

Mellon Building Momentum

UBS Asset Gathering Conference

March 29, 2007

Strategies for outperformance

Focus on high-growth global businesses – Asset Management and Servicing

Maintain superior client service, investment performance and the highest fiduciary standards

Achieve competitive margins in each business line

Deploy capital effectively to accelerate long-term growth and returns

Highlights: 2006

- Revenue +18%, EPS +20% (operating)*
 - Excellent organic growth in Asset Management and Asset Servicing: 91%* of pretax income
 - Four consecutive quarters of double digit revenue and EPS growth
- ROE: +22%
- Total shareholder return: +26% (1st Quartile vs. 19 peers)
- Strong investment performance and top ranked client satisfaction
- Acquisition of Walter Scott & Partners and joint venture with WestLB
- Merger agreement with The Bank of New York

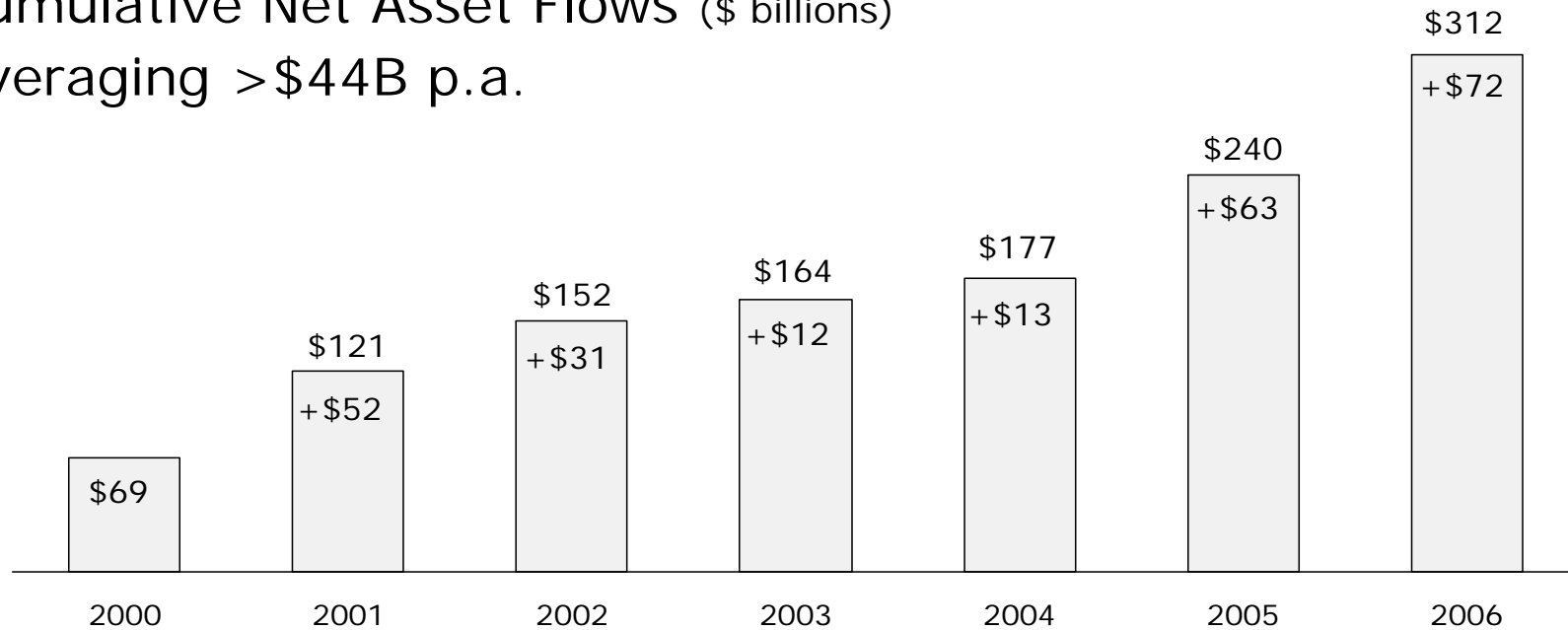
*Operating basis defined in the Appendix. Pre-tax percentage excludes results of the Other sector.

AUM: \$995B

Delivering strong organic growth 7 consecutive years

Cumulative Net Asset Flows (\$ billions)

