M&T Bank Corporation Returns $700 Million in TARP Funds, Providing Additional Positive Return for Taxpayers on TARP Bank Programs

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WASHINGTON – The U.S. Department of the Treasury announced that M&T Bank Corporation of Buffalo, New York has now repaid more than $700 million in Troubled Asset Relief Program (TARP) funds to taxpayers.

Today, M&T Bank repurchased TARP Capital Purchase Program (CPP) preferred shares from Treasury totaling $370 million. Additionally, last week, in connection with its acquisition of Wilmington Trust Corporation, M&T Bank purchased CPP preferred shares totaling $330 million that had been issued to Treasury by Wilmington Trust.

In March, Treasury announced that the Troubled Asset Relief Program's (TARP) investments in banks turned a profit. Since that time, all further repayments and income through TARP’s bank programs, such as those announced today, provide additional positive returns for taxpayers.

With today’s proceeds, taxpayers have now recovered more than $252 billion from TARP’s bank programs through repayments, dividends, interest, and other income. That exceeds the original investment Treasury made through those programs ($245 billion) by approximately $7 billion. Treasury currently estimates that bank programs within TARP will ultimately provide a lifetime positive return of approximately $20 billion to taxpayers.

Treasury currently expects that TARP investment programs taken as a whole – including financial support for banks, other financial institutions, and the domestic auto industry; as well as targeted initiatives to restart the credit markets – will result in relatively little cost to taxpayers. The lifetime cost of TARP is likely to be predominantly limited to funds disbursed for Treasury’s foreclosure prevention programs, which were not intended to be recovered.

Also today, Sterling Bancorp of New York City repurchased warrants to purchase common stock received in consideration for investments made under TARP’s Capital Purchase Program. Further details on today’s TARP repayments are included below:

- **M&T Bank Corporation (Buffalo, NY):** Repurchased CPP preferred shares totaling $370 million and paid accrued dividends totaling $154,167. After this transaction, Treasury holds remaining outstanding M&T Bank Corporation CPP preferred shares totaling $381.5 million. (Total Proceeds Today for Taxpayers: $370.2 million)
- **Sterling Bancorp (New York, NY):** Repurchased 516,817 warrants to purchase common stock of Sterling Bancorp. (Total Proceeds Today for Taxpayers: $945,775)
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