



THE BANK OF NEW YORK MELLON



# A Large Cap Global Growth Company

**Bob Kelly**  
**Chief Executive Officer**  
**January 30, 2008**

2008 Citi Financial Services Conference

## 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 statements with respect to the merger of The Bank of New York and Mellon Financial and statements relating to achieving superior revenue growth and competitive margins, maintaining superior client service, investment performance, fiduciary standards and balance sheet strength, deploying capital effectively and accelerating long-term growth and returns, credit strategy, goals for integration and the expected timing of achievement of those goals, new business pipeline, and revenue synergy opportunities, 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, risks and uncertainties arising in connection with the merger of The Bank of New York and Mellon Financial and the integration of the two companies; 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; 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 effects of 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 (SEC) and The Bank of New York’s and Mellon Financial’s historical reports filed with the SEC. Such forward-looking statements speak only as of January 30, 2008, 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. We believe these measures are useful to the investment community in analyzing the financial results and trends of ongoing operations. We believe they facilitate comparisons with prior periods and reflect the principal basis on which our management monitors financial performance.

## Delivering Shareholder Outperformance

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

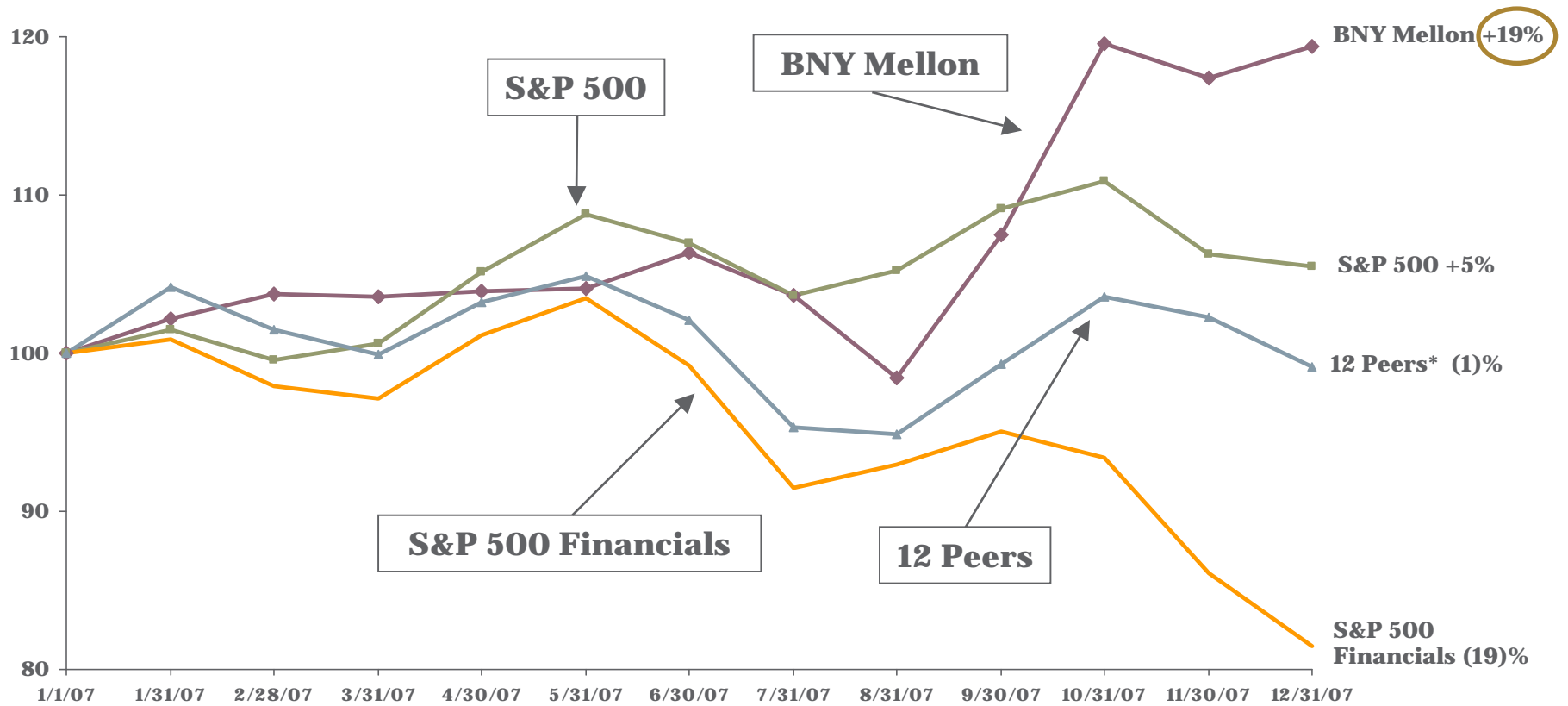
**Achieve superior revenue growth and competitive margins in each business line vs. peers**

