

Barclays Global Financial Services Conference

September 13, 2017

M&T Bank Corporation

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

Who is M&T Bank Corporation?

- Top 20 US-based commercial bank holding company
- Substantial growth from \$2 billion in assets in 1983 to \$121 billion at June 30, 2017
- 16,888 employees across 793 domestic branches in eight states and Washington DC
- 3.8 million customers representing 6.0 million accounts
- \$80 billion of assets under management⁽¹⁾
- Lowest percentage credit losses among the large money-center / superregional banks through the financial crisis
 - 1 of only 2 commercial banks (out of 20) in S&P 500 not to reduce dividend
- M&T has not posted a loss going back to 1976 – 164 quarters

Key Ratios

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2Q'16</u>	<u>1Q'17</u>	<u>2Q'17</u>
Superior Pre-Credit Earnings									
Net Interest Margin	3.73%	3.73%	3.65%	3.31%	3.14%	3.11%	3.13%	3.34%	3.45%
Efficiency Ratio – Tangible ⁽¹⁾	59.49%	55.28%	55.98%	59.29%	57.98%	56.10%	55.06%	56.93%	52.74%
PPNR ⁽¹⁾	1,531	1,796	1,951	1,766	1,845	2,248	562	573	648
PPNR to RWA ⁽¹⁾⁽³⁾	2.26%	2.43%	2.61%	2.35%	2.14%	2.29%	2.35%	2.32%	2.63%
Strong Credit Metrics									
Allowance to Loans (As At)	1.51%	1.39%	1.43%	1.38%	1.09%	1.09%	1.10%	1.12%	1.13%
Net Charge-Offs to Loans	0.47%	0.30%	0.28%	0.19%	0.19%	0.18%	0.11%	0.19%	0.20%
Focused on Returns									
Net Operating Return on:									
Tangible Assets ⁽¹⁾⁽²⁾	1.26%	1.40%	1.47%	1.23%	1.18%	1.14%	1.18%	1.21%	1.33%
Tangible Common Equity ⁽¹⁾⁽²⁾	17.96%	19.42%	17.79%	13.76%	13.00%	12.25%	12.68%	13.05%	14.18%
Consistent Capital Generation									
Tangible Common Equity to Tangible Assets	6.40%	7.20%	8.39%	8.11%	8.69%	8.92%	8.87%	8.71%	8.95%
Common Equity Tier 1 Ratio	NA	NA	NA	NA	11.08%	10.70%	11.01%	10.67%	10.81%
Tier 1 Capital Ratio	9.67%	10.22%	12.00%	12.47%	12.68%	11.92%	12.29%	11.91%	12.07%
Balance Sheet (As At)									
Loans to Deposits	101.18%	101.46%	95.46%	90.60%	95.14%	95.14%	93.53%	92.03%	95.23%
Securities to Assets	9.85%	7.32%	10.33%	13.44%	12.75%	13.16%	12.08%	12.96%	13.08%

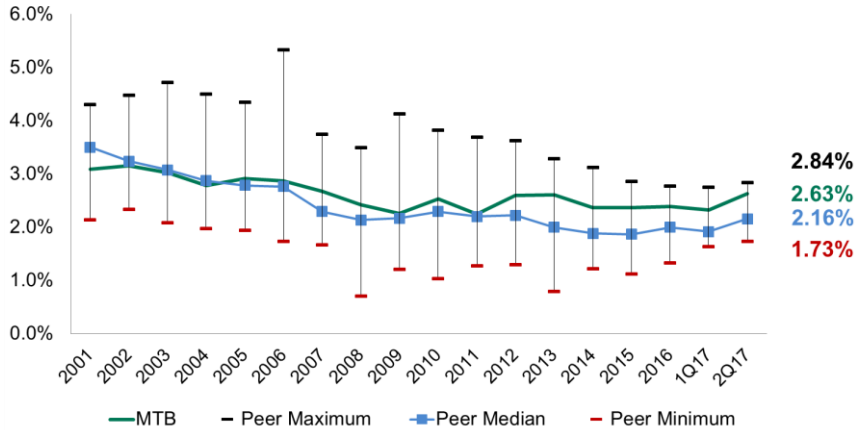
(1) The Efficiency Ratio and Pre-provision Net Revenue are non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is available in the appendix. The Efficiency Ratio reflects non-interest expense (excluding amortization expense associated with intangible assets and merger-related 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.

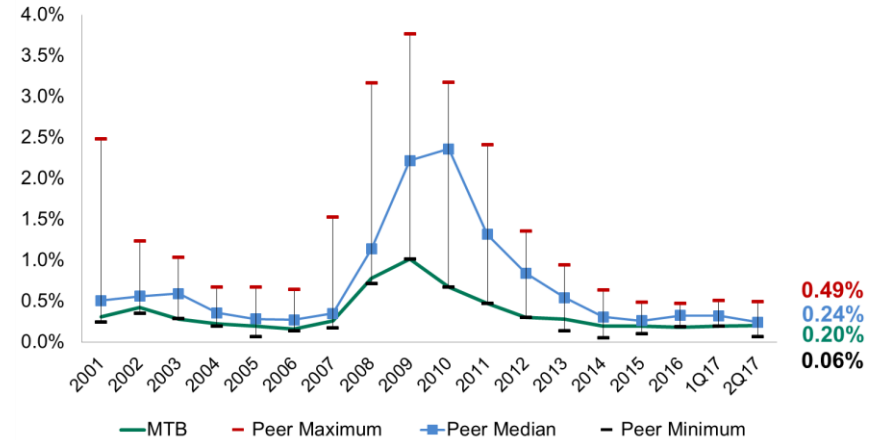
(3) Annual and quarterly PPNR to Risk Weighted Assets calculated using average of quarterly reported RWA balances.

