



For Immediate Release

**THE BANK OF NEW YORK COMPANY, INC. REPORTS RECORD OPERATING RESULTS;
13% INCREASE IN SECOND QUARTER EARNINGS PER SHARE;
16% INCREASE IN SECOND QUARTER EPS FROM CONTINUING OPERATIONS;
SIGNIFICANT OPERATING LEVERAGE; RETURN ON EQUITY 18.2%**

NEW YORK, N.Y., July 19, 2006 -- The Bank of New York Company, Inc. (NYSE: BK) reported today second quarter net income of \$448 million and diluted earnings per share of 59 cents, compared with net income of \$398 million and diluted earnings per share of 52 cents in the second quarter of 2005, up 13%, and net income of \$422 million and diluted earnings per share of 55 cents in the first quarter of 2006. Year-to-date net income was \$870 million, or \$1.13 of diluted earnings per share, compared to \$777 million, or \$1.00 of diluted earnings per share in 2005.

On April 8, 2006, the Company entered into a definitive agreement with JPMorgan Chase to acquire its corporate trust business, with JPMorgan Chase acquiring the Company's retail and regional middle market banking businesses. In the second quarter of 2006, the Company adopted discontinued operations accounting for its retail and regional middle market banking businesses. Therefore, the results from continuing operations exclude results of the Company's retail and regional middle market banking businesses but do not include the operations of the JPMorgan Chase corporate trust business, which is expected to be acquired in the fourth quarter. Adjusted financial statements combining continuing and discontinued operations are presented in "Supplemental Financial Information."

Second quarter 2006 income from continuing operations increased to \$391 million, or 52 cents of diluted earnings per share. This compares to income from continuing operations of \$343 million, or 45 cents of diluted earnings per share in the second quarter of 2005, up 16%, and \$360 million, or 47 cents of diluted earnings per share in the first quarter of 2006. On a year-to-date basis, income from continuing operations was \$751 million, or 98 cents of diluted earnings per share, compared to \$671 million, or 86 cents of diluted earnings per share in 2005, up 14%.

Performance Highlights

- Significant positive operating leverage over year-ago and sequential periods.
- Return on average common shareholders' equity of 18.2%.
- Securities servicing fees up 17% versus the year ago quarter. The growth was led by strong performance in issuer services, broker-dealer services, investor services, and execution and clearing services.
- Net interest income up 9% over last year's second quarter reflecting growth in deposits, particularly from the Company's corporate trust and custody businesses.
- Foreign exchange and other trading revenues up 29% from the year ago quarter.
- Private banking and asset management revenues up 23% from the year ago quarter, reflecting both acquisitions and growth at Ivy Asset Management.
- Two major strategic transactions announced: the swap transaction with JPMorgan Chase and the formation of BNY ConvergEx, to better position the Company's execution business for future growth.

“This record level of operating results and our strong earnings growth in the second quarter reflect excellent momentum across our businesses,” stated Chairman and Chief Executive Officer Thomas A. Renyi. “We are generating attractive top-line growth and maintaining good expense control, resulting in positive operating leverage.

“Equally important is the progress we made during the quarter to sharpen our focus, strengthen our business mix and improve the earnings potential of our franchise. Our agreement with JPMorgan Chase and the formation of BNY ConvergEx are bold, creative steps designed to accelerate growth and improve returns by expanding our fast-growing corporate trust business and repositioning the execution services business.

“Taken together, our strong financial results and significant progress in enhancing the foundation of our Company establish the quarter as one of our most successful, and one that positions us very well for the future.”

SUPPLEMENTAL FINANCIAL INFORMATION

On April 8, 2006, the Company entered into a definitive agreement with JPMorgan Chase to acquire its corporate trust business, with JPMorgan Chase acquiring the Company's retail and regional middle market banking businesses. The transaction further increases the Company's focus on the securities services and asset management and private banking businesses that are at the core of its long-term business strategy. The transaction has been approved by each company's board of directors and is expected to be completed early in the fourth quarter of 2006, subject to regulatory approvals.

For the quarters and six months ended June 30, 2006 and 2005, the Company has prepared supplemental financial information as follows:

- Full income statement and balance sheet for continuing operations, which excludes the results of substantially all of Retail & Regional Middle Market Banking Business
- Full income statement and balance sheet for the Retail & Regional Middle Market Banking Business, which is reflected as discontinued operations
- Adjusted results, which combine continuing and discontinued operations to provide continuity with historical results

The Company believes that providing supplemental adjusted non-GAAP financial information is useful to investors in understanding the underlying operational performance of the Company and its businesses and performance trends. Specifically, the Company believes that the results of continuing operations are of limited value in projecting future results because they do not include the net income associated with the acquisition of the JPMorgan Chase corporate trust business, planned to close early in the fourth quarter of 2006. By combining the results of continuing and discontinued operations and comparing the results with prior periods, the Company believes investors can obtain greater insight into the current performance of the Company in relation to historical results. Although the Company believes that the non-GAAP financial measures presented in this report enhance investors' understanding of the Company's business and performance, these non-GAAP measures should not be considered an alternative to GAAP. A reconciliation of the Company's adjusted and GAAP financial results for the quarters and six-month periods ended June 30, 2006 and 2005 are included in Appendix I.

Income statements for both continuing operations and adjusted results are provided on the following two pages.

THE BANK OF NEW YORK COMPANY, INC.
Income Statement - Supplemental Information
(In millions, except per share amounts)
(Unaudited)

Continuing Operations

	Quarter Ended			Six Months Ended	
	June 30, 2006	March 31, 2006	June 30, 2005	June 30, 2006	June 30, 2005
Net Interest Income	\$ 358	\$ 339	\$ 329	\$ 697	\$ 650
Provision for Credit Losses	(1)	-	(3)	(1)	(20)
Net Interest Income After Provision for Credit Losses	359	339	332	698	670
Noninterest Income					
Servicing Fees					
Securities	909	831	775	1,740	1,525
Global Payment Services	63	62	67	125	133
	972	893	842	1,865	1,658
Private Banking and Asset Management Fees	138	130	112	268	224
Service Charges and Fees	53	52	64	105	118
Foreign Exchange and Other Trading Activities	130	113	101	243	193
Securities Gains	23	17	23	40	35
Other	50	56	52	106	82
Total Noninterest Income	1,366	1,261	1,194	2,627	2,310
Noninterest Expense					
Salaries and Employee Benefits	656	604	581	1,260	1,138
Net Occupancy	68	68	65	136	124
Furniture and Equipment	48	51	49	99	98
Clearing	53	50	42	103	88
Sub-custodian Expenses	36	34	24	70	47
Software	53	55	55	108	107
Communications	22	26	21	48	43
Amortization of Intangibles	15	13	10	28	18
Other	183	164	174	347	329
Total Noninterest Expense	1,134	1,065	1,021	2,199	1,992
Income Before Income Taxes	591	535	505	1,126	988
Income Taxes	200	175	162	375	317
Net Income	\$ 391	\$ 360	\$ 343	\$ 751	\$ 671
	=====	=====	=====	=====	=====
Diluted Earnings Per Share	\$0.52	\$0.47	\$0.45	\$0.98	\$0.86

Diluted earnings per share from continuing operations for the second quarter of 2006 were 52 cents, up 16% from 45 cents a year ago. For the year-to-date period, diluted earnings per share grew 14% to 98 cents from a year ago.