**Maintain superior client service, investment performance, fiduciary standards and balance sheet strength vs. peers**

**Deploy capital effectively to accelerate long-term growth and returns**

# Bank of New York Mellon Total Shareholder Return - 2007

## Outperformed the S&P 500, S&P 500 Financials and Peers



\* Peers detailed in Appendix on page 20

## Total Shareholder Return - 2007

BK ranked #5 globally among large cap financials

TSR Ranking*	Company Name	2007 TSR	Market Cap (\$B)
<b>TOP 10 (ranked by TSR)</b>			
1	ABN AMRO Holding N.V.	57.2%	\$ 103.4
2	Bayerische Hypo- und Vereinsbank AG	32.8%	\$ 50.0
3	Standard Chartered PLC	26.8%	\$ 51.7
4	Commonwealth Bank of Australia	25.3%	\$ 68.3
5	<b>Bank of New York Mellon Corp.</b>	<b>19.4%</b>	\$ 55.9
6	Goldman Sachs Group Inc.	8.6%	\$ 85.5
7	Banco Santander S.A.	8.2%	\$ 135.2
8	Manulife Financial Corp.	5.4%	\$ 61.7
9	Assicurazioni Generali S.p.A.	4.7%	\$ 63.9
10	Toronto-Dominion Bank	2.6%	\$ 50.6

#1 in U.S.

\* Includes 43 Global Financial Institutions with Market Cap > \$50B (excluding China and Russia)

## BK Highlights: Full Year 2007 (Pro Forma Combined)

**Revenue:** \$14.4 billion\*

**Operating Leverage :** +700 bps\*

**Pretax Income :** \$5.0 billion\*

**Pretax margin (FTE):** 35%\*

**Tangible Return on Equity:** 46%\*

**Dividend Payout Ratio:** 36%\*

**Market Capitalization:** \$55.9 billion (12/31/07)

**Assets under Management:** \$1.1 trillion, +11%\*

**Assets under Custody/Admin:** \$23.1 trillion, +16%\*

**Corporate Trust:** > \$11 trillion debt serviced, #1 globally

\*Revenue and operating leverage are disclosed on a non-fully taxable equivalent basis and are adjusted for certain items. Growth rates are Full Year 2007 vs. Full Year 2006. Calculations are detailed in Appendix. The tangible return on equity ratio has been adjusted for certain items. The ratio on a GAAP basis was 42% (see page 5 of the 4Q07 Earnings Press Release for additional details). The dividend payout ratio detailed above (36%) was calculated using the current quarterly dividend of 24 cents per share and 4Q07 Continuing operations EPS (excluding merger and integration charges) of 67 cents. Including merger and integration charges, the dividend ratio would have been 39%.

# Global Leader in Asset Management & Securities Servicing

## Delivering growth and operating leverage: 2007 vs. 2006

	% of Revenue		% of Pretax Earnings	
	Total	Growth	Total	Growth
<u>Asset &amp; Wealth Management</u>				
Asset Management	23 %	14 %	22 %	16 %
Wealth Management	7	4	7	2
	<u>30 %</u>	12 %	<u>29 %</u>	13 %
<u>Institutional Services</u>				
Securities Servicing				
Asset Servicing	31	24	26	59
Issuer Services	17	14	23	21
Clearing & Execution Services	12	14	9	6
	<u>60 %</u>	19 %	<u>58 %</u>	32 %
Treasury Services	10	7	13	21
	70 %	17 %	71 %	30 %
Continuing Operations (ex-Other segment)	100 %	<u>15 %</u>	100 %	<u>24 %</u>

Note: Full Year 2007/2006 results represent pro forma combined segment results for The Bank of New York Mellon. Pretax metrics exclude the impact of historical intangible amortization and the pro forma impact of incremental purchase accounting intangible amortization resulting from the merger. Totals exclude the Other segment. Growth rates are on an adjusted basis. See Appendix for additional details.

## Expanding Rapidly Internationally

	2000	2006	4Q07
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Revenue – non U.S.

