



BNY MELLON

BNY Mellon

**Third Quarter 2018
Financial Highlights**

October 18, 2018

Cautionary Statement

A number of statements in our presentations, the accompanying slides and the responses to your questions are “forward-looking statements.” Words such as “estimate”, “forecast”, “project”, “anticipate”, “likely”, “target”, “expect”, “intend”, “continue”, “seek”, “believe”, “plan”, “goal”, “could”, “should”, “would”, “may”, “might”, “will”, “strategy”, “synergies”, “opportunities”, “trends”, “future” and words of similar meaning signify forward-looking statements. These statements relate to, among other things, The Bank of New York Mellon Corporation’s (the “Corporation”) expectations regarding: capital plans, strategic priorities, financial goals, organic growth and efficiency, talent acquisition, expenses, including costs associated with the Corporation’s relocation strategy and timing of such costs, deposits, taxes, business opportunities, preliminary business metrics and regulatory capital ratios; and statements regarding the Corporation's aspirations, as well as the Corporation’s overall plans, strategies, goals, objectives, expectations, outlooks, estimates, intentions, targets, opportunities and initiatives. These forward-looking statements 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 outcomes 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 Annual Report on Form 10-K for the year ended December 31, 2017 (the “2017 Annual Report”) and in other filings of the Corporation with the Securities and Exchange Commission (the “SEC”). Such forward-looking statements speak only as of October 18, 2018, 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. For additional information regarding the Corporation, please refer to the Corporation's SEC filings available at www.bnymellon.com/investorrelations.

Non-GAAP Measures: In this presentation we discuss some non-GAAP measures in detailing the Corporation’s performance, which exclude certain items or otherwise include components that differ from GAAP. 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 Corporation’s reports filed with the SEC, including the 2017 Annual Report, and are available at www.bnymellon.com/investorrelations.

