



BNY MELLON



November 14, 2011

# Powering Investment Success

*2011 Investor Day*

# 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”) financial outlook and future financial results, including statements with respect to the outlook for the operating environment, balance sheet capital, market trends, the macro economic outlook, customer preferences, the Corporation’s growth opportunities, future focus and global expansion, 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 equity ratio under Basel III, expectations with respect to returning capital to shareholders, acquisitions and long-term return targets, anticipated actions to support Net Interest Revenue, projected expense savings and anticipated incremental expenses related to efficiency initiatives, 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 September 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 November 14, 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 September 30, 2011, available at [www.bnymellon.com](http://www.bnymellon.com).

## II. Investment Management

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*Curtis Arledge – CEO, Investment Management*

# Investment Management

A leading global investment manager with ~\$1.2T AUM

## Growth Profile

### **Delivering above median revenue growth versus peers in challenging markets**

- ✓ Balanced business mix
- ✓ Strong investment performance
- ✓ Expanding investment and distribution capabilities
- ✓ Coordinating with Investment Services around firm-wide clients

## Operational Excellence

### **Improve efficiency, reduce risk and deliver the highest service quality**

- ✓ Streamline operating model to realize scale benefits
- ✓ Enhance client coverage and service
- ✓ Improve business metrics and information

Assets as of 9/30/11

# Global Asset and U.S. Wealth Manager

With strong market share

## P&I/Watson Wyatt World 500: The World's Largest Managers

Ranked by total assets, in U.S. \$ billions, as of Dec. 31, 2010  
(Published Oct. 31, 2011)

Rank	Manager	Assets
1	BlackRock	\$3,561
2	State Street Global Advisors	\$2,010
3	Allianz Group	\$2,010
4	Fidelity Investments	\$1,812
5	Vanguard Group	\$1,765
6	Deutsche Bank	\$1,562
7	AXA Group	\$1,463
8	BNP Paribas	\$1,314
9	J.P. Morgan Chase	\$1,303
10	Capital Group	\$1,223
<b>11</b>	<b>BNY Mellon</b>	<b>\$1,172</b>
12	UBS	\$933
13	HSBC Holdings	\$925
14	Amundi Asset Mgmt	\$915
15	Goldman Sachs Group	\$840

## Barron's 2011 Ranking of U.S. Wealth Managers

Ranked by total assets, in U.S. \$ billions, as of June 30, 2011  
(Published September 19, 2011)

Rank	Manager	Assets
1	Bank of America	\$803
2	Morgan Stanley Smith Barney	\$643
3	J.P. Morgan	\$450
4	Wells Fargo and Co.	\$377
5	UBS Wealth Management	\$315
6	Fidelity	\$173
<b>7</b>	<b>BNY Mellon Wealth Management</b>	<b>\$142</b>
8	Northern Trust	\$128
9	Charles Schwab	\$113
10	Citigroup Global Markets	\$67
11	Deutsche Bank	\$64
12	Credit Suisse	\$63
13	RBC Wealth Management	\$58
14	Bessemer Trust	\$57
15	Suntrust Banks	\$54

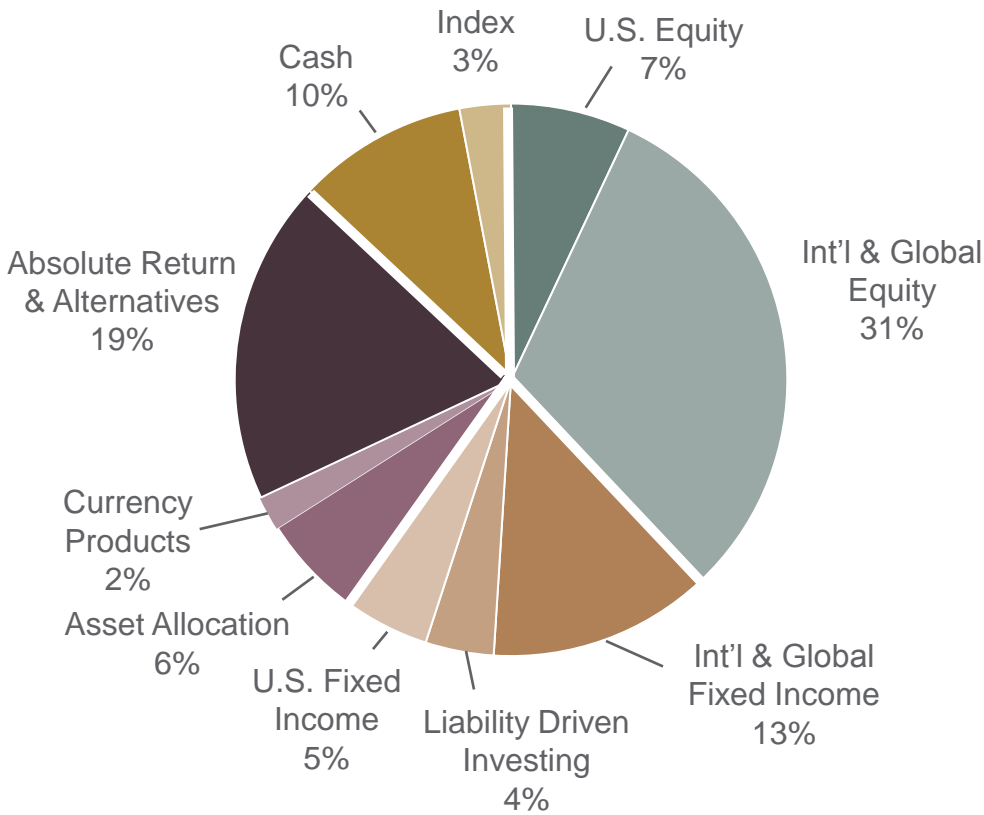
Notes: Wealth Management assets represents total client assets.

