

HUDSON CITY BANCORP INC  
Form 425  
November 02, 2012

Filed by M&T Bank Corporation

Pursuant to Rule 425 under the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12

of the Securities Exchange Act of 1934

Subject Company: Hudson City Bancorp, Inc.

(Commission File No. 0-26001)

### **Cautionary Statements Regarding Forward-Looking Information**

This Current Report on Form 8-K contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 giving M&T's expectations or predictions of future financial or business performance or conditions. Forward-looking statements are typically identified by words such as believe, expect, anticipate, intend, target, estimate, continue, positions, prospects or potential, conditional verbs such as will, would, should, could or may, or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time. Forward-looking statements speak only as of the date they are made and we assume no duty to update forward-looking statements.

On August 27, 2012, M&T Bank Corporation, a New York corporation ( M&T ), entered into an Agreement and Plan of Merger (the Merger Agreement ) with Hudson City Bancorp, Inc., a Delaware corporation ( Hudson City ) and Wilmington Trust Corporation, a Delaware corporation and a wholly owned subsidiary of M&T ( WTC ). The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, Hudson City will merge with and into WTC, with WTC continuing as the surviving entity (the Merger ). In addition to factors previously disclosed in M&T's reports filed with the SEC and those identified elsewhere in this filing, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: ability to obtain regulatory approvals and meet other closing conditions to the Merger, including approval by M&T and Hudson City shareholders, on the expected terms and schedule; delay in closing the Merger; difficulties and delays in integrating the M&T and Hudson City businesses or fully realizing cost savings and other benefits; business disruption following the Merger; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer acceptance of M&T products and services; customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions and divestitures; economic conditions; and the impact, extent and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms.

### **Important Additional Information.**

In connection with the Merger, M&T filed with the SEC on October 15, 2012 a Registration Statement on Form S-4 that includes a Joint Proxy Statement of M&T and Hudson City and a preliminary Prospectus of M&T (together with the Joint Proxy Statement, as amended, the Joint Proxy Statement/Prospectus ), as well as other relevant documents concerning the proposed transaction. SHAREHOLDERS OF M&T AND HUDSON CITY ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the Joint Proxy Statement/Prospectus, as well as other filings containing information about M&T and Hudson City, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You are also able to obtain these documents, free of charge, from M&T at [www.mtb.com](http://www.mtb.com) under the tab About Us and then under the heading Investor Relations or from Hudson City by accessing Hudson City's website at [www.hcsbonline.com](http://www.hcsbonline.com) under the heading Investor Relations. Copies of the Joint Proxy Statement/Prospectus can also be obtained, free of charge, by directing a request to Investor Relations, One M&T Plaza, Buffalo, New York 14203, (716) 842-5445.

M&T and Hudson City and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of M&T and Hudson City in connection with the Merger. Information about the directors and executive officers of M&T and their ownership of M&T common stock is set forth in the proxy statement for M&T's 2012 annual meeting of shareholders, as filed with the SEC on Schedule 14A on March 7, 2012. Information about the directors and executive officers of Hudson City and their ownership of Hudson City common stock is set forth in the proxy statement for Hudson City's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule

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14A on March 19, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement/Prospectus regarding the Merger. Free copies of this document may be obtained as described in the preceding paragraph.

BancAnalysts Association of Boston Conference  
November 2, 2012

2  
This  
presentation  
contains  
forward  
looking  
statements

within  
the  
meaning  
of  
the  
Private  
Securities  
Litigation  
Reform  
Act  
of  
1995 giving

M&T's expectations or predictions of future financial or business performance or conditions. Forward-looking statements are

typically  
identified

by  
words

such  
as

believe,  
expect,  
anticipate,  
intend,  
target,  
estimate,  
continue,  
positions,  
prospects

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 forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time. Forward-looking statements speak only as of the date they are made and we assume no duty to update forward

looking statements.