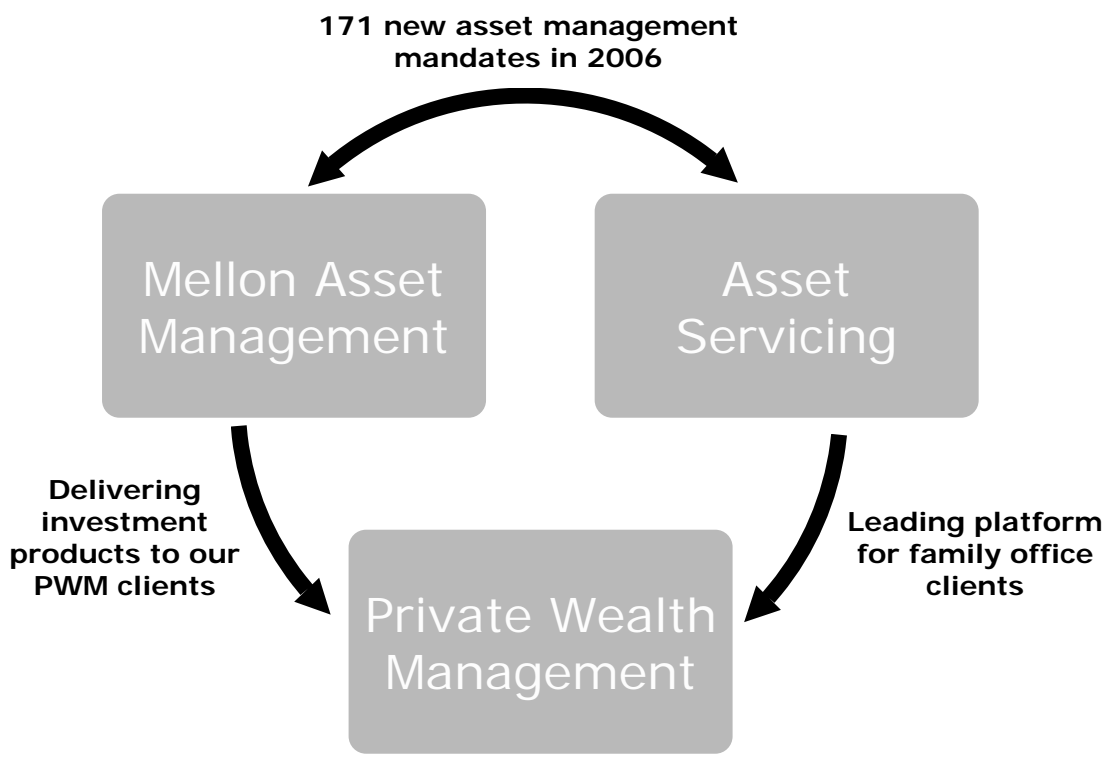
Averaging >\$44B p.a.



2000-2006
Mellon Organic AUM S&P 500
7% p.a. (1%) p.a.

Complementary businesses with strong linkages

Organic growth and efficiencies



Largest source of referrals for Mellon Asset Management is Asset Servicing

Over 400 Asset Servicing clients with MAM products; represent in excess of \$1B in annual revenue

\$393B of AUM are custodied by Asset Servicing

Leading client satisfaction and retention

Mellon Asset Management

- A global leader...**
- 13th largest global asset manager (*P&I, September 2006*)
 - 9th largest U.S. asset manager (*Institutional Investor, July 2006*)
- ...with strong international presence...**
- \$768 million non-US revenues, 30% of total (*2006*)
 - \$214 billion in assets for non-U.S. clients¹
 - 7th largest asset manager in Europe (*Investments & Pensions Europe, June 2006*)
- ...an industry-leading product set...**
- 17 new institutionally managed products brought to retail channels globally
 - \$27 billion in alternative assets¹
- ...broad client reach...**
- 44% of 50 largest global retirement plans (*P&I December 2005*)
 - 58% of top 50 U.S. corporate plans (*P&I January 2007*)
 - 50% of top 50 U.S. public plans (*P&I January 2007*)
 - 45% of top 20 U.S. endowments; 35% of top 20 foundations (*P&I December 2006*)
- ...and industry-leading growth**
- \$65 billion AUM net flows (*2006*)

¹ As of 12/31/2006;

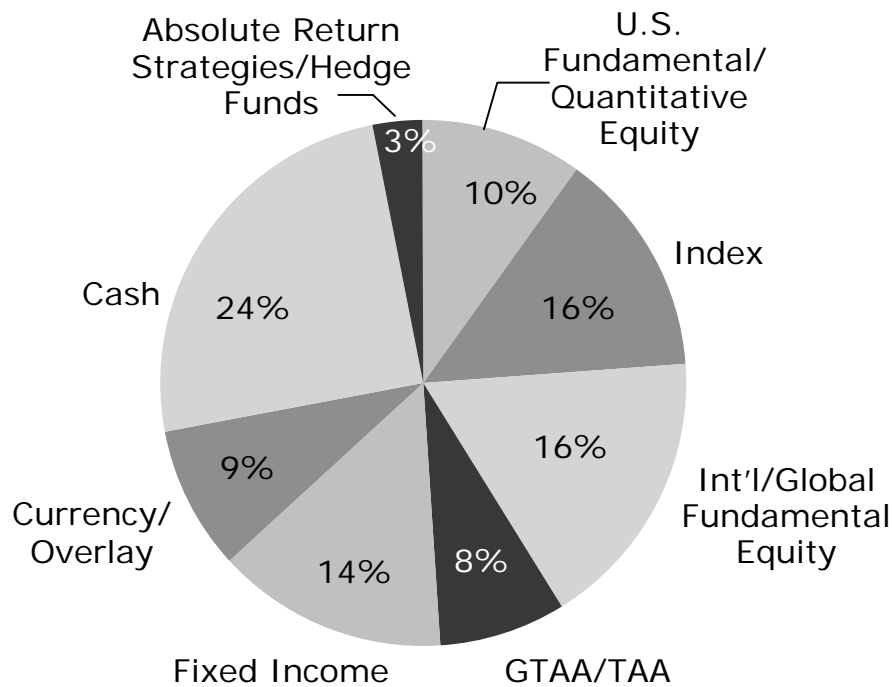
Note: All statistics include firms from Mellon's Institutional Asset Mgmt, Private Wealth Mgmt, Securities Lending and Dreyfus businesses. Each ranking may not include the same mix of firms. Rankings are based on 2005 year end data.

