

news release



IMMEDIATELY

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**THE BANK OF NEW YORK COMPANY, INC. REPORTS
FIRST QUARTER EPS OF 49 CENTS;
SUSTAINED STRENGTH IN SECURITIES SERVICING FEES;
NET INTEREST INCOME GROWTH CONTINUES**

NEW YORK, N.Y., April 20, 2005 -- The Bank of New York Company, Inc. (NYSE: BK) reports first quarter net income of \$379 million and diluted earnings per share of 49 cents, compared with net income of \$351 million and diluted earnings per share of 45 cents in the fourth quarter of 2004, and net income of \$364 million and diluted earnings per share of 47 cents in the first quarter of 2004. In the fourth quarter of 2004, the Company recorded several gains and charges (note 1) that in aggregate reduced reported earnings by 3 cents per share.

First quarter 2005 highlights include solid performance in securities servicing, asset management, and foreign exchange and other trading, continued excellent credit performance, and good expense control. Securities servicing fees increased 1% sequentially from the seasonally robust fourth quarter to \$751 million, reflecting strong growth in investor services and broker-dealer

services. Private client services and asset management increased 5% sequentially, reflecting continued growth in Ivy Asset Management's international business. Foreign exchange and other trading revenues increased 7% sequentially, reflecting continued strong customer flows in foreign exchange and improved results in interest rate derivatives. Partially offsetting this revenue growth were lower capital markets related income, fewer securities gains, and lower other income.

Additional highlights for the quarter include continued growth in net interest income of 2% sequentially and 10% year-over-year, reflecting widening spreads as interest rates continue to rise. Asset quality remains strong, as the provision improved to a credit of \$10 million and NPA's declined by 10%. Total expenses declined by 2% from the fourth quarter. After adjusting for legal reserves taken in the fourth quarter, expense growth was 1%, reflecting the Company's expense control efforts.

Chairman and Chief Executive Officer Thomas A. Renyi stated, "Our securities servicing businesses maintained good revenue momentum following the very strong results in the fourth quarter of 2004. The balance sheet remained well positioned for growth in net interest income, and our credit risk improvement efforts continue to deliver results. Our intensified focus on expense management was also effective, as total expenses were essentially unchanged sequentially.

"The key factors impacting growth going forward remain the sustainability of a favorable investment environment and consistent focus on expense control."

SECURITIES SERVICING FEES

	1st Quarter ----- 2005 -----	4th Quarter ----- 2004 -----	1st Quarter ----- 2004 -----
(In millions)			
Execution and Clearing Services	\$ 293	\$ 302	\$ 303
Investor Services	263	239	226
Issuer Services	139	149	137
Broker-Dealer Services	56	52	50
Securities Servicing Fees	\$ 751 =====	\$ 742 =====	\$ 716 =====

Securities servicing fees were \$751 million in the first quarter, an increase of \$9 million, or 1%, from the fourth quarter of 2004 and \$35 million, or 5%, from a year ago.

Execution and clearing services fees for the first quarter of 2005 decreased \$9 million, or 3%, from the fourth quarter of 2004, and \$10 million, or 3%, from the first quarter of 2004. The sequential quarter decrease primarily reflects a slowdown in customer re-balancing and transition activity in execution services from strong fourth quarter levels and three fewer trading days. Pershing's correspondent clearing business was slightly down sequentially as modestly better retail investor market activity was offset by fewer trading days.

Investor services fees were up \$24 million, or 10%, over the fourth quarter of 2004, and \$37 million, or 16%, from the first quarter of 2004. Sequential and year-over-year results reflect strong performance across all business lines. New business wins drove performance in global fund services and securities lending, while global fund services was also favorably impacted by higher international transaction volumes. Spreads improved in securities lending both sequentially and versus a year ago as demand for treasury securities increased. Assets under custody rose to \$9.9 trillion as of March 31, 2005, from \$9.7 trillion at December 31, 2004 and \$8.6 trillion at March 31, 2004.

Issuer services fees were down 7% sequentially and up 1% versus the first quarter of 2004. The sequential quarter decrease reflects reduced depository receipts fees due to seasonally lower dividends and a decline in corporate

trust fees due to lower municipal bond activity. The increase versus the first quarter of 2004 primarily reflects higher corporate trust fees due to continued strength in international issuance and corporate specialty products.

Broker-dealer services fees increased to \$56 million from \$52 million in the fourth quarter of 2004 and \$50 million in the first quarter of 2004, as a result of increased collateral management activity and higher volumes both sequentially and year-over-year in securities clearance.

NONINTEREST INCOME

(In millions)	1st Quarter 2005	4th Quarter 2004	1st Quarter 2004
	-----	-----	-----
Servicing Fees			
Securities	\$ 751	\$ 742	\$ 716
Global Payment Services	75	71	79
	-----	-----	-----
	826	813	795
Private Client Services and Asset Management Fees	121	115	108
Service Charges and Fees	92	98	96
Foreign Exchange and Other Trading Activities	96	90	106
Securities Gains	12	18	33
Other*	31	42	82
	-----	-----	-----
Total Noninterest Income	\$ 1,178	\$ 1,176	\$ 1,220
	=====	=====	=====

*See Note 3.