**19%**

**26%**

**32%**

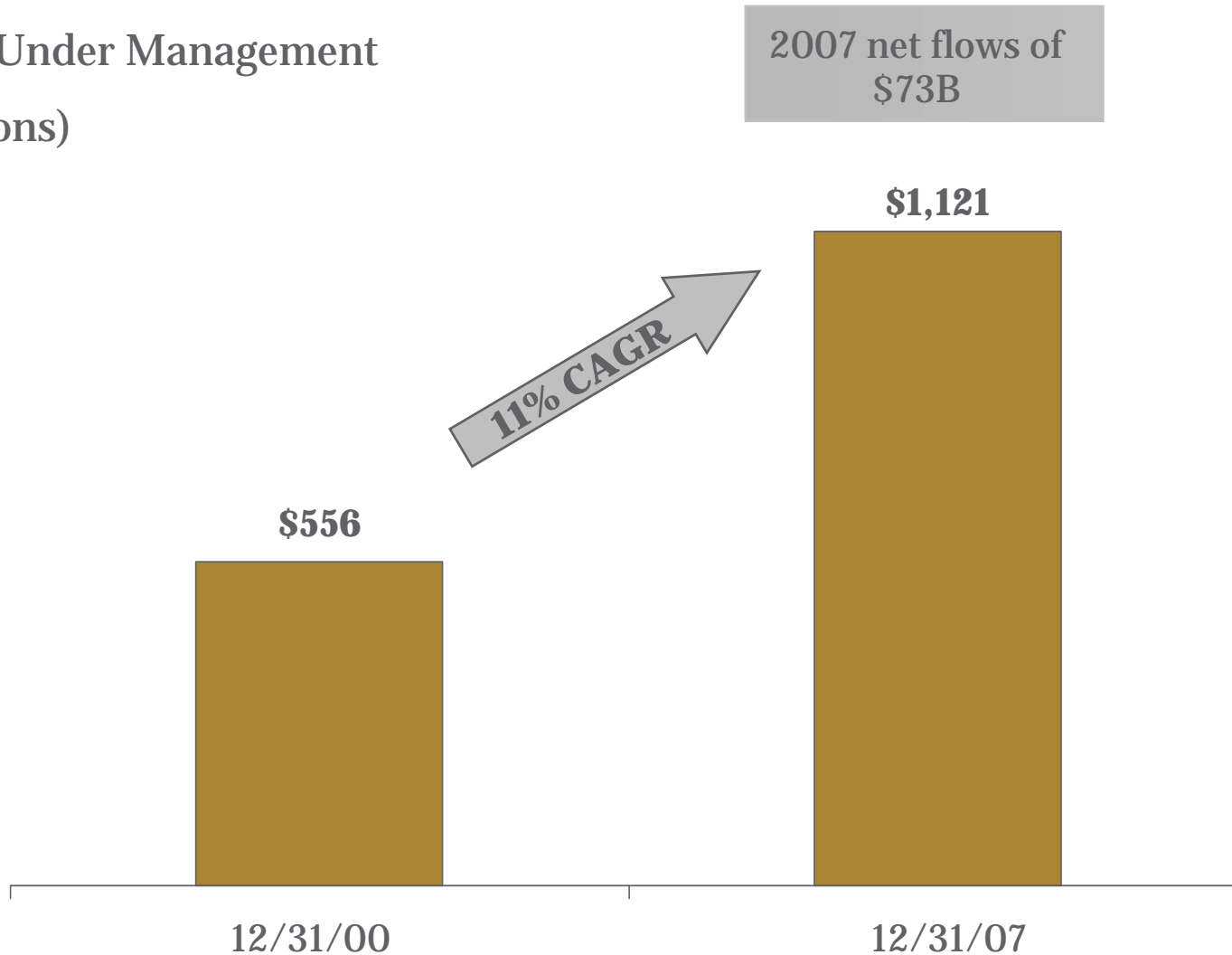
- Asset Management 40%
- Asset Servicing 40%
- Issuer Services 39%



# Asset & Wealth Management

Delivering strong AUM growth

Assets Under Management  
(\$ billions)