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

Disclaimer

3  
Top 20 US-based full-service commercial  
bank holding company by assets and Top  
15 by market cap  
Founded in 1856  
\$81 billion total assets  
728 domestic branches and more than

2,000 ATMs

14,967 employees located in New York,  
Maryland, Pennsylvania, Washington,  
D.C., Virginia, West Virginia and Delaware

Over 2 million consumer/retail household  
customers

207,000 commercial customers

As of 09/30/12

M&T Bank Corporate Profile



4  
Financial Update  
Outlook / Hudson City  
Overview of M&T Bank  
Today's Agenda

5  
Financial Update

6  
Strong 3Q12 Earnings Results  
GAAP Earnings  
2006  
2007  
2008  
2009

2010

2011

1Q12

2Q12

3Q12

Net Income (\$MM)

839

654

556

380

736

859

206

233

293

EPS (\$ per share)

7.37

5.95

5.01

2.89

5.69

6.35

1.50

1.71

2.17

Net

Operating

Earnings

Net Operating Income (\$MM)

881

704

599

455

755

884

218

247

302

Net Operating EPS (\$ per share)

7.73

6.40

5.39

3.54

5.84

6.55

1.59

1.82

2.24

Net Operating Income and Net Operating EPS are non-GAAP financial measures (Excludes merger-related gains and expenses expense associated with intangible assets). Refer to the Appendix for a reconciliation between these measures and GAAP.

7  
Strong  
3Q12  
Earnings  
Results  
(continued)  
Average loans up **10%**

annualized from 2Q12

Includes **10%**  
annualized growth in C&I loans

Residential real estate loans up by **\$1.1 billion**

End-of-period loans up **8%**  
annualized from 2Q12

Average  
core

deposits  
increased

an  
annualized

9%

from

2Q12

8  
Key Ratios  
Superior  
pre-credit  
earnings  
Strong  
credit

through  
crisis

Focused  
on returns  
Consistent  
capital  
generation

2006

2007

2008

2009

2010

2011

1Q12

2Q12

3Q12

Net Interest Margin

3.70%

3.60%

3.38%

3.49%

3.84%

3.73%

3.69%

3.74%

3.77%

3.73%

Efficiency Ratio -

Tangible

(1)

51.51%

52.77%

54.35%

56.50%

53.71%

60.43%

61.09%

56.86%

53.73%

57.11%

Pre-tax, Pre-provision Earnings (\$MM)

(1)

1,312

1,156

1,152

1,123

1,461

1,495

357

412



492  
1,262  
Allowance to Loans (As At)  
1.51%  
1.58%  
1.61%  
1.69%  
1.74%  
1.51%  
1.49%  
1.46%  
1.44%  
1.44%  
Net Charge-Offs to Loans  
0.16%  
0.26%  
0.78%  
1.01%  
0.67%  
0.47%  
0.32%  
0.34%  
0.26%  
0.31%  
Net Operating Return on  
Tangible Assets  
(2)  
1.67%  
1.27%  
0.97%  
0.71%  
1.17%  
1.26%  
1.18%  
1.30%  
1.56%  
1.35%  
Tangible Common Equity  
(2)  
29.55%  
22.58%  
19.63%  
13.42%  
18.95%  
17.96%  
16.79%  
18.54%  
21.53%  
19.03%  
Common Equity to Assets -

**Tangible**

5.84%

5.01%

4.59%

5.13%

6.19%

6.40%

6.51%

6.65%

7.04%

[3]

7.04%

[3]

**Tier 1 Common Capital Ratio**

6.42%

5.62%

6.08%

5.66%

6.51%

6.86%

7.04%

7.15%

7.47%

[3]

7.47%

[3]

**Tier 1 Capital Ratio**

7.74%

6.84%

8.83%

8.59%

9.47%

9.68%

9.85%

9.92%

10.22%

[3]

10.22%

[3]

**Total Capital Ratio**

11.78%

11.18%

12.83%

12.30%

13.08%

13.26%

13.43%

13.29%

13.56%

[3]

13.56%

[3]

Leverage Ratio

7.20%

6.59%

8.35%

8.43%

9.33%

9.28%

9.53%

9.49%

9.82%

[3]

9.82%

[3]

TBV per Share

28.57

27.98

25.94

28.27

33.26

37.79

38.89

40.52

42.80

42.80

3Q'12 YTD

(1)

The Efficiency Ratio and Pre-tax, Pre-provision Earnings 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)

Preliminary estimates. Capital ratio estimates are preliminary until Q3 2012 FRY9C report is filed.

