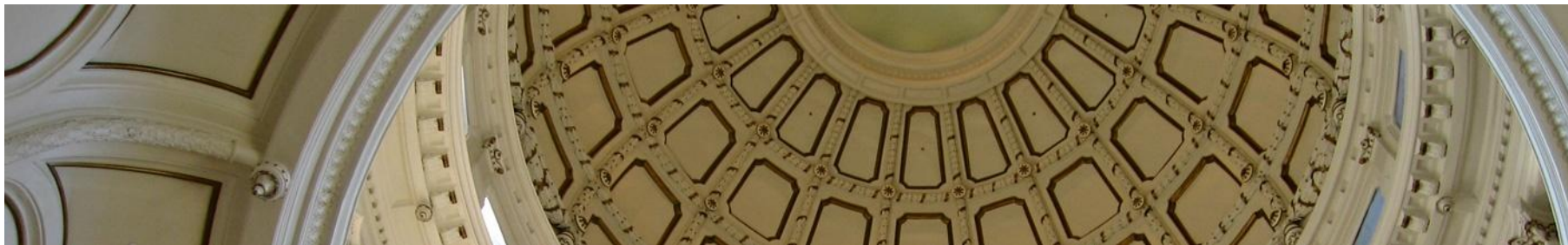




BNY MELLON



September 13, 2011

# Growing Revenue, Driving Operational Excellence & Generating Capital

*Presented by: Gerald Hassell – Chairman, President & CEO*

# Cautionary Statement

A number of statements in our presentations, the accompanying slides and the responses to your questions are “forward-looking statements.” These statements relate to, among other things, The Bank of New York Mellon Corporation’s (the “Corporation”) future financial results, including statements with respect to the outlook for the operating environment, balance sheet capital, market trends, the Corporation’s growth opportunities and future focus, the Corporation’s focus on operations, technology and corporate services, expectations regarding the implementation of Basel III, our timeline to meet the proposed Basel III capital guidelines and our Tier 1 common ratio, expectations with respect to returning capital to shareholders in 2011, 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 the factors described under “Forward Looking Statements” and “Risk Factors” in the Corporation’s 2010 Annual Report on Form 10-K for the year ended December 31, 2010, the Corporation’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 and in other filings of the Corporation with the Securities and Exchange Commission (the “SEC”). Such forward-looking statements speak only as of September 13, 2011, 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. Additional disclosures relating to non-GAAP measures are contained in the Appendix and in the Corporation’s reports filed with the SEC, including the 2010 Annual Report and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).

# BNY Mellon Strategy

- ✓ Focused business model – leading manager and servicer of global financial assets
- ✓ Revenue-led, driven by organic growth globally
- ✓ Deepen client relationships by collaborating across businesses
- ✓ Build a strong global brand
- ✓ Drive operational excellence
- ✓ Maintain strong balance sheet

# BNY Mellon: Attractive Business Model

Focus, excellence & scale

## Focus

### **The leading manager and servicer of global financial assets**

- ✓ Benefiting from long-term secular trends of globalization and growth of financial assets
- ✓ Client base focused on the world's leading financial institutions, corporations, governments and wealthy individuals

## Excellence

### **Commitment to excellence**

- ✓ Broadest product breadth
- ✓ Top-ranked client service versus peers
- ✓ Strong investment performance

## Scale

### **Global scale**

- ✓ A leading global investment manager, ~\$1.3T AUM
- ✓ Largest global custodian, ~\$26.3T in AUC/A
- ✓ Largest global trustee, ~\$11.8T in outstanding debt serviced

# BNY Mellon: Attractive Business Model

## Balance sheet strength and capital generation

### Balance Sheet Strength

- **Low level of risk-weighted assets**
- **Highest debt ratings among U.S. banks**
- **Tight debt spreads versus U.S. banks**

### Capital Generation

- **Strong capital generation\*: ~\$3.0 billion LTM 2011**
- **Tier 1 common equity\*: 12.6%; +70 bps versus 2Q10**
- **Return on Tier 1 common equity\*: 23% in 2Q11**

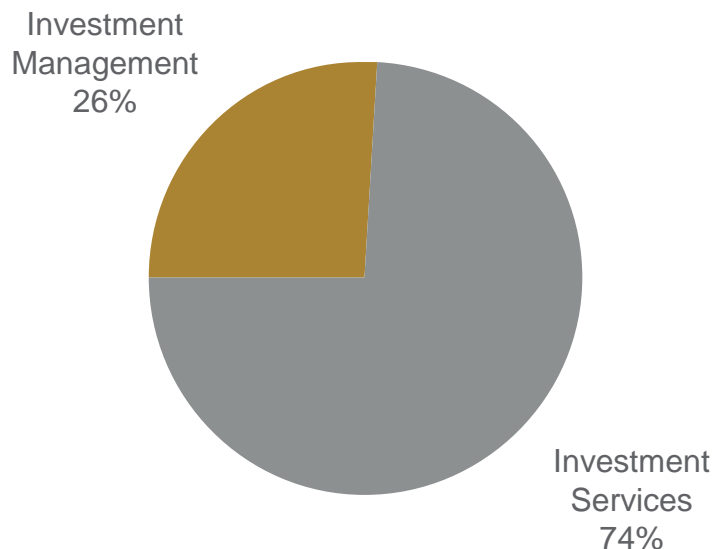
\* Represents non-GAAP measure. See Appendix for additional details. Additional disclosures related to Tier 1 common equity are available in our reports with the SEC, including our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).  
LTM = Last 12 months ended 6/30/11.

# Focused Business Model

## Investment management and services

**LTM 2011 (as of 6/30)**  
**Revenue - \$14B\***

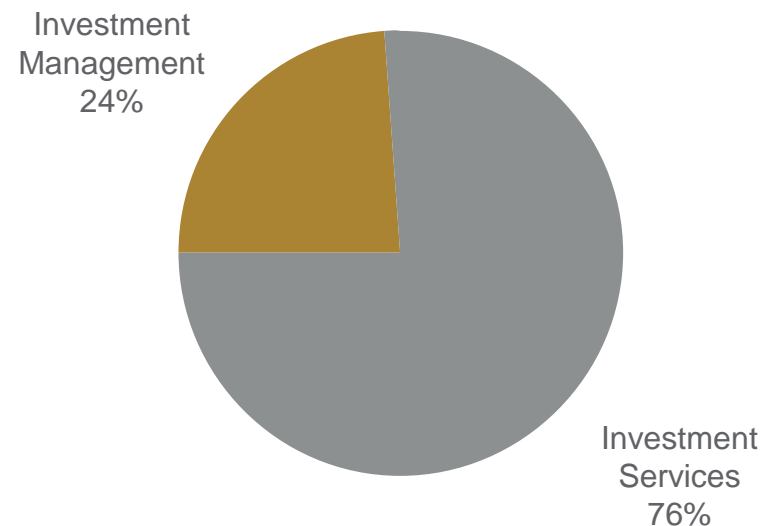
**% of Total**



**AUC: +21%**  
**AUM: +22%**  
(year-over-year)

**LTM 2011 (as of 6/30)**  
**Pretax Income - \$4.4B\***

**% of Total**



- ✓ Largest global custodian with ~\$26.3T in Assets Under Custody and Administration
- ✓ Leading global investment manager with ~\$1.3T in Assets Under Management

\* Totals exclude the Other segment.