Please see the disclosures in Appendix

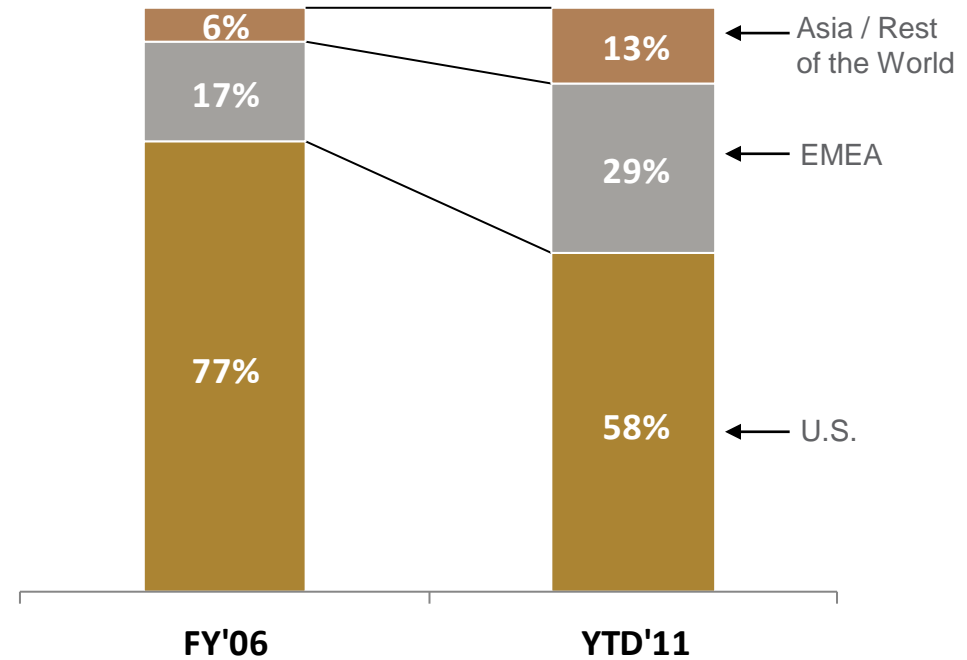
# Business Mix Balanced by Asset Class and Geography

**Revenue Mix by Asset Class**

YTD 9/30/11 (management fees only)