THE BANK OF NEW YORK COMPANY, INC.
Income Statement - Supplemental Information
(In millions, except per share amounts)
(Unaudited)

Adjusted Income Statement ⁽¹⁾

	Quarter Ended		June 30, 2005	Six Months Ended June 30,	
	June 30, 2006	March 31, 2006		2006	2005
Net Interest Income	\$ 512	\$ 488	\$ 470	\$1,000	\$ 925
Provision for Credit Losses	-	5	5	5	(5)
Net Interest Income After Provision for Credit Losses	512	483	465	995	930
Noninterest Income					
Servicing Fees					
Securities	909	831	775	1,740	1,525
Global Payment Services	70	70	76	140	151
	979	901	851	1,880	1,676
Private Banking and Asset Management Fees	150	141	123	291	245
Service Charges and Fees	91	89	103	180	195
Foreign Exchange and Other Trading Activities	132	115	103	247	199
Securities Gains	23	17	23	40	35
Other	51	69	53	120	84
Total Noninterest Income	1,426	1,332	1,256	2,758	2,434
Noninterest Expense					
Salaries and Employee Benefits	723	668	640	1,391	1,258
Net Occupancy	86	88	82	174	160
Furniture and Equipment	50	53	51	103	103
Clearing	53	50	42	103	88
Sub-custodian Expenses	36	34	24	70	47
Software	53	56	55	109	108
Communications	23	27	22	50	45
Amortization of Intangibles	15	13	10	28	18
Other	209	189	197	398	373
Total Noninterest Expense	1,248	1,178	1,123	2,426	2,200
Income Before Income Taxes	690	637	598	1,327	1,164
Income Taxes	242	215	200	457	387
Net Income	\$ 448	\$ 422	\$ 398	\$ 870	\$ 777
	=====	=====	=====	=====	=====
Diluted Earnings Per Share	\$0.59	\$0.55	\$0.52	\$ 1.13	\$1.00

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

Diluted earnings per share from adjusted results for the second quarter of 2006 were 59 cents, up 13% from 52 cents a year ago. For the year-to-date period, diluted earnings per share grew 13% to \$1.13 from a year ago.

SECURITIES SERVICING FEES

(In millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Execution and Clearing Services	\$ 334	\$ 339	\$ 294	(1) %	14 %	\$ 673	\$ 587	15 %
Issuer Services	207	154	159	34	30	361	298	21
Investor Services	302	277	265	9	14	579	528	10
Broker-Dealer Services	66	61	57	8	16	127	112	13
Securities Servicing Fees	<u>\$ 909</u>	<u>\$ 831</u>	<u>\$ 775</u>	9	17	<u>\$ 1,740</u>	<u>\$ 1,525</u>	14

Double-digit securities servicing fee growth over the second quarter and year-to-date periods of 2005 reflects strong performance in all securities servicing businesses. On a sequential-quarter basis, fees were up significantly, reflecting seasonally strong issuer services and good growth in broker-dealer services and investor services.

Execution and clearing fees increased from the second quarter and year-to-date periods of 2005, reflecting growth in value-added fees at Pershing and stronger global transition management and cross-border trading activity in execution services. On a sequential basis, execution and clearing fees were down slightly, as good organic growth in fees at Pershing largely offset the full quarter impact of the previously disclosed loss of a significant customer. Excluding the impact of this customer, total active accounts and customer assets at Pershing increased sequentially by 4% and 3%, respectively. The execution and clearing businesses include institutional agency brokerage, electronic trading, transition management services, independent research and, through Pershing, correspondent clearing services such as clearing, execution, financing, and custody for introducing broker-dealers.

Issuer services fees increased substantially versus the year-ago periods and on a sequential quarter basis. This quarter's results were the best ever for the depositary receipt business, which is typically strong in the second quarter due to the timing of foreign dividend payments. This quarter further benefited from both a higher level of net issuance, reflecting the continued growth in cross-border investing activity, as well as increased corporate actions related to mergers, acquisitions and spin-offs. Growth in corporate trust revenues was primarily attributable to activity in structured and global trust products. Issuer services includes corporate trust, depositary receipts, employee investment plan services, stock transfer, and credit-related services.

Investor services fees increased from the year-ago quarter because of higher volumes within securities lending and higher custody fees, reflecting improvements in cross-border transaction volumes and market price levels as well as new business. Sequential performance reflects improved securities lending fees and higher global fund services and custody fees. Investor services includes global fund services, global custody, securities lending, global liquidity services and outsourcing.

Broker-dealer services fees improved versus the year-ago and sequential periods as a result of strong performance in domestic and global collateral management fees, an increase in transaction volumes and strong net new business flows.

NONINTEREST INCOME

Continuing Operations

(In millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Servicing Fees								
Securities	\$ 909	\$ 831	\$ 775	9 %	17 %	\$ 1,740	\$ 1,525	14 %
Global Payment Services	63	62	67	2	(6)	125	133	(6)
	<u>972</u>	<u>893</u>	<u>842</u>	9	15	<u>1,865</u>	<u>1,658</u>	12
Private Banking and								
Asset Management Fees	138	130	112	6	23	268	224	20
Service Charges and Fees	53	52	64	2	(17)	105	118	(11)
Foreign Exchange and								
Other Trading Activities	130	113	101	15	29	243	193	26
Securities Gains	23	17	23	35	-	40	35	14
Other	50	56	52	(11)	(4)	106	82	29
Total Noninterest Income	<u>\$ 1,366</u>	<u>\$ 1,261</u>	<u>\$ 1,194</u>	8	14	<u>\$ 2,627</u>	<u>\$ 2,310</u>	14

Adjusted

(In millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Servicing Fees								
Securities	\$ 909	\$ 831	\$ 775	9 %	17 %	\$ 1,740	\$ 1,525	14 %
Global Payment Services	70	70	76	-	(8)	140	151	(7)
	<u>979</u>	<u>901</u>	<u>851</u>	9	15	<u>1,880</u>	<u>1,676</u>	12
Private Banking and								
Asset Management Fees	150	141	123	6	22	291	245	19
Service Charges and Fees	91	89	103	2	(12)	180	195	(8)
Foreign Exchange and								
Other Trading Activities	132	115	103	15	28	247	199	24
Securities Gains	23	17	23	35	-	40	35	14
Other	51	69	53	(26)	(4)	120	84	43
Total Noninterest Income	<u>\$ 1,426</u>	<u>\$ 1,332</u>	<u>\$ 1,256</u>	7	14	<u>\$ 2,758</u>	<u>\$ 2,434</u>	13

Unless otherwise indicated, the discussion below refers to noninterest income on both a continuing operations basis and on an adjusted basis.

The increase in noninterest income versus the second quarter of 2005 and the prior quarter reflects positive revenue trends in securities servicing, foreign exchange and other trading, and private banking and asset management. The increase on a year-to-date basis in noninterest income

primarily reflects increases in securities servicing, foreign exchange and other trading, private banking and asset management, securities gains, and other income.

On a continuing operations basis, global payment services fees decreased from the second quarter and year-to-date periods of 2005 but increased slightly on a sequential-quarter basis. The decline from last year reflects customers paying with higher compensatory balances in lieu of fees. The sequential quarter increase primarily reflects growth from U.S. financial institutions. On an invoiced services basis, total revenue was up 6% over the second quarter of 2005 and 5% on a sequential-quarter basis. Performance trends on an adjusted basis were relatively consistent with the continuing operations basis.

Private banking and asset management fees increased significantly from the second quarter and year-to-date periods of 2005 primarily due to acquisitions and higher fees in private banking. On a sequential-quarter basis, growth is attributable to higher fees at Ivy Asset Management and Alcentra as well as the full quarter impact of the Urdang acquisition, which closed on March 2, 2006. Total assets under management for private banking and asset management were \$116 billion, up from \$105 billion at June 30, 2005 and \$113 billion at March 31, 2006.

Service charges and fees were down from the second quarter and year-to-date periods of 2005 reflecting lower capital markets activity. On a sequential-quarter basis, service charges and fees were up reflecting higher underwriting fees.