Financial Highlights

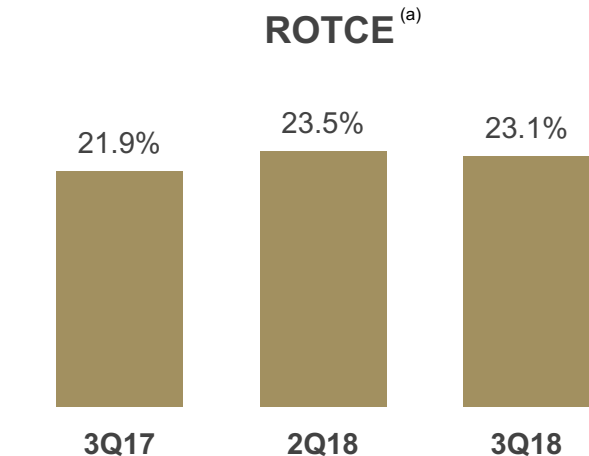
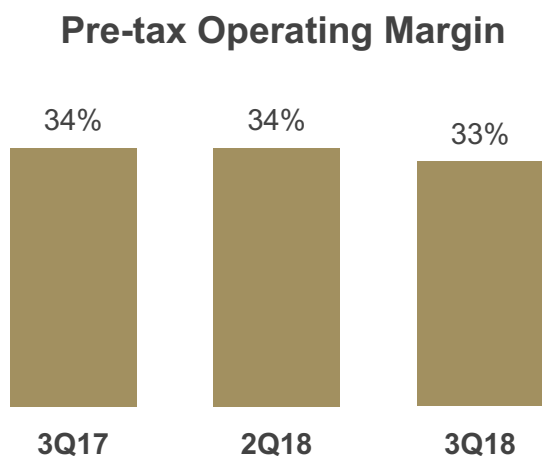
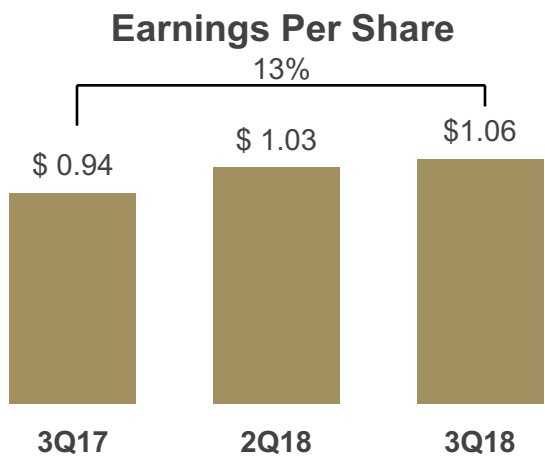
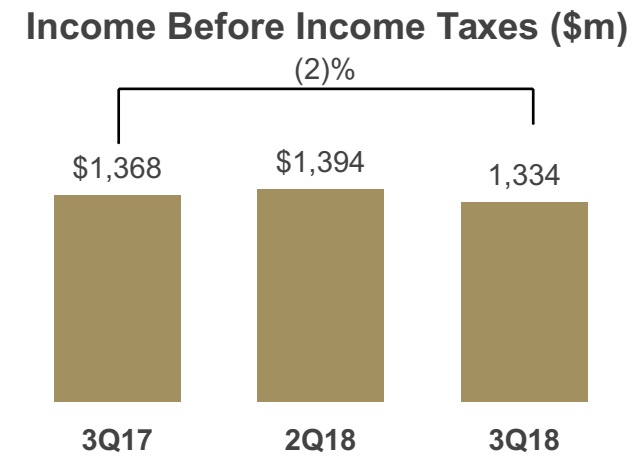
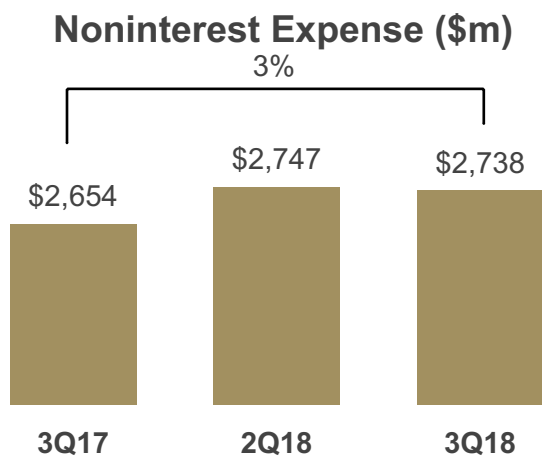
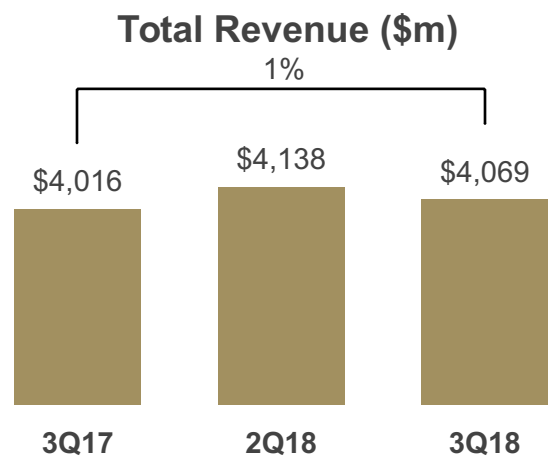
- Third quarter earnings of \$1.1 billion, or \$1.06 per common share, up 13%
 - Significant items in the third quarter
 - Litigation increased expenses 2%; \$(0.05) per common share
 - Positive impact of tax adjustment related to U.S. tax legislation and other changes; \$0.05 per common share
 - Returned \$885 million of capital to common shareholders through \$602 million of share repurchases and \$283 million in dividends
- Year-to-date earnings of \$3.3 billion, or \$3.20 per common share, up 21%
 - Year-to-date returned \$2.7 billion of capital to common shareholders through \$1.9 billion of share repurchases and \$0.8 billion in dividends