Well-diversified products and clients

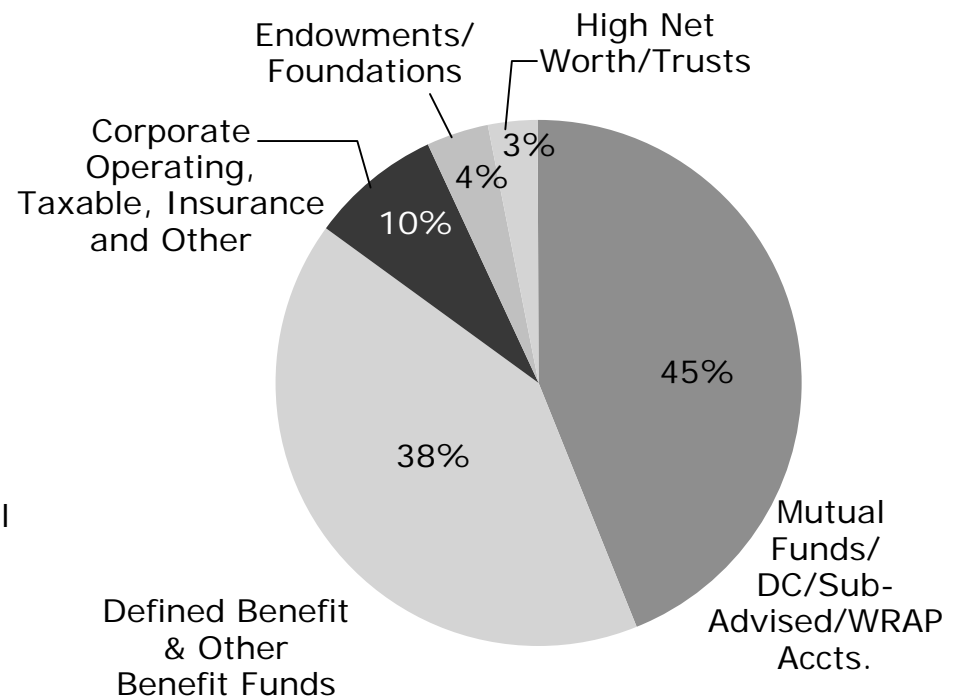
AUM \$824 billion

As of 12/31/06

Product Mix



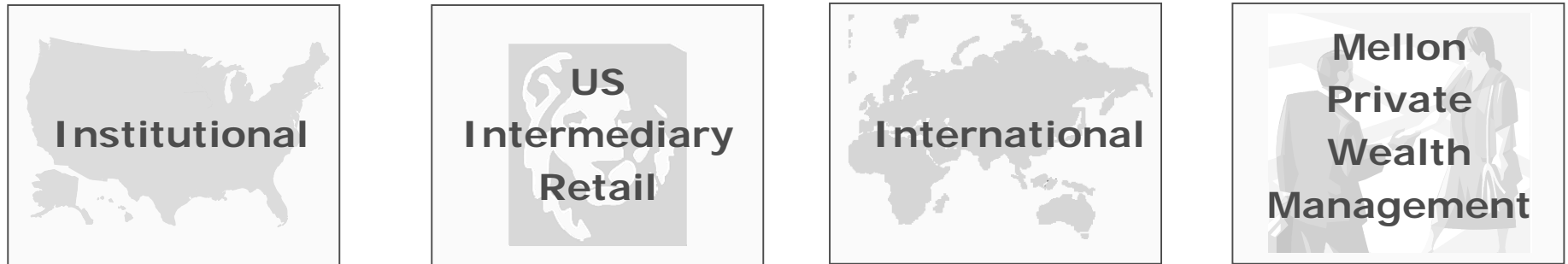
Client Mix



Note: Please review the disclosures in the appendix following this presentation.