Foreign exchange and other trading revenues were up significantly from the second quarter and year-to-date periods of 2005. Foreign exchange was up from the 2005 periods and sequentially due to higher customer volumes driven by cross-border investment flows, good new business activity, and increased volatility. Other trading was up from the 2005 periods and sequentially primarily due to stronger results in equity and interest rate derivatives, and in fixed income trading.

Securities gains in the second quarter were flat with the year-ago quarter and up significantly on a sequential-quarter basis. The gains in the quarter were primarily attributable to exceptionally strong returns on investments in the sponsor fund portfolio. Securities gains were up in the first six months of 2006 versus a year ago reflecting favorable market conditions and liquidity in the private equity markets.

Other noninterest income on an adjusted basis decreased slightly versus the second quarter of 2005 and was down from the first quarter of 2006. The first quarter of 2006 includes a pre-tax gain of \$31 million related to the conversion of the Company's New York Stock Exchange seats into cash and shares of NYSE. The year-to-date period of 2005 includes a \$17 million gain on the sale of the Company's interest in Financial Models Company, Inc.

NET INTEREST INCOME

Continuing Operations

(Dollars in millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Net Interest Income	\$ 358	\$ 339	\$ 329	6 %	9 %	\$ 697	\$ 650	7 %
Tax Equivalent Adjustment*	7	7	6			14	13	
Net Interest Income on a Tax Equivalent Basis	\$ 365	\$ 346	\$ 335	5	9	\$ 711	\$ 663	7
Net Interest Rate Spread	1.29 %	1.37 %	1.54 %			1.33 %	1.60 %	
Net Yield on Interest Earning Assets	1.95	1.95	2.01			1.95	2.03	

* See Note (1).

Adjusted

(Dollars in millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Net Interest Income	\$ 512	\$ 488	\$ 470	5 %	9 %	\$ 1,000	\$ 925	8 %
Tax Equivalent Adjustment*	9	7	7			15	14	
Net Interest Income on a Tax Equivalent Basis	\$ 521	\$ 495	\$ 477	5	9	\$ 1,015	\$ 939	8
Net Interest Rate Spread	1.65 %	1.73 %	1.86 %			1.70 %	1.90 %	
Net Yield on Interest Earning Assets	2.36	2.35	2.34			2.35	2.35	

* See Note (1).

Net interest income on a continuing operations basis and on an adjusted basis increased from the year ago quarter reflecting higher interest earning assets and the higher value of interest-free balances in a rising rate environment. Net interest income increased on a sequential-quarter basis reflecting an increase in interest earning assets due to higher foreign deposits, principally in the Company's corporate trust and custody businesses, one additional day in the quarter, and a \$6 million impact of a cumulative adjustment in the Company's reserve position with the Federal Reserve in the first quarter of 2006. On a year-to-date basis, net interest income increased reflecting the same factors impacting the quarterly results.

NONINTEREST EXPENSE AND INCOME TAXES

Continuing Operations

(In millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Salaries and Employee Benefits	\$ 656	\$ 604	\$ 581	9 %	13 %	\$ 1,260	\$ 1,138	11 %
Net Occupancy	68	68	65	-	5	136	124	10
Furniture and Equipment	48	51	49	(6)	(2)	99	98	1
Clearing	53	50	42	6	26	103	88	17
Sub-custodian Expenses	36	34	24	6	50	70	47	49
Software	53	55	55	(4)	(4)	108	107	1
Communications	22	26	21	(15)	5	48	43	12
Amortization of Intangibles	15	13	10	15	50	28	18	56
Other	183	164	174	12	5	347	329	5
Total Noninterest Expense	<u>\$ 1,134</u>	<u>\$ 1,065</u>	<u>\$ 1,021</u>	6	11	<u>\$ 2,199</u>	<u>\$ 1,992</u>	10

Adjusted

(In millions)	2Q06	1Q06	2Q05	Percent Inc/(Dec)		Year-to-date		Percent Inc/(Dec)
				2Q06 vs. 1Q06	2Q06 vs. 2Q05	2006	2005	
Salaries and Employee Benefits	\$ 723	\$ 668	\$ 640	8 %	13 %	\$ 1,391	\$ 1,258	11 %
Net Occupancy	86	88	82	(2)	5	174	160	9
Furniture and Equipment	50	53	51	(6)	(2)	103	103	-
Clearing	53	50	42	6	26	103	88	17
Sub-custodian Expenses	36	34	24	6	50	70	47	49
Software	53	56	55	(5)	(4)	109	108	1
Communications	23	27	22	(15)	5	50	45	11
Amortization of Intangibles	15	13	10	15	50	28	18	56
Other	209	189	197	11	6	398	373	7
Total Noninterest Expense	<u>\$ 1,248</u>	<u>\$ 1,178</u>	<u>\$ 1,123</u>	6	11	<u>\$ 2,426</u>	<u>\$ 2,200</u>	10

Unless otherwise indicated, the discussion below refers to noninterest expense on both a continuing operations basis and on an adjusted basis.

Noninterest expense was up compared with the second quarter of 2005 and the first quarter of 2006. The increase versus the year-ago quarter reflects increased staffing costs associated with new business and acquisitions, and higher incentive compensation as well as higher pension expenses.

Relative to the year-ago periods and sequentially, salaries and benefits rose as a result of: a charge of \$12 million associated with the implementation of SFAS 123(R) related to the retirement provisions of equity compensation programs; higher incentive compensation related to revenue growth; acquisitions; and increased severance, temporary help, and medical costs. Pension expense was also higher on a year-over-year basis. Severance expense in the second quarter of 2006 included \$5 million related to the businesses being sold as part of the transaction with JPMorgan Chase.

Clearing and sub-custodian expenses were higher year-over-year and on a sequential-quarter basis reflecting increased transaction volumes.

Other expenses were higher compared with the second quarter and year-to-date periods of 2005 reflecting higher costs for advertising, travel and entertainment, employment agency fees, as well as vendor services related expenses associated with business growth. On a sequential-quarter basis, other expenses in the second quarter of 2006 increased due to higher Depository Trust Company expense, consulting, travel, and employment agency fees.

The effective tax rate for the second quarter of 2006 on a continuing operations basis was 33.8%, compared to 32.1% in the second quarter of 2005 and 32.7% in the first quarter of 2006. The effective tax rate for the six-month period ended June 30, 2006 was 33.3% compared with 32.1% for the six-month period ended June 30, 2005. The effective tax rate for the second quarter of 2006 on an adjusted basis was 35.1%, compared to 33.4% in the second quarter of 2005 and 33.8% in the first quarter of 2006. The effective tax rate for the six-month period ended June 30, 2006 was 34.4% compared with 33.2% for the six-month period ended June 30, 2005. The increases on a year-over-year basis primarily reflect lower expected Section 29 tax credits related to synthetic fuels. The sequential quarter increase also reflects a non-recurring \$5 million negative impact from the loss of foreign sales corporation benefits on certain leveraged leases as a result of recent legislation.

CAPITAL

The Company repurchased 10.3 million shares in the second quarter of 2006. Included in the buyback were 10.0 million shares that were repurchased on April 3, 2006 through the previously disclosed accelerated share repurchase program.

The Company's Tier 1 capital and Total Capital ratios were 7.95% and 12.05% at June 30, 2006, compared with 8.07% and 12.49% at June 30, 2005 and 8.28% and 12.44% at March 31, 2006. The leverage ratio was 6.22% at June 30, 2006, compared with 6.55% at June 30, 2005 and 6.51% at March 31, 2006. The Company's tangible common equity as a percentage of total assets was 5.07% at June 30, 2006, compared with 5.26% at June 30, 2005 and 5.42% at March 31, 2006.

