sup> of a share of common stock, or upon exercise of a warrant.

In accordance with the terms of the warrant and the adjustment procedure, the original warrant Exercise Price was \$73.86 per warrant; the market price of M&T's common stock was \$172.21 per share on March 1, 2017 (the last reported sale price of M&T's common stock on the NYSE on the trading day preceding the ex-dividend date for the quarterly dividend, as declared); minus the difference between the amount of the declared dividend (\$0.75 per share) and the ordinary cash dividend (\$0.70 per share); divided by the same last reported sale price of M&T's common stock. Based upon the calculation methodology, the resulting adjusted Exercise Price is \$73.839 and the adjusted Warrant Share Number is 1.00.

Notice of any adjustment in the Exercise Price or the Warrant Share Number will be made as provided in the terms of the warrants.

Each holder of warrants should consult their own tax advisor concerning the U.S. federal income tax consequences of any deemed distribution in light of their particular circumstances, as well as any consequences arising under the laws of any other applicable taxing jurisdiction.

Information concerning the current Exercise Price and Warrant Share Number is available on M&T's website at [ir.mandtbank.com](http://ir.mandtbank.com), under the heading "Warrant Information."