M&T's Business Model – a Historical Perspective

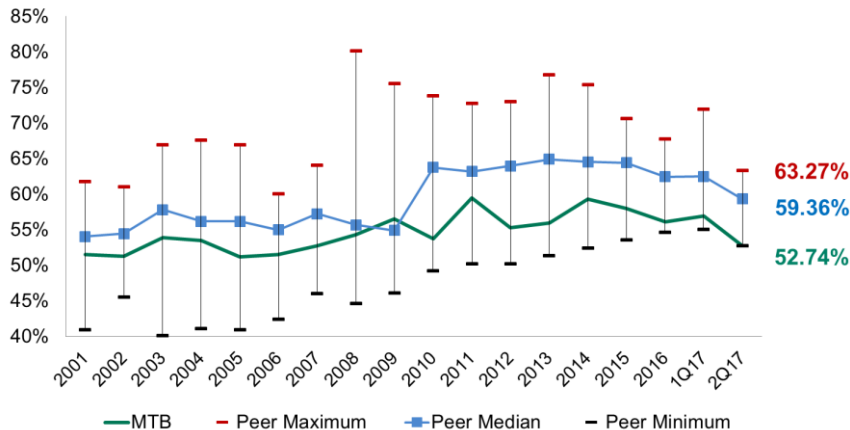
PPNR to RWA %



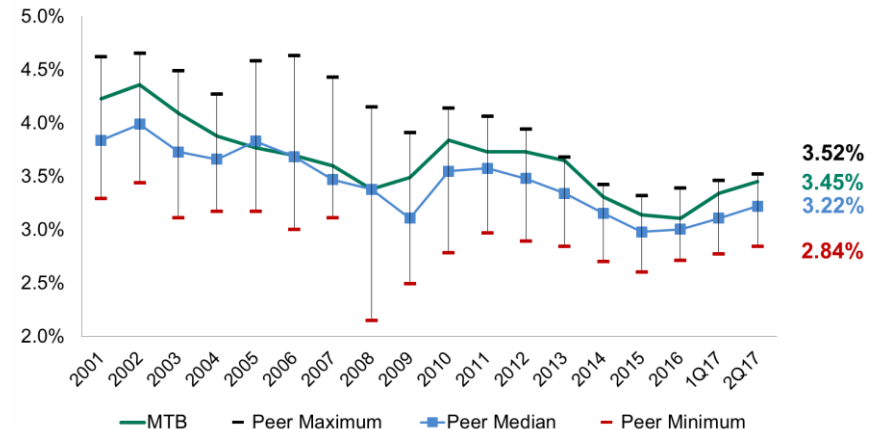
NCOs to Average Loans



Operating Efficiency Ratio %



Net Interest Margin %



Earning Asset Trends

Interest-Earning Assets (Average Balances)

(\$ in billions)

	2Q 2017 Balance	Q/Q Growth (%) ¹		Y/Y Growth (%)	
		M&T	Industry ³	M&T	Industry ³
Loans:					
Commercial & Industrial	\$22.4	1%	< 5%	4%	= 4%
Commercial Real Estate	\$33.2	0.5%	< 6%	10%	> 8%
Residential Real Estate	\$21.3	(16%)	< 2%	(14%)	< 4%
Auto ²	\$3.2	21%	> 0.2%	19%	> 4%
HELOC	\$5.5	(6%)	> (7%)	(6%)	> (7%)
Other Consumer	\$3.7	18%	> (3%)	16%	> 6%
Total Loans	\$89.3	(2%)	2%	1%	4%
Investment Securities	\$15.9	(2%)		7%	
Fed Deposits & Other	\$4.8	(91%)		(45%)	
Total Earning Assets	\$110.0	(7%)		2%	

- Commercial loan growth supported by Hudson City transformation

- Partially offset by runoff of Hudson City mortgages

- Results in low single-digit annual loan growth

- Variability of cash on deposit at Fed affects earning assets and NIM, with limited NII impact

Notes:

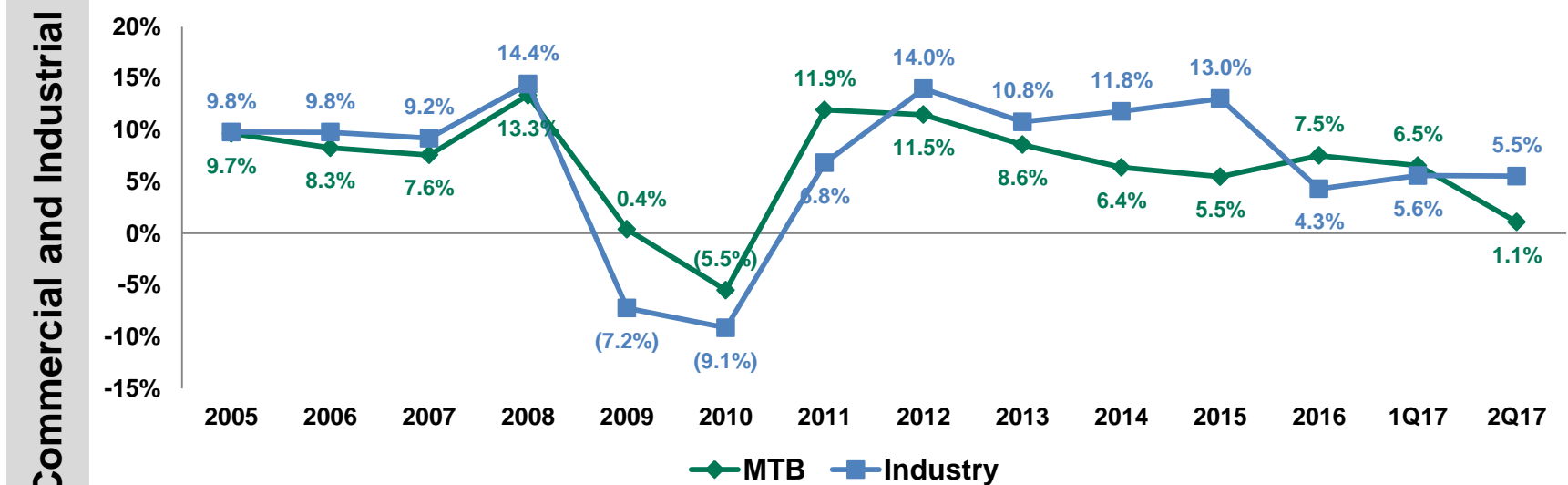
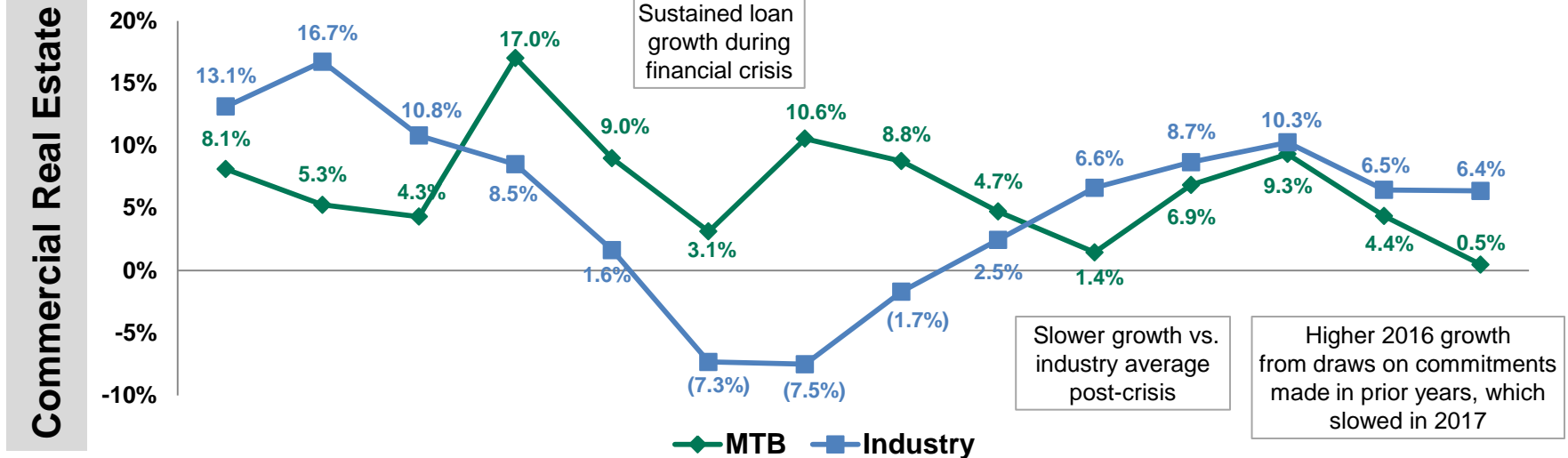
Totals may not appear to foot due to rounding.

(1) Annualized

6 (2) Includes \$130 million of auto loans brought on balance sheet during the first quarter of 2017 following wind-up of securitization.

(3) Industry uses Federal Reserve H8 data (Domestically chartered commercial banks, NSA)