Our multi-boutique model – a strong foundation for growth and leverage

client-driven sales/service channels



Multi-boutique Investment Management Platform



Mellon Shared Support

Multi-boutique Model

creates significant competitive advantage

Distinct investment processes promotes focus on alpha generation and improving investment performance

Leverages distribution capabilities by supplementing subsidiary sales with shared distribution channels

Provides customized solutions through bundling of multiple investment capabilities

- Accounted for approximately \$100MM of 2006 revenue

Entrepreneurial culture allows boutiques to attract/retain top industry talent

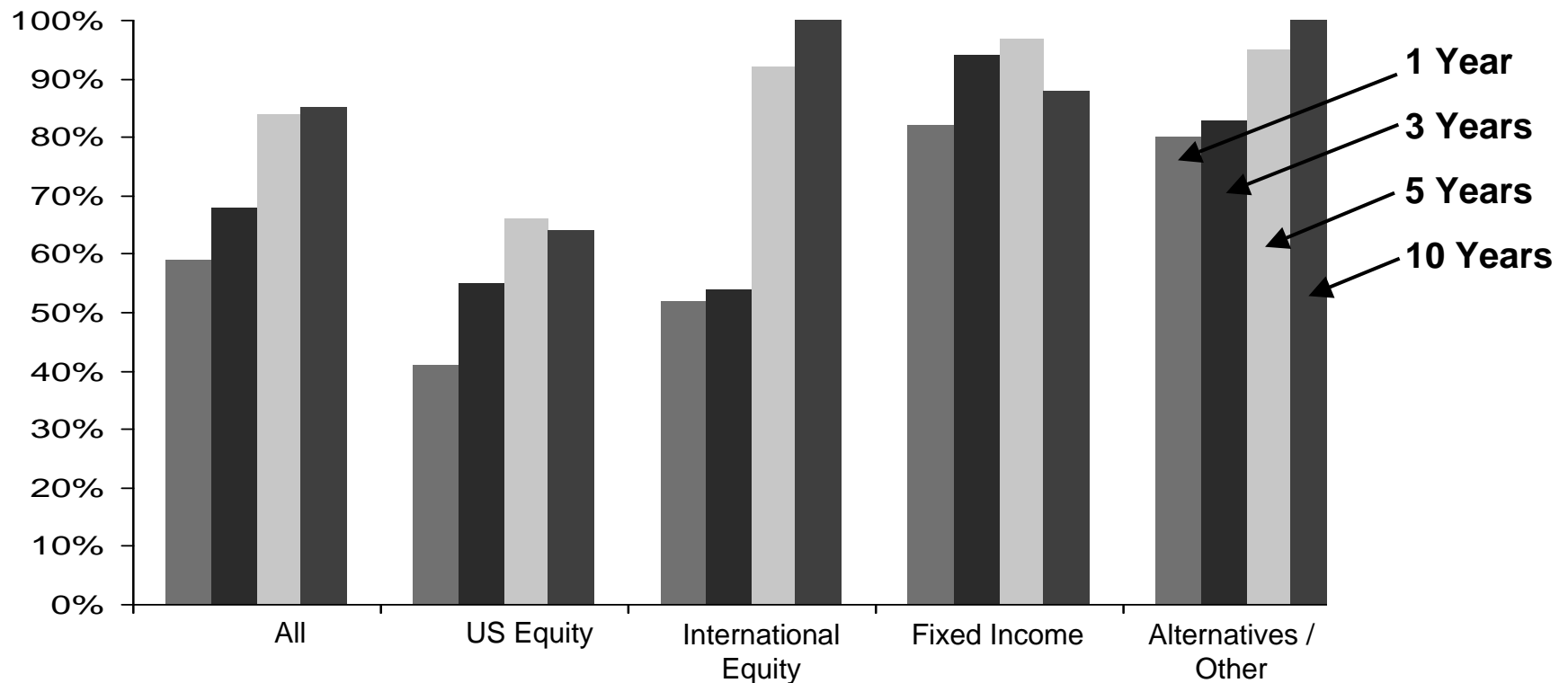
Leverages back-office functions to improve efficiency