9

M&T Faring Well Against Industry Headwinds

Loan growth

H8 growth -

slow to moderate; M&T aided by Upstate NY

opportunity

Net interest

margin

NIM pressures persist; M&T stable

Fee revenue

Refi-driven mortgage strength; M&T benefiting from

Wilmington Trust & mortgage servicing

Credit

Stabilizing; M&T stable at lower level

Expenses

Regulatory headwinds; M&T benefiting from Wilmington

Trust merger synergies

Capital

Industry capital at high level via share issuance; M&T

building capital through earnings

10  
Offsets to Margin Pressures from Low Rates  
4.23  
4.01  
3.59  
3.58  
3.52

3.54  
3.0  
3.5  
4.0  
4.5  
'01  
'02  
'03  
'04  
'05  
'06  
'07  
'08  
'09  
'10  
'11  
1Q'12  
2Q'12  
3Q'12  
MTB  
Peer Median  
3.73  
3.69  
3.74  
3.77

11

Carrying Amount of Purchased Loan Portfolio as of September 30, 2012

Accretable Difference Rollforward

1

Disclosures on Acquired Loans in 10-K & 10-Q

(1) As disclosed in M&T Bank's 2011 SEC Form 10-K (page 117), 1Q12 SEC Form 10-Q (page 14), 2Q12 SEC Form 10-Q, 3Q12 SEC Form 10-Q (when filed).



(\$ millions)

Total

Commercial, financial, leasing, etc.

977

\$

Commercial real estate

2,963

Residential real estate

743

Consumer

1,700

Total

6,383

\$

(\$ millions)

2011

1Q12

2Q12

3Q12

Balance at beginning of period

457

\$

839

\$

770

\$

789

\$

Additions

688

-

-

-

Interest Income

(295)

(81)

(90)

(87)

Reclassified from (to) nonaccretable balance, net

11

-

140

-

Other  
(22)

12

(31)

1

Balance at end of period

839

\$

770

\$

789

\$

703

\$

12

Wilmington Trust & Near-term Mortgage Strength Bolster Fees

Significant increase  
in contribution from  
Trust/Investments

Reduces reliance  
on businesses  
facing regulatory  
reform headwinds

1Q11

3Q11

Note: Data reflects M&T's reported fee income excluding securities gains/losses.

Components of Fee Income

Fee Income % of Total Revenue, QTD 9/30/12

Note:

Data

reflects

M&T's

reported

operating

results;

Peer

data

excludes

securities

gains/losses

and

non-recurring

income

per

SNL

Financial

3Q12

38%

15%

32%

Trust and Wealth

Management

Service Fees

Mortgage

Other

34%

32%

10%

24%

29%

25%

24%

22%

15%

41%

38%

34%

-10%

0%

10%

20%

30%

40%

50%

60%

Peer 1

Peer 2

MTB

Peer 3

Peer 4

Peer 5

MTB

Peer 6

MTB

Peer 7

Peer 8

Peer 9

Peer 10

Peer 11

13

#### Efficiency Ratio

The Efficiency Ratio is a non-GAAP financial measure. M&T's Efficiency Ratio reflects non-interest expense (excluding amounts associated with intangible assets and merger-related expenses) as a percentage of fully taxable equivalent net interest income and revenues (excluding gains from securities transactions and merger-related gains). Refer to the Appendix for a reconciliation of this measure with GAAP.

All Peer bank data as noted by SNL Financial; non-recurring income/expenses excluded from efficiency ratio as noted by SNL

Wilmington Trust cost synergies / mortgage strength  
mitigate increased environment costs

51.53%

61.09%

56.86%

57.78%

65.02%

65.32%

62.70%

45%

50%

55%

60%

65%

70%

'01

'02

'03

'04

'05

'06

'07

'08

'09

'10

'11

1Q12

2Q12

3Q12

MTB

Peer Median

53.73%





14  
1178%  
437%  
434%  
409%  
408%  
364%  
350%  
309%  
303%  
219%  
184%  
98%  
Peer Median 357%  
0%  
200%  
400%  
600%  
800%  
1000%  
1200%  
MTB  
Peer 1  
Peer 2  
Peer 3  
Peer 4  
Peer 5  
Peer 6  
Peer 7  
Peer 8  
Peer 9  
Peer 10  
Peer 11  
0.62