LTM = Last 12 months ended 6/30/11.

# Increasingly Global

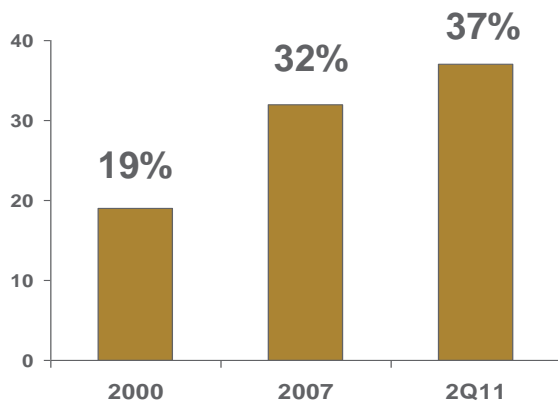
Non-U.S. revenue: 37% in 2Q11, 32% in 2007

Operating in:

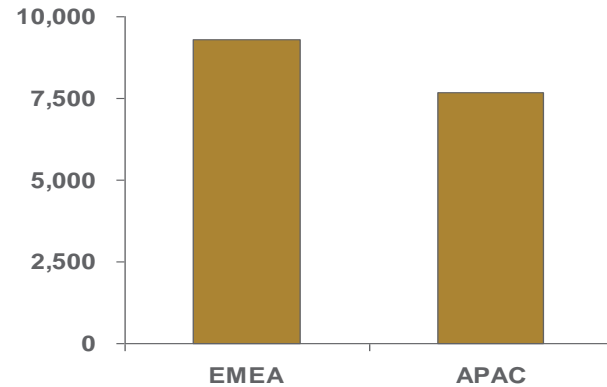
- 6 continents
- 36 countries
- 17,000+ non-U.S. employees



**Non-U.S. Revenue Base**



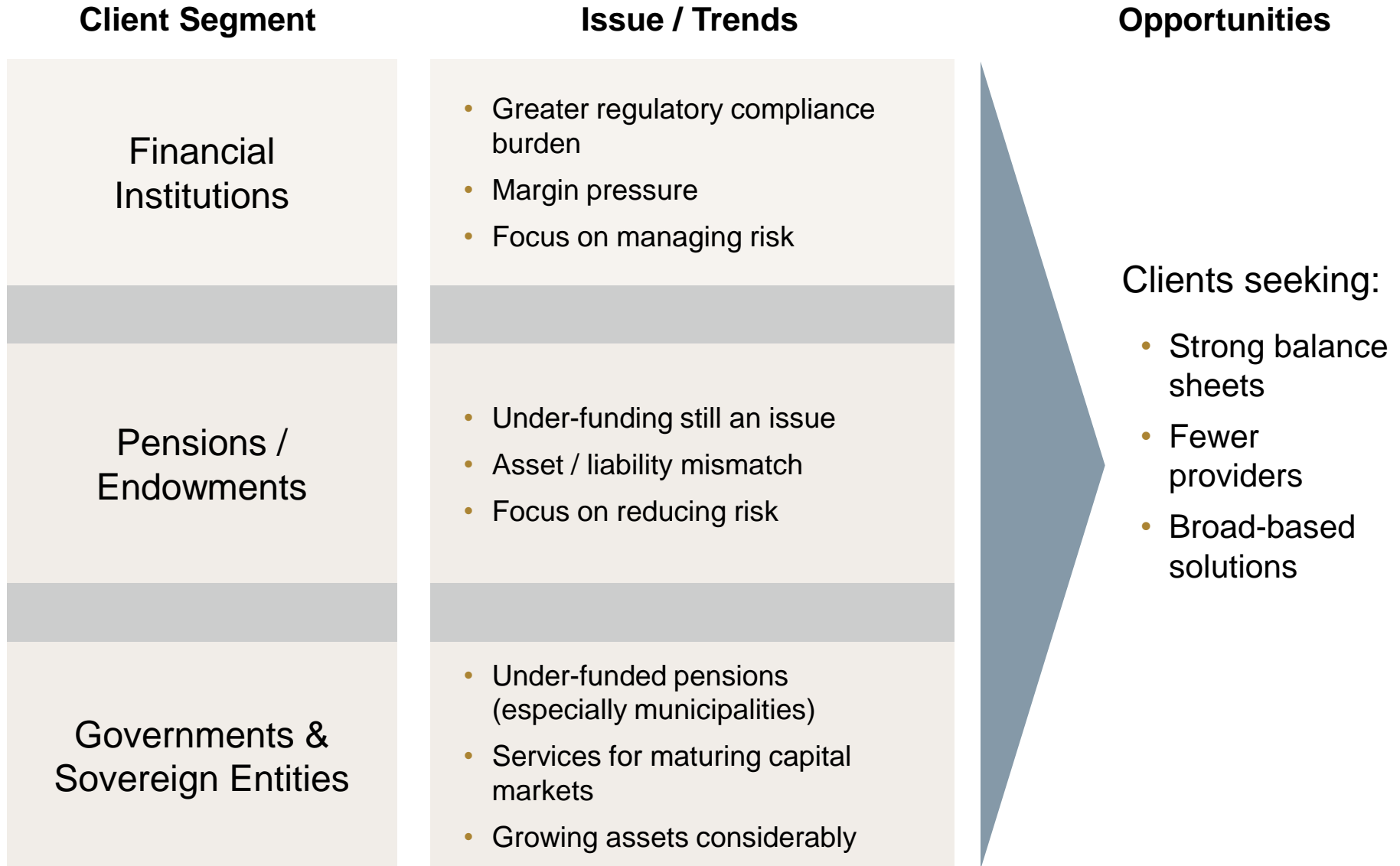
**Employees Outside North America\***



\*As of 6/30/11

Note: Percent of non-U.S. revenue for year 2000 is pro forma for The Bank of New York Company, Inc. and Mellon Financial Corporation combined.

