



BNY MELLON



December 8, 2010

# Quality Businesses and Superior Balance Sheet

*Presented by: Bob Kelly – Chairman & 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 Corporation’s future financial results, including statements with respect to the outlook for the operating environment, market trends, the Corporation’s growth opportunities and future focus, the Corporation’s focus on global growth centers, the implementation of Basel III, 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 2009 Annual Report on Form 10-K for the year ended December 31, 2009, the Corporation’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 and in other filings of the Corporation with the Securities and Exchange Commission (SEC). Such forward-looking statements speak only as of December 8, 2010, 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.

# BNY Mellon

## Focus, Scale & Quality

- **Focused business model: Asset Management and Servicing**
- **Scale globally:**
  - ✓ Top 10 asset manager, >\$1T AUM
  - ✓ Largest global custodian, >\$24T in AUC/A
  - ✓ Largest global trustee, ~\$12T in outstanding debt serviced
- **Quality:**
  - ✓ Market share gains
  - ✓ Top-ranked client service; broad product breadth
  - ✓ Strong investment performance

## Balance Sheet Strength

- **Clean balance sheet**
- **Very liquid**
- **Highest credit rating of U.S. banks**
- **Tight debt spreads versus U.S. banks**

## Capital Generation

- **Tier 1 Common: 10.7%; +270 bps\* LTM**
- **Returns on tangible capital: 28% LTM**
- **Strong capital generation: >\$3 billion and +25% p.a.**
- **Flexibility for dividends / buybacks in 2011**

\* Excludes impact of acquisitions

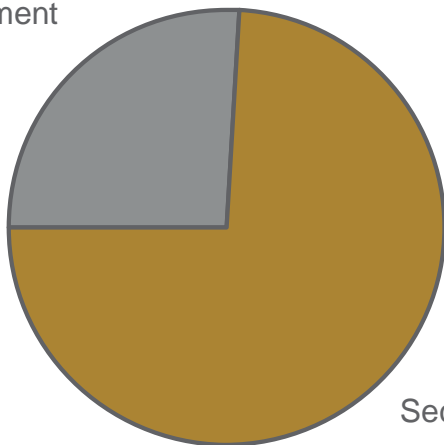
LTM = last 12 months ending 9/30/10

# Focused Business Model: Asset Management and Servicing

**LTM 2010 (as of 9/30)**  
**Revenue - \$13.1 B\***

**% of Total**

Asset & Wealth  
 Management  
 26%

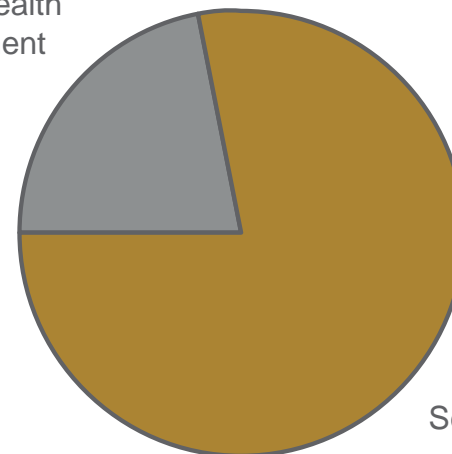


Securities Servicing  
 & Payments  
 74%

**LTM 2010 (as of 9/30)**  
**Pretax Income - \$4.5 B\***

**% of Total**

Asset & Wealth  
 Management  
 22%



Securities Servicing  
 & Payments  
 78%

**AUM: +18%**  
**AUC: +10%**  
 (year over year)

\* Totals exclude the Other segment. Pretax income excludes the impact of historical amortization and support agreement charges where applicable. Totals include the impact of the GIS and BHF acquisitions. See Appendix for additional details.

# Scale and Product Breadth Globally

	<b>BNY Mellon</b>	<b>STT</b>	<b>NTRS</b>
<b>Asset &amp; Wealth Management</b>			
Asset Management	#8 U.S., #11 Globally, <b>\$1,141B</b> AUM	\$1,548 AUM	\$546B AUM
Wealth Management	Top 10 U.S.	-	Top 5 U.S.
<b>Securities Servicing</b>			
Asset Servicing	#1 Globally, <b>\$24.4T</b> AUC/A	\$20.2T AUC/A	\$3.9T AUC/A
Broker Dealer Services	#1 U.S.: 60%+ market share	-	-
Corporate Trust	#1 Globally, <b>\$12.0T</b>	-	-
Depository Receipts	#1 Global	-	-
Shareowner Services	#1 U.S.	-	-
Clearing Services	#1 U.S., U.K. and Ireland	-	-
Global Payments	Top 5 Globally	-	-
Cash Management	Top 7 U.S.	-	Top 15

Note: Assets under management / assets under custody and corporate trust data are as of 9/30/10. Peer data from company reports. Peer assets under management have been adjusted for an estimated level of securities lending assets. Corporate Trust, Depository Receipts and Shareowner Services comprise Issuer Services.