Less Volatile Loan Growth Through Credit Cycles



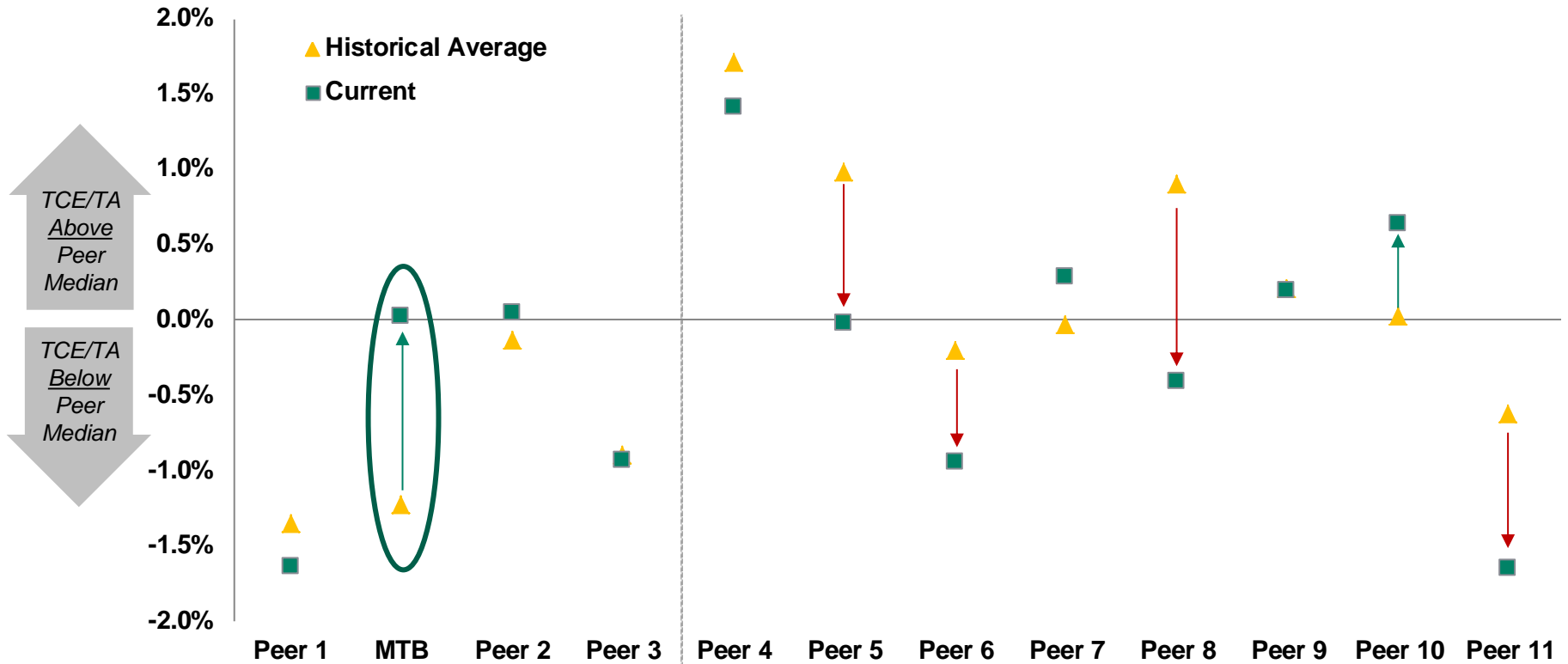
Notes: Reflects growth in loan balances for each year and annualized for 1Q17 and 2Q17. M&T data reflects average loan balances. Industry Commercial loans includes both "Commercial and Industrial Loans" and "Other Loans and Leases" as outlined in the Federal Reserve H8 report. Source: Federal Reserve H8 data – average monthly balances, domestically chartered commercial banks, not seasonally adjusted.

Core Deposit Trends – 2Q 2017 compared with 1Q 2016⁽¹⁾

- Average total core deposits up 2.6%
- Consumer deposits down a net \$3 billion, rates down 12 bps
 - Higher cost Hudson City TDs maturing, rates down
 - About 1/3 of outflows offset by higher legacy M&T balances
- Commercial & Business banking deposits up 2.2%
- Trust deposits up over \$1.7 billion, large quarterly volatility due to customer activity
- Mortgage escrow deposits up \$1.5 billion, tied to subservicing contracts