Enhances opportunities for accretive acquisitions

Organic growth based on Strong investment performance

Percentage of Institutional Investment Products that Exceeded Their Benchmark

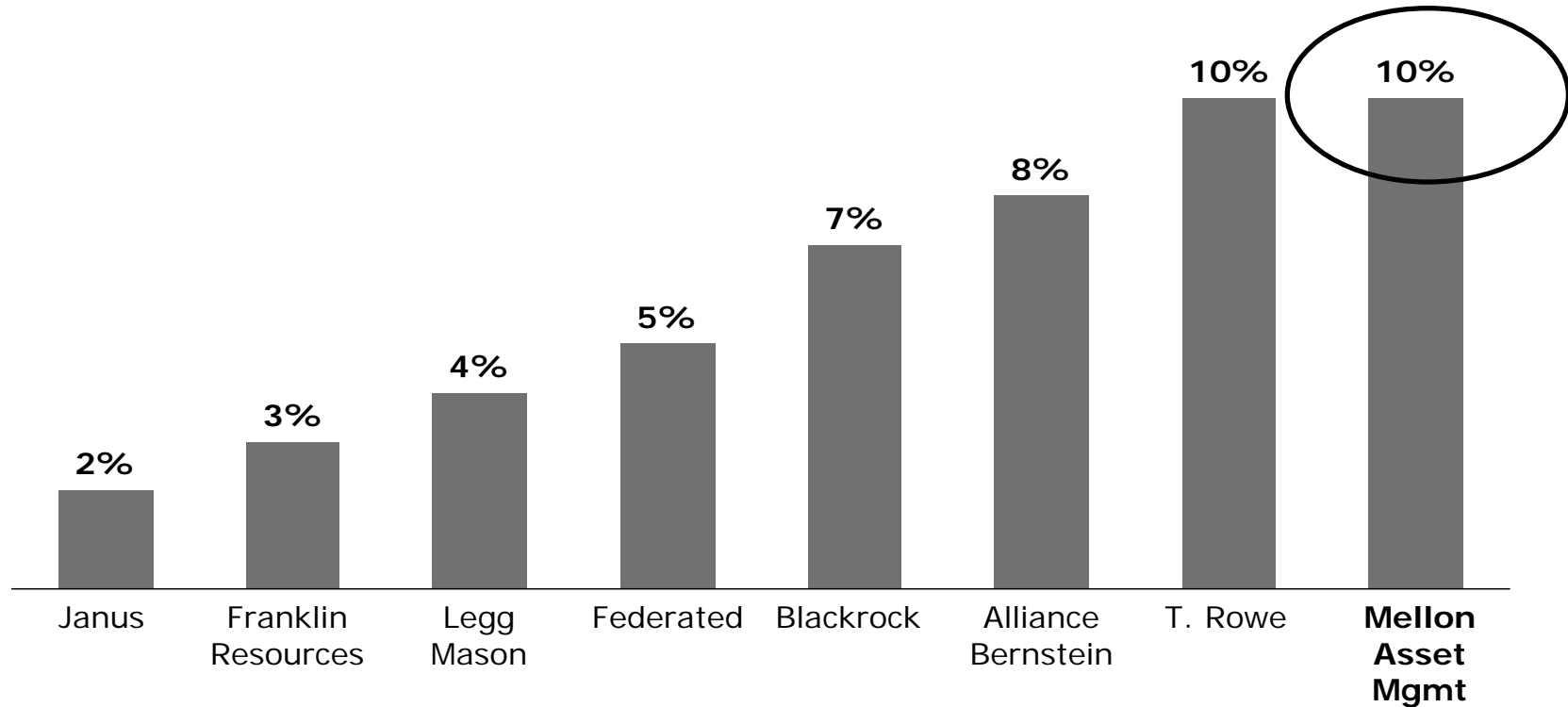
(periods ending December 31, 2006)



All active (non index), institutional products are included, representing \$412 billion of AUM, with the exception of securities lending products. Calculations are equal weighted. Investment performance is gross of fees except for privately offered funds.

AUM: Strong growth rate vs. peers

Outperforming our peers - organic growth rates for the past 12 months



Note: Represents net flows in assets under management over the period 12/31/05 through 12/31/06. Growth rates excludes impact from acquisition and market. Peer information obtained from company financial reports.

Mellon Asset Management – Highlights

(\$ in millions)		2006	CAGR	
			3-Year	1-Year
Revenue	Record	\$2,530	22%	33%
Performance fees	Record	358	72	109
Operating Expense		1,754	17	26
Pretax Income	Record	776	36	53
Pretax Margin		31%		
ROE		53%		
AUM (in billions)	Record	\$824	14%	31%

- Annualized new business revenue increased 170% year-over-year
- 75% of net sales from outside the US
- Focused Dreyfus as a multi-strategy distributor and began upgrade of our retail/intermediary distribution capabilities
- Launched highly successful \$6 billion Japan mutual fund managed by 8 investment subsidiaries across our business
- Strong client satisfaction ratings

The path ahead – 3 major initiatives to drive growth

Expand and deepen our presence in the US retail/intermediary market

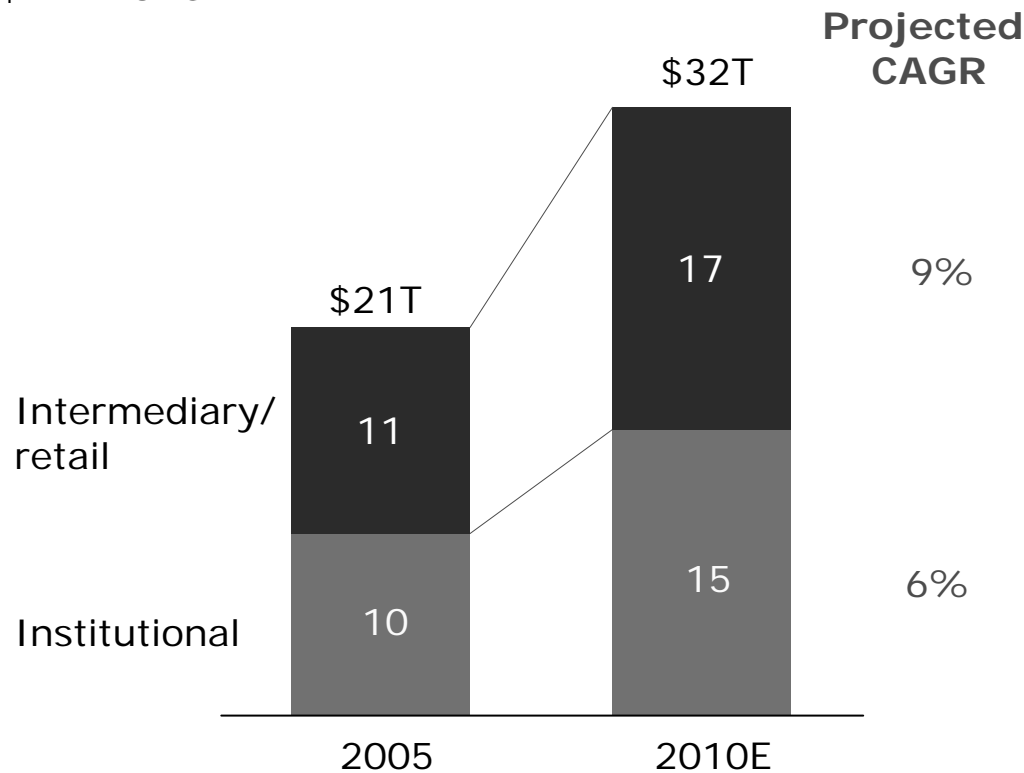
Continue our international expansion efforts