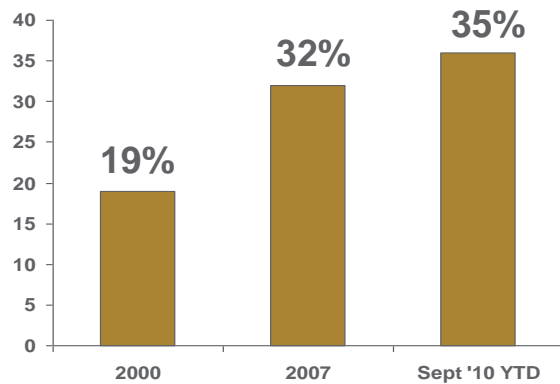
# Global

Operating in:

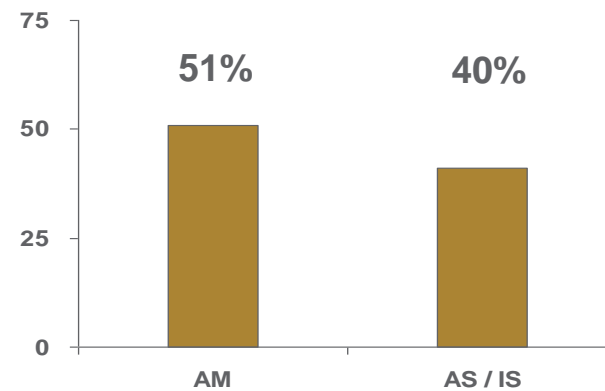
- 6 continents
- 36 countries
- 13,000+ non-U.S. employees



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



**YTD 2010 (as of 9/30)  
% of Non-U.S. Revenue**



AM = Asset Management    AS / IS = Asset Servicing & Issuer Services

# Quality

Embedded in our culture

Asset Management	Securities Servicing	
<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>#1 UK Large Equity</b>	<b>Best Global Custodian</b>	<b>#1 DR House (EMEA)</b>
Lipper Fund Awards <i>(BNYM Asset Management)</i>	Global Pension Awards	<i>emeafinance</i> Magazine
<b>Best Asset Manager - Global Emerging Markets</b>	<b>Custodian of the Year</b>	<b>#1 Transfer Agent</b>
Asia Asset Mgmt Magazine	ICFA Magazine	Group 5 Survey
<b>#1 Transition Manager</b>	<b>Best Global Custodian (Asia)</b>	<b>#1 U.S. Clearing Firm</b>
Global Investor Magazine	Asia Asset Magazine	Investment News