**Global Revenue Mix**



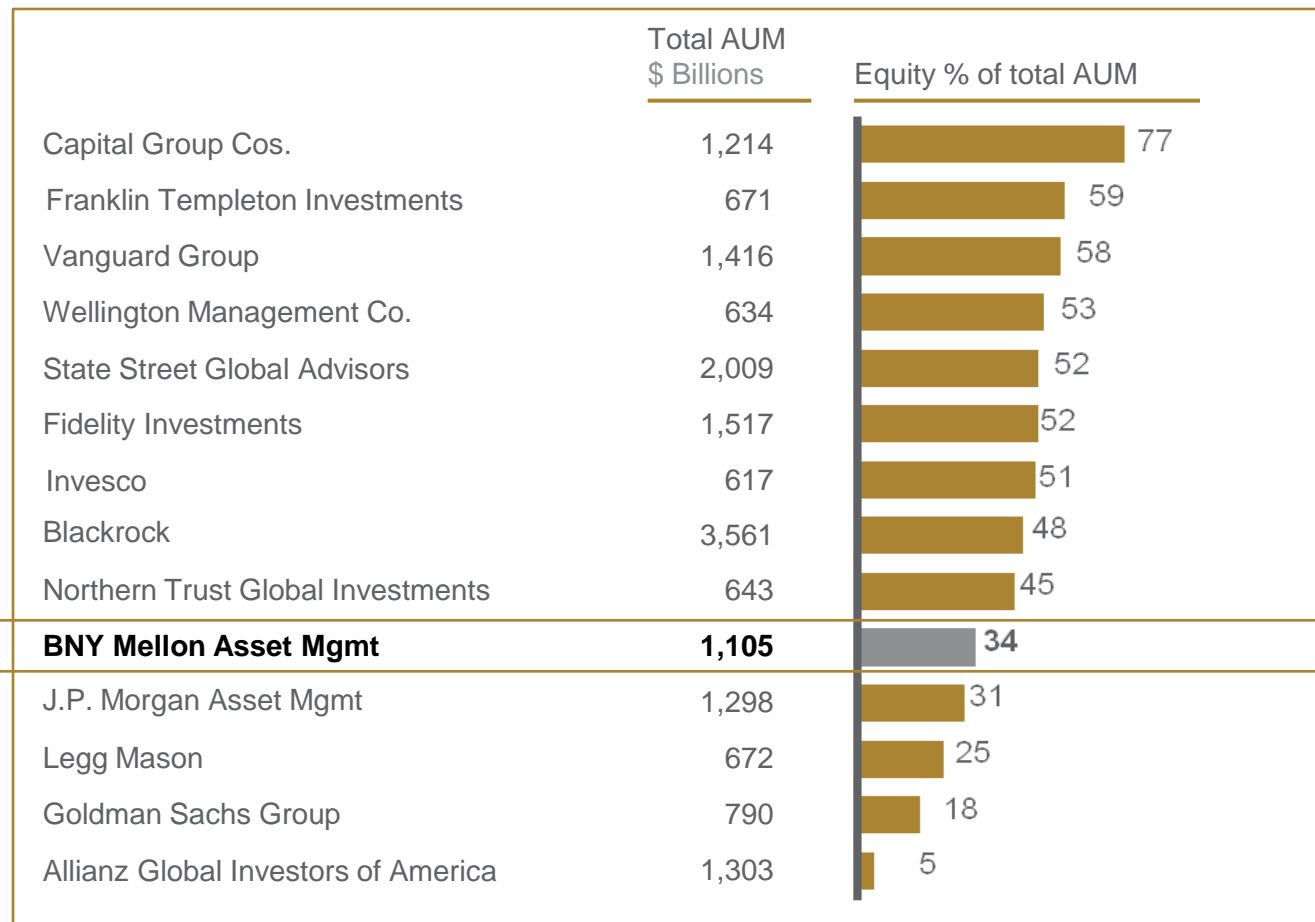
Notes: Revenue mix by asset class for Asset Management only. Geographic revenue mix is based on underlying client domicile. FY '06 geographical revenue split has been adjusted for BNY Mellon merger.

# Well Diversified Asset Mix

## Reduces revenue volatility

### Industry Equity Mix Comparison

(U.S. Asset Management Industry only, ranked by equity mix)



Source: America's Top 300 Money Managers as of 12/31/2010 (Institutional Investor, July/August 2011)

# Multiple Investment Solutions

With global scale and scope

<b>Large Scale Firms</b>	<b>AUM (as of 9/30/11)</b>
<b>Insight Investment<sup>1</sup></b>	<b>\$236 B</b>
<i>Liability-driven investment, fixed income and other tailored solutions</i>	
<b>Newton</b>	<b>\$68 B<sup>2</sup></b>
<i>Global thematic investing</i>	
<b>Walter Scott</b>	<b>\$44 B</b>
<i>Global equity investment management</i>	
<b>Mellon Capital Management</b>	<b>\$195 B</b>
<i>Fundamentally-based global quantitative strategies</i>	
<b>Standish</b>	<b>\$86 B</b>
<i>Fixed income and credit solutions</i>	
<b>The Boston Company</b>	<b>\$35 B</b>
<i>Active fundamental equity manager</i>	
<b>BNY Mellon Cash Investment<sup>3</sup></b>	<b>\$338 B</b>
<i>Money market funds and short duration strategies</i>	

<sup>1</sup> Currently does not offer services in the U.S.