Total noninterest income for the first quarter of 2005 was \$1,178 million, essentially flat on a sequential quarter basis and a decrease of 3% from a year ago. The first quarter of 2005 reflects stronger performance in securities servicing and asset management versus both prior periods offset by decreases in service charges and fees, securities gains and other noninterest income. The first quarter of 2004 included a \$48 million gain on the sale of a portion of the Company's investment in Wing Hang Bank Limited, recorded in other noninterest income, as well as securities gains of \$19 million related to four sponsor fund investments.

Global payment services fees increased \$4 million, or 6%, compared with the fourth quarter of 2004 and decreased \$4 million, or 5%, from the first quarter of 2004. The sequential increase reflects strength in cash management due to new business wins which offset lower revenue from trade finance. The decline versus the first quarter of 2004 reflects lower fees due to customers choosing to pay with higher compensating balances partially offset by new business.

Private client services and asset management fees for the first quarter were up 5% from the prior quarter and 12% from the first quarter of 2004. The sequential quarter increase reflects continued growth at Ivy Asset Management and higher fees in institutional equity and retail investment products. The increase from the first quarter of 2004 is primarily due to growth at Ivy as well as higher fees from BNY Hamilton Funds. Total assets under management were \$104 billion at March 31, 2005, up from \$102 billion at December 31, 2004 and \$92 billion a year ago.

Service charges and fees were down 6% from the fourth quarter of 2004 and 4% from the first quarter of 2004. The sequential and year-over-year decreases reflect lower capital markets fees due to reduced activity in loan syndications and bond underwriting.

Foreign exchange and other trading revenues increased \$6 million, or 7%, sequentially and decreased \$10 million, or 9%, from the first quarter of 2004. The strong sequential quarter performance reflects improved results in interest rate derivatives, while the decrease from the record first quarter of 2004 performance resulted from lower foreign exchange revenues.

Securities gains in the first quarter were \$12 million, compared with \$18 million in the fourth quarter of 2004 and \$33 million in the first quarter of 2004. In the first quarter of 2004, securities gains included \$19 million of realized gains on four sponsor fund investments.

Other noninterest income was \$31 million, compared with \$42 million in the prior quarter and \$82 million in the first quarter of 2004. The sequential quarter decline reflects a lower event-driven revenue such as gains on asset dispositions. Other noninterest income in the first quarter of 2004 included a pre-tax gain of \$48 million on the sale of a portion of the Company's investment in Wing Hang Bank Limited.

NET INTEREST INCOME

(Dollars in millions)	1st	4th	4th	1st	1st
	Quarter	Quarter	Quarter	Quarter	Quarter
	-----	-----	-----	-----	-----
	Reported	Reported	Core**	Reported	Core**
	2005	2004	2004	2004	2004
	-----	-----	-----	-----	-----
Net Interest Income	\$ 455	\$ 527	\$ 448	\$ 268	\$ 413
Tax Equivalent Adjustment*	7	9	9	6	6
Net Interest Income on a Tax Equivalent Basis	\$ 462	\$ 536	\$ 457	\$ 274	\$ 419
Net Interest Rate Spread	1.93%	2.26%	1.87%	1.13%	1.85%
Net Yield on Interest Earning Assets	2.36	2.64	2.25	1.36	2.08

* See Note (2)

** Excludes SFAS 13 adjustments, see Note (1).

Net interest income on a taxable equivalent basis was \$462 million in the first quarter of 2005. The net interest rate spread was 1.93% in the first quarter of 2005, compared with 2.26% in the fourth quarter of 2004, and 1.13% in the first quarter of 2004 while the net yield on interest earning assets was 2.36% in the first quarter of 2005, compared with 2.64% in the fourth quarter of 2004 and 1.36% for the first quarter of 2004.

Excluding the leasing adjustments of \$79 million in the fourth quarter and (\$145) million in the first quarter of 2004, the net interest rate spread and net yield on interest earning assets were 1.87% and 2.25%, and 1.85% and 2.08%, respectively.

Excluding the impact of the SFAS 13 leasing adjustments on the leveraged lease portfolio in 2004, net interest income on a taxable equivalent basis was up on a sequential quarter basis to \$462 million, compared with \$457 million in the fourth quarter of 2004 and \$419 million in the first quarter of 2004. On the same basis, the net interest rate spread was 1.93% in the first quarter of 2005, compared with 1.87% in the fourth quarter of 2004, and 1.85% in the first quarter of 2004 while the net yield on interest earning assets was 2.36% in the first quarter of 2005, compared with 2.25% in the fourth quarter of 2004 and 2.08% in the first quarter of 2004.

The increase in net interest income from the fourth and first quarters of 2004 core results is primarily due to the repricing of the Company's assets at

a faster rate than its liabilities and higher volume and values of interest free deposits given the rise in short term rates, partly offset by a slight decline in average assets and fewer days in the quarter.

NONINTEREST EXPENSE AND INCOME TAXES

	1st Quarter	4th Quarter	1st Quarter
(In millions)	2005	2004	2004
Salaries and Employee Benefits	\$ 618	\$ 617	\$ 574
Net Occupancy	78	75	81
Furniture and Equipment	52	51	51
Clearing	46	45	48
Sub-custodian Expenses	23	22	22
Software	53	43	49
Communications	23	23	24
Amortization of Intangibles	8	9	8
Other	176	212	156
Total Noninterest Expense	\$ 1,077	\$ 1,097	\$ 1,013
	=====	=====	=====

Noninterest expense for the first quarter of 2005 was \$1,077 million, compared with \$1,097 million in the prior quarter and \$1,013 million in the first quarter of 2004. The fourth quarter of 2004 included \$30 million legal reserves in other noninterest expense while the first quarter of 2004 results included \$18 million related to cost reduction initiatives, including lease terminations, severance and relocation expenses.