# Current Areas of Focus

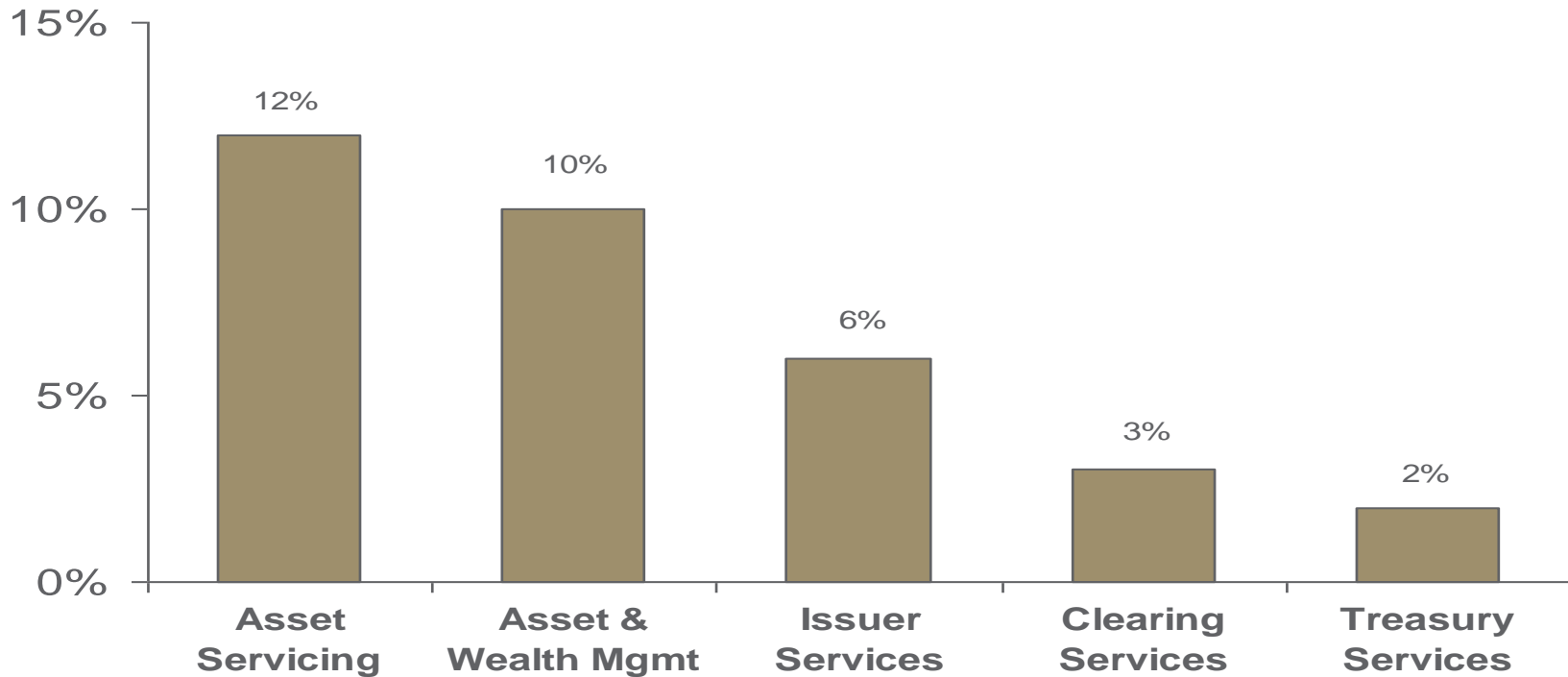
<b>Revenue</b>	<ul style="list-style-type: none"><li>• Mitigating weak revenue environment<ul style="list-style-type: none"><li>✓ Cross-sell</li><li>✓ Market share gains</li><li>✓ NII enhancements</li><li>✓ Organic international expansion</li></ul></li><li>• Focused M&amp;A</li></ul>
<b>Expenses</b>	<ul style="list-style-type: none"><li>+ Moves to global growth centers</li><li>+ Re-engineering</li><li>+ Systems sun-setting</li><li>+ Utilities and integration</li><li>+ Occupancy consolidation</li><li>– New regulations</li><li>– Higher healthcare</li><li>– Higher pension</li></ul>
<b>Regulatory Environment</b>	<ul style="list-style-type: none"><li>• Basel III, Dodd-Frank, FDIC</li></ul>
<b>Litigation Activity</b>	<ul style="list-style-type: none"><li>• Industry issue</li></ul>
<b>Capital</b>	<ul style="list-style-type: none"><li>• Dividend and buybacks generally preferred over acquisitions</li></ul>