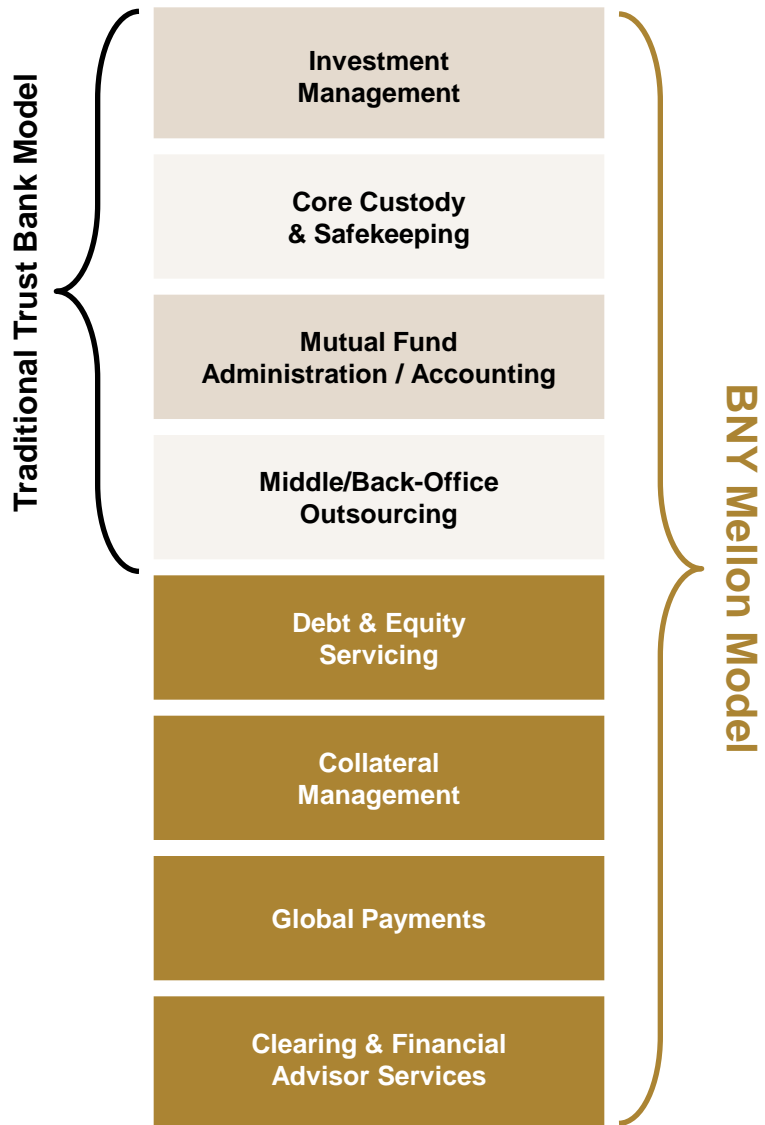
# Client Needs Are Evolving Rapidly



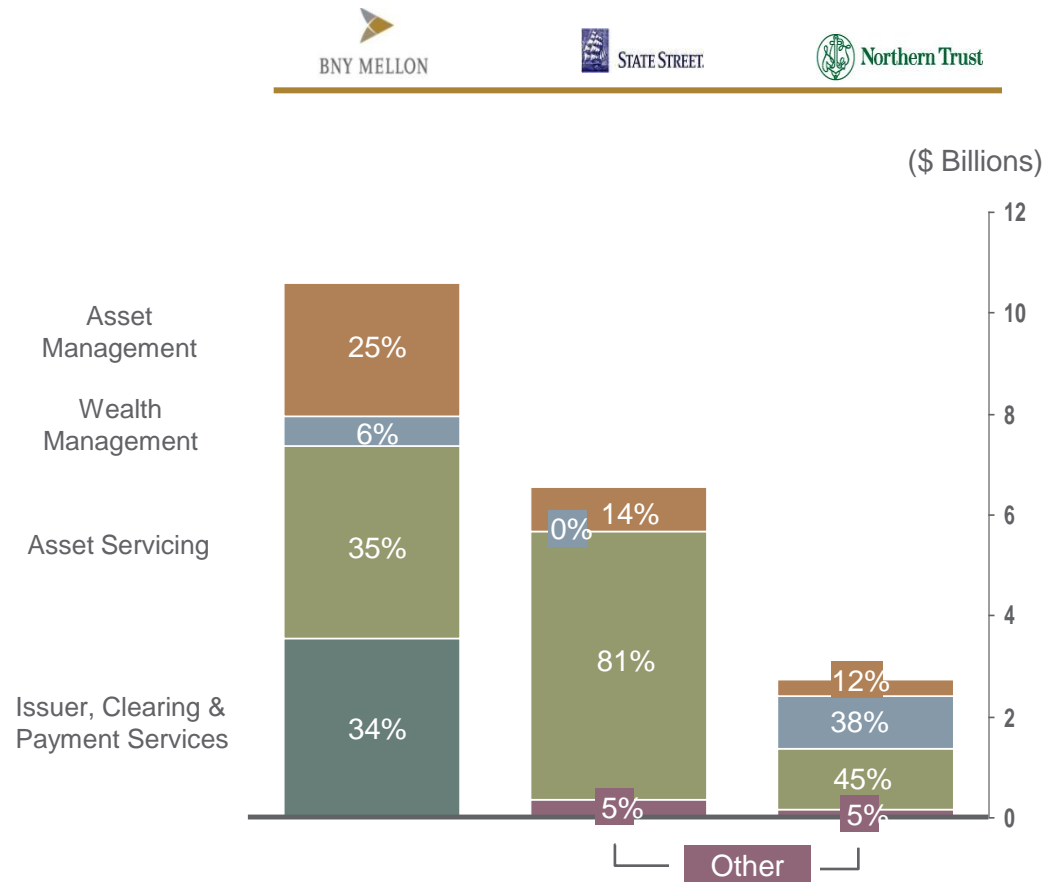


# Business Model Aligned With Client Needs

## Breadth matters



2010 Fee Revenue Breakdown by Business Segment  
Percent of fee revenue



Note: Peer data estimated based on company reports.