<sup>2</sup> AUM for The Newton Group

<sup>3</sup> A division of The Dreyfus Corporation

<sup>4</sup> Minority Interest

<sup>5</sup> Joint Venture

Note: Sub-advised and Wealth Management AUM not included in schedule

<b>Focused Strategy Niche Firms</b>	<b>AUM (as of 9/30/11)</b>
<b>Pareto</b>	<b>\$43 B</b>
<i>Currency risk management and absolute return strategies</i>	
<b>WestLB Mellon<sup>5</sup></b>	<b>\$31 B</b>
<i>European fixed income and equities</i>	
<b>Alcentra</b>	<b>\$16 B</b>
<i>Global sub-investment grade debt asset management</i>	
<b>BNY Mellon ARX</b>	<b>\$7 B</b>
<i>Brazilian equities, long/short and fixed income</i>	
<b>Siguler Guff<sup>4</sup></b>	<b>\$10 B</b>
<i>Private equity investment strategies</i>	
<b>EACM</b>	<b>\$5 B</b>
<i>Fund of hedge funds and manager of managers</i>	
<b>Urdang</b>	<b>\$4 B</b>
<i>U.S. &amp; global real estate investment management</i>	
<b>Hamon<sup>4</sup></b>	<b>\$3 B</b>
<i>Asian equities management</i>	
<b>BNY Mellon Western FMC<sup>1,5</sup></b>	<b>\$.1 B</b>
<i>Mainland China's equity markets</i>	



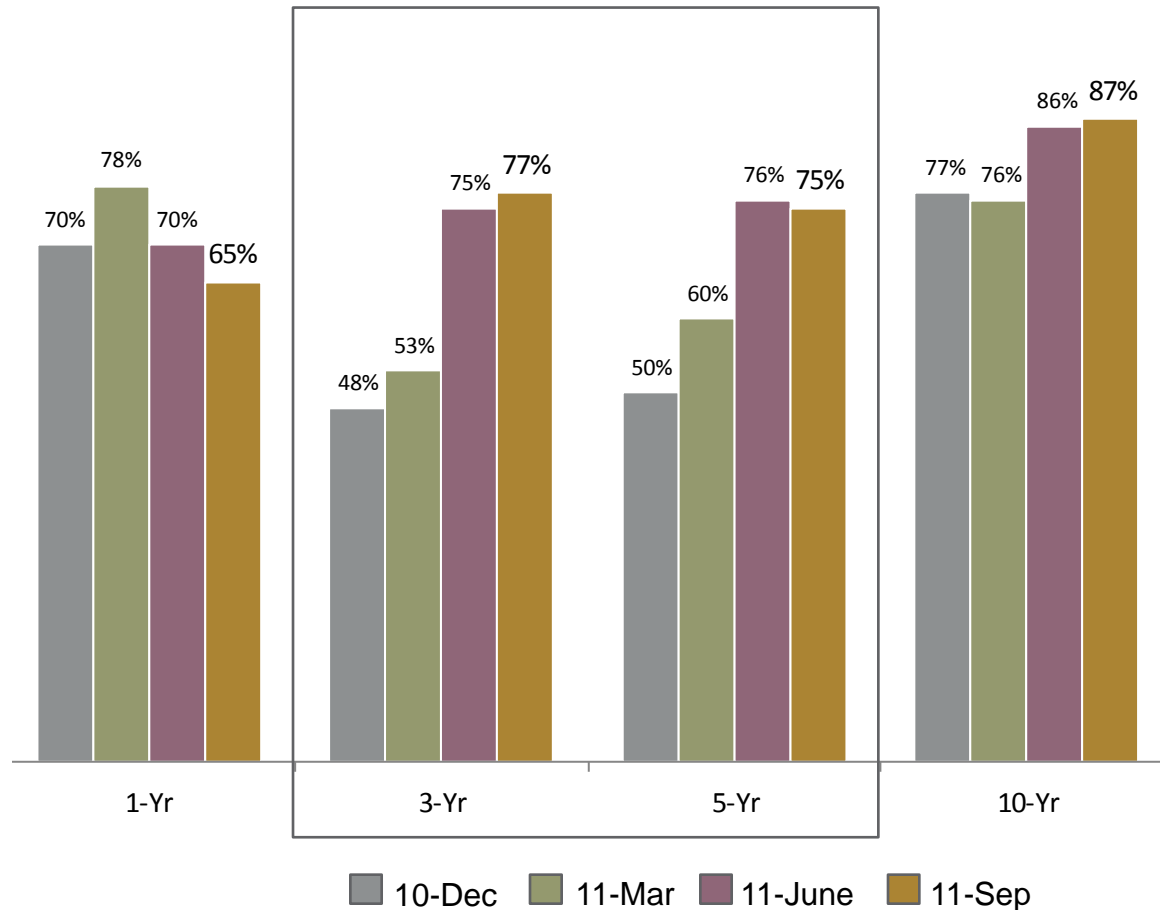
# “Best of Both” Centralized/Decentralized Model