# Business Line Revenue Growth

Driven by acquisitions, new business and market lift

## Total Revenue Growth by Business (3Q10 versus 3Q09)

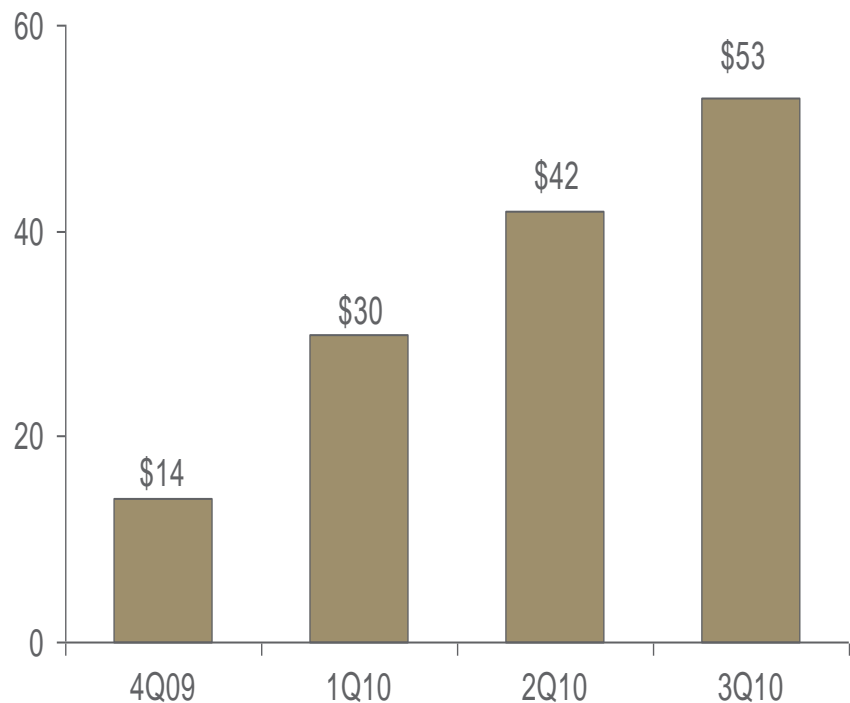


# Asset & Wealth Management Fees

Growth driven by net long-term flows, acquisitions and market lift

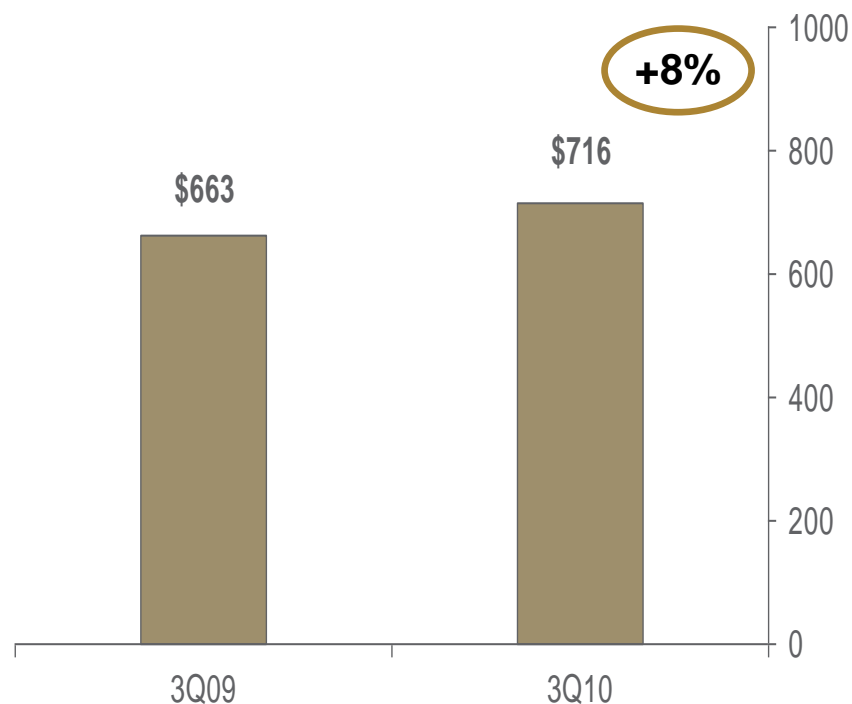
## Cumulative Long-Term Net Flows LTM ending 9/30/10

(\$ billions)



## Asset & Wealth Management Fees\*

(\$ millions)



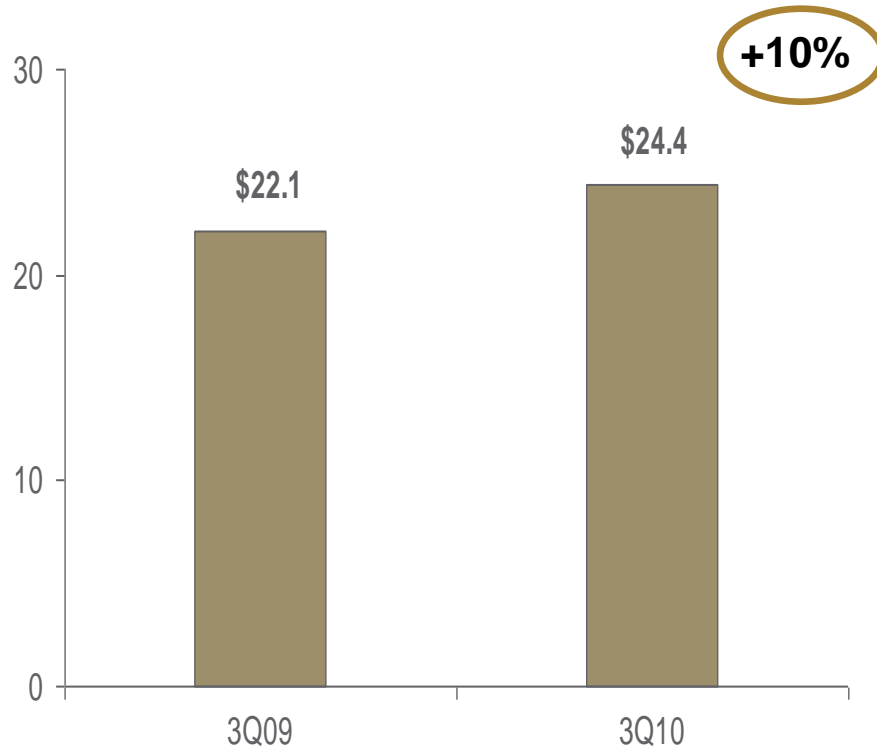
\*Excludes performance fees and is adjusted for revenue from consolidated asset management funds, net of noncontrolling interests