# Revenue Growth

Outperforming peers, even with lower net interest revenue

2Q11 vs 1Q11			2Q11 vs 2Q10	
BNY Mellon	12-member Peer Median		BNY Mellon	12-member Peer Median
<b>5%</b>	<b>1%</b>	<b>Total revenue*</b>	<b>15%</b>	<b>4%</b>
5%	0%	Net Interest Revenue	1%	(7)%
6%	4%	Fee revenue	18%	3%
<b>79%</b>	<b>65%</b>	Fee revenue as % of total revenue	<b>79%</b>	<b>59%</b>

Peer Group:

American Express, Bank of America, BlackRock, Charles Schwab, Citigroup, JPMorgan Chase, Northern Trust, PNC Financial, Prudential Financial, State Street, U.S. Bancorp and Wells Fargo.

Note: Fee revenue excludes securities losses/(gains) and material non-operating items where disclosed.

\*Represents non-GAAP measure. See Appendix for reconciliation. Additional disclosure on the calculation of this number is available in our reports with the SEC, including our quarterly report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).

# Investment Management Fees

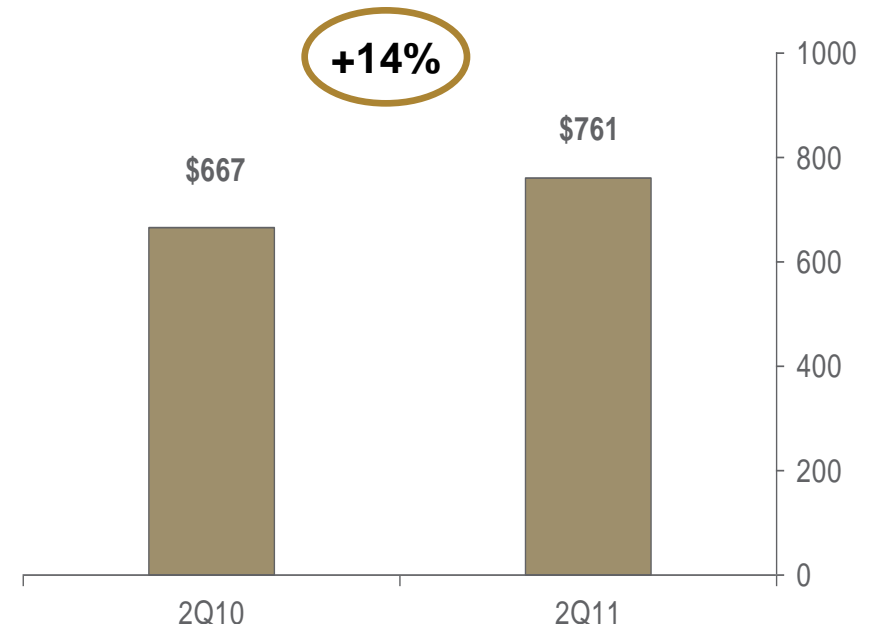
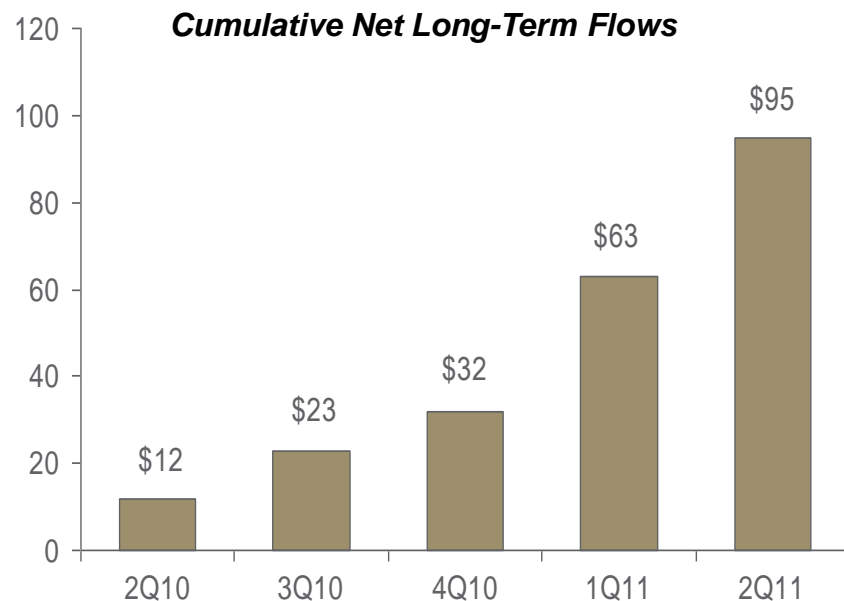
Growth driven by net long-term flows and market lift

Strong Long-Term Flows

Investment Management Fees\*

(\$ billions)

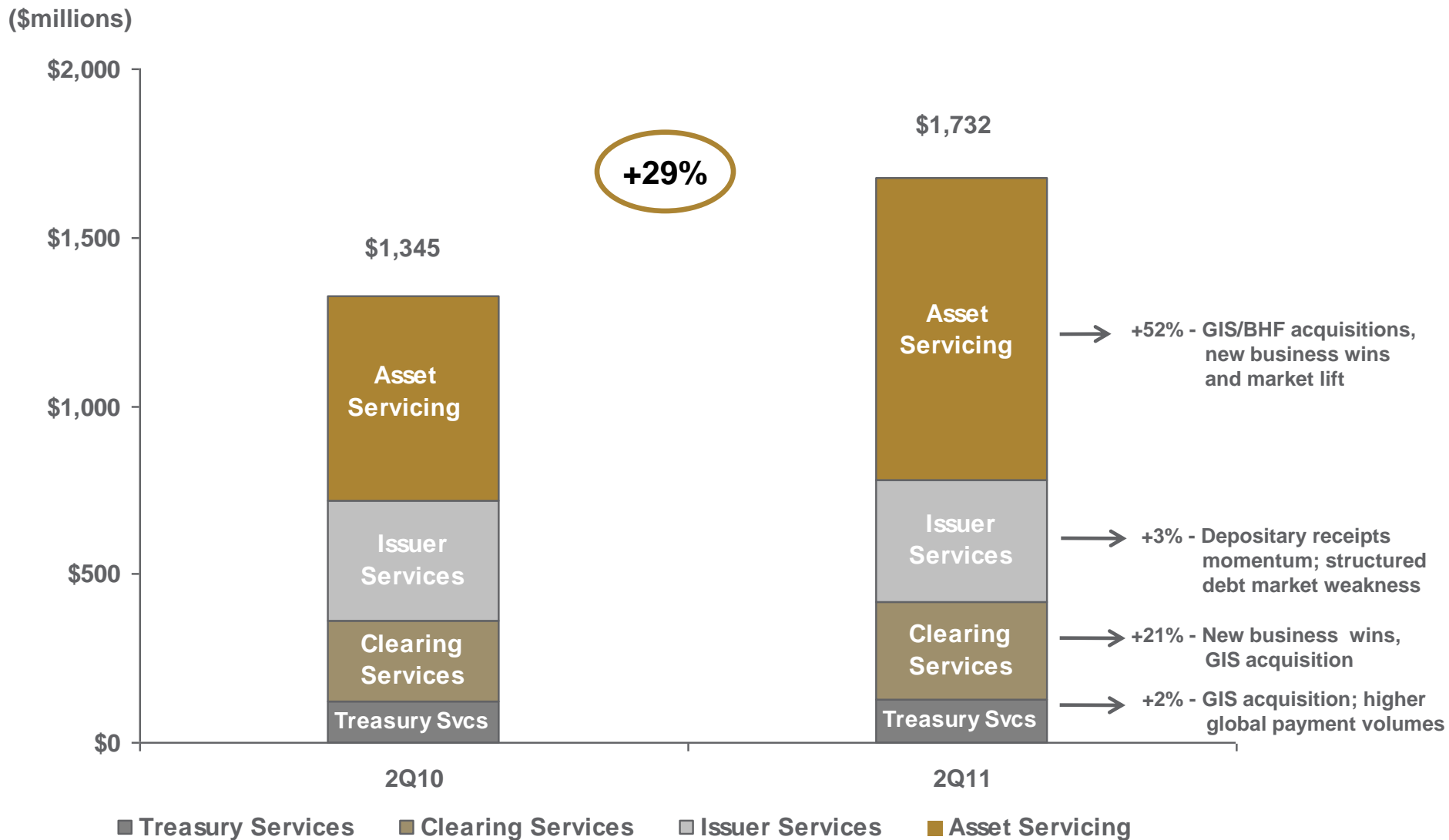
(\$ millions)