	<b>Distinctive investment results</b>	<b>Client relationship management excellence</b>	<b>Driving operational excellence</b>
<b>Boutique strength</b>	Multiple specialized and focused investment boutiques	Focused boutique relationships	Strategically important/proprietary infrastructure
<b>Large investment management company strength</b>	Investment oversight and broad, global market perspective	Global client management and insight for large strategic relationships	“Institutional-grade” infrastructure and management/risk oversight

**Outnimble large competitors  
Outscale standalone boutiques**

# Strong Investment Performance

Percent of institutional composite AUM beating benchmark (active strategies only)



Strong investment performance across multiple categories

- US Large Cap
- Mid, Small/Mid and Small Cap
- Emerging Markets
- Liability Driven Investing
- Global fixed income
- Currency
- US and global REIT
- BRIC and buyout strategies

Notes: As of September 30, 2011 represents ~\$300B of active institutional assets.

# Recognition of Our Investment Results

Broad array of investment awards spanning the globe



- ✓ Professional Adviser Awards 2011 – **BNY Mellon** Best Large Fund Management Group



- ✓ Exame (Brazil) – **ARX-** Best Active Equity Award 2010 and 2011



- ✓ Asian Investor Magazine – **Standish** – Best Eurozone Fixed Income Manager



- ✓ European Pensions Awards – **Insight** – LDI and Fixed Income Manager of the Year



- ✓ Multiple Lipper awards in Austria, Germany, Italy, Spain, Switzerland, United Kingdom and United States

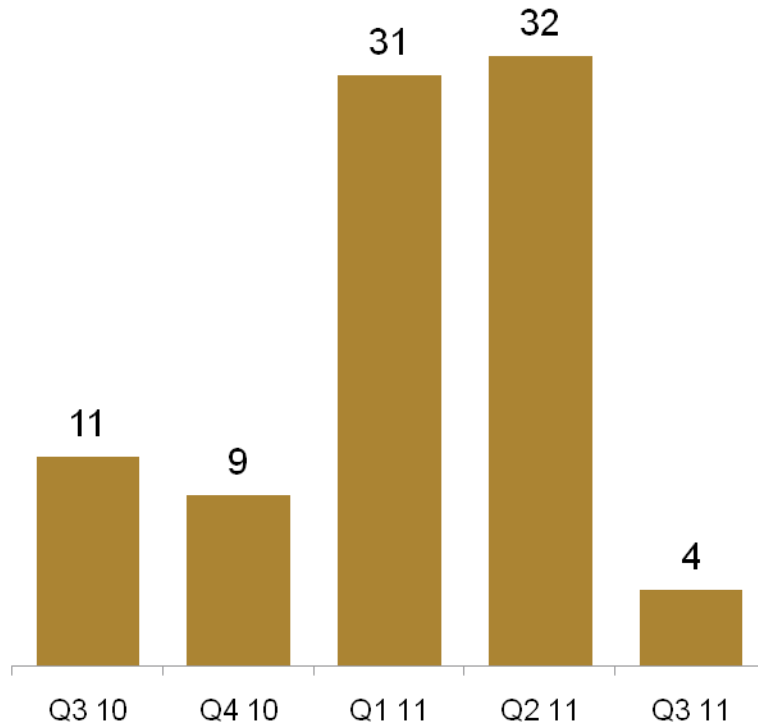


A winning combination for your clients.