Low Return Volatility Validates Below Peer Capital Levels

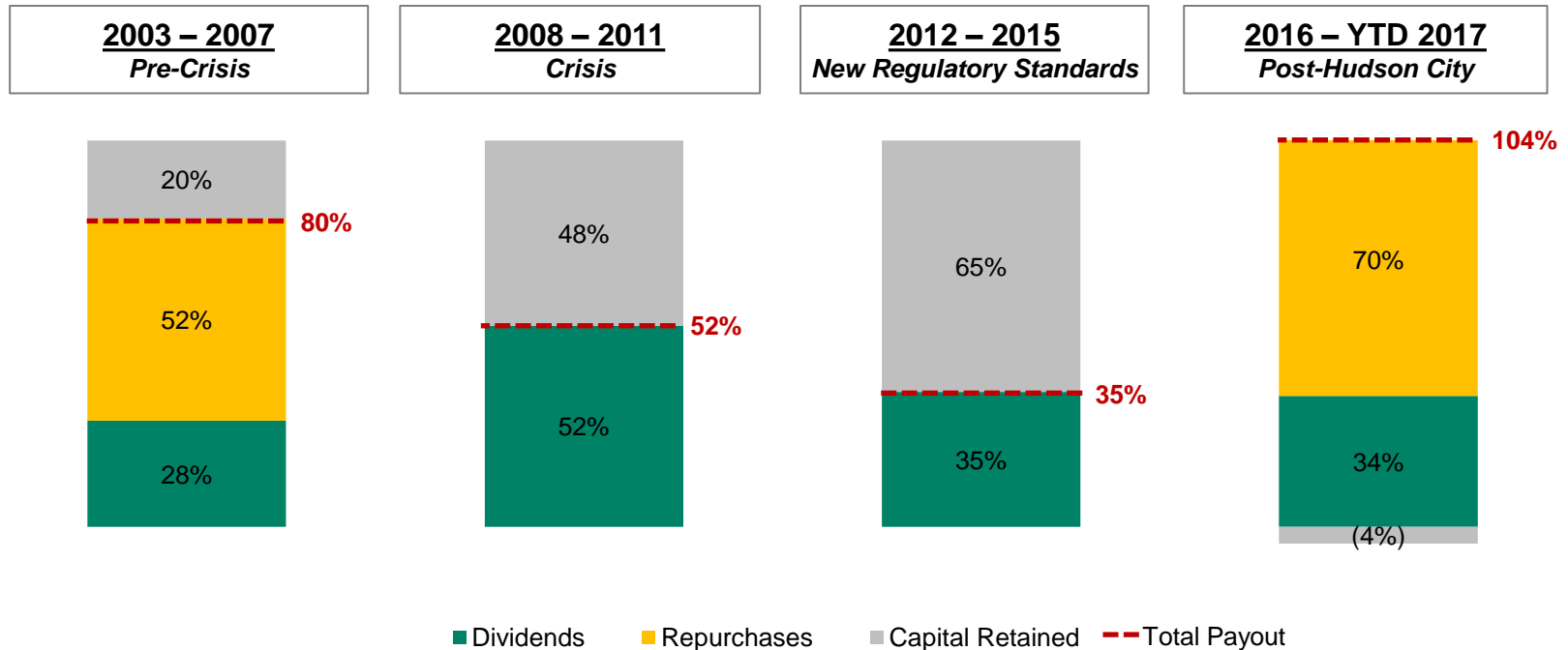
TCE/TA vs. Peer Median: 2007 – 2Q 2017



Minimum ROTCE	17.9%	12.3%	11.6%	9.6%	-2.0%	-8.1%	-11.9%	-13.4%	-19.5%	-21.8%	-31.2%	-37.8%
ROTCE Volatility	7.1%	3.4%	5.3%	5.2%	4.1%	6.9%	8.1%	10.7%	11.8%	10.7%	13.1%	15.9%

Deploying Capital Where and When it Makes Sense

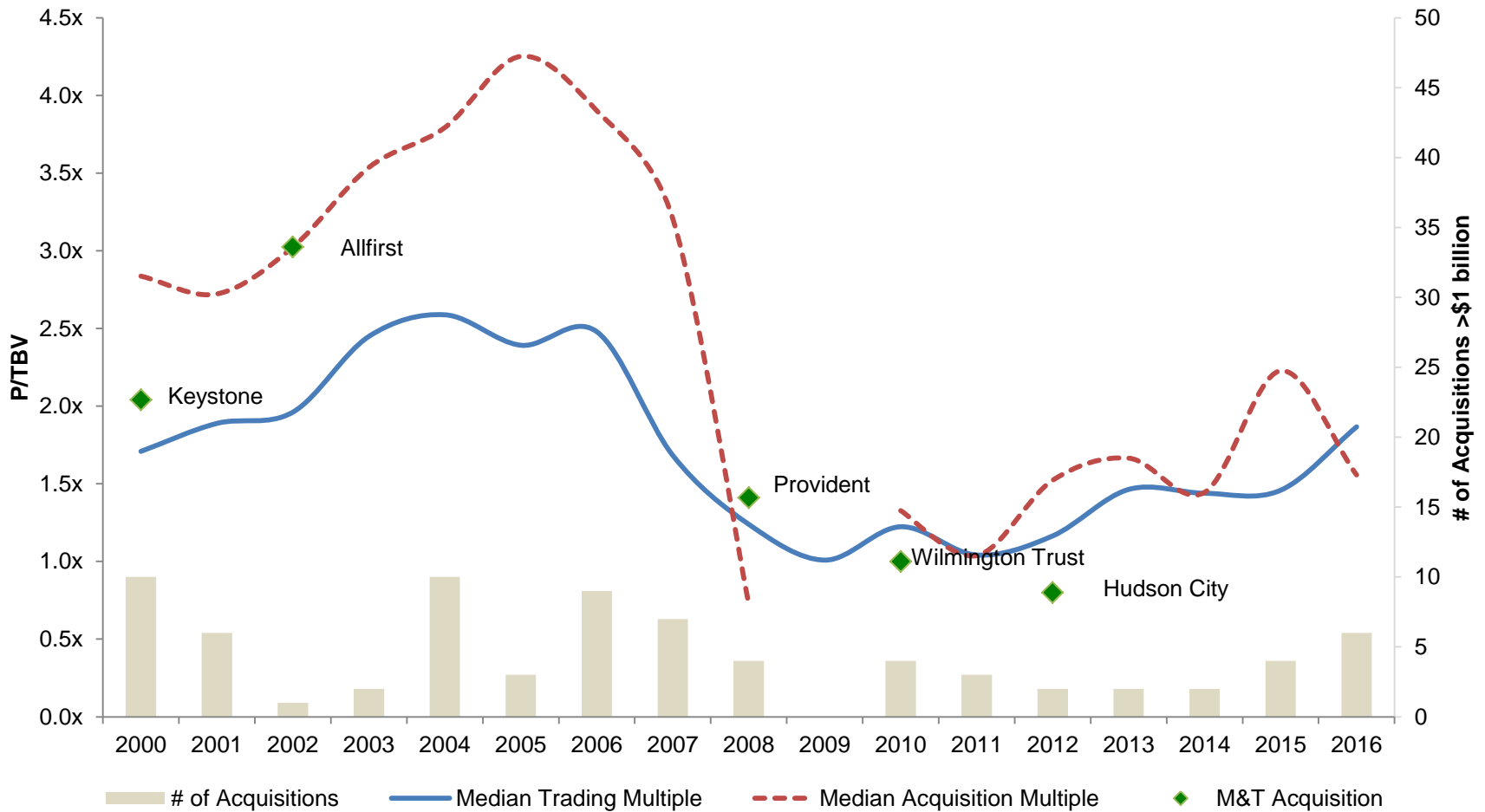
Cumulative Capital Retained, Dividends and Share Repurchases