\* Excludes performance fees and is adjusted for revenue from consolidated asset management funds, net of noncontrolling interests

# Investment Services Fees

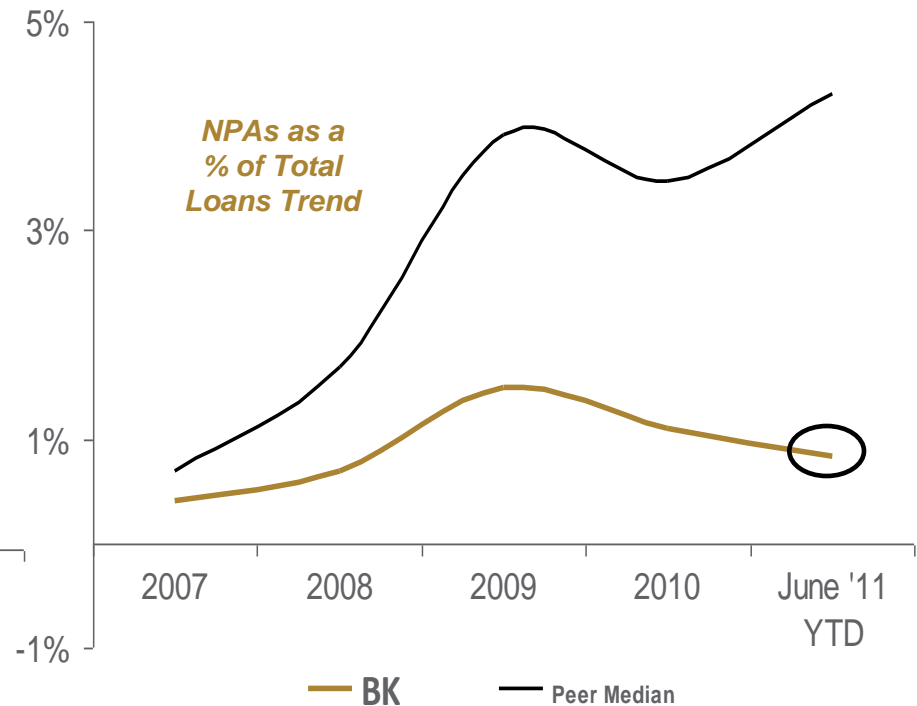
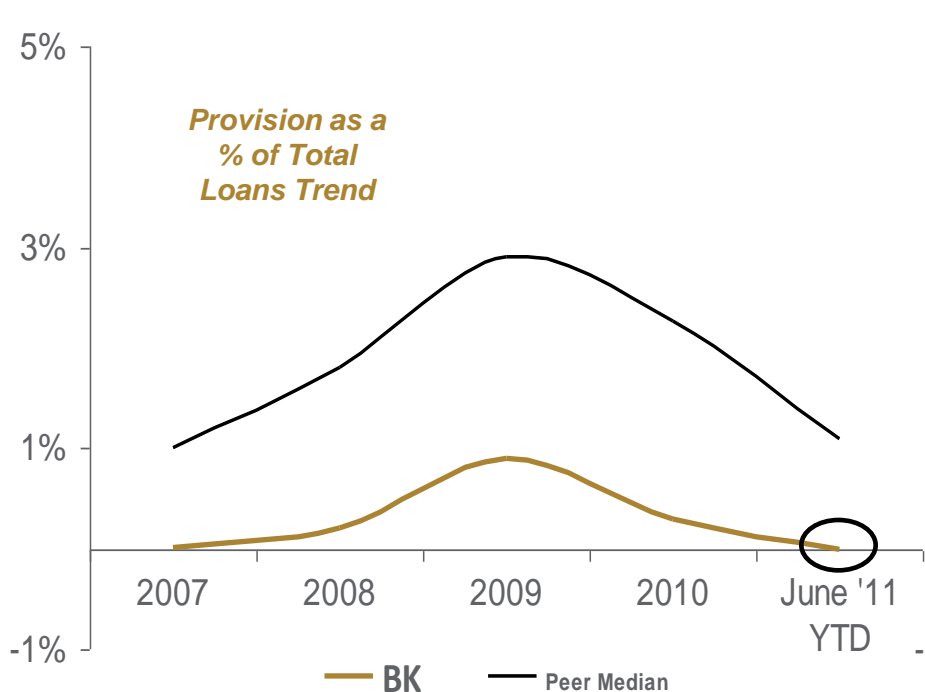
Growth driven by acquisitions, new business and market lift