1.18  
1.38  
1.46  
1.62  
1.64  
1.75  
2.11  
2.15  
2.17  
2.89  
4.46  
Peer Median 1.70  
0.0  
1.0  
2.0  
3.0  
4.0  
5.0  
Peer 1  
Peer 2  
Peer 3  
Peer 4  
MTB  
Peer 5  
Peer 6  
Peer 7  
Peer 8  
Peer 9  
Peer 10  
Peer 11  
6.0  
5.5  
3.8  
3.1  
3.1  
2.0  
2.0  
1.9  
1.7  
1.5  
1.1  
1.1  
Peer Median 2.0  
0.0  
1.0  
2.0  
3.0  
4.0  
5.0  
6.0

7.0  
Peer 1  
MTB  
Peer 2  
Peer 3  
Peer 4  
Peer 5  
Peer 6  
Peer 7  
Peer 8  
Peer 9  
Peer 10  
Peer 11  
0.26  
0.39  
0.42  
0.72  
0.74  
0.85  
1.00  
1.08  
1.36  
1.60  
1.74  
1.95  
Peer Median 0.93  
0.0  
0.5  
1.0  
1.5  
2.0  
2.5  
MTB  
Peer 1  
Peer 2  
Peer 3  
Peer 4  
Peer 5  
Peer 6  
Peer 7  
Peer 8  
Peer 9  
Peer 10  
Peer 11  
NPA  
%  
of  
Total  
Loans  
&

OREO

3Q 12  
Pre-tax  
Pre-provision  
Income  
to  
Net  
Charge-Offs

3Q 12  
NCOs  
%  
of  
Avg  
Loans

3Q 12  
Reserve  
Coverage  
of  
NCOs  
(in  
years)

3Q 12  
Source: GAAP data as of September 30, 2012  
M&T's Credit Metrics are Best-in-Class

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Outlook / Update on Hudson City Merger

16

Expect stable NIM over remainder of 2012

FY 2012 NIM (3.73%) consistent with FY 2011

Loan pipeline (ex. Mortgage) remains healthy

Resumed sale of mortgage originations in 3Q12

Mortgage originations for sale remain strong over near term

Expect  
expenses  
will  
be  
well  
controlled  
through  
the  
remainder  
of  
the  
year

Outlook Consistent with Remarks on October earnings call

17

Submitted regulatory applications

Draft S-4/Registration Statement filed with SEC

Meetings with counterparts at HCBK to plan integration

Have begun recruiting commercial bankers for NJ footprint

Update on Hudson City merger



18  
Overview of M&T Bank

19  
Top 20 US-based full-service commercial  
bank holding company by assets and Top  
15 by market cap  
Founded in 1856  
\$81 billion total assets  
728 domestic branches and more than

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14,967 employees located in New York,  
Maryland, Pennsylvania, Washington,  
D.C., Virginia, West Virginia and Delaware

Over 2 million consumer/retail household  
customers

207,000 commercial customers

As of 09/30/12

M&T Bank Corporate Profile

20

M&T: A Super-Community Bank

We provide banking services in communities where we live  
and work

We focus on carefully underwritten lending, based on local  
knowledge

We

take  
a  
prudent  
approach  
to  
acquisitions

we  
grow  
when  
and where it makes sense  
We view our long-tenured and engaged employees as key to  
our success  
The result is a history of above-average shareholder returns  
Our approach is simple:

21

Commitment to Our Communities

Charitable Giving

Donated more than \$147 million to community-based organizations over the past 10 years

Community Investment

Earned highest possible Community Reinvestment Act rating on every exam since 1982

Volunteerism

In the first half of 2012, over 3,600 M&T employees reported volunteering their time with over 1,200

Consistent and Conservative Lending

Winner

of

14

2011

Greenwich

Excellence

Awards

for

small

business

banking

#1 SBA lender in core Mid-Atlantic markets of Baltimore, Wilmington, Washington, DC and

th

community and not-for-profit organizations, logging more than 30,000 volunteer hours

Philadelphia and Upstate New York markets of Binghamton, Buffalo, Syracuse and Rochester ranked

6

nationally

22

#1 Small Business Administration

Lender in:

Baltimore

Binghamton

Buffalo

Philadelphia



Rochester  
Syracuse  
Washington, DC  
Wilmington  
Ranked  
6  
Nationally  
Ranked  
3  
in  
Eastern  
U.S.  
#1 market share for lead bank  
relationships  
among  
middle  
market  
clients  
in:  
(1)  
Baltimore  
Binghamton  
Buffalo  
Harrisburg  
Northern Pennsylvania  
Rochester  
Syracuse  
State of Maryland overall  
State of Delaware overall  
#1 or #2 deposit market share  
in 8 of top 10 communities:  
#2 in Baltimore  
#1 in Binghamton  
#1 in Buffalo  
#2 in Harrisburg  
#1 in Rochester  
#1 in Syracuse  
#1  
Wilmington  
/  
State  
of  
Delaware  
(2)  
#1 in York  
Strong Presence In Our Communities  
We lend in the markets where we live and work to people and enterprises whom we know  
th  
rd  
(1)