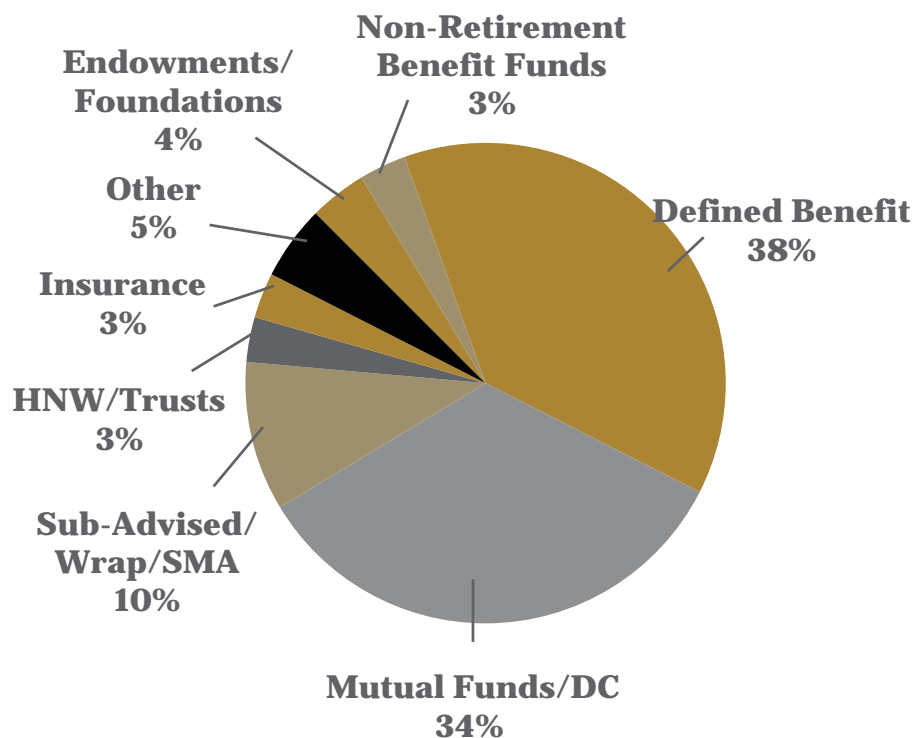
# BNY Mellon Asset Management: 22% of 2007 Pretax Income