Maintain our industry-leading US institutional presence

Support through a relentless focus on attracting, developing, motivating, and retaining the best people

Retail/intermediary market poised for change

U.S. Industry AUM
\$ Trillions



- ### Key Market Trends
- Institutionalization
 - Solutions-oriented products
 - Asset allocation
 - Packaging innovation
 - Consultative selling

Source: Federal Reserve, "Flow of Funds Accounts", ICI, Money Management Institute, Pensions & Investments, Hedge Fund Research, Nareit, SNL, Bureau of Economic Analysis, McKinsey analysis, Empirical Research Partners, Morgan Stanley, Cerulli Associates

Retail intermediary actions

Leverage our institutional expertise

- Transfer institutional sales skills to our sales force
- Expand use of product specialists to liaise between subsidiaries and retail/intermediary buyers

Reposition our wholesaling force to bridge managers with buyers

- Systematically upgrade our wholesaling force
- Focus on a more consultative approach through analytical and sales support tools

Deliver product innovation

- 25% of 2006 annualized new business revenue from new products introduced in the last 3 years*
- Extend success in alternatives to retail/intermediary market

Continue to leverage scale in institutional cash

- 4th largest institutional cash manager (iMoneynet)
- Enhanced cross-sell opportunities

* Percentage excludes enrichments

We have successfully leveraged our model to multiple international markets...

U.K.

- #10 mutual fund manager (IMA)*
- 3rd largest manager of public pension funds (Public data)
- Largest manager of charitable fund assets (*Charity Finance Magazine 2006*)

Japan

- 2nd largest manager Japanese Offshore Public Investment Trusts (Lipper)**
- 4th largest foreign manager Japanese public Investment Trusts (Lipper)**
- Single largest mutual fund launch in 2006 (Mellon analysis)

Germany

- 12th largest manager; largest non-German owned segregated manager (BVI)

European Mutual Funds

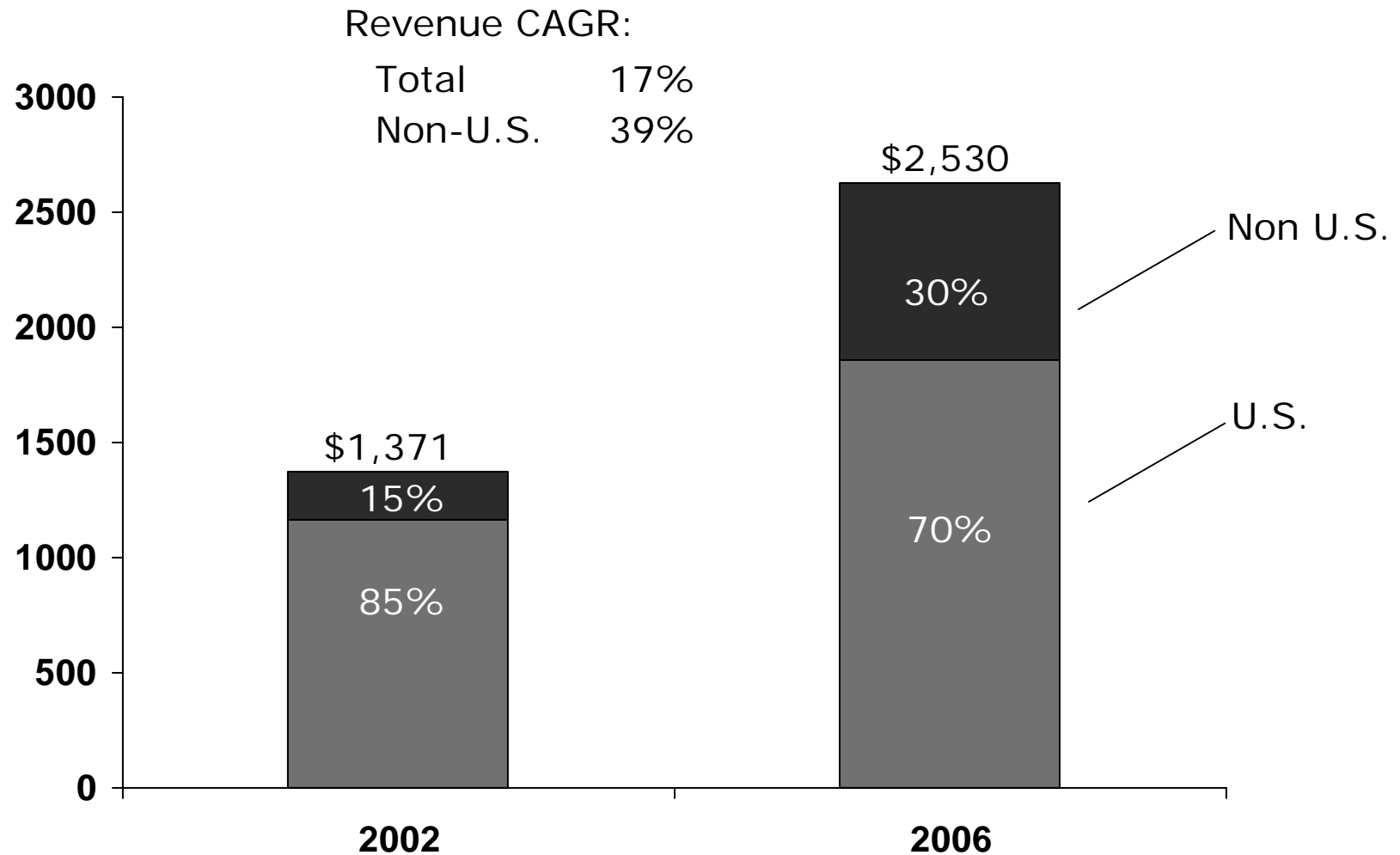
- 11th fastest growing manager - cross-border mutual fund sales (Feri)***