Return on average common equity for the second quarter of 2006 was 18.17%, compared with 17.12% in the second quarter of 2005 and 17.31% in the first quarter of 2006.

Return on average assets for the second quarter of 2006 was 1.63%, compared with 1.59% in the second quarter of 2005 and 1.61% in the first quarter of 2006.

CREDIT PERFORMANCE

The Company's loan portfolio continues to experience high credit quality.

The provision for credit losses for the second quarter of 2006 on a continuing operations basis was a credit of \$1 million, compared with a credit of \$3 million for the second quarter of 2005 and zero in the first quarter of 2006. Charge-offs in the second quarter of 2006 on a continuing operations basis were a recovery of \$7 million, compared with charge-offs of \$6 million in the second quarter of 2005 and a recovery of \$3 million in the first quarter of 2006. The allowance for credit losses on a continuing operations basis was \$480 million at June 30, 2006, compared with \$601 million at June 30, 2005 and \$474 million at March 31, 2006.

The provision for credit loss for the second quarter of 2006 on an adjusted basis was zero, compared with a provision of \$5 million in the second quarter of 2005 and first quarter of 2006. Charge-offs in the second quarter of 2006 on an adjusted basis were a recovery of \$1 million, compared with charge-offs of \$11 million in the second quarter of 2005 and \$4 million in the first quarter of 2006. The allowance for credit losses on an adjusted basis was \$567 million at June 30, 2006, compared with \$710 million at June 30, 2005 and \$566 million at March 31, 2006.

OTHER DEVELOPMENTS

On July 11, 2006, the Board of Directors raised the quarterly dividend by 5% to 22 cents per share payable August 4, 2006 to shareholders of record on July 26, 2006.

The Company was active in redeploying capital during the quarter to sharpen its focus, strengthen its business mix and enhance its long-term growth prospects. In addition to the swap transaction with JPMorgan Chase, the Company announced on June 30, 2006 that it agreed to join forces with Eze Castle Software and GTCR Golder Rauner, LLC, a private equity firm, to form a new company called BNY ConvergEx Group. BNY ConvergEx Group will bring together BNY Securities Group's trade execution, commission management, independent research and transition management business with Eze Castle Software, a leading provider of trade order management and related investment technologies. This transaction enables the Company to achieve several objectives including repositioning its execution services business for faster growth and enhancing the product offering for the Company's client base, while allowing the Company to withdraw capital committed to the business. The new firm is expected to be established by September or October, pending regulatory approval. The Bank of New York Company's Pershing subsidiary, a leading global provider of clearing and financial services outsourcing, is not included in this transaction.

On June 12, 2006, the Company acquired the bond administration business of TD Banknorth, N.A. The TD Banknorth portfolio includes bond trustee, paying/fiscal agent, master trustee, transfer agent and registrar appointments. The transaction involves the purchase of approximately 350 bond trusteeships and agency appointments, representing \$5.2 billion of principal debt outstanding for an estimated 230 clients.

CONFERENCE CALL INFORMATION

Thomas A. Renyi, chairman and chief executive officer, and Bruce W. Van Saun, vice chairman and chief financial officer, will review the quarterly results in a live conference call and audio webcast today at 8:00 a.m. EDT.

The presentation will be accessible:

- From the Company's website at www.bankofny.com/earnings and
- By telephone at (888) 677-2456 within the United States or (517) 623-4161 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 (888) 562-4353 within the United States or (402) 530-7645 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, asset management, and private banking. 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. Additional information is available at www.bankofny.com.

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 and the ConvergeEx transaction, the completion and timing of proposed transactions, 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 Risk Factors That Could Affect Future Results" in the Company's 2005 Form 10-K and First Quarter 2006 Form 10-Q, which have been filed with the SEC and are 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 that have changed after a forward looking statement was made.

(Financial highlights and detailed financial statements are attached.)

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Notes:

(1) A number of amounts related to net interest income are presented on a “tax 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.

(2) Operating leverage is measured by comparing the rate of increase in revenue to the rate of increase in expenses. The chart below shows the computation of operating leverage. The operating column for 2006 excludes one-time costs associated with SFAS 123(R) and certain costs resulting from the application of discontinued operations accounting. The Company believes excluding these costs provides the reader with supplemental information with which to assess the Company’s future performance.

Operating Leverage

(Dollars in millions)	Continuing Operations					Adjusted ^(a)				
	2Q 2006	Operating 2Q 2006 ^(b)	2Q 2005	% Change	Operating % Change ^(b)	2Q 2006	Operating 2Q 2006 ^(c)	2Q 2005	% Change	Operating % Change ^(c)
	Noninterest Income	\$ 1,366	\$ 1,366	\$ 1,194	14.4 %	14.4 %	\$ 1,426	\$ 1,426	\$ 1,256	13.5 %
Net Interest Income	358	358	329	8.8	8.8	512	512	470	8.9	8.9
Total Revenue	1,724	1,724	1,523	13.2	13.2	1,938	1,938	1,726	12.3	12.3
Total Expense	1,134	1,122	1,021	11.1	9.9	1,248	1,231	1,123	11.1	9.6
Operating Leverage				<u>2.1 %</u>	<u>3.3 %</u>				<u>1.2 %</u>	<u>2.7 %</u>

(Dollars in millions)	Continuing Operations					Adjusted ^(a)				
	2Q 2006	Operating 2Q 2006 ^(b)	1Q2006	% Change	Operating % Change ^(b)	2Q 2006	Operating 2Q 2006 ^(c)	1Q2006	% Change	Operating % Change ^(c)
	Noninterest Income	\$ 1,366	\$ 1,366	\$ 1,261	8.3 %	8.3 %	\$ 1,426	\$ 1,426	\$ 1,332	7.1 %
Net Interest Income	358	358	339	5.6	5.6	512	512	488	4.9	4.9
Total Revenue	1,724	1,724	1,600	7.8	7.8	1,938	1,938	1,820	6.5	6.5
Total Expense	1,134	1,122	1,065	6.5	5.4	1,248	1,231	1,178	5.9	4.5
Operating Leverage				<u>1.3 %</u>	<u>2.4 %</u>				<u>0.6 %</u>	<u>2.0 %</u>

Operating Leverage

(Dollars in millions)	Continuing Operations					Adjusted ^(a)				
	Operating		YTD 2005	% Change	Operating % Change ^(b)	Operating		YTD 2005	% Change	Operating % Change ^(c)
	YTD 2006	YTD 2006 ^(b)				YTD 2006	YTD 2006 ^(c)			
Noninterest Income	\$ 2,627	\$ 2,627	\$ 2,310	13.7 %	13.7 %	\$ 2,758	\$ 2,758	\$ 2,434	13.3 %	13.3 %
Net Interest Income	697	697	650	7.2	7.2	1,000	1,000	925	8.1	8.1
Total Revenue	3,324	3,324	2,960	12.3	12.3	3,758	3,758	3,359	11.9	11.9
Total Expense	2,199	2,187	1,992	10.4	9.8	2,426	2,409	2,200	10.3	9.5
Operating Leverage				<u>1.9 %</u>	<u>2.5 %</u>				<u>1.6 %</u>	<u>2.4 %</u>

(a) Adjusted combines continuing and discontinued operations.

(b) Operating excludes the \$12 million impact related to SFAS 123(R).

(c) Operating excludes the \$12 million impact related to SFAS 123(R) and charges and accounting changes resulting from the JPMorgan Chase transaction.

(3) The Company's record operating results in the second quarter of 2006 reflect net income of \$448 million. The Company reported net income of \$773 million in the third quarter of 1999. However, after excluding the \$573 million gain on the sale of BNY Financial Corporation, operating net income in the third quarter of 1999 was \$200 million.