- M&T has maintained a consistent approach to managing its shareholders' capital over time
 - Retain only capital needed to support asset growth / acquisitions with returns > cost of capital
 - Dividends at level sustainable throughout cycle
- Key decisions made annually during CCAR, based on year-end outlook for earnings and loan growth
 - Limited flexibility to adjust distributions during the year should conditions change

Disciplined Approach to Acquisitions

M&T's Acquisitions vs. Bank Acquisitions Greater Than \$1B Since 2000



Source: SNL Financial, Company Filings

(1) Deal value at announcement and tangible common equity at most recent quarter before announcement

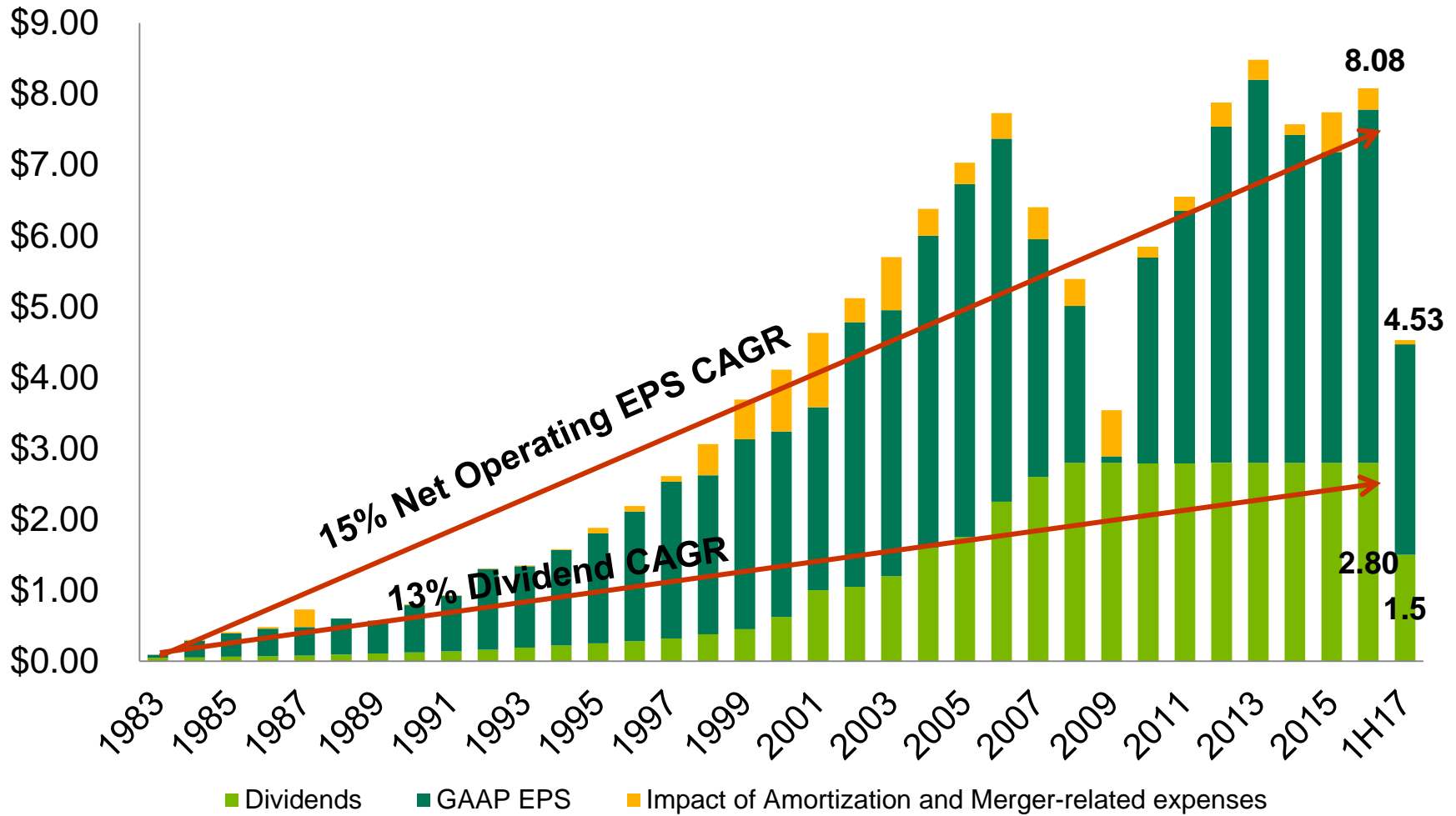
(2) Although M&T's acquisitions of Provident and Wilmington were both less than \$1.0 billion in deal value, they have been included for reference