A broad array of clients and diverse products

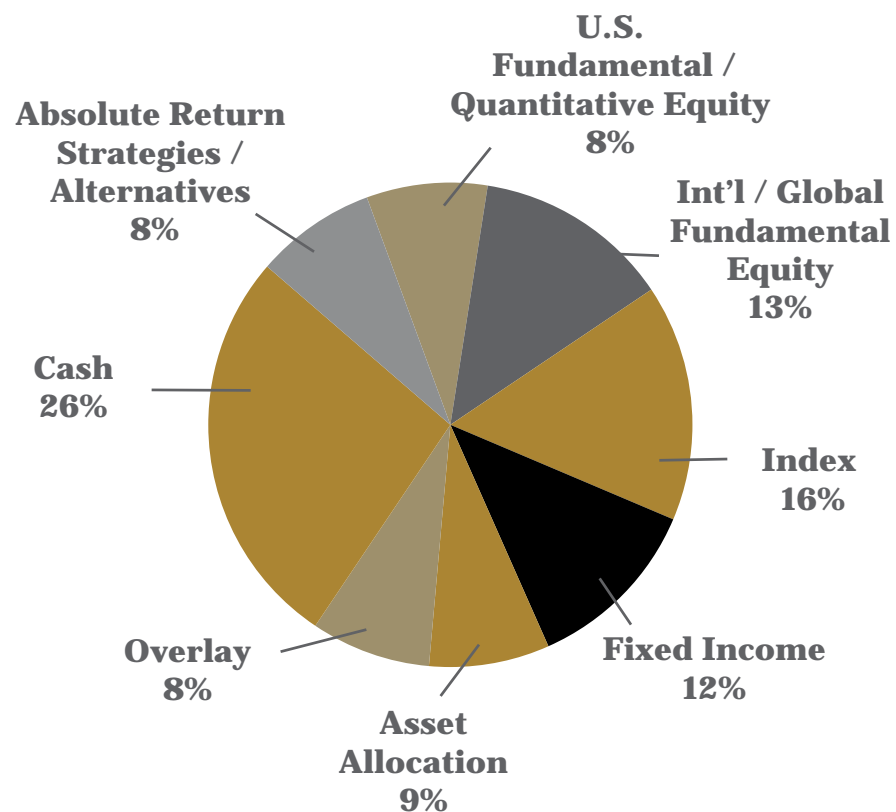
**AUM \$1.1 trillion**

*As of 12/31/07*

## Client



## Product

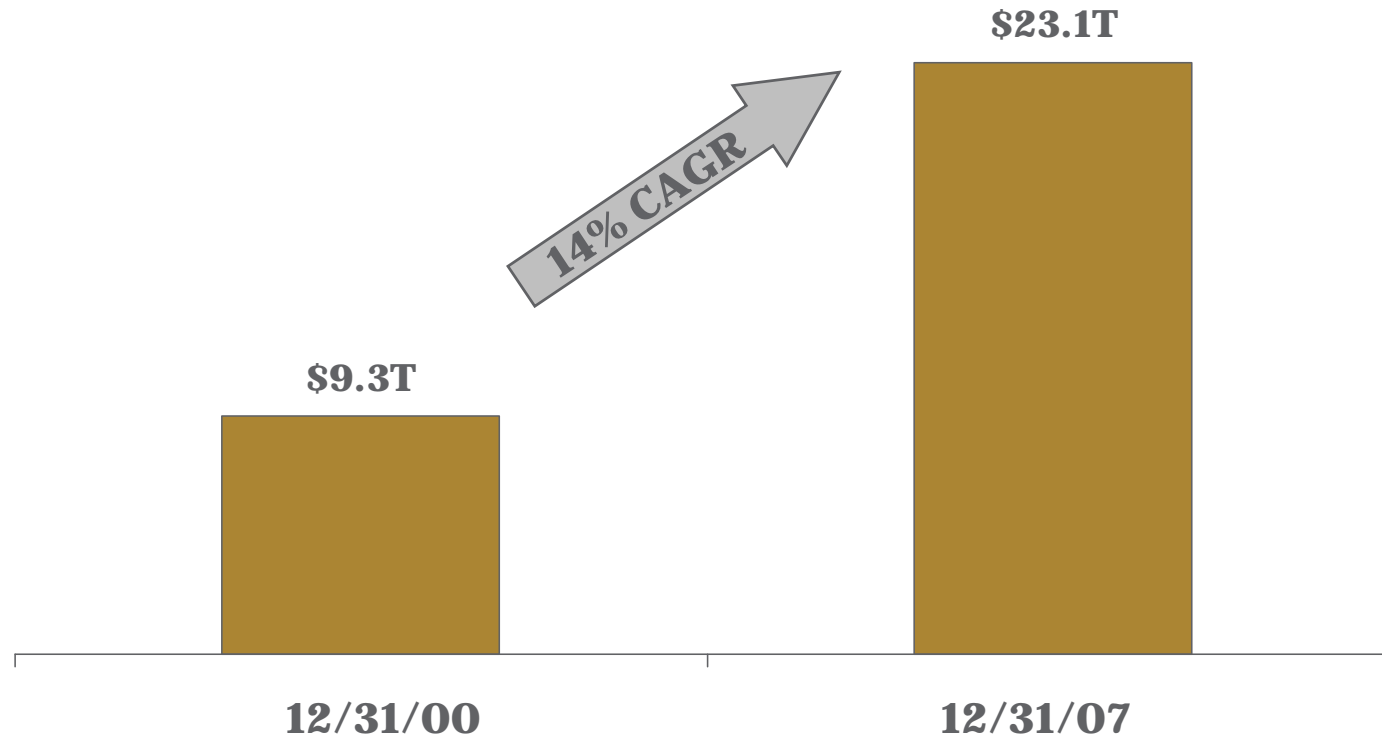


*Please review the disclosures in the Appendix following this presentation.*

## BNY Mellon Asset Servicing: 26% of 2007 Pretax Income

### Delivering strong AUC growth

- Over 4,600 clients in 77 countries
- New business wins totaling \$1.4T since Dec. 2006
- Strong new business pipeline



AUC – Assets Under Custody/Administration

# BNY Mellon Asset Servicing: Integration

## How We are Measuring Success

### GOALS

#### Client Satisfaction – by 2010

- #1 vs. peers in the three major external client satisfaction surveys
- Expect 85% of our clients to be highly satisfied/satisfied with our service quality

#### Revenue Retention

- Greater than or equal to historical retention rate of 98%

#### Clients on Target Platform

- Business as usual by the end of 2009

### RESULTS

#1 Rated Custodian

- *Global Custodian Survey\**

2007: 99% Achieved

N/A

*\*Released January 2008*

## Issuer Services: 23% of 2007 Pretax Income

#1 market positions in all businesses

### **Corporate Trust**

- #1 Global Market Share
- > \$11T debt serviced for 90,000 clients in 16 countries
- #1 Trustee & service provider of 2007\*