# Core Asset Servicing Fees

Growth driven by acquisitions, new business and market lift

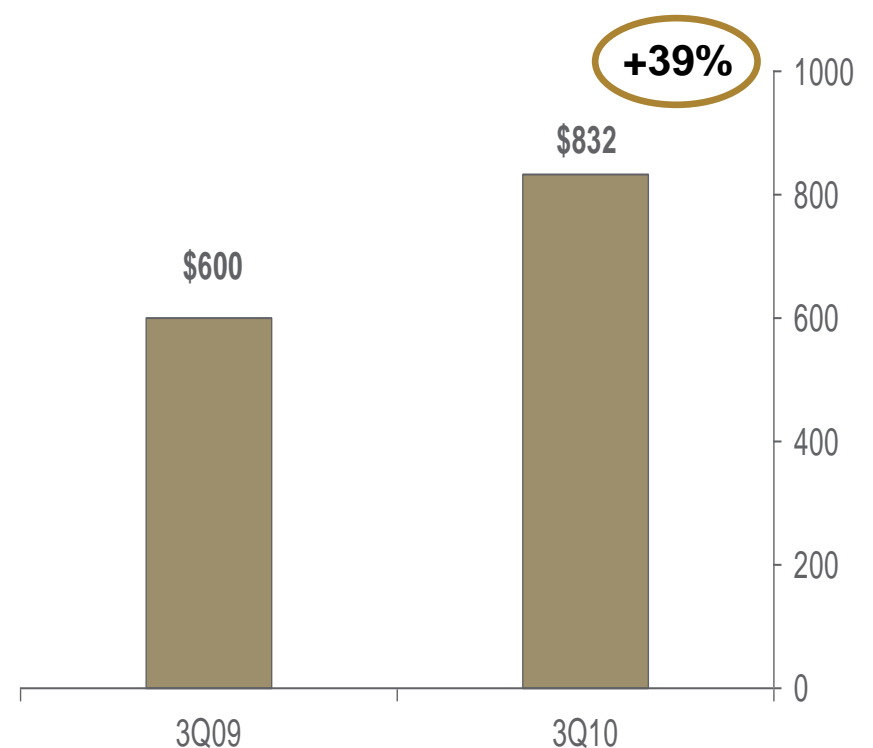
## Assets Under Custody/Administration

(\$ trillions)



## Core Asset Servicing Fees\*

(\$ millions)



\* Excludes securities lending revenue

# Revenue Growth Opportunities

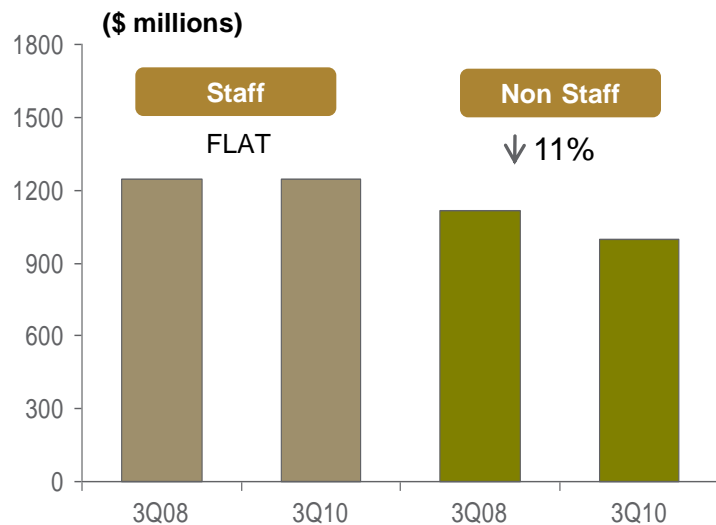
Delivering entire firm to our major clients

<b>Top 450 Clients Penetration<sup>1</sup></b>			
	<b>3Q07</b>	<b>3Q10</b>	<b>% Change vs 3Q07</b>
<b>Asset Management</b>	<b>48%</b>	<b>69%</b>	<b>+44%</b>
<b>Asset Servicing</b>	<b>64</b>	<b>74</b>	<b>+16</b>
<b>Broker-Dealer Services</b>	<b>22</b>	<b>34</b>	<b>+55</b>
<b>Corporate Trust</b>	<b>58</b>	<b>67</b>	<b>+16</b>
<b>Shareowner Services</b>	<b>21</b>	<b>28</b>	<b>+33</b>
<b>Clearing Services</b>	<b>15</b>	<b>32</b>	<b>+113</b>
<b>Treasury Services</b>	<b>74</b>	<b>87</b>	<b>+18</b>

<sup>1</sup> Represents largest clients in major North American and European markets. Estimates are as of 9/30/2010.

