

ModernGraham Valuation

Company Name:

M&T Bank
Corporation



Company Ticker MTB

Date of Analysis

8/24/2015

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

| | | |
|------------------------------------|--|------|
| 1. Adequate Size of the Enterprise | Market Cap > \$2Bil | Pass |
| 2. Earnings Stability | Positive EPS for 10 years prior | Pass |
| 3. Dividend Record | Dividend Payments for 10 years prior | Pass |
| 4. Earnings Growth | Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end | Fail |
| 5. Moderate PEmg Ratio | PEmg < 20 | Pass |
| 6. Moderate Price to Assets | PB Ratio < 2.5 OR PB*PEmg < 50 | Pass |

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

| | | |
|-----------------------|--------------------------------|------|
| 1. Earnings Stability | Positive EPS for 5 years prior | Pass |
| 2. Dividend Record | Currently Pays Dividend | Pass |
| 3. Earnings Growth | EPSmg greater than 5 years ago | Pass |

Suitability

| | |
|---------------------|------------|
| Defensive | No |
| Enterprising | Yes |

Stage 2: Determination of Intrinsic Value

| | |
|-----------------------------|-----------------|
| EPSmg | 7.43 |
| MG Growth Estimate | 6.13% |
| MG Value | \$154.37 |
| MG Value based on 3% Growth | \$107.79 |
| MG Value based on 0% Growth | \$63.19 |
| Market Implied Growth Rate | 3.67% |

MG Opinion

| | |
|----------------------|----------------------|
| Current Price | \$117.72 |
| % of Intrinsic Value | 76.26% |
| Opinion | Fairly Valued |

Stage 3: Information for Further Research

| | |
|--|-------|
| PEmg | 15.84 |
| PB Ratio | 1.24 |
| Dividend Yield | 2.38% |
| Number of Consecutive Years of Dividend Growth | 0 |

Useful Links:

| | |
|--|-------------------------------|
| ModernGraham tagged articles | Morningstar |
| Google Finance | MSN Money |
| Yahoo Finance | Seeking Alpha |
| GuruFocus | SEC Filings |

| EPS History | | EPSmg History | |
|---------------------------|--------|--|------------------|
| Next Fiscal Year Estimate | \$7.16 | Next Fiscal Year Estimate | \$7.43 |
| Dec14 | \$7.42 | Dec14 | \$7.39 |
| Dec13 | \$8.20 | Dec13 | \$6.97 |
| Dec12 | \$7.54 | Dec12 | \$6.06 |
| Dec11 | \$6.35 | Dec11 | \$5.28 |
| Dec10 | \$5.69 | Dec10 | \$4.95 |
| Dec09 | \$2.89 | Dec09 | \$4.92 |
| Dec08 | \$5.01 | Dec08 | \$6.03 |
| Dec07 | \$5.95 | Dec07 | \$6.42 |
| Dec06 | \$7.37 | Dec06 | \$6.43 |
| Dec05 | \$6.73 | Dec05 | \$5.73 |
| Dec04 | \$6.00 | Dec04 | \$5.01 |
| Dec03 | \$4.95 | Dec03 | \$4.37 |
| Dec02 | \$4.78 | Dec02 | \$3.91 |
| Dec01 | \$3.82 | Dec01 | \$3.36 |
| Dec00 | \$3.44 | Dec00 | \$3.02 |
| Dec99 | \$3.28 | Dec99 | \$2.70 |
| Dec98 | \$2.62 | Balance Sheet Information Jun15 | |
| Dec97 | \$2.53 | Long-Term Debt | \$10,175,910,000 |
| Dec96 | \$2.11 | Total Assets | \$97,080,080,000 |
| Dec95 | \$1.80 | Intangible Assets | \$3,535,594,000 |
| | | Total Liabilities | \$84,412,080,000 |
| | | Shares Outstanding (Diluted Average) | 133,116,000 |



Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other
ModernGraham
posts about the
company

[M&T Bank Corporation Quarterly Valuation – May 2015 \\$MTB](#)
[5 Undervalued Companies to Research with a Low Beta – May 2015](#)
[5 Undervalued Companies to Research with a Low Beta – March 2015](#)
[27 Companies in the Spotlight This Week – 2/14/15](#)
[M&T Bank Corporation Quarterly Valuation – February 2015 \\$MTB](#)

Other
ModernGraham
posts about related
companies

[KeyCorp Analysis – August 2015 Update \\$KEY](#)
[State Street Corporation Analysis – August 2015 Update \\$STT](#)
[BB&T Corporation Analysis – August 2015 Update \\$BBT](#)
[PNC Financial Services Group Inc. Analysis – August 2015 Update \\$PNC](#)
[US Bancorp Analysis – August 2015 Update \\$USB](#)
[Comerica Incorporated Analysis – July 2015 Update \\$CMA](#)
[Starwood Property Trust Inc. Analysis – Initial Coverage \\$STWD](#)
[Fifth Third Bancorp Analysis – July 2015 Update \\$FITB](#)
[Huntington Bancshares Analysis – June 2015 Update \\$HBAN](#)
[JPMorgan Chase Analysis – June 2015 Update \\$JPM](#)