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

<u>Continuing Operations</u>	June 30, <u>2006</u>	March 31, <u>2006</u>	June 30, <u>2005</u>
<u>Quarter</u>			
Net Interest Income	\$ 358	\$ 339	\$ 329
Noninterest Income	1,366	1,261	1,194
	-----	-----	-----
	1,724	1,600	1,523
Tax Equivalent Adjustment	7	7	6
	-----	-----	-----
Revenue (tax equivalent basis)	\$ 1,731	\$ 1,607	\$ 1,529
	=====	=====	=====
Income from Continuing Operations			
Before Income Taxes	\$ 591	\$ 535	\$ 505
Income Taxes	200	175	162
	-----	-----	-----
Income from Continuing Operations	391	360	343
Income from Discontinued Operations, Net of Taxes (1)	57	62	55
	-----	-----	-----
Net Income	\$ 448	\$ 422	\$ 398
	=====	=====	=====
Basic EPS:			
Income from Continuing Operations	\$ 0.52	\$ 0.47	\$ 0.45
Income from Discontinued Operations, Net	0.07	0.08	0.07
Net Income	0.59	0.55	0.52
Diluted EPS:			
Income from Continuing Operations	0.52	0.47	0.45
Income from Discontinued Operations, Net	0.07	0.08	0.07
Net Income	0.59	0.55	0.52
Cash Dividends Per Share	0.21	0.21	0.20
Return on Average Common Shareholders' Equity	15.85%	14.75%	14.74%
Return on Average Assets	1.54	1.50	1.49
Efficiency Ratio	66.4	67.0	67.8

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

<u>Continuing Operations</u>	June 30, 2006	March 31, 2006	June 30, 2005
<u>Year-to-date</u>			
Net Interest Income	\$ 697	\$ 339	\$ 650
Noninterest Income	2,627	1,261	2,310
	-----	-----	-----
	3,324	1,600	2,960
Tax Equivalent Adjustment	14	7	13
	-----	-----	-----
Revenue (tax equivalent basis)	\$ 3,338	\$ 1,607	\$ 2,973
	=====	=====	=====
Income from Continuing Operations			
Before Income Taxes	\$ 1,126	\$ 535	\$ 988
Income Taxes	375	175	317
	-----	-----	-----
Income from Continuing Operations	751	360	671
Income from Discontinued Operations, Net of Taxes (1)	119	62	106
	-----	-----	-----
Net Income	\$ 870	\$ 422	\$ 777
	=====	=====	=====
Basic EPS:			
Income from Continuing Operations	\$ 0.99	\$ 0.47	\$ 0.87
Income from Discontinued Operations, Net	0.15	0.08	0.14
Net Income	1.14	0.55	1.01
Diluted EPS:			
Income from Continuing Operations	0.98	0.47	0.86
Income from Discontinued Operations, Net	0.15	0.08	0.14
Net Income	1.13	0.55	1.00
Cash Dividends Per Share	0.42	0.21	0.40
Return on Average Common Shareholders' Equity	15.30%	14.75%	14.52%
Return on Average Assets	1.52	1.50	1.48
Efficiency Ratio	66.7	67.0	67.8
Assets	\$ 99,935	\$ 94,851	\$ 94,370
Loans	35,650	32,191	32,950
Securities	27,355	27,190	25,691
Deposits - Domestic	25,602	20,751	22,611
- Foreign	31,139	30,049	26,076
Long-Term Debt	8,207	8,309	7,586
Common Shareholders' Equity	10,056	10,101	9,471
Employees	20,109	19,989	19,506
Allowance for Loan Losses as a Percent of Total Loans	0.95%	1.04%	1.41%
Allowance for Loan Losses as a Percent of Non-Margin Loans	1.10	1.24	1.72
Total Allowance for Credit Losses as a Percent of Total Loans	1.35	1.47	1.82
Total Allowance for Credit Losses as a Percent of Non-Margin Loans	1.57	1.76	2.23

(1) Discontinued operations includes Company's retail and regional middle market banking businesses expected to be sold to JPMorgan Chase & Co in the fourth quarter of 2006 in connection with the definitive agreement the Company entered into with JPMorgan Chase on April 8, 2006.

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

<u>Adjusted Results</u>	June 30, 2006	March 31, 2006	June 30, 2005
<u>Quarter</u>			
Net Interest Income	\$ 512	\$ 488	\$ 470
Noninterest Income	1,426	1,332	1,256
	<u>1,938</u>	<u>1,820</u>	<u>1,726</u>
Tax Equivalent Adjustment	9	7	7
Revenue (tax equivalent basis)	\$ 1,947	\$ 1,827	\$ 1,733
	=====	=====	=====
Net Income	\$ 448	\$ 422	\$ 398
Basic EPS	0.59	0.55	0.52
Diluted EPS	0.59	0.55	0.52
Cash Dividends Per Share	0.21	0.21	0.20
Efficiency Ratio	64.9%	65.1%	65.7%
<u>Year-to-date</u>			
Net Interest Income	\$ 1,000	\$ 488	\$ 925
Noninterest Income	2,758	1,332	2,434
	<u>3,758</u>	<u>1,820</u>	<u>3,359</u>
Tax Equivalent Adjustment	15	7	14
Revenue (tax equivalent basis)	\$ 3,773	\$ 1,827	\$ 3,373
	=====	=====	=====
Net Income	\$ 870	\$ 422	\$ 777
Basic EPS	1.14	0.55	1.01
Diluted EPS	1.13	0.55	1.00
Cash Dividends Per Share	0.42	0.21	0.40
Efficiency Ratio	65.0%	65.1%	65.9%
Assets	\$ 108,881	\$ 103,611	\$ 103,063
Loans	43,622	40,054	40,681
Securities	27,459	27,288	25,779
Deposits - Domestic	39,280	35,175	37,921
- Foreign	31,139	30,049	26,077
Long-Term Debt	8,207	8,309	7,586
Common Shareholders' Equity	10,056	10,101	9,471
Allowance for Loan Losses as a Percent of Total Loans	0.96%	1.05%	1.38%
Allowance for Loan Losses as a Percent of Non-Margin Loans	1.08	1.21	1.62
Total Allowance for Credit Losses as a Percent of Total Loans	1.30	1.41	1.75
Total Allowance for Credit Losses as a Percent of Non-Margin Loans	1.47	1.63	2.05
Employees	23,575	23,500	22,993

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

	June 30, 2006	March 31, 2006	June 30, 2005
<u>Assets Under Custody</u>			
(In trillions) - Estimated			
Assets Under Custody	\$ 12.0	\$ 11.3	\$ 10.3
Equity Securities	32%	33%	35%
Fixed Income Securities	68	67	65
Cross-Border Assets Under Custody	\$ 4.1	\$ 3.7	\$ 2.9
<u>Assets Under Management</u>			
(In billions)- Estimated			
Asset Management Sector	\$ 116	\$ 113	\$ 105
Equity Securities	36	37	36
Fixed Income Securities	21	21	22
Alternative Investments	28	26	15
Liquid Assets	31	29	32
Foreign Exchange Overlay	11	11	8
Securities Lending Short-term Investment Funds	43	49	39
Total Assets Under Management	\$ 170	\$ 173	\$ 152
<u>Capital Ratios - Estimated</u>			
Tier 1 Capital Ratio	7.95%	8.28%	8.07%
Total Capital Ratio	12.05	12.44	12.49
Leverage Ratio	6.22	6.51	6.55
Tangible Common Equity Ratio	5.07	5.42	5.26
<u>Performance Ratios</u>			
<u>Quarter</u>			
Return on Average Common Shareholders' Equity	18.17%	17.31%	17.12%
Return on Average Assets	1.63	1.61	1.59
<u>Year-to-date</u>			
Return on Average Common Shareholders' Equity	17.74%	17.31%	16.82%
Return on Average Assets	1.62	1.61	1.57
<u>Other Data</u>			
Common Shareholders' Equity Per Share	\$ 14.15	\$ 13.09	\$ 12.29
Market Value Per Share of Common Stock	32.20	36.04	28.78