Third Quarter 2018 - Financial Highlights

(\$ in millions, except per share data)	3Q18	Growth vs.		Financial Performance Drivers <i>year-over-year</i>
		2Q18	3Q17	
Total revenue	\$ 4,069	(2)%	1%	<ul style="list-style-type: none"> • Fee revenue, up 1% <ul style="list-style-type: none"> ◦ Reflects higher equity market values, growth in collateral management and clearance volumes and higher performance fees ◦ Partially offset by lower foreign currency hedging
<i>Fee revenue</i>	3,168	(1)	1	
<i>Net interest revenue</i>	891	(3)	6	
Provision for credit losses	(3)	N/M	N/M	
Noninterest expense	2,738	—	3	
Income before income taxes	1,334	(4)	(2)	
Net income applicable to common shareholders	\$ 1,075	2%	9%	<ul style="list-style-type: none"> • Net interest revenue, up 6% <ul style="list-style-type: none"> ◦ Driven by higher interest rates ◦ Partially offset by lower deposits and other borrowings
Operating leverage ^(a)		(134) bps	(185) bps	
Pre-tax operating margin	33%	(91) bps	(126) bps	
Earnings per common share	\$ 1.06	3%	13%	
Common Equity Tier 1 (“CET1 ratio”) ^(b)	11.2%	+27 bps	+52 bps	<ul style="list-style-type: none"> • Noninterest expense, up 3% <ul style="list-style-type: none"> ◦ Continued investments in technology, partially offset by decreases in other expenses ◦ Litigation increased expenses 2%
Return on common equity ^(c)	11.2%	+2 bps	+62 bps	
Return on tangible common equity (“ROTCE”) ^(d)	23.1%	(38) bps	+122 bps	
Net interest margin	1.27%	+1 bps	+12 bps	

Note: See page 14 for corresponding footnotes in Appendix. N/M - not meaningful; bps - basis points