M&T Outlook Summary

Earning Asset / Loan Growth	<ul style="list-style-type: none">▪ Loan growth trends seen over the first half of 2017 continuing into the third quarter▪ Expect usual seasonal 3Q decline in dealer finance loans (C&I)▪ Continue to expect low-single digit overall loan growth – full year 2017 average over 2016
Net Interest Income / Margin	<ul style="list-style-type: none">▪ Expect more modest expansion of NIM from current level than was seen through 1H 2017▪ Re-pricing of longer-dated Hudson City consumer time deposits continues
Fee Income / Expenses	<ul style="list-style-type: none">▪ Slowing resi-mortgage banking activity; low to mid-single digit growth for other fees▪ Expenses in 2H 2017 to remain near 1H 2017 levels
Credit	<ul style="list-style-type: none">▪ Credit conditions & near term loss outlook remain stable
Capital	<ul style="list-style-type: none">▪ Stronger, high quality capital generation▪ Current capital levels exceed peers despite lower credit and return volatility

Appendix and GAAP Reconciliations

Earnings & Dividend Growth: 1983 – 1H 2017



M&T Bank Corporation...a solid investment

Of the largest 100 banks operating in 1983, only 23 remain today.

Among the remaining, M&T ranks 1st in stock price growth

Rank	Company Name	Ticker	Closing Price at		Stock Return CAGR (%)
			6/30/2017 (\$)	3/31/1983 (\$) ¹	
1	<i>M&T Bank Corporation</i>	<i>MTB</i>	<i>161.95</i>	<i>1.34</i>	<i>15.0</i>
2	State Street Corporation	STT	89.73	1.06	13.8
3	Northern Trust Corporation	NTRS	97.21	1.51	12.9
4	U.S. Bancorp	USB	51.92	0.92	12.5
5	Wells Fargo & Company	WFC	55.41	1.18	11.9
23	_____		—	—	4.6
Median			—	—	9.2
MTB Price @ Median Growth Rate			27.36	1.34	9.2

M&T Bank Corporation...a solid investment

18.9% Annual rate of return since 1980¹

In the top 30 of the entire universe² of U.S. based stocks traded publicly since 1980

Rank	Company Name	Industry	Annual Return
1	Eaton Vance Corp.	Financials	23.3
2	TJX Companies Inc	Consumer Discretionary	22.6
3	Hasbro, Inc.	Consumer Discretionary	22.5
4	Stryker Corporation	Health Care	22.1
5	L Brands, Inc.	Consumer Discretionary	21.1
6	Progressive Corporation	Financials	21.0
7	State Street Corporation	Financials	19.9
8	Sherwin-Williams Company	Materials	19.9
9	Mylan N.V.	Health Care	19.8
10	Wal-Mart Stores, Inc.	Consumer Staples	19.7
11	Danaher Corporation	Health Care	19.6
12	Gap, Inc.	Consumer Discretionary	19.5
13	Berkshire Hathaway Inc. Class A	Financials	19.5
14	Equifax Inc.	Industrials	19.5
15	Constellation Brands, Inc. Class B	Consumer Staples	19.2
16	Graco Inc.	Industrials	19.1
17	M&T Bank Corporation	Financials	18.9
18	Aflac Incorporated	Financials	18.7
19	Robert Half International Inc.	Industrials	18.7
20	Lowe's Companies, Inc.	Consumer Discretionary	18.4
21	Church & Dwight Co., Inc.	Consumer Staples	18.3
22	Walgreens Boots Alliance Inc	Consumer Staples	18.3
23	Raven Industries, Inc.	Industrials	18.2
24	Astronics Corporation	Industrials	18.1
25	V.F. Corporation	Consumer Discretionary	18.1
26	Flowers Foods, Inc.	Consumer Staples	18.0
27	C. R. Bard, Inc.	Health Care	18.0
28	Applied Materials, Inc.	Information Technology	18.0
29	Comcast Corporation Class A	Consumer Discretionary	17.7
30	Leucadia National Corporation	Financials	17.7