Salaries and employee benefits expense for the first quarter was essentially unchanged on a sequential quarter basis, reflecting higher pension and seasonal social security expenses tied to bonuses, offset by lower new business conversion costs and lower restricted stock expense. Relative to the first quarter of 2004, salaries and employee benefits expense increased by \$44 million, or 8%, reflecting higher pension and stock option expense as well as higher staffing levels associated with growth in investor services and expansion of certain staff functions.

Occupancy expenses were up \$3 million sequentially, reflecting higher energy costs and higher depreciation associated with a back up data center. First quarter 2004 occupancy expense included lease termination expenses of \$8 million.

Other expenses in the fourth quarter of 2004 included \$30 million of expenses associated with legal reserves. Excluding the legal reserves, other expenses declined by \$6 million sequentially, reflecting lower travel expenses and professional fees.

The effective tax rate for the first quarter of 2005 was 33.1%, compared to 42.8% in the fourth quarter of 2004 and 21.5% in the first quarter of 2004. The effective tax rate in the fourth quarter of 2004 reflects the net of the increase in the tax reserve related to LILLO exposures and the impact of the SFAS 13 leasing adjustments related to cross-border rail equipment leases and aircraft leases. The effective tax rate in the first quarter of 2004 reflects the SFAS 13 leasing adjustment related to the Company's leasing portfolio. The effective tax rates in all periods reflect a reclassification related to Section 42 tax credits. See Note 3.

BALANCE SHEET RETURN AND CAPITAL RATIOS

Total assets were \$96.4 billion at March 31, 2005, compared with \$94.5 billion at December 31, 2004, and \$92.7 billion at March 31, 2004. The increase in assets from December 31, 2004 reflects increased loans to securities industry customers. Total shareholders' equity was \$9.3 billion at March 31, 2005, compared with \$9.3 billion at December 31, 2004, and \$8.8 billion at March 31, 2004. The sequential change in shareholders' equity reflects the retention of earnings offset by a decline in the securities valuation allowance and the repurchase of common stock. The major reason for the increase in shareholders' equity from a year ago is the retention of earnings.

Return on average common equity for the first quarter of 2005 was 16.52%, compared with 15.34% in the fourth quarter of 2004, and 17.17% in the first quarter of 2004. Return on average assets for the first quarter of 2005 was 1.55%, compared with 1.40% in the fourth quarter of 2004, and 1.47% in the first quarter of 2004.

The Company's estimated regulatory Tier 1 capital and Total capital ratios were 8.12% and 12.53% at March 31, 2005, compared with 8.31% and 12.21% at December 31, 2004, and 7.60% and 11.70% at March 31, 2004. The regulatory leverage ratio was 6.56% at March 31, 2005, compared with 6.41% at December 31, 2004, and 5.83% at March 31, 2004. The Company's tangible common equity as a percentage of total assets was 5.49% at March 31, 2005, down from 5.56% at December 31, 2004 reflecting retained earnings offset by a decrease in the mark-to-market on the investment portfolio and the buyback of stock.

CREDIT LOSS PROVISION AND NET CHARGE-OFFS

(In millions)	1st Quarter 2005	4th Quarter 2004	1st Quarter 2004
Provision	\$ (10)	\$ (7)	\$ 12
Net Charge-offs:			
Commercial	\$ (3)	\$ (1)	\$ (5)
Foreign	-	2	(10)
Regional Commercial	(2)	(8)	-
Consumer	(5)	(5)	(11)
Total	\$ (10)	\$ (12)	\$ (26)

The Company recorded a \$10 million credit to the provision in the first quarter of 2005, compared to \$7 million credit to the provision in the fourth quarter of 2004 and \$12 million provision in the first quarter of 2004. The lower provision in 2005 reflects the Company's improved asset quality and a continued strong credit environment.

The total allowance for credit losses was \$716 million at March 31, 2005, \$736 million at December 31, 2004, and \$790 million at March 31, 2004. The total allowance for credit losses as a percent of non-margin loans were 2.19% at March 31, 2005, compared with 2.48% at December 31, 2004, and 2.64% at March 31, 2004.

(Dollars in millions)	March 31, 2005	December 31, 2004	March 31, 2004
Margin Loans	\$ 6,038	\$ 6,059	\$ 6,130
Non-Margin Loans	32,726	29,722	29,940
Total Loans	38,764	35,781	36,070
Allowance for Loan Losses	583	591	632
Allowance for Lending-Related Commitments	133	145	158
Total Allowance for Credit Losses	716	736	790
Allowance for Loan Losses As a Percent of Total Loans	1.50%	1.65%	1.75%
Allowance for Loan Losses As a Percent of Non-Margin Loans	1.78	1.99	2.11
Total Allowance for Credit Losses As a Percent of Total Loans	1.85	2.06	2.19
Total Allowance for Credit Losses As a Percent of Non-Margin Loans	2.19	2.48	2.64