Independent 3 party market research

(2)

Reflects in-market deposits only

rd

23

quarters

Since 1983, when Chairman Robert Wilmers came to M&T, achieved compound annual growth in operating earnings per share of 17%

M&T is the only commercial bank in S&P 500 not to cut dividend and execute dilutive equity offering during the financial crisis

Over

17%  
annualized  
total  
return  
to  
shareholders from 1983 through 9/30/12  
21 highest  
annual  
total  
return  
to  
shareholders among the universe of 687 US-  
based stocks that have traded continuously  
since 1980  
M&T's  
stock  
has  
outperformed  
the  
S&P  
Bank  
Index  
by  
26%,  
46%  
and  
61%  
over  
the  
3-, 5-, and 10-year periods ending 9/30/12  
Highest  
stock  
price  
appreciation  
among  
100 largest banks in 1983, of which only 23  
remain today  
A History of Above-Average Shareholder Returns  
Our super-community bank  
model is validated through our long-term results  
M&T has been profitable in every quarter of the last 36 years 145 consecutive  
st

BancAnalysts Association of Boston Conference  
November 2, 2012

Appendix

26  
Reconciliation of GAAP and Non-GAAP Measures  
Net Income  
2000  
2001  
2002  
2003

2004  
2005  
2006  
2007  
2008  
2009  
2010  
2011  
1Q12  
2Q12  
3Q12  
2012 YTD

\$'s in millions

Net income

\$268.2  
\$353.1  
\$456.7  
\$573.9  
\$722.5  
\$782.2  
\$839.2  
\$654.3  
\$555.9  
\$379.9  
\$736.2  
\$859.5  
\$206.5  
\$233.4  
\$293.5  
\$733.3

Intangible amortization\*

56.1  
99.4  
32.5  
47.8  
46.1  
34.7  
38.5  
40.5  
40.5  
39.0  
35.3  
37.6  
10.2  
9.7  
8.6  
28.5

Merger-related items\*

16.4  
4.8



-  
 39.2  
 -  
 -  
 3.0  
 9.1  
 2.2  
 36.5  
 (16.3)  
 (12.8)  
 1.7  
 4.3  
 -  
 6.0  
 Net operating income  
 \$340.7  
 \$457.3  
 \$489.2  
 \$660.9  
 \$768.6  
 \$816.9  
 \$880.7  
 \$703.8  
 \$598.6  
 \$455.4  
 \$755.2  
 \$884.3  
 \$218.4  
 \$247.4  
 \$302.1  
 \$767.9  
 Pre-Tax, Pre-Provision  
 Income  
 Net Income for EPS  
 \$268.2  
 \$353.1  
 \$456.8  
 \$573.9  
 \$722.5  
 \$782.2  
 \$839.2  
 \$654.3  
 \$555.1  
 \$332.0  
 \$675.9  
 \$781.8  
 \$188.2  
 \$214.7  
 \$273.9  
 \$676.8