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

	For the three months ended		For the six months ended		Percent Inc/(Dec)	
	June 30, 2006	June 30, 2005	June 30, 2006	June 30, 2005	2Q06 vs. 2Q05	YTD 2006 vs. YTD 2005
<u>Interest Income</u>						
Loans	\$ 350	\$ 243	\$ 660	\$ 476	44%	39%
Margin loans	85	62	162	117	37	38
Securities						
Taxable	280	193	545	359	45	52
Exempt from Federal Income Taxes	9	10	18	18	(10)	-
	289	203	563	377	42	49
Deposits in Banks	120	67	206	138	79	49
Federal Funds Sold and Securities Purchased						
Under Resale Agreements	15	20	30	33	(25)	(9)
Trading Assets	51	39	102	61	31	67
	910	634	1,723	1,202	44	43
<u>Interest Expense</u>						
Deposits	348	192	646	352	81	84
Federal Funds Purchased and Securities Sold						
Under Repurchase Agreements	34	8	54	14	325	286
Other Borrowed Funds	22	13	42	20	69	110
Customer Payables	42	28	82	53	50	55
Long-Term Debt	106	64	202	113	66	79
	552	305	1,026	552	81	86
<u>Net Interest Income</u>						
	358	329	697	650	9	7
Provision for Credit Losses	(1)	(3)	(1)	(20)	(67)	(95)
Net Interest Income After Provision for Credit Losses	359	332	698	670	8	4
<u>Noninterest Income</u>						
<u>Servicing Fees</u>						
Securities	909	775	1,740	1,525	17	14
Global Payment Services	63	67	125	133	(6)	(6)
	972	842	1,865	1,658	15	12
Private Banking and Asset Management Fees	138	112	268	224	23	20
Service Charges and Fees	53	64	105	118	(17)	(11)
Foreign Exchange and Other Trading Activities	130	101	243	193	29	26
Securities Gains	23	23	40	35	-	14
Other	50	52	106	82	(4)	29
	1,366	1,194	2,627	2,310	14	14
<u>Noninterest Expense</u>						
Salaries and Employee Benefits	656	581	1,260	1,138	13	11
Net Occupancy	68	65	136	124	5	10
Furniture and Equipment	48	49	99	98	(2)	1
Clearing	53	42	103	88	26	17
Sub-custodian Expenses	36	24	70	47	50	49
Software	53	55	108	107	(4)	1
Communications	22	21	48	43	5	12
Amortization of Intangibles	15	10	28	18	50	56
Other	183	174	347	329	5	5
	1,134	1,021	2,199	1,992	11	10
Income from Continuing Operations before Income Taxes	591	505	1,126	988	17	14
Income Taxes	200	162	375	317	23	18
Income from Continuing Operations	391	343	751	671	14	12

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

	For the three months ended		For the six months ended		Percent Inc/(Dec)	
	June 30, 2006	June 30, 2005	June 30, 2006	June 30, 2005	2Q06 vs. 2Q05	YTD 2006 vs. YTD 2005
Discontinued Operations						
Income from Discontinued Operations	99	93	201	176	6%	14%
Income Taxes	42	38	82	70	11	17
Discontinued Operations, net	57	55	119	106	4	12
<u>Net Income</u>	<u>\$ 448</u>	<u>\$ 398</u>	<u>\$ 870</u>	<u>\$ 777</u>	13	12
	=====	=====	=====	=====		
<u>Per Common Share Data:</u>						
Basic Earnings						
Income from Continuing Operations	\$ 0.52	\$ 0.45	\$ 0.99	\$ 0.87	16	14
Income from Discontinued Operations, Net	0.07	0.07	0.15	0.14	-	7
Net Income	0.59	0.52	1.14	1.01	13	13
Diluted Earnings						
Income from Continuing Operations	\$ 0.52	\$ 0.45	\$ 0.98	\$ 0.86	16	14
Income from Discontinued Operations, Net	0.07	0.07	0.15	0.14	-	7
Net Income	0.59	0.52	1.13	1.00	13	13
Cash Dividends Paid	0.21	0.20	0.42	0.40	5	5
Diluted Shares Outstanding	765	772	769	775	(1)	(1)

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

	June 30, 2006	December 31, 2005
	-----	-----
Assets		

Cash and Due from Banks	\$ 3,010	\$ 2,882
Interest-Bearing Deposits in Banks	11,978	8,644
Securities		
Held-to-Maturity (fair value of \$2,108 in 2006 and \$1,847 in 2005)	2,167	1,872
Available-for-Sale	25,188	25,346
	-----	-----
Total Securities	27,355	27,218
Trading Assets at Fair Value	6,065	5,930
Federal Funds Sold and Securities Purchased		
Under Resale Agreements	2,235	2,425
Loans (less allowance for loan losses of \$337 in 2006 and \$326 in 2005)	35,313	32,601
Premises and Equipment	963	960
Due from Customers on Acceptances	210	212
Accrued Interest Receivable	394	363
Goodwill	3,784	3,510
Intangible Assets	885	811
Other Assets	7,743	7,710
Assets of Discontinued Operations Held for Sale	8,946	8,808
	-----	-----
Total Assets	\$ 108,881	\$ 102,074
	=====	=====
Liabilities and Shareholders' Equity		

Deposits		
Noninterest-Bearing (principally domestic offices)	\$ 15,930	\$ 12,706
Interest-Bearing		
Domestic Offices	9,958	10,415
Foreign Offices	30,853	26,666
	-----	-----
Total Deposits	56,741	49,787
Federal Funds Purchased and Securities		
Sold Under Repurchase Agreements	1,177	834
Trading Liabilities	2,938	2,401
Payables to Customers and Broker-Dealers	6,638	8,623
Other Borrowed Funds	1,026	860
Acceptances Outstanding	210	212
Accrued Taxes and Other Expenses	3,864	4,123
Accrued Interest Payable	192	172
Other Liabilities (including allowance for lending-related commitments of \$143 in 2006 and \$144 in 2005)	4,101	2,697
Long-Term Debt	8,207	7,817
Liabilities of Discontinued Operations Held for Sale	13,731	14,672
	-----	-----
Total Liabilities	98,825	92,198
	-----	-----
Shareholders' Equity		
Common Stock-par value \$7.50 per share, authorized 2,400,000,000 shares, issued 1,048,879,688 shares in 2006 and 1,044,994,517 shares in 2005	7,867	7,838
Additional Capital	1,965	1,826
Retained Earnings	7,636	7,089
Accumulated Other Comprehensive Income	(231)	(134)
	-----	-----
	17,237	16,619
Less: Treasury Stock (285,896,449 shares in 2006 and 273,662,218 shares in 2005), at cost	7,174	6,736
Loan to ESOP (203,507 shares in 2006 and 203,507 shares in 2005), at cost	7	7
	-----	-----
Total Shareholders' Equity	10,056	9,876
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 108,881	\$ 102,074
	=====	=====

Note: The balance sheet at December 31, 2005 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 June 30, 2006