NONPERFORMING ASSETS

(Dollars in millions)	3/31/05	12/31/04	Change 3/31/05 vs. 12/31/04
	-----	-----	-----
Loans:			
Commercial	\$ 124	\$ 132	\$ (8)
Foreign	19	28	(9)
Other	49	53	(4)
	-----	-----	-----
Total Nonperforming Loans	192	213	(21)
Other Real Estate	-	1	(1)
	-----	-----	-----
Total Nonperforming Assets	\$ 192	\$ 214	\$ (22)
	=====	=====	=====
Nonperforming Assets Ratio	0.6%	0.7%	
Allowance for Loan			
Losses/Nonperforming Loans	304.0	277.5	
Allowance for Loan			
Losses/Nonperforming Assets	304.0	276.5	
Total Allowance for Credit			
Losses/Nonperforming Loans	373.4	345.6	
Total Allowance for Credit			
Losses/Nonperforming Assets	373.4	344.3	

Nonperforming assets declined by \$22 million, or 10%, during the first quarter of 2005 to \$192 million and are down 44% from a year ago. The sequential quarter decrease in nonperforming loans primarily reflects paydowns and sales of \$19 million and charge-offs of \$6 million. The ratio of the total allowance for credit losses to nonperforming assets increased to 373.4% at March 31, 2005, compared with 344.3% at December 31, 2004, and 230.5% at March 31, 2004.

OTHER DEVELOPMENTS

In January 2005, the Company acquired certain of the assets and liabilities of Standards & Poor's Securities, Inc. (SPSI), the institutional brokerage subsidiary of Standard & Poor's. The Company will assume SPSI's client relationships and Standard & Poor's research clients will have access to BNY Securities Group's diverse set of execution management platforms and commission management services. The acquisition demonstrates the Company's strategy to align with leading independent providers of research and other financial services.

In March 2005, the Company agreed to acquire the execution and commission management services of Boston Institutional Services ("BIS"). Under the term of the agreement, the Company will assume BIS's client relationships for its execution and commission management business.

On March 1, 2005, the Board of Governors of the Federal Reserve System (the "FRB") adopted a final rule that allows the continued limited inclusion of trust preferred securities in the Tier 1 capital of bank holding companies (BHCs). Under the final rule, the Company will be subject to a 15 percent limit in the amount of trust preferred securities that can be included in Tier 1 capital, net of goodwill, less any related deferred tax liability. Amounts in excess of these limits will continue to be included in Tier 2 capital. The final rule provides a five-year transition period, ending March 31, 2009, for application of quantitative limits. Both the Company and the Bank are expected to remain "well capitalized" under the final rule. At the end of the transition period, the Company expects all its current trust preferred securities will continue to qualify as Tier 1 capital.

In the first quarter of 2005, ownership of Pershing was transferred from The Bank of New York to the parent company, The Bank of New York Company, Inc. In connection with the transfer, the Company issued \$1.1 billion of debt of which \$500 million qualified as Tier 2 capital.

ADDITIONAL INFORMATION

Thomas A. Renyi, chairman and chief executive officer, and Bruce W. Van Saun, senior executive vice president and chief financial officer, will review the quarterly results in a live conference call and audio webcast today at 8:00 am ET. The presentation will be accessible from the Company's website at www.bankofny.com/earnings and also by telephone at (888)790-0319 within the United States or (610)769-3531 internationally. The passcode is "The Bank of New York." A replay of the call will be available through the Company's website and also by telephone at (866)481-6891 within the United States or (203)369-1570 internationally.

The Bank of New York Company, Inc. (NYSE: BK) is a global leader in providing a comprehensive array of services that enable institutions and individuals to move and manage their financial assets in more than 100 markets worldwide. The Company has a long tradition of collaborating with clients to deliver innovative solutions through its core competencies: securities servicing, treasury management, investment management, and individual & regional banking services. The Company's extensive global client base includes a broad range of leading financial institutions, corporations,

government entities, endowments and foundations. Its principal subsidiary, The Bank of New York, founded in 1784, is the oldest bank in the United States and has consistently played a prominent role in the evolution of financial markets worldwide.

Notes:

(1) Other First & Fourth Quarter Developments in 2004 are summarized in the following tables:

(In millions)

Item	Applicable Quarter	Income Statement Caption	Pre-Tax Income	Tax	After-Tax Income
<u>Net Interest Income^(a)</u>					
SFAS 13 cumulative lease adjustment- (leasing portfolio)	First	Net Interest Income	\$ (145)	\$ 113	\$ (32)
<u>Noninterest Income^(b)</u>					
Gain on sale of Wing Hang	First	Other Income	48	(21)	27
Gain on sponsor fund investments	First	Securities Gains	19	(7)	12
Subtotal-Noninterest Income			67	(28)	39
<u>Noninterest Expense^(c)</u>					
Severance tied to relocations	First	Salaries and Employee Benefits	(10)	4	(6)
Lease terminations	First	Net Occupancy	(8)	3	(5)
Subtotal-Noninterest Expense			(18)	7	(11)
Total			\$ (96)	\$ 92	\$ (4)

(a) An after-tax charge of \$32 million resulting from a cumulative adjustment to the leasing portfolio, which was triggered under Statement of Financial Accounting Standards No. 13 "Accounting for Leases" ("SFAS 13") by the combination of a reduction in state and local taxes and a restructuring of the lease portfolio completed in the first quarter. The SFAS 13 adjustment impacts the timing of lease income reported by the Company, and resulted in a reduction in net interest income of \$145 million, offset by tax benefits of \$113 million.