Australia

- Fastest growing Top 50 fund manager (Rainmaker June 2006)

* As of December 2006 ** As of September 2006 *** Net sales in Feri ENS funds registered in 8 countries or more Y/E 2006

...resulting in rapid revenue growth for Mellon Asset Management



International actions

Deepen penetration and increase share in core markets

- Increase in-market client service capabilities
- Expand our product specialist capability
- Enhance and globalize our consultant relations approach
- Shorten the time to market for our growing set of global and innovative investment strategies

Selectively expand footprint

- Build new capabilities and/or partnerships in new markets
- Leverage global custody relationships

We enjoy an industry-leading U.S. institutional business

- 4th largest U.S. institutional tax-exempt manager *(P&I, May 29, 2006)*
- 3rd largest manager of defined benefit assets *(IBID)*
- 2nd largest manager of endowment & foundation assets *(IBID)*
- Largest currency overlay asset manager *(IBID)*
- 8th largest sub-advisory manager *(IBID)*
- 4th largest institutional cash manager* *(iMoneynet)*

*As of 12/31/06

All statistics include firms from Mellon's Asset Management, Private Wealth Management and Securities Lending Assets. Each ranking may not include the same mix of firms.

Note: Rankings based on 2005 year end data.

Please review the disclosures in the appendix following this presentation.

Institutional actions

Maintain leading position in corporate Defined Benefit plans

- Leverage liability-driven investing capability
- Expand use of multi-asset solutions
- Extend alternatives capability

Create specialty capabilities to deepen penetration of publics and endowments/ foundations

- Replicate success of Taft-Hartley model and extend to publics and endowments/ foundations
- Leverage custody relationships in publics and endowments/ foundations

Coordinate sub-advisory marketing and client servicing across our institutional subsidiaries

- Gather and disseminate market knowledge
- Improve cross-sell and servicing of sub-advisory relationships

Summary: A clear vision for growth

Expand US retail/intermediary

- Leverage institutional expertise
- Reposition wholesaling force
- Deliver product innovation

Continue our international expansion

- Deepen penetration and increase share in core markets
- Selectively expand footprint

Maintain leading US institutional presence

- Maintain leading corporate Defined Benefit position
- Deepen penetration of publics, endowments/ foundations
- Coordinate sub-advisory sales and servicing

Cautionary Statement

A number of statements (i) in our presentations, (ii) in the accompanying slides and (iii) in the responses to your questions are "forward-looking statements". These statements relate to, among other things, the Corporation's future financial results, including future revenue, expenses, earnings and margins, the use of excess capital, asset management revenue sensitivity, interest rate sensitivity analysis, the expected tax rate and the expected number of average fully diluted shares outstanding, as well as the Corporation's overall plans, strategies, goals, objectives, expectations, estimates, intentions, targets, opportunities and initiatives, and are based on assumptions that involve risks and uncertainties and that are subject to change based on various important factors (some of which are beyond the Corporation's control).