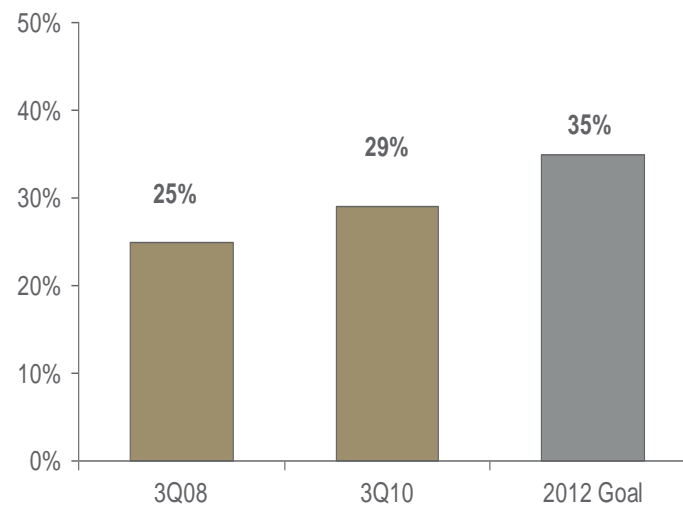
# Key Expense Initiatives

## Expenses (2 yrs)



## % Headcount

Global Growth Centers\*



Re engineering Processes

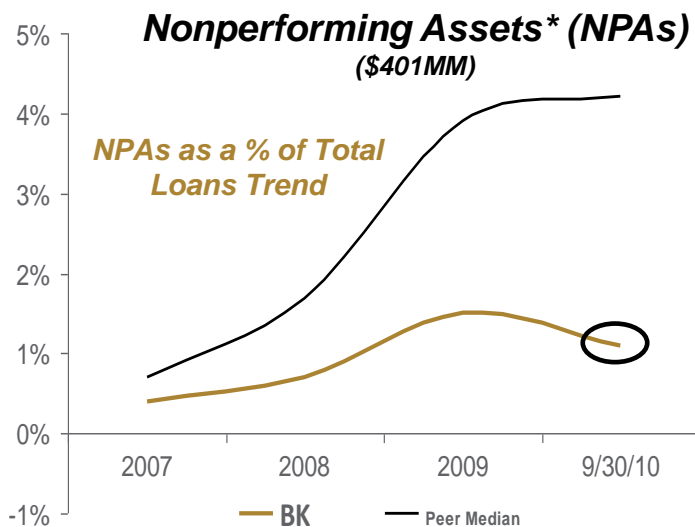
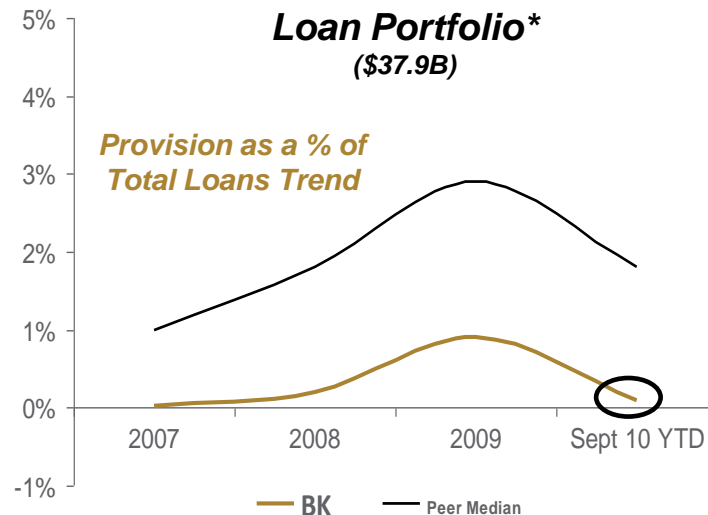
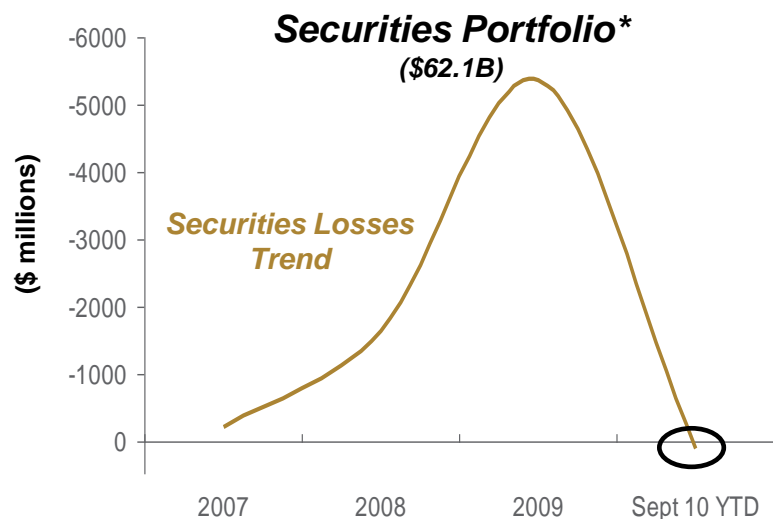
Improving Procurement

Controlling Discretionary Spend

\* Pittsburgh (U.S.), Manchester (U.K.) and Chennai / Pune (India)

Note: Expense growth rates adjusted for acquisitions, intangible amortization, support agreement charges and M&I expenses