Preferred Div., Amort. of Pref. Stock  
& Unvested Stock Awards

\$0.0

\$0.0

\$0.0

\$0.0

\$0.0

\$0.0

\$0.0

\$0.0

\$0.8

\$47.9

\$60.3

\$77.7

\$18.2

\$18.7

\$19.6

\$56.5

Income Taxes

\$154.1

\$198.5

\$219.1

\$276.8

\$344.0

\$388.7

\$392.4

\$309.2

\$183.9

\$139.4

\$356.6

\$365.1

\$102.0

\$118.8

\$153.0

\$373.8

GAAP Pre-tax Income

\$422.3

\$551.6

\$675.9

\$850.7

\$1,066.5

\$1,170.9

\$1,231.6

\$963.5

\$739.8

\$519.3

\$1,092.8

\$1,224.6

\$308.4

\$352.2

\$446.4  
\$1,107.1  
Provision for credit losses  
38.0  
103.5  
122.0  
131.0  
95.0  
88.0  
80.0  
192.0  
412.0  
604.0  
368.0  
270.0  
49.0  
60.0  
46.0  
155.0  
Pre-Tax, Pre-Provision Income  
\$460.3  
\$655.1  
\$797.9  
\$981.7  
\$1,161.5  
\$1,258.9  
\$1,311.6  
\$1,155.5  
\$1,151.8  
\$1,123.3  
\$1,460.8  
\$1,494.6  
\$357.4  
\$412.2  
\$492.4  
\$1,262.1  
Earnings Per Share  
Diluted earnings per share  
\$3.24  
\$3.58  
\$4.78  
\$4.95  
\$6.00  
\$6.73  
\$7.37  
\$5.95  
\$5.01  
\$2.89  
\$5.69  
\$6.35

\$1.50  
 \$1.71  
 \$2.17  
 \$5.37  
 Intangible amortization\*  
 0.67  
 1.00  
 0.34  
 0.41  
 0.38  
 0.30  
 0.33  
 0.37  
 0.36  
 0.34  
 0.29  
 0.31  
 0.08  
 0.08  
 0.07  
 0.22  
 Merger-related items\*  
 0.20  
 0.05  
 -  
 0.34  
 -  
 -  
 0.03  
 0.08  
 0.02  
 0.31  
 (0.14)  
 (0.10)  
 0.01  
 0.03  
 -  
 0.05  
 Diluted net operating  
 earnings per share  
 \$4.11  
 \$4.63  
 \$5.12  
 \$5.70  
 \$6.38  
 \$7.03  
 \$7.73  
 \$6.40  
 \$5.39  
 \$3.54

\$5.84  
 \$6.55  
 \$1.59  
 \$1.82  
 \$2.24  
 \$5.64  
 Efficiency Ratio  
 \$'s in millions  
 Non-interest expenses  
 \$718.6  
 \$980.6  
 \$961.6  
 \$1,448.2  
 \$1,516.0  
 \$1,485.1  
 \$1,551.7  
 \$1,627.7  
 \$1,727.0  
 \$1,980.6  
 \$1,914.8  
 \$2,478.1  
 \$639.7  
 \$627.4  
 \$616.0  
 \$1,883.1  
 less: intangible amortization  
 69.6  
 121.7  
 51.5  
 78.2  
 75.4  
 56.8  
 63.0  
 66.5  
 66.6  
 64.3  
 58.1  
 61.6  
 16.8  
 15.9  
 14.1  
 46.8  
 less: merger-related expenses  
 26.0  
 8.0  
 -  
 60.4  
 -  
 -  
 5.0

14.9  
 3.5  
 89.2  
 0.8  
 83.7  
 2.7  
 7.2  
 -  
 9.9  
 Non-interest operating expenses  
 \$623.0  
 \$850.9  
 \$910.1  
 \$1,309.6  
 \$1,440.6  
 \$1,428.3  
 \$1,483.7  
 \$1,546.3  
 \$1,656.8  
 \$1,827.2  
 \$1,856.0  
 \$2,332.8  
 \$620.2  
 \$604.3  
 \$601.9  
 \$1,826.5  
 Tax equivalent revenues  
 \$1,189.4  
 \$1,653.3  
 \$1,773.6  
 \$2,446.2  
 \$2,694.9  
 \$2,761.3  
 \$2,883.1  
 \$2,804.1  
 \$2,900.6  
 \$3,125.7  
 \$3,399.6  
 \$3,998.6  
 \$1,003.8  
 \$1,046.3  
 \$1,115.0  
 \$3,165.1  
 less: gain/(loss) on sale of securities  
 (3.1)  
 1.9  
 (0.6)  
 2.5  
 2.9  
 1.2

2.6  
 1.2  
 34.4  
 1.2  
 2.8  
 150.2  
 0.05  
 (0.4)  
 0.4  
 0.0  
 less: net OTTI losses recognized  
 -  
 -  
 -  
 -  
 -  
 (29.4)  
 -  
 (127.3)  
 (182.2)  
 (138.3)  
 (86.3)  
 (77.0)  
 (11.5)  
 (16.2)  
 (5.7)  
 (33.3)  
 less: merger-related gains  
 -  
 -  
 -  
 -  
 -  
 -  
 -  
 -  
 -  
 29.1  
 27.5  
 64.9  
 -  
 -  
 -  
 -  
 Denominator for efficiency ratio  
 \$1,192.5  
 \$1,651.4  
 \$1,774.2  
 \$2,443.7  
 \$2,692.0