For the three months
ended June 30, 2005

	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 12,432	\$ 120	3.88%	\$ 9,182	\$ 67	2.91%
Federal Funds Sold and Securities Purchased Under Resale Agreements	1,565	15	3.98	2,789	20	2.72
Margin Loans	5,506	85	6.20	6,341	62	3.93
Loans						
Domestic Offices	16,786	193	4.59	15,133	137	3.64
Foreign Offices	11,317	157	5.56	10,141	106	4.19
Non-Margin Loans	28,103	350	4.98	25,274	243	3.86
Securities						
U.S. Government Obligations	216	3	4.24	282	2	3.21
U.S. Government Agency Obligations	4,009	46	4.60	3,804	38	3.95
Obligations of States and Political Subdivisions	109	2	8.13	148	3	8.52
Other Securities	18,848	245	5.21	15,499	166	4.29
Trading Securities	4,469	51	4.61	3,416	39	4.62
Total Securities	27,651	347	5.03	23,149	248	4.26
Total Interest-Earning Assets	75,257	917	4.88	66,735	640	3.83
Allowance for Credit Losses	(344)			(463)		
Cash and Due from Banks	3,089			2,282		
Other Assets	18,391			16,445		
Assets of Discontinued Operations Held for Sale	13,993	191	5.47	15,462	169	4.40
TOTAL ASSETS	\$ 110,386	\$ 1,108		\$ 100,461	\$ 809	
	=====	=====		=====	=====	
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 5,213	\$ 34	2.60%	\$ 6,363	\$ 25	1.57%
Savings	456	2	2.01	666	1	0.92
Certificates of Deposit						
\$100,000 & Over	4,105	52	5.05	3,054	24	3.10
Other Time Deposits	697	8	4.79	127	1	2.30
Foreign Offices	32,544	252	3.10	26,332	141	2.14
Total Interest-Bearing Deposits	43,015	348	3.24	36,542	192	2.10
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,893	34	4.62	1,152	8	2.58
Other Borrowed Funds	2,323	22	3.82	1,954	13	2.65
Payables to Customers and Broker-Dealers	5,034	42	3.34	5,984	28	1.90
Long-Term Debt	8,146	106	5.15	7,485	64	3.41
Total Interest-Bearing Liabilities	61,411	552	3.59	53,117	305	2.29
Noninterest-Bearing Deposits	10,869			9,581		
Other Liabilities	14,231			12,976		
Common Shareholders' Equity	9,882			9,325		
Liabilities of Discontinued Operations Held for Sale	13,993	37	1.07	15,462	28	0.73
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 110,386	\$ 589		\$ 100,461	\$ 333	
	=====	=====		=====	=====	
Net Interest Earnings and Interest Rate Spread		\$ 365	1.29%		\$ 335	1.54%
		=====	=====		=====	=====
Net Yield on Interest-Earning Assets			1.95%			2.01%
			=====			=====

THE BANK OF NEW YORK COMPANY, INC.
Average Balances and Rates on a Taxable Equivalent Basis
(Preliminary)
(Dollars in millions)
For the six months ended June 30, 2006
For the six months ended June 30, 2005

	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 11,036	\$ 206	3.76%	\$ 9,502	\$ 138	2.93%
Federal Funds Sold and Securities Purchased Under Resale Agreements	1,625	30	3.81	2,619	33	2.48
Margin Loans	5,580	162	5.87	6,374	117	3.70
Loans						
Domestic Offices	15,983	360	4.51	14,933	275	3.69
Foreign Offices	11,142	300	5.44	10,221	201	3.97
Non-Margin Loans	27,125	660	4.89	25,154	476	3.81
Securities						
U.S. Government Obligations	220	5	4.23	320	5	3.12
U.S. Government Agency Obligations	3,981	90	4.53	3,554	69	3.85
Obligations of States and Political Subdivisions	113	5	8.09	153	6	8.36
Other Securities	18,963	477	5.03	15,009	310	4.14
Trading Securities	4,591	102	4.51	2,943	61	4.20
Total Securities	27,868	679	4.88	21,979	451	4.11
Total Interest-Earning Assets	73,234	1,737	4.77	65,628	1,215	3.72
Allowance for Credit Losses	(497)			(474)		
Cash and Due from Banks	3,676			2,918		
Other Assets	17,711			16,281		
Assets of Discontinued Operations Held for Sale	14,147	376	5.36	15,503	327	4.26
TOTAL ASSETS	\$108,271	\$ 2,113		\$ 99,856	\$ 1,542	
	=====	=====		=====	=====	
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 5,319	\$ 65	2.45%	\$ 6,291	\$ 44	1.44%
Savings	462	3	1.56	629	3	0.88
Certificates of Deposit						
\$100,000 & Over	4,176	100	4.83	2,961	42	2.85
Other Time Deposits	799	18	4.56	133	2	2.07
Foreign Offices	31,388	460	2.96	25,900	261	2.03
Total Interest-Bearing Deposits	42,144	646	3.09	35,914	352	1.98
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,432	54	4.45	1,270	14	2.18
Other Borrowed Funds	2,153	42	3.91	1,890	20	2.12
Payables to Customers and Broker-Dealers	5,132	82	3.22	6,184	53	1.73
Long-Term Debt	8,079	202	4.98	7,047	113	3.21
Total Interest-Bearing Liabilities	59,940	1,026	3.44	52,305	552	2.12
Noninterest-Bearing Deposits	10,496			9,694		
Other Liabilities	13,803			13,041		
Common Shareholders' Equity	9,885			9,313		
Liabilities of Discontinued Operations Held for Sale	14,147	73	1.04	15,503	52	0.68
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$108,271	\$ 1,099		\$ 99,856	\$ 604	
	=====	=====		=====	=====	
Net Interest Earnings and Interest Rate Spread		\$ 711	1.33%		\$ 663	1.60%
		=====	=====		=====	=====
Net Yield on Interest-Earning Assets			1.95%			2.03%
			=====			=====

THE BANK OF NEW YORK COMPANY, INC.
 Credit Loss Provision and Net Charge-Offs
 (In millions)

			Year-to-date		
	2Q06	1Q06	2Q05	2006	2005
Provision					
Continuing Operations	\$ (1)	\$ -	\$ (3)	\$ (1)	\$ (20)
Discontinued Operations	1	5	8	6	15
Total Provision	\$ -	\$ 5	\$ 5	\$ 5	\$ (5)
Net Charge-offs:					
Commercial	\$ 2	\$ 1	\$ (2)	\$ 3	\$ (2)
Foreign	4	2	(4)	6	(4)
Other	1	-	-	1	-
Total Continuing Operations	7	3	(6)	10	(6)
Discontinued Operations	(6)	(7)	(5)	(13)	(15)
Total	\$ 1	\$ (4)	\$ (11)	\$ (3)	\$ (21)

The sequential increase in the credit to the provision for continuing operations reflects a continued strong credit environment. During the second quarter of 2006, nonperforming loans on a continuing operations basis declined and credit loss recoveries increased.

THE BANK OF NEW YORK COMPANY, INC.

Loans

(Dollars in millions)

	June 30, 2006	March 31, 2006	June 30, 2005
Margin Loans	\$ 5,096	\$ 5,312	\$ 6,055
Non-Margin Loans	30,554	26,879	26,895
Loans on a Continuing Operations Basis	35,650	32,191	32,950
Margin Loans	-	-	-
Non-Margin Loans	7,972	7,863	7,731
Loans Related to Discontinued Operations	7,972	7,863	7,731
Total Loans	<u>\$ 43,622</u>	<u>\$ 40,054</u>	<u>\$ 40,681</u>
Allowance for Loan Losses	\$ 337	\$ 334	\$ 463
Allowance for Lending-Related Commitments	143	140	138
Allowance for Credit Losses on a on a Continuing Operations Basis	480	474	601
Allowance for Loan Losses	80	85	99
Allowance for Lending-Related Commitments	7	7	10
Allowance for Credit Losses related to Discontinued Operations	87	92	109
Total Allowance for Credit Losses	<u>\$ 567</u>	<u>\$ 566</u>	<u>\$ 710</u>

The increase in loans primarily reflects the extension of credit to the Company's securities servicing customers.