\$1,503 invested in M&T in 1980 would be worth \$1 million as of today

(1) CAGR calculated assuming reinvestment of dividends through June 30, 2017

(2) Includes 563 U.S. based publically traded stocks

Reconciliation of GAAP and Non-GAAP Measures

Net Income	2011	2012	2013	2014	2015	2016	2Q16	1Q17	2Q17
\$ in millions									
Net income	\$ 859.5	\$ 1,029.5	\$ 1,138.5	\$ 1,066.2	\$ 1,079.7	\$ 1,315.1	\$ 336.0	\$ 348.9	\$ 381.1
Intangible amortization*	37.6	37.0	28.6	20.7	16.2	25.9	6.9	5.1	4.9
Merger-related items*	(12.8)	6.0	7.5	-	60.8	21.7	7.6	-	-
Net operating income	\$ 884.3	\$ 1,072.5	\$ 1,174.6	\$ 1,086.9	\$ 1,156.6	\$ 1,362.7	\$ 350.6	\$ 354.0	\$ 386.0
PPNR									
Net Income for EPS	\$ 781.8	\$ 953.4	\$ 1,062.5	\$ 978.6	\$ 987.7	\$ 1,223.5	\$ 313.0	\$ 328.6	\$ 360.7
Preferred Div., Amort. of Pref. Stock & Unvested Stock Awards	77.7	76.1	75.9	87.7	92.0	91.6	23.1	20.4	20.4
Income Taxes	401.3	562.5	627.1	576.0	595.0	743.3	194.1	169.3	215.3
GAAP Pre-tax Income	1,260.8	1,592.0	1,765.6	1,642.2	1,674.7	2,058.4	530.2	518.3	596.4
Provision for credit losses	270.0	204.0	185.0	124.0	170.0	190.0	32.0	55.0	52.0
Pre-Tax, Pre-Provision Net Revenue	\$ 1,530.8	\$ 1,796.0	\$ 1,950.6	\$ 1,766.2	\$ 1,844.7	\$ 2,248.4	\$ 562.2	\$ 573.3	\$ 648.4
Earnings Per Share									
Diluted earnings per share	\$ 6.35	\$ 7.54	\$ 8.20	\$ 7.42	\$ 7.18	\$ 7.78	\$ 1.98	\$ 2.12	\$ 2.35
Intangible amortization*	0.30	0.29	0.22	0.15	0.12	0.16	0.04	0.03	0.03
Merger-related items*	(0.10)	0.05	0.06	-	0.44	0.14	0.05	-	-
Diluted net operating earnings per share	\$ 6.55	\$ 7.88	\$ 8.48	\$ 7.57	\$ 7.74	\$ 8.08	\$ 2.07	\$ 2.15	\$ 2.38
Efficiency Ratio									
\$ in millions									
Non-interest expenses	\$ 2,441.9	\$ 2,469.8	\$ 2,587.9	\$ 2,689.5	\$ 2,822.9	\$ 3,047.5	\$ 749.9	\$ 787.9	\$ 750.6
less: intangible amortization	61.6	60.6	46.9	33.8	26.4	42.6	11.4	8.5	8.1
less: merger-related expenses	83.7	9.9	12.4	-	76.0	35.8	12.6	-	-
Non-interest operating expenses	\$ 2,296.6	\$ 2,399.2	\$ 2,528.6	\$ 2,655.7	\$ 2,720.5	\$ 2,969.1	\$ 725.9	\$ 779.4	\$ 742.5
Tax equivalent revenues	\$ 3,998.6	\$ 4,292.2	\$ 4,563.4	\$ 4,479.4	\$ 4,692.1	\$ 5,322.8	\$ 1,318.6	\$ 1,369.1	\$ 1,407.8
less: gain/(loss) on sale of securities	150.2	0.0	56.5	-	(0.1)	30.3	0.3	-	(0.0)
less: net OTTI losses recognized	(77.0)	(47.8)	(9.8)	-	-	-	-	-	-
less: merger-related gains	64.9	-	-	-	-	-	-	-	-
Denominator for efficiency ratio	\$ 3,860.5	\$ 4,340.0	\$ 4,516.7	\$ 4,479.4	\$ 4,692.2	\$ 5,292.5	\$ 1,318.3	\$ 1,369.1	\$ 1,407.8
Net operating efficiency ratio	59.5%	55.3%	56.0%	59.3%	58.0%	56.1%	55.1%	56.9%	52.7%

*Net of tax

Reconciliation of GAAP and Non-GAAP Measures

Average Assets

\$ in millions

	2011	2012	2013	2014	2015	2016	2Q16	1Q17	2Q17
Average assets	\$ 73,977	\$ 79,983	\$ 83,662	\$ 92,143	\$ 101,780	\$ 124,340	\$ 123,706	\$ 122,978	\$ 120,765
Goodwill	(3,525)	(3,525)	(3,525)	(3,525)	(3,694)	(4,593)	(4,593)	(4,593)	(4,593)
Core deposit and other intangible assets	(168)	(144)	(90)	(50)	(45)	(117)	(122)	(98)	(90)
Deferred taxes	43	42	27	15	16	46	48	39	35
Average tangible assets	<u>\$ 70,327</u>	<u>\$ 76,356</u>	<u>\$ 80,074</u>	<u>\$ 88,583</u>	<u>\$ 98,057</u>	<u>\$ 119,676</u>	<u>\$ 119,039</u>	<u>\$ 118,326</u>	<u>\$ 116,116</u>

Average Common Equity

\$ in millions

Average common equity	\$ 8,207	\$ 8,834	\$ 9,844	\$ 10,905	\$ 11,996	\$ 15,122	\$ 15,145	\$ 15,091	\$ 15,053
Goodwill	(3,525)	(3,525)	(3,525)	(3,525)	(3,694)	(4,593)	(4,593)	(4,593)	(4,593)
Core deposit and other intangible assets	(168)	(144)	(90)	(50)	(45)	(117)	(122)	(98)	(90)
Deferred taxes	43	42	27	15	16	46	48	39	35
Average tangible common equity	<u>\$ 4,557</u>	<u>\$ 5,207</u>	<u>\$ 6,256</u>	<u>\$ 7,345</u>	<u>\$ 8,273</u>	<u>\$ 10,458</u>	<u>\$ 10,478</u>	<u>\$ 10,439</u>	<u>\$ 10,405</u>