# Balance Sheet Strength



## Secondary Market Debt Spreads

	5 Year		10 Year	
	12/3/10	vs. Peers	12/3/10	vs. Peers
<b>BNY Mellon</b>	<b>54</b>	-	<b>78</b>	-
Northern Trust	51	(3)	73	(5)
US Bancorp	57	+3	81	+3
State Street	57	+3	81	+3
Wells Fargo	103	+49	138	+60
PNC Financial	106	+52	139	+61
JPM Chase	124	+70	156	+78
Goldman Sachs	156	+102	192	+114
SunTrust	170	+116	199	+121
Bank of America	221	+167	256	+178

\*As of 9/30/10

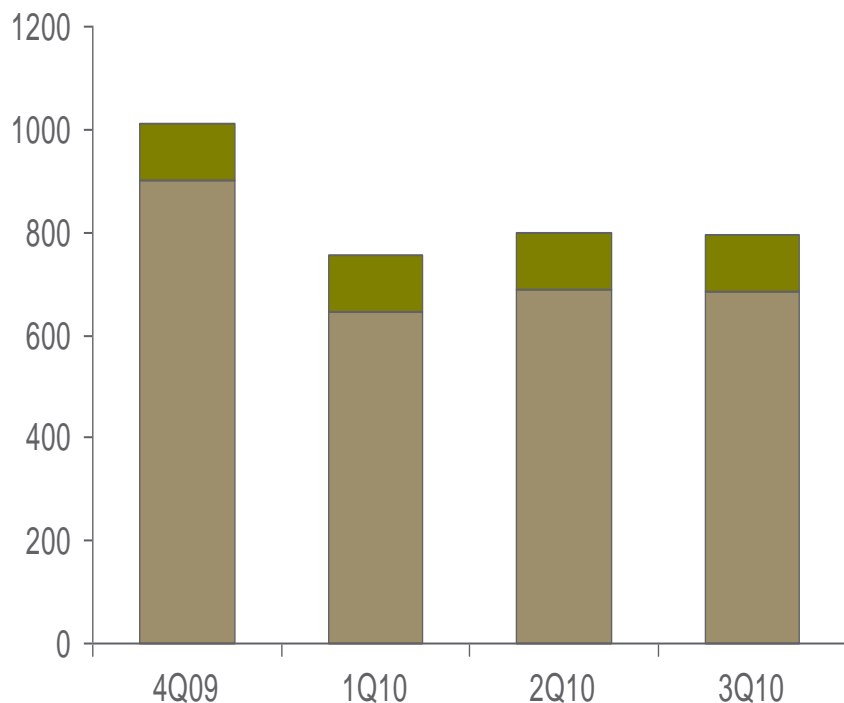
Note: Risk spreads represent the indicative Libor spread on new debt issuances with either a 5-year or 10-year maturity.

# Tangible Capital Generation

> \$3 billion or +25% p.a.

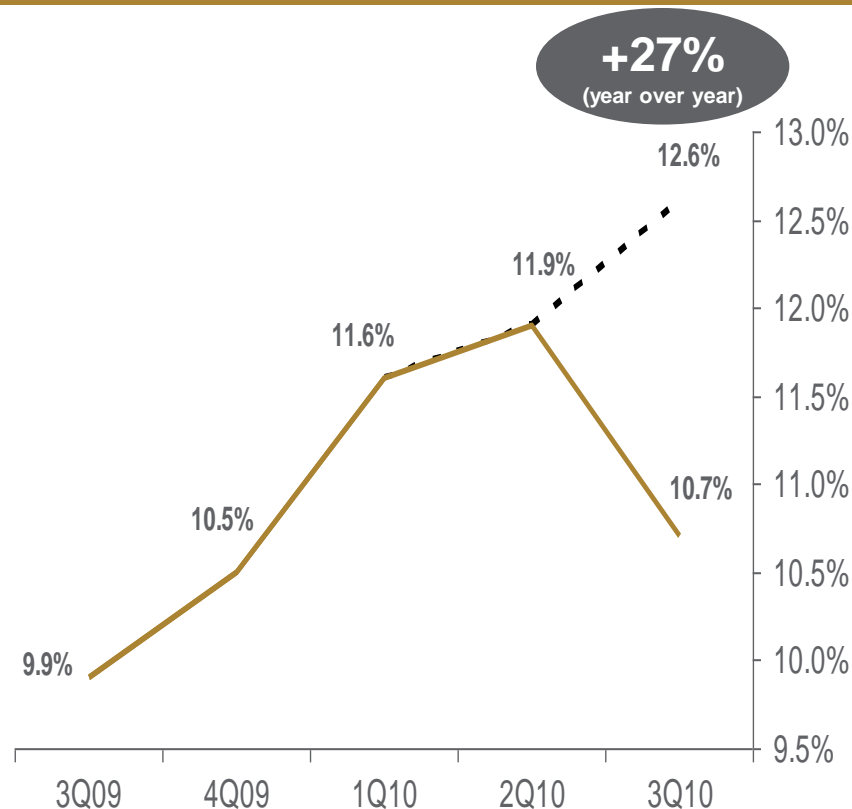
## Quarterly Operating Earnings Plus Amortization of Intangibles