(b) A \$27 million after-tax gain on the sale of a portion of the Company's interest in Wing Hang Bank Limited ("Wing Hang"), a Hong Kong based bank, which was recorded in other income, and \$19 million (\$12 million after-tax) of higher than anticipated securities gains in the first quarter resulting from realized gains on sponsor fund investments in Kinkos, Inc., Bristol West Holdings, Inc., Willis Group Holdings, Ltd., and True Temper Sports, Inc.

(c) The Company also took several actions associated with its long-term cost reduction initiatives. These actions included an after-tax severance charge of \$6 million related to staff reductions tied to job relocations and a \$5 million after-tax charge for terminating high cost leases associated with the staff redeployments.

(In millions)					
Item	Applicable Quarter	Income Statement Caption	Pre-Tax Income	Tax	After-Tax Income

Net Interest Income ^(d)					

SFAS 13 cumulative lease adjustment - (cross-border rail equipment leases)	Fourth	Net Interest Income	\$ 89	\$ (37)	\$ 52
lease adjustment - (aircraft leases)	Fourth	Net Interest Income	(10)	4	(6)

Subtotal-Net Interest Income			79	(33)	46
Aircraft leases/other	Fourth	Provision for Credit Losses	7	(3)	4

Subtotal-Net Interest Income After Provision for Credit Losses			86	(36)	50

Noninterest Income ^(e)					

Aircraft leases	Fourth	Other Income	3	(1)	2

Subtotal-Noninterest Income			3	(1)	2

Noninterest Expense ^(f)					

Charge for the RW Matter	Fourth	Other Expense	(30)	8	(22)

Subtotal-Noninterest Expense			(30)	8	(22)

Federal tax reserve adjustment related to LILLO exposure ^(g)	Fourth	Income Tax	-	(50)	(50)

Total			\$ 59	\$ (79)	\$ (20)
=====					

(d) An after-tax benefit of \$52 million resulting from a SFAS 13 cumulative adjustment to the leasing portfolio for customers exercising their early buy-out ("EBO") options. The Company's leasing portfolio contains a number of large cross-border leveraged leases where the lessee has an EBO option to purchase the leased assets, generally railcars and related assets. Given a confluence of economic factors, the value of the leased equipment currently exceeds the exercise price of the EBO option. The Company offered financial incentives to these lessees to accelerate the exercise of their EBO options. As a result, several lessees agreed to this proposal, triggering the after-tax \$52 million gain. The gain results from the recognition of lease income over a shorter time frame, since the term of the lease has been shortened to the EBO date.

In addition, the Company's net investment in aircraft leases was impacted by a \$6 million after-tax adjustment related to aircraft leased to two airlines. The Company recorded a \$7 million reduction in the provision for credit losses which largely reflects release of reserves on the aircraft leases.

(e) An after-tax gain of \$2 million on the sale of a leased aircraft.

(f) An after-tax expense of \$22 million in connection with the anticipated settlement of the RW Professional Leasing Services Corp. matter ("RW Matter").

(g) In December of 2004 and January 2005, the Company had several appellate conferences with the IRS related to the Company's cross-border leveraged lease

transactions. Based on these conferences, the Company believes it may be possible to settle the proposed IRS tax adjustments related to the portfolio. However, negotiations are continuing and the matter may still be litigated. Based on a revision to the probabilities and costs assigned to litigation and settlement outcomes, the Company recorded a \$50 million expense associated with increasing the tax reserve on these transactions.

(2) A number of amounts related to net interest income are presented on a "taxable equivalent basis". The Company believes that this presentation provides comparability of net interest income arising from both taxable and tax-exempt sources and is consistent with industry standards.

(3) The Company participates in unconsolidated investments that own real estate qualifying for low income housing tax credits based on Section 42 of the Internal Revenue Code. The Company's share of operating losses generated by these investments is recorded as other income. The Company has historically netted the tax credits generated by these investments against the related operating losses. The Company has reviewed this accounting method and has decided to record these tax credits as a reduction of income tax expense. Prior period results for other income and income tax expense have been reclassified and did not have an impact on net income. See pages 19 and 20.

FORWARD LOOKING STATEMENTS

All statements in this press release other than statements of historical fact are forward looking statements including, among other things, projections with respect to revenue and earnings and the Company's plans and objectives and as such are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward looking statements. These include lower than expected performance or higher than expected costs in connection with acquisitions and integration of acquired businesses, the level of capital market and trading activity, changes in customer credit quality, market performance, the effects of capital reallocation, portfolio performance, changes in regulatory expectations and standards, ultimate differences from management projections or market forecasts, the actions that management could take in response to these changes and other factors described under the heading "Forward Looking Statements and Factors That Could Affect Future Results" in the Company's 2004 Form 10-K which has been filed with the SEC and is available at the SEC's website (www.sec.gov).

Forward looking statements speak only as of the date they are made. The Company will not update forward looking statements to reflect factual assumptions, circumstances or events which have changed after a forward looking statement was made.

(Financial highlights and detailed financial statements are attached.)

