



THE BANK OF NEW YORK MELLON



Outperformance, Synergies and Capital Management

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Today's Discussion

Outperforming in a volatile environment

Delivering on the merger synergies

Maximizing capital deployment

Outperforming in a Volatile Environment

Key objectives for 2008

Continue to deliver on merger milestones and financials

Execute on strategic actions from business reviews

- Divest/reduce non-core activities
- Seek acquisitions which expand core businesses

Manage expense base given market uncertainty

Lay groundwork for further global expansion

- Infrastructure and capital deployment
- Talent management

Quickly rebuild Adjusted TCE ratio to 5%

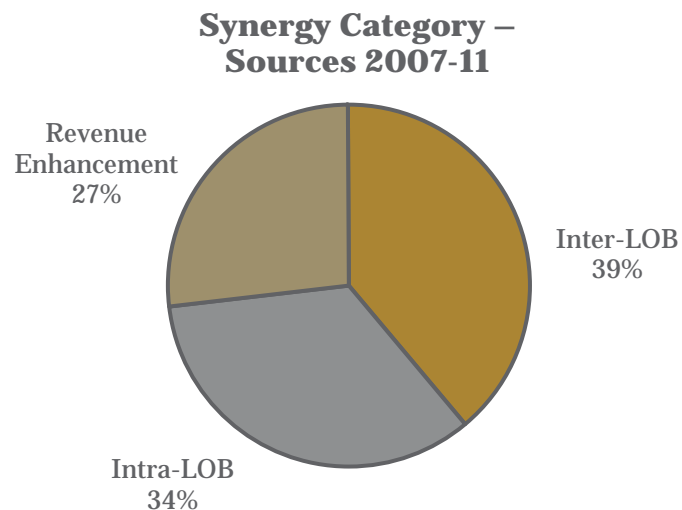
Merger Integration

Revenue synergies update: Resetting expectations

(\$ millions)	Annualized Revenue Synergies				
	2007	2008	2009	2010	2011
Run Rate					
Current Actual/Forecast	\$90	\$180	\$215-275	\$270-350	\$325-425
Memo: Original Target					\$250-400

Highlights

- Sizable early revenue enhancements with most of wins recurring
- High incremental profitability
- Raising lower end of revenue synergy range



Merger Integration

Expense synergies update: Resetting expectations

(\$ millions)	Cumulative Expense Synergies			
	2007	2008	2009	2010
Current Act/Forecast	\$175	\$520	\$710	\$850
Original Target	\$105	\$350	\$595	\$700
Original Target (Inflated)*	\$108	\$371	\$650	\$788

Highlights

Exceeding expectations

- All business segments and technology/shared service groups exceeding interim targets
- Strong success rationalizing corporate vendors and professional service providers
- Successfully leveraging each legacy company's global growth center strategies

M & I charge increased to \$1.475B from \$1.325B

- M&I/Expense synergy ratio remains favorable

* The \$700 million original target represents a nominal amount; deal model assumed a 3% annual inflation factor.

Capitalizing on Global Opportunities

Remapping our expense base

Description of trend:

Local expertise is increasingly important in order to outperform

Management practices and corporate cultures shifting to become more global

Multi-lingual capabilities are increasingly important as client base become less homogenous

Additional resources deployed at global growth centers

- Total forecasted headcount reduction of 3,200 vs. original target of 3,900

Region	Headcount	
	2007	2010 Forecast
Lower Cost Growth Centers*	11,400	16,700
Other Locations	31,200	31,200
Total	42,600	47,900

Growth Centers as a % of total:

27%

35%

* Pittsburgh, Upstate New York, Florida, Manchester and India

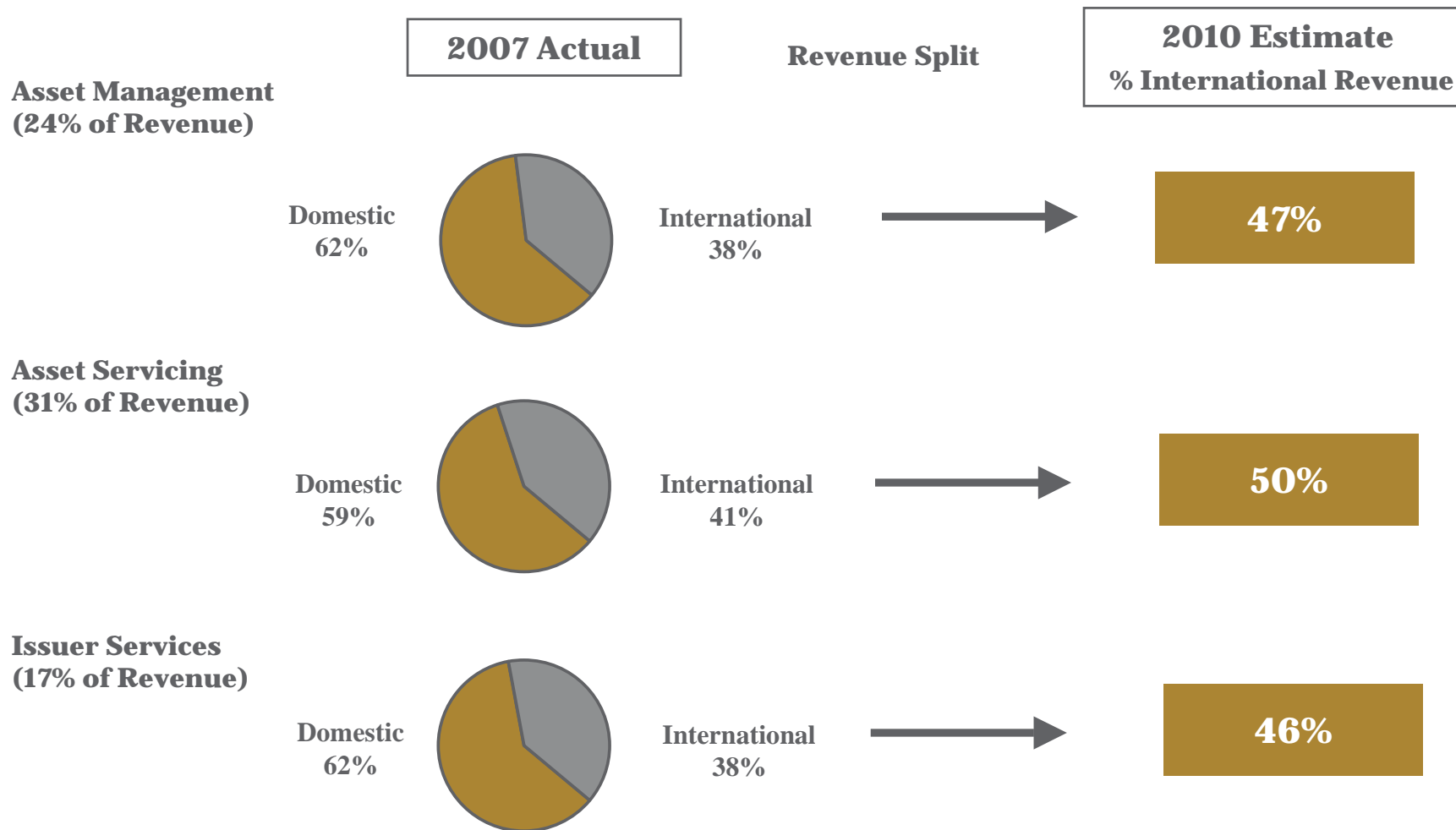
Capital Management

Solid growth and returns across our businesses

	<u>Medium-Term Revenue Growth</u>	<u>Return on Capital</u>
Asset Management	High	High
Wealth Management	Medium	Medium
Asset Servicing	High	High
Issuer Services	Medium	High
Clearing Services	Medium	Medium
Treasury Services	Low	Medium

Capital Management

Largest businesses increasingly global



Company overall expects to reach 60/40 by 2010

Capital Management

Drivers for business mix

Revenue Growth (long-term)
Synergies across businesses
Scale
Geographic reach
Capital intensity
Return on Equity

Incremental Capital	
“Invest”	“Harvest”
High	Average / Low
High	Low
Leader	Follower / Hobby
Global	Regional
Low / Moderate	High
High	Moderate / Low

Capital Management

Demonstrated ability to identify opportunities and execute

Divestitures

Wealth:

- Mellon 1st Business Bank (California)

Clearing:

- ConvergEx**
 - B & G Trade

Retail Banking:

- Bank of New York Retail Bank

Other:

- RBS International & Netik
- Most capital markets activities
- Estabrook Asset Management

Loan commitments reduced \$1.5B in 1Q08

** Maintain a 35% interest

Acquisitions

Asset Management:

- ARX Capital Management (Brazil)
- Walter Scott Partners (U.K.)
- Urdang (U.S.)
- Alcentra (U.K.)

Asset Servicing:

- ABN Amro Mellon J.V. (Global)
- AIB/BNY J.V. (Ireland)
- LAMP Technologies (U.S.)

Corporate Trust:

- JPM Corporate Trust (Global)
- BNY Trust Australia J.V.

Capital Management

Priorities

Maintaining strong capital and liquidity positions

- Target strong credit ratings and internal benchmarks

Dividend strategy

- 35-40% payout ratio

Balance sheet growth / Business investments

- Supporting organic growth

Acquisitions

- Accelerating our capabilities and footprint
- High teens IRR hurdle rate, accretive within year 1

Share repurchases

- Manage to targeted capital ratios: 8% Tier 1, 5% Adjusted TCE

**Sizable Tangible Capital Generation and Focused
Strategy a Competitive Advantage**

Capital Management

Update on target ratios

	Target	Actual (3/31/08)
Tier 1:	8%	8.8%
Adjusted TCE:	5%	4.14%
2008 Factors:	<u>Impact</u>	
Retained Earnings	+	
Divestitures	+	
• Mellon 1 st Business Bank		
Balance sheet exposures	-	
• SILOs		
Potential acquisitions	-	
Unrealized mark on Investment Portfolio	+/-	

Synergies, Growth and Capital Management Summary

Outperforming in a volatile environment

- Well-positioned for global opportunities
- Remain disciplined on expense management

Delivering on the merger synergies

- Revised revenue and expense targets upwards

Maximizing capital deployment

- Invest to become more global
- Deploy capital to enhance our business mix
- Maintain strong capital position and excellent liquidity