\$2,789.5

\$2,880.5

\$2,930.2

\$3,048.4

\$3,233.7

\$3,455.6

\$3,860.5

\$1,015.3

\$1,062.9

\$1,120.3

\$3,198.4

Net operating efficiency ratio

52.3%

51.5%

51.3%

53.6%

53.5%

51.2%

51.5%

52.8%

54.4%

56.5%

53.7%

60.4%

61.1%

56.9%

53.7%

57.1%

\*Net of tax



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Reconciliation of GAAP and Non-GAAP Measures
Average Assets
2006
2007
2008
2009

2010

2011

1Q12

2Q12

3Q12

2012 YTD

\$'s in millions

Average assets

55,839

\$

58,545

\$

65,132

\$

67,472

\$

68,380

\$

73,977

\$

78,026

\$

80,087

\$

80,432

\$

79,518

\$

Goodwill

(2,908)

(2,933)

(3,193)

(3,393)

(3,525)

(3,525)

(3,525)

(3,525)

(3,525)

(3,525)

Core deposit and other  
intangible assets

(191)

(221)

(214)

(191)

(153)

(168)

(168)

(151)

(136)

(152)

Deferred taxes

38

24

30

33

29

43

48

44

39

44

Average tangible assets

52,778

\$

55,415

\$

61,755

\$

63,921

\$

64,731

\$

70,327

\$

74,381

\$

76,455

\$

76,810

\$

75,885

\$

Average Common Equity

\$'s in millions

Average common equity

6,041

\$

6,247

\$

6,423

\$

6,616

\$

7,367

\$

8,207

\$

8,510

\$

8,668

\$

8,919

\$

8,700

\$

Goodwill

(2,908)

(2,933)

(3,193)

(3,393)

(3,525)

(3,525)

(3,525)

(3,525)

(3,525)

(3,525)

Core deposit and other  
intangible assets

(191)

(221)

(214)

(191)

(153)

(168)

(168)

(151)

(136)

(152)

Deferred taxes

38

24

30

33

29

43

48

44

39

44

Average tangible common equity

2,980

\$

3,117

\$

3,046

\$

3,065

\$

3,718

\$  
4,557  
\$  
4,865  
\$  
5,036  
\$  
5,297  
\$  
5,067  
\$

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**Important Additional Information**

In connection with the Merger, M&T Bank Corporation ( M&T ) filed with the U.S. Securities and Exchange Commission (the SEC ) on October 15, 2012 a Registration Statement on Form S-4 that includes a preliminary Joint Proxy Statement of M&T and Hudson City Bancorp, Inc. ( Hudson City ) and a preliminary Prospectus of M&T (together with the Joint Proxy Statement, as amended, the Joint Proxy Statement/Prospectus ), as well as other relevant documents concerning the proposed transaction. **SHAREHOLDERS OF M&T AND HUDSON CITY ARE URGED TO READ THE REGISTRATION**

STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the Joint Proxy Statement/Prospectus, as well as other filings containing information about M&T and Hudson City, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You are also able to obtain these documents, free of charge, from M&T at [www.mtb.com](http://www.mtb.com) under the tab About Us and then under the heading Investor Relations and then under SEC Filings or from Hudson City by accessing Hudson City's website at [www.hcsbonline.com](http://www.hcsbonline.com) under the heading Investor Relations.

Copies of the Joint Proxy Statement/Prospectus can also be obtained, free of charge, by directing a request to Investor Relations, One M&T Plaza, Buffalo, New York 14203, (716) 842-5445.

M&T and Hudson City and certain of their directors and executive officers may be deemed to be participants in the

solicitation of proxies from the shareholders of M&T and Hudson City in connection with the Merger. Information about the directors and executive officers of M&T and their ownership of M&T common stock is set forth in the proxy statement for M&T's 2012 annual meeting of shareholders, as filed with the SEC on Schedule 14A on March 7, 2012. Information about the directors and executive officers of Hudson City and their ownership of Hudson City common stock is set forth in the proxy statement for Hudson City's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 19, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement/Prospectus regarding the Merger. Free copies of this document may be obtained as described in the preceding paragraph.