Third Quarter 2018 - Financial Highlights



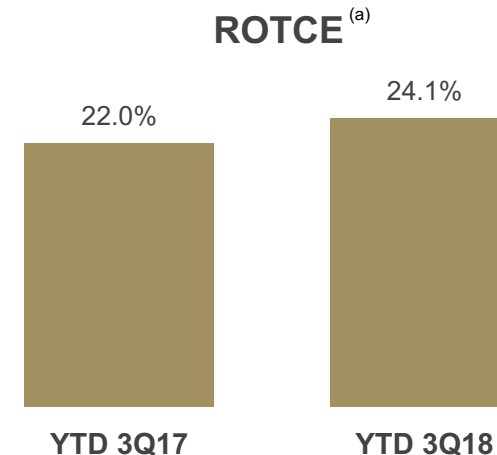
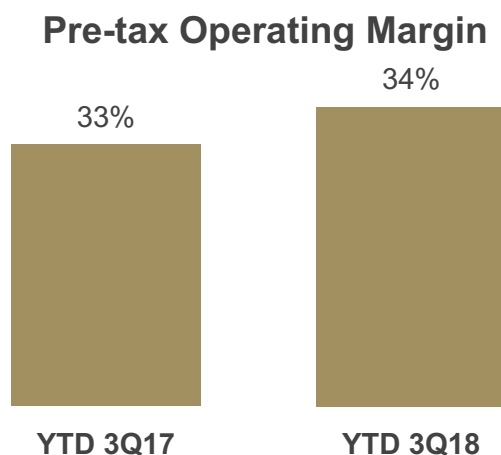
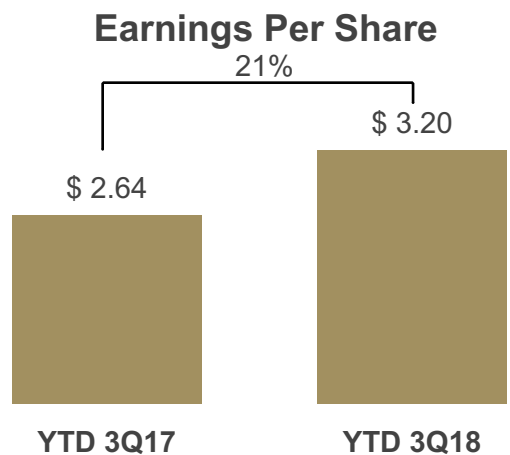
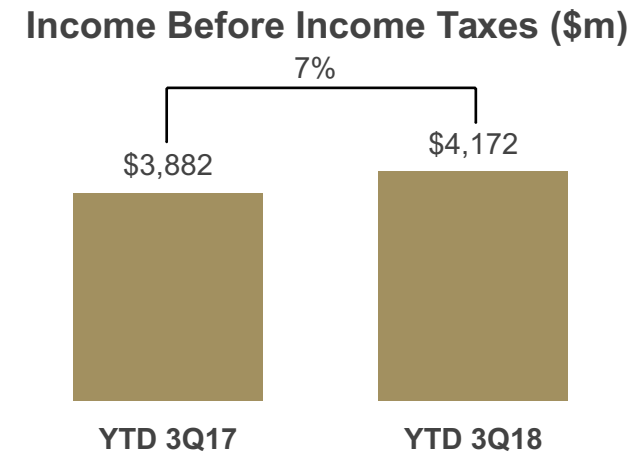
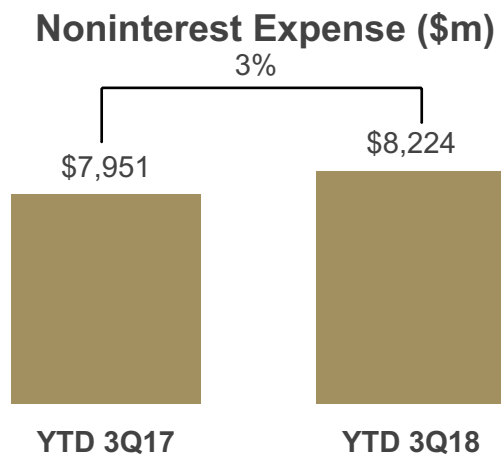
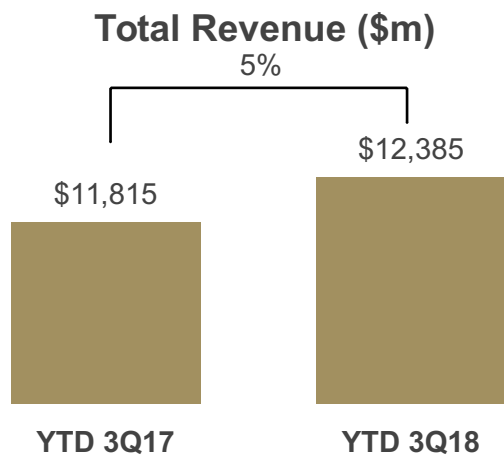
(a) Represents a Non-GAAP measure. See Appendix for a reconciliation.

Year-to-date - Financial Highlights

(\$ in millions, except per share data)	YTD 3Q18	YTD 3Q17	Growth vs.
			YTD 3Q17
Total revenue	\$ 12,385	\$ 11,815	5%
<i>Fee revenue</i>	9,696	9,276	5
<i>Net interest revenue</i>	2,726	2,457	11
Provision for credit losses	(11)	(18)	N/M
Noninterest expense	8,224	7,951	3
Income before income taxes	4,172	3,882	7
Net income applicable to common shareholders	\$ 3,265	\$ 2,789	17%
Operating leverage ^(a)			+139 bps
Pre-tax operating margin	34%	33%	+83 bps
Earnings per common share	\$ 3.20	\$ 2.64	21%
Return on common equity ^(b)	11.6%	10.4%	+116 bps
Return on tangible common equity (“ROTCE”) ^(c)	24.1%	22.0%	+212 bps

Note: See page 14 for corresponding footnotes in Appendix. N/M - not meaningful; bps - basis points

Year-to-date - Financial Highlights



(a) Represents a Non-GAAP measure. See Appendix for a reconciliation.