THE BANK OF NEW YORK COMPANY, INC.
Financial Highlights
(Dollars in millions, except per share amounts)
(Unaudited)

	March 31, 2005	December 31, 2004	March 31, 2004
	-----	-----	-----
Revenue (tax equivalent basis)	\$ 1,917	\$ 1,967	\$ 1,667
Net Income	379	351	364
Basic EPS	0.49	0.45	0.47
Diluted EPS	0.49	0.45	0.47
Cash Dividends Per Share	0.20	0.20	0.19
Return on Average Common Shareholders' Equity	16.52%	15.34%	17.17%
Return on Average Assets	1.55	1.40	1.47
Efficiency Ratio	66.2	64.8	69.3
Assets	\$ 96,422	\$ 94,529	\$ 92,652
Loans	38,764	35,781	36,070
Securities	23,907	23,802	24,083
Deposits - Domestic	33,634	35,558	33,639
- Foreign	25,246	23,163	22,443
Long-Term Debt	7,389	6,121	6,276
Common Shareholders' Equity	9,335	9,290	8,760
Common Shareholders' Equity Per Share	\$ 12.02	\$ 11.94	\$ 11.27
Market Value Per Share of Common Stock	29.05	33.42	31.50
Allowance for Loan Losses as a Percent of Total Loans	1.50%	1.65%	1.75%
Allowance for Loan Losses as a Percent of Non-Margin Loans	1.78	1.99	2.11
Total Allowance for Credit Losses as a Percent of Total Loans	1.85	2.06	2.19
Total Allowance for Credit Losses as a Percent of Non-Margin Loans	2.19	2.48	2.64
Tier 1 Capital Ratio	8.12	8.31	7.60
Total Capital Ratio	12.53	12.21	11.70
Leverage Ratio	6.56	6.41	5.83
Tangible Common Equity Ratio	5.49	5.56	5.22
Employees	23,160	23,363	22,820
Assets Under Custody (In trillions)			
Total Assets Under Custody	\$ 9.9	\$ 9.7	\$ 8.6
Equity Securities	34%	35%	33%
Fixed Income Securities	66	65	67
Cross-Border Assets Under Custody	\$ 2.8	\$ 2.7	\$ 2.4
Assets Under Administration (In billions)	\$ 33	\$ 33	\$ 33
Assets Under Management (In billions)			
Total Assets Under Management	104	102	92
Equity Securities	34%	36%	36%
Fixed Income Securities	21	21	22
Alternative Investments	15	15	13
Liquid Assets	30	28	29

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statements of Income
(Dollars in millions, except per share amounts)
(Unaudited)

	For the three months ended March 31,	
	2005	2004
<u>Interest Income</u>		
Loans	\$ 341	\$ 118
Margin loans	55	34
Securities		
Taxable	207	181
Exempt from Federal Income Taxes	9	10
	-----	-----
	216	191
Deposits in Banks	71	68
Federal Funds Sold and Securities Purchased		
Under Resale Agreements	27	16
Trading Assets	22	14
	-----	-----
Total Interest Income	732	441
<u>Interest Expense</u>		
Deposits	184	118
Federal Funds Purchased and Securities Sold		
Under Repurchase Agreements	6	3
Other Borrowed Funds	13	9
Customer Payables	25	13
Long-Term Debt	49	30
	-----	-----
Total Interest Expense	277	173
Net Interest Income	455	268
Provision for Credit Losses	(10)	12
Net Interest Income After Provision for Credit Losses	-----	-----
	465	256
<u>Noninterest Income</u>		
Servicing Fees		
Securities	751	716
Global Payment Services	75	79
	-----	-----
	826	795
Private Client Services and Asset Management Fees	121	108
Service Charges and Fees	92	96
Foreign Exchange and Other Trading Activities	96	106
Securities Gains	12	33
Other	31	82
	-----	-----
Total Noninterest Income	1,178	1,220
<u>Noninterest Expense</u>		
Salaries and Employee Benefits	618	574
Net Occupancy	78	81
Furniture and Equipment	52	51
Clearing	46	48
Sub-custodian Expenses	23	22
Software	53	49
Communications	23	24
Amortization of Intangibles	8	8
Other	176	156
	-----	-----
Total Noninterest Expense	1,077	1,013
Income Before Income Taxes	566	463
Income Taxes	187	99
Net Income	-----	-----
	\$ 379	\$ 364
	=====	=====
<u>Per Common Share Data:</u>		
Basic Earnings	\$ 0.49	\$ 0.47
Diluted Earnings	0.49	0.47
Cash Dividends Paid	0.20	0.19
Diluted Shares Outstanding	779	778

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Balance Sheets
(Dollars in millions, except per share amounts)
(Unaudited)

	March 31, 2005	December 31, 2004
	-----	-----
Assets		

Cash and Due from Banks	\$ 2,597	\$ 3,886
Interest-Bearing Deposits in Banks	8,802	8,192
Securities		
Held-to-Maturity	1,831	1,886
Available-for-Sale	22,076	21,916
	-----	-----
Total Securities	23,907	23,802
Trading Assets at Fair Value	5,091	4,627
Federal Funds Sold and Securities Purchased		
Under Resale Agreements	4,085	5,708
Loans (less allowance for loan losses of \$583 in 2005 and \$591 in 2004)	38,181	35,190
Premises and Equipment	1,070	1,097
Due from Customers on Acceptances	138	137
Accrued Interest Receivable	313	285
Goodwill	3,487	3,477
Intangible Assets	793	793
Other Assets	7,958	7,335
	-----	-----
Total Assets	\$ 96,422	\$ 94,529
	=====	=====
Liabilities and Shareholders' Equity		