# Balance Sheet Strength – Very Low Credit Risk

## Loan Portfolio\* (\$42.1B)

## Nonperforming Assets\* (NPAs) (\$351MM)



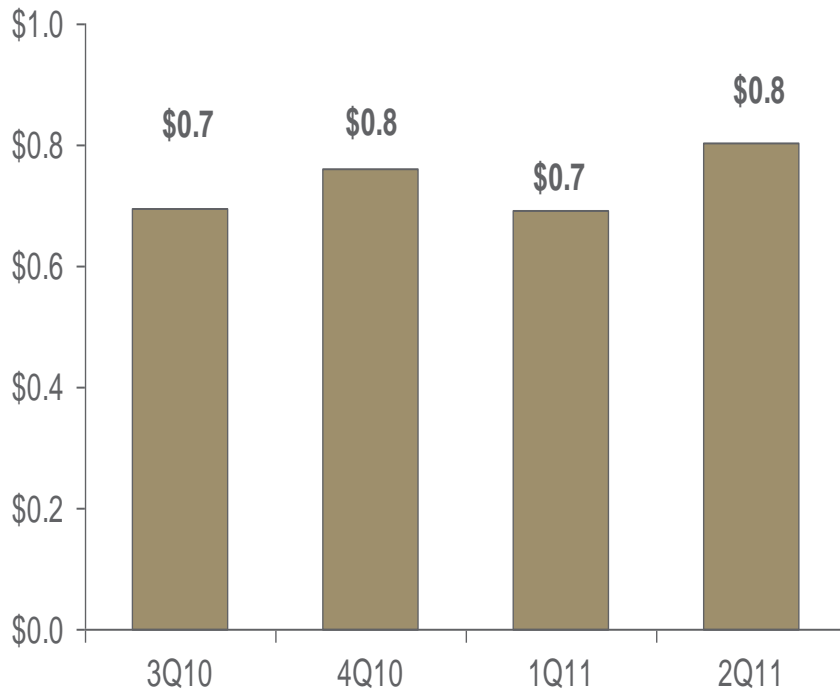
\*As of 6/30/11

# Balance Sheet Strength – Strong Capital Generation

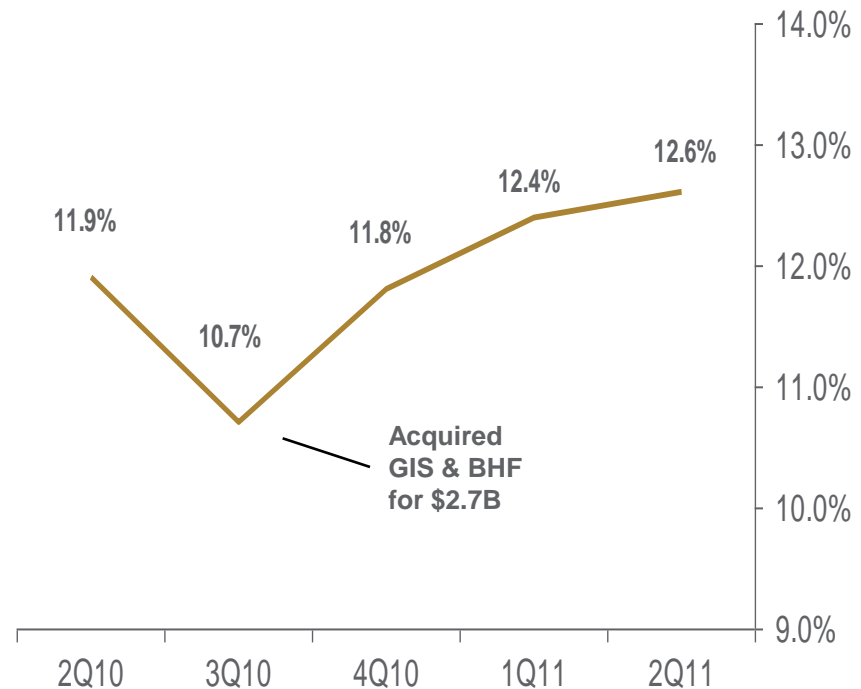
~ \$3.0 billion LTM ended 6/30/11

## Quarterly Earnings Plus Amortization of Intangibles

(\$ billions)



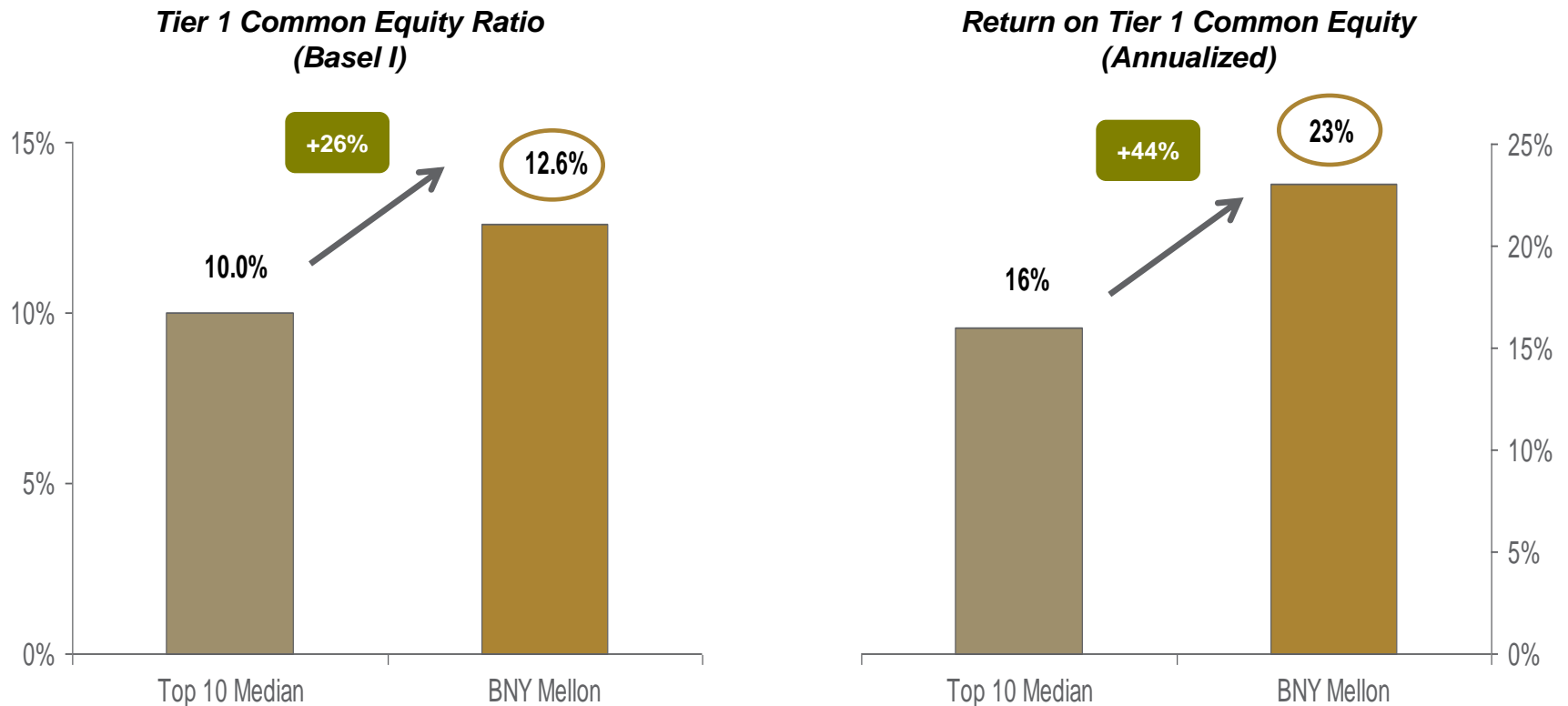
## Tier 1 Common Equity to Risk-Weighted Assets Ratio (Basel I)