Investment Services Business Highlights

Financial Highlights (\$ millions)	3Q18	Growth vs.	
		2Q18	3Q17
Total revenue by line of business:			
Asset Servicing	\$ 1,458	(4)%	3 %
Pershing	558	—	3
Issuer Services	453	5	2
Treasury Services	324	(2)	3
Clearance and Collateral Management	264	(2)	8
Total revenue by line of business	3,057	(2)	3
Provision for credit losses	1	N/M	N/M
Noninterest expense	2,030	3	8
Income before taxes	\$ 1,026	(10)%	(6)%
Pre-tax operating margin	34%	(312) bps	(330) bps

Key Metrics (\$ millions unless otherwise noted)	3Q18	Growth vs.	
		2Q18	3Q17
Foreign exchange and other trading revenue	\$ 161	(6)%	5 %
Securities lending revenue	\$ 52	(5)%	27 %
Average loans	\$ 35,044	(8)%	(8)%
Average deposits	\$ 192,741	(5)%	(3)%
AUC/A at period end (in trillions) ^(a)	\$ 34.5	3 %	7 %
Market value of securities on loan at period end (in billions) ^(b)	\$ 415	(4)%	9 %
Pershing			
Average active clearing accounts (U.S. platform) (in thousands)	6,108	— %	(2)%
Average long-term mutual fund assets (U.S. platform)	\$ 527,336	3 %	5 %
Average investor margin loans (U.S. platform)	\$ 10,696	(1)%	20 %
Clearance and Collateral Management			
Average tri-party collateral mgmt. balances (in trillions)	\$ 3.0	7 %	18 %

Note: See page 14 for corresponding footnotes in Appendix. N/M - not meaningful; bps - basis points

Business Performance Drivers year-over-year

- Asset Servicing, up 3%
 - Higher equity market values, securities lending volumes, net interest revenue and foreign exchange volumes
- Pershing, up 3%
 - Higher net interest revenue, equity market values and long-term mutual funds balances, partially offset by previously disclosed lost business
- Issuer Services, up 2%
 - Higher net interest revenue in Corporate Trust
- Treasury Services, up 3%
 - Higher net interest revenue and transaction volumes
- Clearance and Collateral Management, up 8%
 - Growth in collateral management, clearance volumes and net interest revenue
- Noninterest expense, up 8%
 - Investments in technology and higher litigation expense, partially offset by lower staff expense
 - Litigation increased noninterest expense 3%
- AUC/A of \$34.5 trillion, up 7%
 - Net new business and higher equity market values, partially offset by the unfavorable impact of a stronger U.S. dollar

Investment Management Business Highlights

Financial Highlights (\$ millions)	3Q18	Growth vs.	
		2Q18	3Q17
Total revenue by line of business:			
Asset Management	\$ 704	— %	2%
Wealth Management	311	(2)	1
Total revenue by line of business	1,015	—	2
Provision for credit losses	(2)	N/M	N/M
Noninterest expense	701	1	—
Income before taxes	\$ 316	(1)%	5%
Pre-tax operating margin	31%	(10) bps	116 bps
Adjusted pre-tax operating margin – Non-GAAP ^(a)	35%	(22) bps	83 bps