“With four of the six funds short listed for this award, it’s not surprising that BNY Mellon is a leader in absolute return investing”

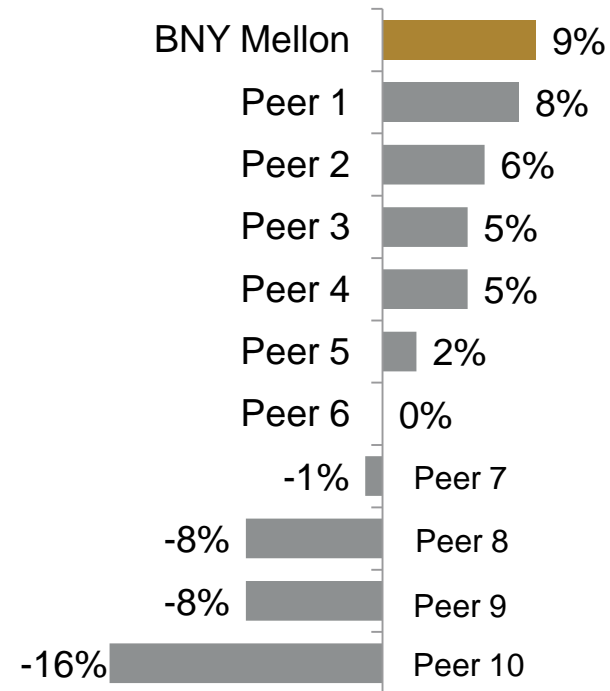
# Long-Term Asset Flows Attractive vs. Peers

**BNY Mellon Long-Term Net Asset Flows**  
(*\$billions*)



Equity	4	3	9	5	(4)
Fixed Income	10	5	23	29	9
Alternatives & Other	(3)	1	(1)	(2)	(1)

**Organic Growth Rate of Long-term Assets Year over Year**  
3Q11 vs. 3Q10



Peers include:

Affiliated Managers Group, Eaton Vance, Invesco, Franklin Templeton, Federated, BlackRock, T.Rowe Price, Janus, Legg Mason, Alliance Bernstein

Long-term organic growth is defined as net long-term asset flows as a % of opening long-term AUM. BNY Mellon long-term net asset flows include Wealth Management net asset flows.

# Opportunities to Accelerate Growth and Drive Effectiveness

Opportunity	Strategy
Expand and enhance investment capabilities	<ul style="list-style-type: none"><li>✓ Build out capabilities in high growth, high value-add areas to address secular changes in both the financial services industry and in client preferences<ul style="list-style-type: none"><li>▪ Expand global credit investment capabilities</li><li>▪ Advance market position in absolute return, asset allocation, and alternatives offerings</li><li>▪ Grow and add local investment capabilities in high growth regions</li></ul></li></ul>
Broaden and strengthen global distribution	<ul style="list-style-type: none"><li>✓ Expand the reach of our comprehensive solutions capabilities</li><li>✓ Improve platform-wide coordination around key clients</li><li>✓ Invest in further penetration of retail/intermediary channels</li><li>✓ Build global brand awareness of BNY Mellon as an investment manager</li></ul>

# Opportunities to Accelerate Growth and Drive Effectiveness

Opportunity	Strategy
Capitalize on Wealth Management strengths and capabilities	<ul style="list-style-type: none"><li>✓ Expand footprint in both U.S. and International markets</li><li>✓ Better connect Asset Management insight and offerings to Wealth clients</li></ul>
Coordinate with Investment Services to serve client needs	<ul style="list-style-type: none"><li>✓ Develop enterprise-wide solutions for clients</li><li>✓ Partner with Pershing to deliver investment solutions and grow retail share</li><li>✓ Share industry knowledge to improve capabilities</li></ul>

# Investing in High Growth Regions – Asia Pacific

## Leveraging the business model

- ✓ Expand Asia Pacific investment capability in response to investor demands



- ✓ Build-out local infrastructure and governance, lever global delivery centers

- ✓ Strengthen institutional and expand retail distribution throughout Asia Pacific

- ✓ Capitalize on Wealth Management capability by solving unique needs of Asia Pacific intermediaries and individuals

- ✓ Deliver investment management capabilities and solutions to Investment Services clients

# Driving Operational Excellence

Multiple opportunities across the franchise

- ✓ Simplify overall boutique structure
- ✓ Improve operating efficiency around common utilities
  - Rationalize systems and data framework
  - Streamline overall technology architecture
- ✓ Support development of unique capabilities to fulfill individual boutique requirements
- ✓ Leverage insights and capabilities of Investment Services to ensure industry best-in-class middle and back office



# Our Business Model Drives Value

- ✓ Realize benefits of both having scale and being nimble
- ✓ Business mix is well diversified across asset classes, clients, and geography
- ✓ Positioned for structural changes in developed markets and growth in developing markets
- ✓ Capitalize on opportunities for more efficient operations
- ✓ Provide holistic client solutions that will deepen relationships
- ✓ Better connecting with both institutional and retail clients across the entire BNY Mellon franchise will expand our client base