



THE BANK OF NEW YORK MELLON



June 17, 2008

# Strategies for Growth and Outperformance

## ***Clearing Services***

# Clearing Services - Business Overview

## Leading global provider of securities processing

- 1,150 customers in 42 markets
- Over 5 million active investor accounts
- Over \$5 billion in margin loans

## Customer base focus

- Global introducing broker-dealers (IBDs)
- Registered investment advisors (RIAs)
- Hedge funds

## State of the art capabilities

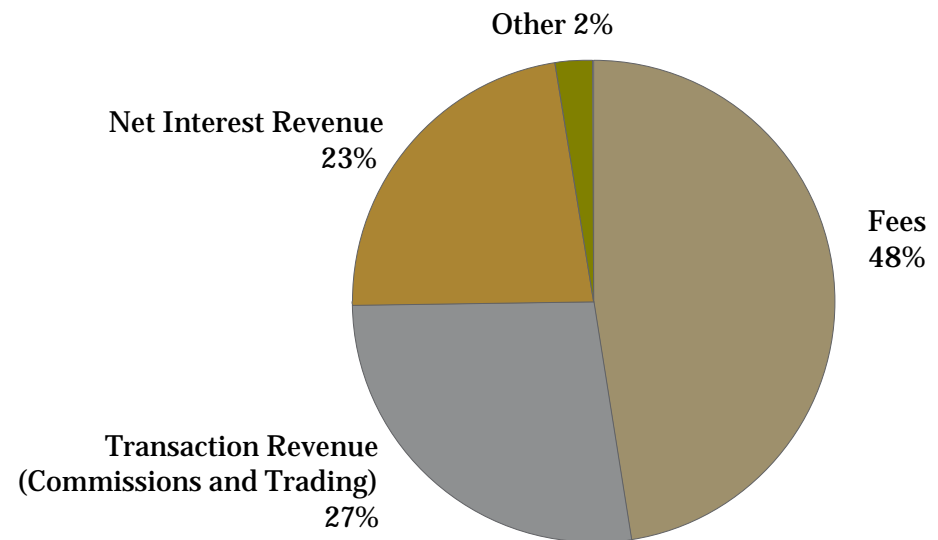
- Brokerage workstation
- Managed account platform
- Mutual fund supermarket
- Money Fund Choice program
- Technology services

## Differentiated offering

- Quality management process
- Global capabilities

## Diverse Revenue Streams

2007 Revenue by Source



## Customer satisfaction

- 98% customer retention
- #1 Brokerage Workstation (Aite Group, 2008)
- Top Ranked "Excellent" Customer Statement (DALBAR, 2007)

Data at December 31, 2007

# Executing on Growth Strategy

## Leveraging IBD leadership

- RIA
- Hedge funds
- Managed accounts

## Broadening investment solutions

- Retirement and wealth management solutions
- Global solutions
- Partnerships across BNY Mellon

## Delivering market leading solutions

- Expanded technology products and services
- Combined brokerage and managed account workstation

## Favorable market trends

- Wins in the flight to quality
- Strong retail demographics
- Continued global accumulation of wealth
- Firms outsource to reduce fixed costs

	Medium-term Revenue CAGR
<b>Domestic IBDs</b>	<b>7% - 9%</b>
<b>Global IBDs</b>	<b>11% - 13%</b>
<b>RIA</b>	<b>28% - 30%</b>
<b>Managed Accounts</b>	<b>19% - 21%</b>

## Potential constraints to growth

- Continued low interest rates
- Low market volumes
- Customer consolidation

# Summary

## **Expand scale, market share, and business by:**

- Broadening market leadership to related market segments
- Extending technology and investment solutions
- Delivering The Bank of New York Mellon solutions to Pershing's customers

## **Medium-term financial goals:**

- Revenue growth of 9%-11%
- Pretax margin of 30%-32% \*

\* Excluding intangible amortization



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# Strategies for Growth and Outperformance

## *Treasury Services*

# Treasury Services Overview

## Core Businesses

**Global Payments** – servicing international correspondent bank US dollar fund movement

**Working Capital Solutions** – servicing U.S. domestic client's payables, receivables and investment processes

**Global Trade Finance** – services to facilitate the global movement of goods and services supported by investment grade lending

**Sector Other** – Capital Markets, Credit Services, and Other

## Key Industry Positions

5,000 relationships across markets

#3 Chips and Fedwire USD wires

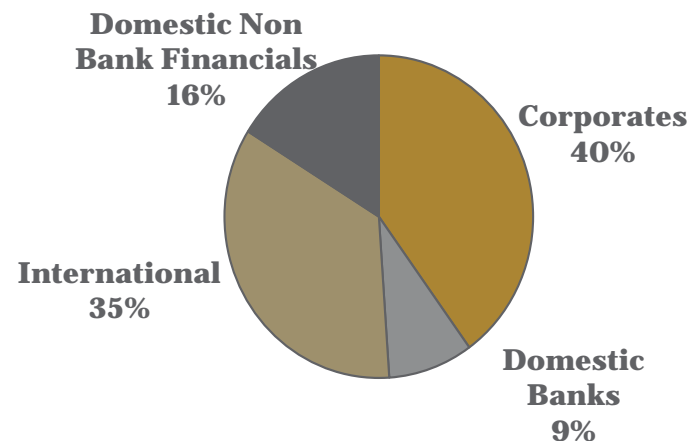
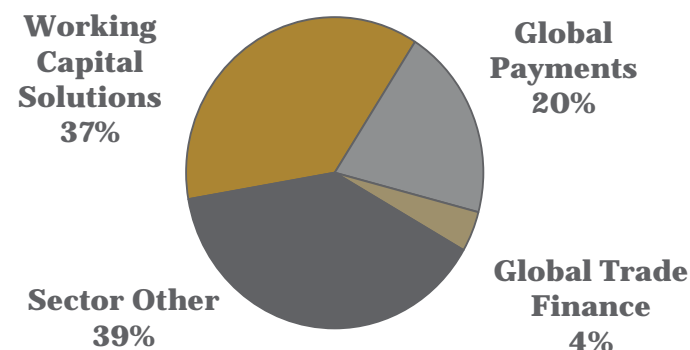
#5 US provider of Trade Finance

#7 US Cash Management provider

#3 in US (Bankwide) SWIFT volume  
(#7 Globally)

## 2007 Total Revenue - \$1.5B

### Diverse Revenue Sources:



# Treasury Services

## #1 Client Service

#1 in U.S. Cash Management  
(all independent surveys)

#1 Cash management relationship quality  
(Greenwich)

#1 European Treasury Payments & Liquidity  
(FIMetrix)

Best White Label Provider  
(Global Finance)

## Merger & Integration Update

Exceeding interim revenue and  
expense synergy targets

Proactive management of client  
impact

70%+ complete by end of 2008

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## Major Competitors

	Global Payments	Global Trade Finance	Working Capital Solutions
JPM Chase	x	x	x
Wachovia	x	x	x
Citibank	x		
ABN AMRO		x	
Bank of America			x

# Treasury Services Summary

Continue to develop and position investment and liquidity product offerings

Expand private label and outsourcing solutions across financial institutions globally

Invest in expanding international business leveraging global trade and payment platforms

Exceeding revenue and expense synergy targets

**Client Service:** #1 in major industry surveys

<b>Financial:</b>	<b>Medium Term</b>	<b>Industry Benchmark</b>
Fee revenue	5 - 6%	4%
Total revenue	5 - 7%	
Pretax Margin *	46 - 48%	

\* Excluding intangible amortization