Key Metrics (\$ millions unless otherwise noted)	3Q18	Growth vs.	
		2Q18	3Q17
Average loans	\$ 16,763	(1)%	—%
Average deposits	\$ 14,634	3 %	18%
Wealth Management client assets (in billions) ^(b)	\$ 261	3 %	7%
Changes in AUM (in billions): ^(c)		2Q18	3Q17
Beginning balance of AUM	\$ 1,805	\$1,868	\$1,771
Net inflows (outflows):			
Equity	(2)	(3)	(2)
Fixed income	2	(4)	4
Liability-driven investments ^(d)	16	2	(2)
Multi-asset and alternative investments	2	(3)	3
Index	(3)	(7)	(3)
Total long-term strategies inflows (outflows)	15	(15)	—
Cash	—	(11)	10
Total net inflows (outflows)	15	(26)	10
Net market impact	18	17	17
Net currency impact	(10)	(53)	26
Divestiture/Other	—	(1)	—
Ending balance of AUM	\$ 1,828	\$1,805	\$1,824

Note: See page 14 for corresponding footnotes in Appendix. N/M - not meaningful; bps - basis points

Business Performance Drivers

year-over-year

- Asset Management, up 2%
 - Higher equity market values and performance fees
 - Partially offset by the impact of net outflows and the divestiture of CenterSquare
- AUM of \$1.8 trillion, up slightly
 - Higher market values
 - Partially offset by the divestiture of CenterSquare and other changes and the unfavorable impact of a stronger U.S. dollar

Other Segment

Financial Highlights (\$ millions)	3Q18	2Q18	3Q17
Fee revenue	\$ 7	\$ 40	\$ 50
Net securities gains	—	1	19
Total fee and other revenue	7	41	69
Net interest (expense)	(13)	(35)	(20)
Total (loss) revenue	(6)	6	49
Provision for credit losses	(2)	(6)	(2)
Noninterest expense	6	81	77
(Loss) before taxes	\$ (10)	\$ (69)	\$ (26)

Business Performance Drivers *year-over-year*

- Fee revenue decreased
 - Investments in renewable energy, including the impact of adjusting the provisional tax estimates
 - Foreign currency hedging
- Noninterest expense decreased primarily reflecting lower staff expense

Capital and Liquidity

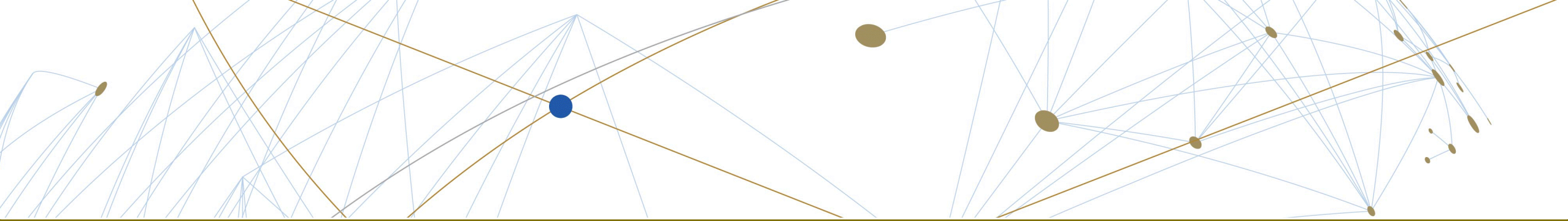
	Sept. 30, 2018	June 30, 2018	Dec. 31, 2017
Consolidated regulatory capital ratios: ^(a)			fully phased-in ^(b)
CET1 ratio	11.2%	11.0%	10.3%
Tier 1 capital ratio	13.4	13.1	12.3
Total capital ratio	14.1	13.8	13.0
Tier 1 leverage ratio	7.0	6.7	6.4
Supplementary leverage ratio ("SLR")	6.4	6.1	5.9
Average liquidity coverage ratio ("LCR")	121%	118%	118%
Book value per common share ^(c)	\$ 38.45	\$ 37.97	\$ 37.21
Tangible book value per common share – Non-GAAP ^(c)	\$ 19.35	\$ 19.00	\$ 18.24
Cash dividends per common share	\$ 0.28	\$ 0.24	\$ 0.24
Common dividend payout ratio	26%	23%	22%
Common shares outstanding (in thousands)	988,777	999,945	1,013,442

Note: See page 14 for corresponding footnotes in Appendix.