Deposits		
Noninterest-Bearing (principally domestic offices)	\$ 15,574	\$ 17,442
Interest-Bearing		
Domestic Offices	18,608	18,692
Foreign Offices	24,698	22,587
	-----	-----
Total Deposits	58,880	58,721
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	879	1,205
Trading Liabilities	2,870	2,873
Payables to Customers and Broker-Dealers	8,684	8,664
Other Borrowed Funds	906	533
Acceptances Outstanding	140	139
Accrued Taxes and Other Expenses	4,192	4,452
Accrued Interest Payable	114	113
Other Liabilities (including allowance for lending-related commitments of \$133 in 2005 and \$145 in 2004)	3,033	2,418
Long-Term Debt	7,389	6,121
	-----	-----
Total Liabilities	87,087	85,239
	-----	-----
Shareholders' Equity		
Common Stock-par value \$7.50 per share, authorized 2,400,000,000 shares, issued 1,046,300,569 shares in 2005 and 1,044,841,603 shares in 2004	7,847	7,836
Additional Capital	1,790	1,790
Retained Earnings	6,374	6,162
Accumulated Other Comprehensive Income	(87)	(6)
	-----	-----
Total Shareholders' Equity	15,924	15,782
Less: Treasury Stock (269,413,566 shares in 2005 and 266,720,629 shares in 2004), at cost	6,579	6,492
Loan to ESOP (305,261 shares in 2005), at cost	10	-
	-----	-----
Total Shareholders' Equity	9,335	9,290
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 96,422	\$ 94,529
	=====	=====

Note: The balance sheet at December 31, 2004 has been derived from the audited financial statements at that date.

THE BANK OF NEW YORK COMPANY, INC.
Average Balances and Rates on a Taxable Equivalent Basis
(Preliminary)
(Dollars in millions)

	For the three months ended March 31, 2005			For the three months ended March 31, 2004		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 9,824	\$ 71	2.95%	\$11,692	\$ 68	2.35%
Federal Funds Sold and Securities						
Purchased Under Resale Agreements	4,816	27	2.31	7,115	16	0.93
Margin Loans	6,407	55	3.46	6,179	34	2.18
Loans						
Domestic Offices	22,135	245	4.49	21,074	55	1.05
Foreign Offices	10,302	96	3.76	9,201	63	2.74
Non-Margin Loans	32,437	341	4.26	30,275	118	1.56
Securities						
U.S. Government Obligations	358	3	3.04	440	3	2.31
U.S. Government Agency Obligations	3,302	31	3.74	4,300	35	3.23
Obligations of States and Political Subdivisions	199	4	7.34	247	3	5.56
Other Securities	19,681	185	3.77	17,914	155	3.46
Trading Securities	2,464	22	3.60	2,753	15	2.15
Total Securities	26,004	245	3.77	25,654	211	3.28
Total Interest-Earning Assets	79,488	739	3.77%	80,915	447	2.22%
Allowance for Credit Losses	(589)			(679)		
Cash and Due from Banks	4,166			2,971		
Other Assets	16,177			16,471		
TOTAL ASSETS	\$99,242			\$99,678		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 6,915	\$ 21	1.25%	\$ 6,607	\$ 11	0.68%
Savings	8,901	21	0.94	9,149	15	0.67
Certificates of Deposit \$100,000 & Over	2,880	18	2.57	3,987	12	1.24
Other Time Deposits	899	4	1.76	1,016	4	1.46
Foreign Offices	25,464	120	1.92	25,834	76	1.18
Total Interest-Bearing Deposits	45,059	184	1.66	46,593	118	1.02
Federal Funds Purchased and Securities Sold Under Repurchase Agreements						
Other Borrowed Funds	1,390	6	1.84	1,612	3	0.66
Other Borrowed Funds	1,825	13	2.87	2,398	9	1.49
Payables to Customers and						
Broker-Dealers	6,385	25	1.57	6,973	13	0.73
Long-Term Debt	6,605	49	2.98	6,209	30	1.95
Total Interest-Bearing Liabilities	61,264	277	1.84%	63,785	173	1.09%
Noninterest-Bearing Deposits	15,520			14,016		
Other Liabilities	13,158			13,355		
Common Shareholders' Equity	9,300			8,522		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$99,242			\$99,678		
Net Interest Earnings and Interest Rate Spread						
		\$ 462	1.93%		\$ 274	1.13%
Net Yield on Interest-Earning Assets						
			2.36%			1.36%

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statements of Income
(Dollars in millions, except per share amounts)
(Unaudited)