(\$ millions)



Reflects quarterly dividend

## Tier 1 Common Equity to Risk-Weighted Assets Ratio



--- Excludes impact of acquisitions      — Reported

# BNY Mellon

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# Appendix

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# Reconciliation Schedule

## Business – revenue

<b>(\$millions)</b>	<b>LTM 2010</b>	
<b>Revenue</b>	<b>(as of 9/30)</b>	<b>% of Total</b>
<b>Asset Management</b>	<b>\$2,598</b>	<b>20%</b>
<b>Wealth Management</b>	<b>804</b>	<b>6</b>
<b>Subtotal</b>	<b>\$3,402</b>	<b>26%</b>
<b>Securities Servicing</b>		
<b>Asset Servicing</b>	<b>\$4,349</b>	<b>33%</b>
<b>Issuer Services</b>	<b>2,420</b>	<b>19</b>
<b>Clearing Services</b>	<b>1,472</b>	<b>11</b>
<b>Subtotal</b>	<b>\$8,241</b>	<b>63%</b>
<b>Treasury Services</b>	<b>\$1,497</b>	<b>11%</b>

*LTM = last 12 months ending 9/30/10*

# Reconciliation Schedule

## Business – pre-tax income

(\$millions)	LTM 2010	
Pretax Income	(as of 9/30)	% of Total
<b>Asset Management</b>	<b>\$772</b>	<b>17%</b>
<b>Wealth Management</b>	<b>245</b>	<b>5</b>
<b>Subtotal</b>	<b>\$1,017</b>	<b>22%</b>
<b>Securities Servicing</b>		
<b>Asset Servicing</b>	<b>\$1,162</b>	<b>26%</b>
<b>Issuer Services</b>	<b>1,176</b>	<b>26</b>
<b>Clearing Services</b>	<b>427</b>	<b>9</b>
<b>Subtotal</b>	<b>\$2,765</b>	<b>61%</b>
<b>Treasury Services</b>	<b>\$749</b>	<b>17%</b>

Note: Pre-tax metrics exclude the impact of historical intangible amortization and support agreement charges where applicable.

LTM = last 12 months ending 9/30/10

# Reconciliation Schedule

## Return on tangible capital

(\$billions) Tangible Net Income	3Q09	3Q10	(\$billions) Tangible Equity	3Q09	3Q10
Consolidated net income		\$2.4	Average shareholders equity		\$30.2
Intangible amortization – after-tax		0.3	Adjustments:		
Discontinued operations – after-tax		0.2	Average goodwill/intangibles		(22.2)
Continuing Tangible Net Income		<u>\$2.9</u>	Deferred tax liabilities		<u>2.4</u>
Adjustments:			Tangible Shareholders Equity		<u><u>\$10.4</u></u>
Litigation expense		0.1			
M&I expense		0.1			
Restructuring charge		0.1			
Securities gains		(0.1)			
Tax settlement gains		(0.1)			
		<u>\$3.0</u>			

# 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 to Risk-Weighted Assets

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 (\$15.8 billion @ 9/30/10 and \$21.6 billion @ 6/30/10).

# Capital Ratio Detail

(\$ billions)

9/30/10

<b>Tier 1 capital ratio</b>	<b>12.2%</b>
<b>Tier 1 common to risk-weighted assets ratio<sup>1</sup></b>	<b>10.7%</b>
<b>Tier 1 capital</b>	<b>\$13.0</b>
<b>Tier 1 common equity</b>	<b>\$11.4</b>
<b>Risk-weighted assets</b>	<b>\$106.4</b>
<b>Tangible common equity / assets<sup>1</sup></b>	<b>5.3%</b>
<b>Tangible common equity<sup>1</sup></b>	<b>\$10.7</b>
<b>Tangible assets<sup>1</sup></b>	<b>\$199.9</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 earnings release on Form 8-K for the quarter ended September 30, 2010, available at [www.bnymellon.com](http://www.bnymellon.com).

# Capital

## Impact of acquisition related goodwill / intangibles

<u>Segment</u>	<u>Goodwill / Intangibles @ 9/30/10</u>
Asset Management	\$10.0B
Asset Servicing	5.5
Issuer Services	3.2
Wealth Management	2.0
Clearing Services	2.0
Treasury Services	0.3
Other (primarily Trademark)	0.9
<b>Total</b>	<b>\$23.9B</b>

	<u>9/30/10</u>
<b>Total Common Equity</b>	<b>\$32.2B</b>
<b>Goodwill / Intangible Assets</b>	<b>(23.9)</b>
<b>Acquisition related deferred tax liabilities</b>	<b>2.4</b>
<b>Tangible Common Equity</b>	<b>\$10.7B</b>



# BNY Mellon: Superior Credit Ratings

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

**BNY Mellon is the only US 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 11/30/10.