### **Depository Receipts**

- #1 Global Market Share
- Approx. 1,300 sponsored DR programs in 61 countries
- #1 Quality award Group 5 Survey

### **Shareowner Services**

- #1 Market Share (U.S.)
- 27 million shareholder accounts
- J.D. Powers “Outstanding Customer Service Experience”

\*Awarded by Opal Financial Group

# Corporate Trust: Market Leader in all Client Segments

Balanced revenue mix

Market	4Q07 % of Total Revenue	<u>Amount of Proceeds*</u>	
		Ranking	Market Share
International	<b>31%</b>	<b>#1</b>	<b>34%</b>
U.S. Investment Grade	<b>20%</b>	<b>#1</b>	<b>25%</b>
U.S. Municipal	<b>19%</b>	<b>#2</b>	<b>27%</b>
U.S. Structured Finance	<b>15%</b>	<b>#1</b>	<b>19%</b>
CLO/CDO	<b>15%</b>	<b>#1</b>	<b>24%</b>

**#1 Globally**

Peers: US Bancorp, Deutsche Bank and ABN AMRO

\*Based upon data from 3Q07 (most recent available)

## Balance Sheet Management

Well positioned for the current environment

**Assets \$198 billion**

**Liability driven (client deposits)**

**Improving our risk profile**

**Strong liquidity and capital ratios**

- 25% Liquid assets, 28% Investment/Trading securities, 26% Loans
- Tier 1 of 9.10%, Adjusted Tangible Common Equity of 4.96%

**Board authorized repurchase of 35 million shares**

- Total available is approximately 40MM shares

# The Bank of New York Mellon

## Current activities

### Timing

#### Strategic

Complete business reviews	1Q08
Rationalize non-core activities	Ongoing
Hold Investor Conference	5/21/08
— Detailed goals	

#### Merger Related

Execute on expense synergies	Ongoing
— \$96MM in 4Q07	
— Exceeding target: 25% versus 15% in 2007	
Execute on revenue synergies	Ongoing
— Targeted run rate of \$250MM - \$400MM by 2011	
Improve market awareness of brand	Ongoing

# Creating Brand Awareness

## People, Partnership, Performance

Superior performance. That's what really matters in today's complex markets. To succeed, you need a partner whose expertise aligns with your goals. Someone who listens, works with you, finds solutions, and stays as nimble as you need to be. The Bank of New York Mellon. Together, we can put your highest goals within reach.



**There are 194 countries,  
167 currencies, 275 exchanges, and one  
focused board of directors to please.**

**➤ Who's helping you?**

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## Delivering Superior Shareholder Value

**Focus on high-growth global businesses – Asset Management and Securities 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**

**A Large Cap Global Growth Company**

# Appendix

## 12 Member Peer Group

### Asset Managers

**AllianceBernstein**

**BlackRock**

**Legg Mason**

### Trust Banks

**Northern Trust**

**State Street**

### Other

**Lehman**

**JPMorgan Chase**

**PNC**

**Prudential**

**SunTrust**

**US Bancorp**

**Wachovia**

## Current Credit Ratings

	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>
<b><u>BNY Mellon</u></b>			
<b>Long-term Senior Debt</b>	<b>Aa2</b>	<b>A+</b>	<b>AA-</b>
<b>Subordinated Debt</b>	<b>Aa3</b>	<b>A</b>	<b>A+</b>
<b><u>The Bank of New York</u></b>			
<b>Long-term Senior Debt</b>	<b>Aaa</b>	<b>AA-</b>	<b>AA-</b>
<b>Long-term Deposits</b>	<b>Aaa</b>	<b>AA-</b>	<b>AA</b>
<b><u>Mellon Bank, N.A.</u></b>			
<b>Long-term Senior Debt</b>	<b>Aaa</b>	<b>AA-</b>	<b>AA-</b>
<b>Long-term Deposits</b>	<b>Aaa</b>	<b>AA-</b>	<b>AA</b>
<b>Outlook</b>	<b>Stable</b>	<b>Positive</b>	<b>Positive</b>