	For the three months ended				
	March 31, 2004	June 30, 2004	September 30, 2004	December 31, 2004	Year 2004
Interest Income					
Loans	\$ 118	\$ 272	\$ 290	\$ 401	\$1,080
Margin loans	34	35	40	48	156
Securities					
Taxable	181	180	181	197	741
Exempt from Federal Income Taxes	10	10	10	11	40
	191	190	191	208	781
Deposits in Banks	68	78	77	81	305
Federal Funds Sold and Securities Purchased					
Under Resale Agreements	16	17	20	27	80
Trading Assets	14	9	11	17	51
Total Interest Income	441	601	629	782	2,453
Interest Expense					
Deposits	118	126	139	164	548
Federal Funds Purchased and Securities Sold					
Under Repurchase Agreements	3	3	4	6	15
Other Borrowed Funds	9	9	9	25	52
Customer Payables	13	12	14	19	57
Long-Term Debt	30	30	35	41	136
Total Interest Expense	173	180	201	255	808
Net Interest Income	268	421	428	527	1,645
Provision for Credit Losses	12	10	-	(7)	15
Net Interest Income After Provision for Credit Losses	256	411	428	534	1,630
Noninterest Income					
Servicing Fees					
Securities	716	717	685	742	2,858
Global Payment Services	79	81	84	71	317
	795	798	769	813	3,175
Private Client Services and					
Asset Management Fees	108	113	113	115	448
Service Charges and Fees	96	94	98	98	385
Foreign Exchange and Other Trading Activities	106	100	67	90	364
Securities Gains	33	12	14	18	78
Other	82	39	38	42	200
Total Noninterest Income	1,220	1,156	1,099	1,176	4,650
Noninterest Expense					
Salaries and Employee Benefits	574	570	564	617	2,324
Net Occupancy	81	72	77	75	305
Furniture and Equipment	51	51	51	51	204
Clearing	48	44	39	45	176
Sub-custodian Expenses	22	22	21	22	87
Software	49	50	52	43	193
Communications	24	23	22	23	93
Amortization of Intangibles	8	8	9	9	34
Other	156	172	164	212	706
Total Noninterest Expense	1,013	1,012	999	1,097	4,122
Income Before Income Taxes	463	555	528	613	2,158
Income Taxes	99	184	174	262	718
Net Income	\$ 364	\$ 371	\$ 354	\$ 351	\$1,440
Per Common Share Data:					
Basic Earnings	\$ 0.47	\$ 0.48	\$ 0.46	\$ 0.45	\$ 1.87
Diluted Earnings	0.47	0.48	0.46	0.45	1.85
Cash Dividends Paid	0.19	0.20	0.20	0.20	0.79
Diluted Shares Outstanding	778	779	778	780	778

See Note 3.

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statements of Income
(Dollars in millions, except per share amounts)
(Unaudited)

	For the year Ended December 31,				
	2004	2003	2002	2001	2000
Interest Income					
<hr style="border-top: 1px dashed black;"/>					
Loans	\$ 1,080	\$ 1,187	\$ 1,452	\$ 2,239	\$ 2,889
Margin loans	156	86	12	32	21
Securities					
Taxable	741	651	639	463	323
Exempt from Federal Income Taxes	40	48	61	74	63
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
	781	699	700	537	386
Deposits in Banks	305	150	133	252	273
Federal Funds Sold and Securities Purchased Under Resale Agreements	80	79	51	159	277
Trading Assets	51	129	259	401	531
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total Interest Income	2,453	2,330	2,607	3,620	4,377
<hr style="border-top: 1px dashed black;"/>					
Interest Expense					
<hr style="border-top: 1px dashed black;"/>					
Deposits	548	507	644	1,392	2,011
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	15	13	29	103	153
Other Borrowed Funds	52	21	65	163	139
Customer Payables	57	30	2	4	-
Long-Term Debt	136	150	202	277	317
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total Interest Expense	808	721	942	1,939	2,620
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net Interest Income	1,645	1,609	1,665	1,681	1,757
Provision for Credit Losses	15	155	685	375	105
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net Interest Income After Provision for Credit Losses	1,630	1,454	980	1,306	1,652
<hr style="border-top: 1px dashed black;"/>					
Noninterest Income					
<hr style="border-top: 1px dashed black;"/>					
Servicing Fees					
Securities	2,858	2,412	1,896	1,775	1,650
Global Payment Services	317	314	296	291	265
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
	3,175	2,726	2,192	2,066	1,915
Private Client Services and Asset Management Fees	448	384	344	314	296
Service Charges and Fees	385	375	357	352	360
Foreign Exchange and Other Trading Activities	364	327	234	338	261
Securities Gains	78	35	(118)	154	150
Other	200	149	124	337	120
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total Noninterest Income	4,650	3,996	3,133	3,561	3,102
<hr style="border-top: 1px dashed black;"/>					
Noninterest Expense					
<hr style="border-top: 1px dashed black;"/>					
Salaries and Employee Benefits	2,324	2,002	1,581	1,593	1,493
Net Occupancy	305	261	230	233	184
Furniture and Equipment	204	185	138	178	108
Clearing	176	154	124	61	36
Sub-custodian Expenses	87	74	70	62	68
Software	193	170	115	90	66
Communications	93	92	65	86	56
Amortization of Goodwill and Intangibles	34	25	8	112	115
Merger and Integration Costs	-	96	-	-	-
Other	706	639	420	404	384
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total Noninterest Expense	4,122	3,698	2,751	2,819	2,510
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Income Before Income Taxes	2,158	1,752	1,362	2,048	2,244
Income Taxes	718	595	460	705	815
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net Income	\$ 1,440	\$ 1,157	\$ 902	\$ 1,343	\$ 1,429
<hr style="border-top: 1px dashed black;"/>					
Per Common Share Data:					
<hr style="border-top: 1px dashed black;"/>					
Basic Earnings	\$ 1.87	\$ 1.54	\$ 1.25	\$ 1.84	\$ 1.95
Diluted Earnings	1.85	1.52	1.24	1.81	1.92
Cash Dividends Paid	0.79	0.76	0.76	0.72	0.66
Diluted Shares Outstanding	778	759	728	741	745
<hr style="border-top: 1px dashed black;"/>					

See Note 3.