Noninterest Expense

(\$ in millions)			
	3Q18	2Q18	3Q17
Staff	\$ 1,478	(1)%	—%
Professional, legal and other purchased services	332	1	9
Software and equipment	262	(2)	12
Net occupancy	139	(11)	(1)
Sub-custodian and clearing	106	(4)	5
Distribution and servicing	99	(7)	(9)
Business development	51	(18)	4
Bank assessment charges	49	4	(4)
Amortization of intangible assets	48	—	(8)
Other	174	29	36
Total noninterest expense	\$ 2,738	—%	3%

- | year-over-year |
|--|
| <ul style="list-style-type: none"> • Noninterest expense up 3% <ul style="list-style-type: none"> ◦ Investments in technology and higher litigation expense, partially offset by lower staff and distribution and servicing expenses <ul style="list-style-type: none"> ▪ Litigation increased expenses 2% • Total cost of relocating our corporate headquarters is estimated to be \$75 million, of which \$12 million was recorded in 2Q18 <ul style="list-style-type: none"> ◦ Remaining expense expected in 4Q18 |



Appendix

Footnotes

Third Quarter 2018 - Financial Highlights, Page 4

- (a) Operating leverage is the rate of increase (decrease) in total revenue less the rate of increase (decrease) in total noninterest expense.
- (b) Regulatory capital ratios for Sept. 30, 2018 are preliminary. For our CET1, Tier 1 capital and Total capital ratios, our effective capital ratios under the U.S. capital rules are the lower of the ratios as calculated under the Standardized and Advanced Approaches, which for each of the periods referenced was the Advanced Approach.
- (c) Quarterly results are annualized.
- (d) Quarterly results are annualized. Represents a Non-GAAP measure. See Appendix for a reconciliation.

Year-to-date 2018 - Financial Highlights, Page 6

- (a) Operating leverage is the rate of increase (decrease) in total revenue less the rate of increase (decrease) in total noninterest expense.
- (b) Year-to-date results are annualized.
- (c) Year-to-date results are annualized. Represents a Non-GAAP measure. See Appendix for a reconciliation.

Investment Services Business Highlights, Page 8

- (a) Current period is preliminary. Includes the AUC/A of CIBC Mellon Global Securities Services Company ("CIBC Mellon"), a joint venture with the Canadian Imperial Bank of Commerce, of \$1.4 trillion at Sept. 30, 2018 and June 30, 2018 and \$1.3 trillion at Sept. 30, 2017.
- (b) Represents the total amount of securities on loan in our agency securities lending program managed by the Investment Services business. Excludes securities for which BNY Mellon acts as agent on behalf of CIBC Mellon clients, which totaled \$69 billion at Sept. 30, 2018, \$70 billion at June 30, 2018 and \$68 billion at Sept. 30, 2017.

Investment Management Business Highlights, Page 9

- (a) Net of distribution and servicing expense. See corresponding Appendix pages for reconciliation of this Non-GAAP measure. In 1Q18, the adjusted pre-tax operating margin - Non-GAAP for prior periods was restated to include amortization of intangible assets and the provision for credit losses.
- (b) Current period is preliminary. Includes AUM and AUC/A in the Wealth Management business.
- (c) Current period is preliminary. Excludes securities lending cash management assets and assets managed in the Investment Services business.
- (d) Includes currency overlay AUM.

Capital and Liquidity, Page 11

- (a) Regulatory capital ratios for Sept. 30, 2018 are preliminary. For our CET1, Tier 1 capital and Total capital ratios, our effective capital ratios under the U.S. capital rules are the lower of the ratios as calculated under the Standardized and Advanced Approaches, which for the periods included was the Advanced Approaches.
- (b) On a transitional basis at Dec. 31, 2017, the CET1 ratio was 10.7%, the Tier 1 capital ratio was 12.7%, the Total capital ratio was 13.4%, the Tier 1 leverage ratio was 6.6% and the SLR was 6.1%.
- (c) Tangible book value per common share – Non-GAAP excludes goodwill and intangible assets, net of deferred tax liabilities. See the Appendix for reconciliation of this Non-GAAP measure.