# Reconciliation Schedule

## Revenue/Pretax Growth & Pretax Margin/Operating Leverage

	2007	2006	Growth
<b>Revenue (a)</b>	<b>\$14,197</b>	<b>\$12,103</b>	
<b>CDO write-down</b>	<b>200</b>	<b>-</b>	
<b>Adjusted revenue</b>	<b>\$14,397</b>	<b>\$12,103</b>	<b>19%</b>
<b>Provision for credit losses</b>	<b>(10)</b>	<b>(18)</b>	
<b>Total non-interest expense – excluding merger and integration expense, amortization of intangible assets and items in footnote (a)</b>	<b>9,400</b>	<b>8,401</b>	<b>12%</b>
<b>Pretax income adjusted</b>	<b>\$5,007</b>	<b>\$3,720</b>	<b>35%</b>
<b>Pretax margin Non-GAAP adjusted (FTE)</b>	<b>35% (a)</b>	<b>31% (a)</b>	
<b>Operating leverage Non-GAAP adjusted</b>			<b>700 bps (a)</b>

(a) 2007 pro forma combined revenue/expense excludes: the CDO write-down (\$200 million pre-tax); settlement for early termination (in 2005) of a contract associated with the clearing business (\$28 million pre-tax), and (\$1 million pre-tax) of related incentive expense; recalculation of the yield on the leverage lease portfolio, recorded in net interest revenue (\$22 million pre-tax); the pretax write-off of the remaining interest in a hedge fund manager that was sold in 2006 (\$32 million) and (\$6 million) for internally developed software in 3Q07; early redemption charge for subordinated debentures (\$46 million); exit costs associated with excess office space (\$30 million) and litigation reserve charges (\$5 million) in 2Q07; and a litigation reserve charge (\$12 million) in 1Q07. 2006 excludes the 1Q06 charge related to the former Mellon Chairman (\$19 million), and other 4Q06 charges detailed on page 20 of the 4Q07 Quarterly Earnings Summary.

On a GAAP basis, the pro forma combined pretax margins for 2007 and 2006 were 27% and 29%, respectively. On a GAAP basis, the pro forma combined pretax income for 2007 and 2006 were \$3,867MM and \$3,490MM, respectively.

# Reconciliation Schedule

## Business Sector – Revenue

(\$millions)	2007			2006			Adjusted Growth
	Originally Reported	Adjustments	Adjusted	Originally Reported	Adjustments	Adjusted	
<b>Revenue</b>							
<b>Asset Management</b>	<b>\$3,291</b>	--	<b>\$3,291</b>	<b>\$2,880</b>	--	<b>\$2,880</b>	<b>14%</b>
<b>Wealth Management</b>	<b>1,001</b>	--	<b>1,001</b>	<b>965</b>	--	<b>965</b>	<b>4</b>
<b>Subtotal</b>	<b>4,292</b>	--	<b>4,292</b>	<b>3,845</b>	--	<b>3,845</b>	<b>12%</b>
<b>Institutional Services</b>							
<b>Securities Servicing</b>							
<b>Asset Servicing</b>	<b>4,343</b>	--	<b>4,343</b>	<b>3,495</b>	--	<b>3,495</b>	<b>24%</b>
<b>Issuer Services</b>	<b>2,382</b>	--	<b>2,382</b>	<b>1,497</b>	<b>584</b>	<b>2,081</b>	<b>14</b>
<b>Clearing &amp; Execution Services</b>	<b>1,665</b>	<b>(32)</b>	<b>1,633</b>	<b>1,637</b>	<b>(200)</b>	<b>1,437</b>	<b>14</b>
<b>Subtotal</b>	<b>8,390</b>	<b>(32)</b>	<b>8,358</b>	<b>6,629</b>	<b>384</b>	<b>7,013</b>	<b>19%</b>
<b>Treasury Services</b>	<b>1,444</b>	--	<b>1,444</b>	<b>1,348</b>	--	<b>1,348</b>	<b>7%</b>
<b>Total</b>	<b>\$14,126</b>	<b>(\$32)</b>	<b>\$14,094</b>	<b>\$11,822</b>	<b>\$384</b>	<b>\$12,206</b>	<b>15%</b>

Note: Represent pro forma combined segment results for The Bank of New York Mellon for 2007/2006. Pretax metrics exclude the impact of historical intangible amortization and the pro forma impact of incremental purchase accounting intangible amortization resulting from the merger. Totals exclude the Other segment.

2007/2006 data adjusted as follows: Issuer Services - adjusted as if the Acquired Corporate Trust Business (closed 10/06) was acquired as of 1/1/06. Clearing & Execution Services – adjusted as if the 50-50 BNY ConvergEx joint venture (formed 10/06) was formed as of 1/1/06. 2007 Clearing & Execution Services adjusted for the settlement for the early termination (in 2005) of a contract (\$28 million pre-tax).