Actual results may differ materially from those expressed or implied as a result of these risks and uncertainties, including, but not limited to, changes in political and economic conditions; equity, fixed-income and foreign exchange market fluctuations; changes in the mix of assets under management; the effects of the adoption of new accounting standards; customers' sensitivity to increases in oil prices and decreasing travel; corporate and personal customers' bankruptcies; operational risk; inflation; levels of tax free revenue; technological change; success in the timely development of new products and services; competitive product and pricing pressures within the Corporation's markets; consumer spending and savings habits; interest rate fluctuations; geographic sources of income; monetary fluctuations; currency rate fluctuations; acquisitions and integrations of acquired businesses; changes in law; changes in fiscal, monetary, regulatory, trade and tax policies and laws; success in gaining regulatory approvals when required; the uncertainties inherent in the litigation process and the litigation settlement process; the effects of recent and any further terroristic acts and the results of the war on terrorism; as well as other risks and uncertainties detailed from time to time in the filings of the Corporation with the Securities and Exchange Commission. Such forward-looking statements speak only as of March 29, 2007, and the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

Non-GAAP Measures: In this presentation we will discuss some non-GAAP measures in detailing the Corporation's performance.

Appendix

Mellon Financial Corporation

Reconciliation of Non-GAAP measures

(\$ in millions)	Revenue		Growth
	2006	2005	
Revenue (FTE) – As reported	\$5,367	\$4,740	13%
Shinsei Gain*	-	(197)	
Adjusted Revenue	\$5,367	\$4,543	18%












(\$ in millions)	Continuing Operations EPS		Growth
	2006	2005	
Earnings Per Share – Reported	\$2.25	\$2.11	7%
Shinsei / Expenses / Taxes*	(.05)	(.28)	
Adjusted Earnings per Share	\$2.20	\$1.83	20%

* As detailed on Page 14 of our 4th quarter 2006 Quarterly Earnings Summary Report, 2006 results included \$78 million pre-tax of non-operating expenses, which negatively impacted earnings per share by approximately \$.13. Also, as detailed on Page 2 of the Quarterly Earnings Summary Report, 2006 results included a one-time tax benefit of \$74 million, which favorably impacted earnings per share by approximately \$.18.

2005 results included a \$197 million pre-tax gain from the sale of our investment in Shinsei Bank, which together with \$15 million of other expenses (detailed on Page 7 of our 2005 Financial Annual Report), netted to an approximately \$.28 favorable impact to earnings per share.

Distinct Investment Boutiques

Separate firms with distinct, autonomous investment philosophies, processes and products; no Mellon CIO or house view; committed to manufacturing excellence

 <p>US and global tactical asset allocation, indexing & quantitative specialist \$174.9B</p>	 <p>One of the world's largest dedicated fixed income managers \$158.1B</p>	 <p>Cash & Tax-exempt fixed income \$145.5B</p>	 <p>ASSET MANAGEMENT, LLC Active fundamental equity manager; core, growth & value styles \$72.7B</p>
 <p>The Power of Ideas Active stock and bond selection within a global framework \$66.8B</p>	 <p>Specialists in currency and risk management \$60.3B</p>	 <p>Active manager with a quantitative approach, focused on European and Emerging Markets \$46.5B</p>	 <p>Benchmark-driven structured US portfolio specialist; quantitative approach \$34.5B</p>
 <p>Walter Scott & Partners Limited Non-benchmark constraint: fundamental global equity \$30.8B</p>	 <p>Structured, active US equity and balanced management \$21.9B</p>	 <p>Fund of funds manager specializing in alternative funds and traditional long-only products \$5.2B</p>	

Note: AUM as 12/31/06. WestLB Mellon Asset Management represents a 50:50 joint venture between WestLB and Mellon Financial Corporation.

Disclosures

- Mellon Asset Management is the umbrella organization for Mellon Financial Corporation's affiliated investment management firms and global distribution companies.
- All references to assets under management are as of 12/31/06. Except where The Dreyfus Corporation assets under management are listed separately, assets under management include assets managed by the individual firm's officers as dual officers of Mellon Bank, N.A., Mellon Trust of New England, N.A. and The Dreyfus Corporation.
- Mellon Capital AUM includes \$30.8 billion in overlay and currency assets.
- Pareto Investment Management Limited AUM includes \$58 billion in currency risk management and \$2 billion in currency absolute return.
- Standish Mellon AUM includes \$10 billion in securities lending collateral assets.
- Newton Capital Management LLC provides marketing services in the U.S. for Newton Capital Management Limited. 'Newton' refers to the Newton group of companies that include Newton Investment Management Limited and Newton Capital Management Limited. Assets under management include assets managed by Newton Investment Management Limited, Newton Capital Management Limited, Newton International Investment Management Limited and Newton Fund Managers (CI) Limited. Newton Capital Management LLC, Newton Capital Management Limited, Newton Investment Management Limited, Newton International Investment Management Limited and Newton Fund Managers (CI) Limited are affiliated entities.
- Hamon's services are offered in the U.S. by Hamon US Investment Advisors Limited. Mellon holds a 19.9% interest in Hamon Investment Group.
- WestLB Mellon Asset Management is a joint venture between Mellon Financial Corporation and WestLB AG.
- Mellon Global Alternative Investments (MGAI) does not offer services in the U.S. This presentation does not constitute an offer to sell, or a solicitation of an offer to purchase, any of the firm's funds to any U.S. investor.
- Franklin Portfolio Associates has no affiliation to the Franklin Templeton Group of Funds or Franklin Resources, Inc.
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