Return on Common Equity and Tangible Common Equity Reconciliation

(\$ in millions)	3Q18	2Q18	3Q17	YTD 3Q18	YTD 3Q17
Net income applicable to common shareholders of The Bank of New York Mellon Corporation – GAAP	\$ 1,075	\$ 1,055	\$ 983	\$ 3,265	\$ 2,789
Add: Amortization of intangible assets	48	48	52	145	157
Less: Tax impact of amortization of intangible assets	11	11	17	34	54
Adjusted net income applicable to common shareholders of The Bank of New York Mellon Corporation, excluding amortization of intangible assets – Non-GAAP	\$ 1,112	\$ 1,092	\$ 1,018	\$ 3,376	\$ 2,892
Average common shareholders' equity	\$ 38,036	\$ 37,750	\$ 36,780	\$ 37,795	\$ 35,876
Less: Average goodwill	17,391	17,505	17,497	17,492	17,415
Average intangible assets	3,283	3,341	3,487	3,340	3,532
Add: Deferred tax liability – tax deductible goodwill ^(a)	1,066	1,054	1,561	1,066	1,561
Deferred tax liability – intangible assets ^(a)	699	709	1,092	699	1,092
Average tangible common shareholders' equity – Non-GAAP	\$ 19,127	\$ 18,667	\$ 18,449	\$ 18,728	\$ 17,582
Return on common equity (annualized) – GAAP	11.2%	11.2%	10.6%	11.6%	10.4%
Return on tangible common equity (annualized) – Non-GAAP	23.1%	23.5%	21.9%	24.1%	22.0%

Book Value and Tangible Book Value Per Share Reconciliation

(\$ in millions, except common shares)	Sept. 30, 2018	June 30, 2018	Dec. 31, 2017
BNY Mellon shareholders' equity at period end – GAAP	\$ 41,560	\$ 41,505	\$ 41,251
Less: Preferred stock	3,542	3,542	3,542
BNY Mellon common shareholders' equity at period end – GAAP	38,018	37,963	37,709
Less: Goodwill	17,390	17,418	17,564
Intangible assets	3,258	3,308	3,411
Add: Deferred tax liability – tax deductible goodwill ^(b)	1,066	1,054	1,034
Deferred tax liability – intangible assets ^(b)	699	709	718
BNY Mellon tangible common shareholders' equity at period end – Non-GAAP	\$ 19,135	\$ 19,000	\$ 18,486
Period-end common shares outstanding (in thousands)	988,777	999,945	1,013,442
Book value per common share – GAAP	\$ 38.45	\$ 37.97	\$ 37.21
Tangible book value per common share – Non-GAAP	\$ 19.35	\$ 19.00	\$ 18.24

(a) Deferred tax liabilities for 3Q17 are based on fully phased-in U.S. capital rules. (b) Deferred tax liabilities at Dec. 31, 2017 are based on fully phased-in U.S. capital rules.

Pre-tax Operating Margin Reconciliation - Investment Management Business

<i>(\$ in millions)</i>	3Q18	2Q18	3Q17
Income before income taxes – GAAP	\$ 316	\$ 319	\$ 300
Total revenue – GAAP	\$ 1,015	\$ 1,018	\$ 1,000
Less: Distribution and servicing expense	99	103	110
Adjusted total revenue, net of distribution and servicing expense – Non-GAAP	\$ 916	\$ 915	\$ 890
Pre-tax operating margin – GAAP ^(a)	31%	31%	30%
Adjusted pre-tax operating margin, net of distribution and servicing expense – Non-GAAP ^(a)	35%	35%	34%

(a) Income before taxes divided by total revenue.