Note: Tier 1 common equity is a non-GAAP measure. See Appendix for definition of Tier 1 Common Equity to Risk-Weighted Assets Ratio (Basel I).

# Balance Sheet Strength – More Capital, Higher Returns

## Top 10 U.S. Banks\*



\*As ranked by market capitalization at 6/30/11. Additionally, top 10 Median excludes BNY Mellon.

Note: Return on Tier 1 common equity reflects 2Q11 reported continuing operations net income (annualized) divided by average Tier 1 common equity.

# Transitioning to Basel III

Tier 1 common equity ratio >7% by 12/31/11

## Basel III Tier 1 Common Equity Ratio\*

Basel III Tier 1 Common (3/31/11) - *estimated*

6.1%

### **Impact (bps):**

Earnings

Sub-investment grade securities paydowns net of accretion

Net change in intangibles/goodwill & benefit-related equity issuances

Dividends

Share repurchases

OCI adjustment

44	}	59 bps of core capital generation
8		
7		
(10)	}	26 bps of deployed capital
(16)		
15		

**Basel III Tier 1 Common (6/30/11) - *estimated***

**6.6%**

- ✓ Flexibility to return capital to shareholders via dividends and share repurchases
- ✓ No need to accelerate timeline to meet the proposed Basel III capital guidelines

\*Represents non-GAAP measure. See Appendix for reconciliation. Additional disclosure on the calculation of this number is available in our reports with the SEC, including our quarterly report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).



# Driving Operational Excellence

## Operations, Technology and Corporate Services

### Areas of Focus

### Programs

#### Operations

- Leveraging global growth centers
- Re-engineering operations functions
- Combining common operations

#### Technology

- Simplifying infrastructure
- Rationalizing business applications

#### Corporate Services

- Centralizing sourcing and procurement
- Reducing global real estate footprint

# BNY Mellon: Attractive Business Model

## Growth strategies

- ✓ Grow organically and strengthen our brand
- ✓ Deepen relationships by collaborating across businesses
- ✓ Strengthen and streamline our operations – improve operating margins
- ✓ Generate strong returns on tangible capital
- ✓ Maintain one of the strongest balance sheets



BNY MELLON

# Appendix

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# Reconciliation Schedule

## Business – revenue

<i>(\$millions)</i> <b>Revenue</b>	<b>LTM 2Q11</b>	<b>% of Total</b>
<b>Investment Management</b>	<b>\$3,627</b>	<b>26%</b>
<b>Investment Services</b>	<b>10,335</b>	<b>74%</b>
<b>Total</b>	<b>\$13,962</b>	

Note: Totals exclude the Other segment and includes the impact of the GIS and BHF acquisitions.

LTM = last 12 months ending 6/30/11

# Reconciliation Schedule

## Business – pre-tax income

<i>(\$millions)</i> <b>Pretax Income</b>	<b>LTM 2Q11</b>	<b>% of Total</b>
<b>Investment Management</b>	<b>\$1,060</b>	<b>24%</b>
<b>Investment Services</b>	<b>3,346</b>	<b>76%</b>
<b>Total</b>	<b>\$4,406</b>	

Note: Pre-tax metrics exclude the impact of historical intangible amortization.

LTM = last 12 months ending 6/30/11

# Capital Ratio Definitions

## Tier 1

**Represents common shareholders' equity (excluding certain components of comprehensive income) and qualifying trust preferred securities, adjusted for goodwill and certain intangible assets, deferred tax liabilities associated with non-tax deductible intangible assets and tax deductible goodwill, pensions, securities valuation allowance, merchant banking investments and deferred tax asset.**

## Tier 1 Common Equity to Risk-Weighted Assets (Basel I)

**Represents Tier 1 capital excluding qualifying trust preferred securities divided by total risk weighted assets.**

## Tangible Common Equity / Assets (TCE)

**Represents common shareholders' equity less goodwill and intangible assets adjusted for deferred tax liabilities associated with tax deductible goodwill and non-tax deductible intangible assets divided by period-end total assets less assets of consolidated asset management funds less goodwill, intangible assets and cash on deposit with the Federal Reserve and other central banks. The asset base in the TCE ratios detailed in the presentation were adjusted for deposits placed with the Federal Reserve and other central banks (\$56.5 billion @ 6/30/11 and \$ 24.6 billion @ 3/31/11).**

# Capital Ratio Detail – Basel I

<b>(\$billions)</b>	<b><u>6/30/11</u></b>
<b>Tier 1 capital ratio</b>	<b>14.1%</b>
<b>Tier 1 common to risk-weighted assets ratio<sup>1</sup></b>	<b>12.6%</b>
<b>Tier 1 capital</b>	<b>\$14.9</b>
<b>Tier 1 common equity</b>	<b>\$13.2</b>
<b>Risk-weighted assets</b>	<b>\$105.3</b>
<b>Tangible common equity / assets<sup>1</sup></b>	<b>6.0%</b>
<b>Tangible common equity<sup>1</sup></b>	<b>\$12.7</b>
<b>Tangible assets<sup>1</sup></b>	<b>\$211.0</b>

<sup>1</sup> Represents non-GAAP measure. Additional disclosure on the calculation of these numbers is available in the Corporation's reports with the SEC, including the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).



# Capital Ratio Calculation – Basel III

<b>(\$millions)</b>	<b><u>3/31/11</u></b>	<b><u>6/30/11</u></b>
<b>Estimated Tier 1 common equity</b>	<b>\$11,054</b>	<b>\$11,789</b>
<b>Estimated risk-weighted assets</b>	<b>\$180,086</b>	<b>\$178,182</b>
<b>Estimated Tier 1 common equity to risk-weighted assets ratio<sup>1</sup></b>	<b>6.1%</b>	<b>6.6%</b>

<sup>1</sup> Represents non-GAAP measure. Additional disclosure on the calculation of these numbers is available in the Corporation's reports with the SEC, including the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).