# Reconciliation Schedule

## Business Sector – Pretax Income

(\$millions)	2007			2006			Adjusted Growth
	Originally Reported	Adjustments	Adjusted	Originally Reported	Adjustments	Adjusted	
<b>Pretax income</b>							
<b>Asset Management</b>	<b>\$1,129</b>	<b>\$32</b>	<b>\$1,161</b>	<b>\$989</b>	<b>11</b>	<b>\$1,000</b>	<b>16%</b>
<b>Wealth Management</b>	<b>350</b>	<b>--</b>	<b>350</b>	<b>343</b>	<b>1</b>	<b>344</b>	<b>2</b>
<b>Subtotal</b>	<b>1,479</b>	<b>32</b>	<b>1,511</b>	<b>1,332</b>	<b>12</b>	<b>1,344</b>	<b>13%</b>
<b>Institutional Services</b>							
<b>Securities Servicing</b>							
<b>Asset Servicing</b>	<b>1,356</b>	<b>--</b>	<b>1,356</b>	<b>848</b>	<b>6</b>	<b>854</b>	<b>59%</b>
<b>Issuer Services</b>	<b>1,179</b>	<b>--</b>	<b>1,179</b>	<b>662</b>	<b>316</b>	<b>978</b>	<b>21</b>
<b>Clearing &amp; Execution Services</b>	<b>469</b>	<b>(29)</b>	<b>440</b>	<b>470</b>	<b>(54)</b>	<b>416</b>	<b>6</b>
<b>Subtotal</b>	<b>3,004</b>	<b>(29)</b>	<b>2,975</b>	<b>1,980</b>	<b>268</b>	<b>2,248</b>	<b>32%</b>
<b>Treasury Services</b>	<b>654</b>	<b>--</b>	<b>654</b>	<b>539</b>	<b>1</b>	<b>540</b>	<b>21</b>
<b>Total</b>	<b>\$5,137</b>	<b>\$3</b>	<b>\$5,140</b>	<b>\$3,851</b>	<b>\$281</b>	<b>\$4,132</b>	<b>24%</b>

Note: Represent pro forma combined segment results for The Bank of New York Mellon for 2007/2006. Pretax metrics exclude the impact of historical intangible amortization and the pro forma impact of incremental purchase accounting intangible amortization resulting from the merger. Totals exclude the Other segment.

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# Disclosures

- As of July 1, 2007, Mellon Financial Corporation and The Bank of New York Company, Inc. merged into a newly created entity, The Bank of New York Mellon Corporation. Accordingly, results of the respective asset management subsidiaries for periods prior to that time reflected their separate operations.
- Unless otherwise noted, all references to assets under management (which are approximates) are as of 12/31/07 and reflect the pro forma combined AUM of both entities, based on the merger of Mellon Financial Corporation and The Bank of New York Company, Inc., which occurred on 7/1/07.
- References to rankings and standings prior to July 1, 2007 do not necessarily reflect a combination of pro-forma operations. The rankings do include assets managed by Mellon Asset Management, Mellon Global Securities Lending and Mellon's Private Wealth Management Group. Each ranking may not include the same mix of firms.
- BNY Mellon Asset Management is the umbrella organization for The Bank of New York Mellon Corporation's affiliated investment management firms and global distribution companies.
- 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., The Dreyfus Corporation and Founders Asset Management LLC.
- Mellon Capital Management Corporation AUM includes an estimated \$32 billion as of 12/31/07 in overlay strategies. Pareto Investment Management Limited AUM includes an estimated \$61 billion in currency risk management and \$3 billion in currency absolute return.
- The Newton Group refers to the following group of affiliated companies: Newton Investment Management Limited, Newton Capital Management Limited, Newton International Investment Management Limited, Newton Capital Management LLC, and Newton Fund Managers (CI) Limited. Assets under management include assets managed by all of these companies except Newton Capital Management Limited LLC, which provides marketing services in the U.S. for Newton Capital Management Limited. Except for Newton Capital Management LLC and Newton Capital Management Limited, none of the other Newton companies offer services in the U.S.
- The Bank of New York Mellon Corporation holds a 19.9% interest in Hamon Investment Group which is the parent of Hamon U.S. Investment Advisors Limited. Hamon's services are offered in the U.S. by Hamon U.S. Investment Advisors Limited.
- WestLB Mellon Asset Management Holdings Ltd. is a joint venture between The Bank of New York Mellon Corporation and WestLB AG. Each firm owns 50%. WestLB Mellon Asset Management (USA) LLC offers services in the U.S.
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