# Reconciliation Schedule

## Tangible capital generation – 2Q11 LTM

<i>(\$millions)</i> <b>Tangible Net Income</b>	<b>3Q10</b>	<b>4Q10</b>	<b>1Q11</b>	<b>2Q11</b>	<b>2Q11 LTM</b>
<b>Net income – continuing operations</b>	<b>\$625</b>	<b>\$690</b>	<b>\$625</b>	<b>\$735</b>	<b>\$2,675</b>
<b>Intangible amortization – after-tax</b>	<b>70</b>	<b>72</b>	<b>68</b>	<b>68</b>	<b>278</b>
<b>Tangible Net Income</b>	<b>\$695</b>	<b>\$762</b>	<b>\$693</b>	<b>\$803</b>	<b>\$2,953</b>

Note: See page 20 of the Company's 2Q11 Earnings Review for additional details related to the return on tangible capital reconciliation.  
LTM = Last 12 months ended 6/30/11.

# Reconciliation Schedule

## Return on Tier 1 common equity

(\$millions) Tier 1 Common Equity to Risk-Weighted Assets	1Q11	2Q11
<b>Tier 1 capital</b>	<b>\$14,402</b>	<b>\$14,892</b>
Trust preferred securities	(1,686)	(1,669)
<b>Total Tier 1 common equity</b>	<b>\$12,716</b>	<b>\$13,223</b>
<b>Total risk-weighted assets</b>	<b>\$102,887</b>	<b>\$105,316</b>
<b>Tier 1 common equity to risk-weighted assets ratio</b>	<b>12.4%</b>	<b>12.6%</b>

(\$millions) Net Income	2Q11	(\$millions) Tier 1 Common Equity	2Q11
<b>Net income – continuing operations</b>	<b>\$735</b>	<b>1Q11</b>	<b>\$12,716</b>
		<b>2Q11</b>	<b>13,223</b>
<b>Net Income applicable to common shareholders</b>	<b>\$735</b>	<b>Average Tier 1 Common Equity</b>	<b>\$12,970</b>
		<b>Return on Tier 1 common equity (annualized):</b>	<b>23%</b>

Note: See page 12 of the Company's 2Q11 Earnings Release for additional details related to the return on Tier 1 common equity reconciliation as well as page 50 of the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 for additional details related to average Tier 1 common equity.

# Reconciliation Schedule

## Revenue Growth

<i>(\$millions)</i> Revenue	2Q10	1Q11	2Q11
<b>Total Revenue (GAAP)</b>	<b>\$3,342</b>	<b>\$3,646</b>	<b>\$3,850</b>
Less:			
Securities (Losses)/Gains	13	5	48
Noncontrolling interest of consolidated investment management funds	33	44	21
	<hr/>	<hr/>	<hr/>
<b>Total Revenue (Non-GAAP)</b>	<b>\$3,296</b>	<b>\$3,597</b>	<b>\$3,781</b>
	<hr/>	<hr/>	<hr/>
<b>Total Revenue (2Q11 vs 2Q10):</b>	<b>15%</b>		
<b>Total Revenue (2Q11 vs 1Q11):</b>	<b>5%</b>		

# Superior Credit Ratings

Company Name	Moody's	S&P
<b>BNY Mellon</b>	<b>Aa2</b> (#1)	<b>AA- *</b> (#1)
JPMorgan Chase	Aa3	A+
US Bancorp	Aa3	A+
Northern Trust	A1	AA- *
Wells Fargo	A1	AA- *
State Street	A1	A+
Goldman Sachs	A1	A
Bank of America	A2	A
Morgan Stanley	A2	A
Citigroup	A3	A
PNC Financial	A3	A
American Express	A3	BBB+

## Secondary Market Debt Spreads<sup>1</sup>

	5-Year	10-Year
<b>BNY Mellon</b>	<b>89</b>	<b>110</b>
Peer Median	204	217

<sup>1</sup>As of 8/23/11

Note: Debt spreads represent the indicative LIBOR spread on new debt issuances with either a 5-year or 10-year maturity.

**BNY Mellon is the only U.S. financial firm rated triple-A at bank level by Moody's\*\***

Note: Senior debt ratings at the holding company level for all companies as of 8/31/11.

\* Shared top rank.

\*\* Applicable to U.S. financial firms with long-term senior debt and/or long-term deposits.

# BNY Mellon Peer Group and Top 10 U.S. Banks

## 12-Member Peer Group

**American Express**  
**Bank of America**  
**BlackRock**  
**Charles Schwab**  
**Citigroup**  
**JPMorgan Chase**  
**Northern Trust**  
**PNC Financial**  
**Prudential Financial**  
**State Street**  
**U.S. Bancorp**  
**Wells Fargo**

## Top 10 U.S. Banks\*

**BNY Mellon**  
**Bank of America**  
**Citigroup**  
**JPMorgan Chase**  
**Northern Trust**  
**PNC Financial**  
**State Street**  
**SunTrust**  
**U.S. Bancorp**  
**Wells Fargo**

\*As ranked by market capitalization at 6/30/11, excluding Goldman Sachs and Morgan Stanley.

# Top-Ranked Quality and Client Service

## Embedded in our culture

Investment Management	Investment Services	
<b>#1 Global Equity Manager</b>	<b>#1 Global Custodian</b>	<b>#1 Trustee</b>
Professional Pensions <i>(Newton)</i>	R&M Consultants Survey Global Investor Survey KBW Survey	Opal Financial Group ISR Magazine Thomson Financial
<b>Best Asset Manager - Global Emerging Markets</b>	<b>Best Global Custodian</b>	<b>#1 DR House</b>
Asia Asset Mgmt Magazine	Global Pension Awards	<i>emeafinance Magazine</i> <i>(Depositary Receipts)</i>
<b>#1 UK Large Equity</b>	<b>Best Global Custodian (Asia)</b>	<b>Best Trade Outsourcing Bank</b>
Lipper Fund Awards <i>(BNYM Asset Management)</i>	Asia Asset Magazine	Global Trade Review <i>(BNYM Treasury Services)</i>
<b>Best Eurozone Fixed Income Manager</b>	<b>Leader in Innovation - Securities Services Provider</b>	<b>#1 U.S. Clearing Firm</b>
Asian Investor Magazine <i>(Standish Mellon)</i>	<i>Financial-i Magazine</i>	Investment News <i>(Pershing)</i>

N.A. – North America