	June 30, 2006		March 31, 2006		June 30, 2005
<u>Continuing Operations</u>					
Allowance for Loan Losses					
As a Percent of Total Loans	0.95	%	1.04	%	1.41
Allowance for Loan Losses					
As a Percent of Non-Margin Loans	1.10		1.24		1.72
Total Allowance for Credit Losses					
As a Percent of Total Loans	1.35		1.47		1.82
Total Allowance for Credit Losses					
As a Percent of Non-Margin Loans	1.57		1.76		2.23
<u>Adjusted</u>					
Allowance for Loan Losses					
As a Percent of Total Loans	0.96	%	1.05	%	1.38
Allowance for Loan Losses					
As a Percent of Non-Margin Loans	1.08		1.21		1.62
Total Allowance for Credit Losses					
As a Percent of Total Loans	1.30		1.41		1.75
Total Allowance for Credit Losses					
As a Percent of Non-Margin Loans	1.47		1.63		2.05

THE BANK OF NEW YORK COMPANY, INC.
Nonperforming Assets
(Dollars in millions)

	<u>6/30/2006</u>	<u>3/31/2006</u>	Change 6/30/2006 vs. <u>3/31/2006</u>	Percent Inc/(Dec)
Loans:				
Commercial	\$ 10	\$ 12	\$ (2)	(17) %
Foreign	<u>10</u>	<u>13</u>	<u>(3)</u>	(23)
Total Nonperforming Loans	20	25	(5)	(20)
Other Assets Owned	<u>12</u>	<u>-</u>	<u>12</u>	-
Total Nonperforming Assets on a Continuing Operations Basis	<u>32</u>	<u>25</u>	<u>7</u>	28
Nonperforming Assets related to Discontinued Operations	<u>42</u>	<u>41</u>	<u>1</u>	2
Total Nonperforming Assets	<u>\$ 74</u>	<u>\$ 66</u>	<u>\$ 8</u>	12

Continuing Operations

Nonperforming Assets Ratio	0.1 %	0.1 %
Allowance for Loan Losses /Nonperforming Loans	1,685	1,336
Allowance for Loan Losses /Nonperforming Assets	1,053	1,336
Total Allowance for Credit Losses /Nonperforming Loans	2,400	1,896
Total Allowance for Credit Losses /Nonperforming Assets	1,500	1,896

Adjusted

Nonperforming Assets Ratio	0.2 %	0.2 %
Allowance for Loan Losses /Nonperforming Loans	673	635
Allowance for Loan Losses /Nonperforming Assets	564	635
Total Allowance for Credit Losses /Nonperforming Loans	915	858
Total Allowance for Credit Losses /Nonperforming Assets	766	858

The sequential quarter increase in nonperforming assets primarily reflects the buyout of debt associated with a lease on an aircraft that is being positioned for sale as part of a workout strategy.

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

Quarter Ended June 30, 2006

	Continuing Operations	Discontinued Operations	Adjusted Results ⁽¹⁾
Net Interest Income	\$ 358	\$ 154	\$ 512
Provision for Credit Losses	(1)	1	-
Net Interest Income After Provision for Credit Losses	359	153	512
Noninterest Income			
Servicing Fees			
Securities	909	-	909
Global Payment Services	63	7	70
	972	7	979
Private Banking and Asset Management Fees	138	12	150
Service Charges and Fees	53	38	91
Trading Activities	130	2	132
Securities Gains	23	-	23
Other	50	1	51
Total Noninterest Income	1,366	60	1,426
Noninterest Expense			
Salaries and Employee Benefits	656	67	723
Net Occupancy	68	18	86
Furniture and Equipment	48	2	50
Clearing	53	-	53
Sub-custodian Expenses	36	-	36
Software	53	-	53
Communications	22	1	23
Amortization of Intangibles	15	-	15
Other	183	26	209
Total Noninterest Expense	1,134	114	1,248
Income Before Income Taxes	591	99	690
Income Taxes	200	42	242
Net Income	\$ 391	\$ 57	\$ 448
	=====	=====	=====
Diluted Earnings Per Share	\$0.52	\$0.07	\$0.59

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statements of Income
(Dollars in millions, except per share amounts)
(Unaudited)
Quarter Ended June 30, 2005

	Continuing Operations	Discontinued Operations	Adjusted Results ⁽¹⁾
Net Interest Income	\$ 329	\$ 141	\$ 470
Provision for Credit Losses	(3)	8	5
Net Interest Income After Provision for Credit Losses	332	133	465
Noninterest Income			
Servicing Fees			
Securities	775	-	775
Global Payment Services	67	9	76
	842	9	851
Private Banking and Asset Management Fees	112	11	123
Service Charges and Fees	64	39	103
Foreign Exchange and Other Trading Activities	101	2	103
Securities Gains	23	-	23
Other	52	1	53
Total Noninterest Income	1,194	62	1,256
Noninterest Expense			
Salaries and Employee Benefits	581	59	640
Net Occupancy	65	17	82
Furniture and Equipment	49	2	51
Clearing	42	-	42
Sub-custodian Expenses	24	-	24
Software	55	-	55
Communications	21	1	22
Amortization of Intangibles	10	-	10
Other	174	23	197
Total Noninterest Expense	1,021	102	1,123
Income Before Income Taxes	505	93	598
Income Taxes	162	38	200
Net Income	\$ 343	\$ 55	\$ 398
	=====	=====	=====
Diluted Earnings Per Share	\$0.45	\$0.07	\$0.52

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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

Quarter Ended March 31, 2006

	Continuing Operations	Discontinued Operations	Adjusted Results ⁽¹⁾
Net Interest Income	\$ 339	\$ 149	\$ 488
Provision for Credit Losses	-	5	5
Net Interest Income After Provision for Credit Losses	339	144	483
Noninterest Income			
Servicing Fees			
Securities	831	-	831
Global Payment Services	62	8	70
	893	8	901
Private Client Services and Asset Management Fees	130	11	141
Service Charges and Fees	52	37	89
Foreign Exchange and Other Trading Activities	113	2	115
Securities Gains	17	-	17
Other	56	13	69
Total Noninterest Income	1,261	71	1,332
Noninterest Expense			
Salaries and Employee Benefits	604	64	668
Net Occupancy	68	20	88
Furniture and Equipment	51	2	53
Clearing	50	-	50
Sub-custodian Expenses	34	-	34
Software	55	1	56
Communications	26	1	27
Amortization of Intangibles	13	-	13
Other	164	25	189
Total Noninterest Expense	1,065	113	1,178
Income Before Income Taxes	535	102	637
Income Taxes	175	40	215
Net Income	\$ 360	\$ 62	\$ 422
	=====	=====	=====
Diluted Earnings Per Share	\$0.47	\$0.08	\$0.55

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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

Adjusted Results⁽¹⁾

	June 30, 2006	Quarter Ended June 30, 2005	March 31, 2006	6/30/06 vs. 6/30/05	6/30/06 vs. 3/31/06
Net Interest Income	\$ 512	\$ 470	\$ 488	9%	5%
Provision for Credit Losses	-	5	5		
Net Interest Income After Provision for Credit Losses	512	465	483	10	6
Noninterest Income					
Servicing Fees					
Securities	909	775	831	17	9
Global Payment Services	70	76	70	(8)	-
	979	851	901	15	9
Private Client Services and Asset Management Fees	150	123	141	22	6
Service Charges and Fees	91	103	89	(12)	2
Foreign Exchange and Other Trading Activities	132	103	115	28	15
Securities Gains	23	23	17	-	35
Other	51	53	69	(4)	(26)
Total Noninterest Income	1,426	1,256	1,332	14	7
Noninterest Expense					
Salaries and Employee Benefits	723	640	668	13	8
Net Occupancy	86	82	88	5	(2)
Furniture and Equipment	50	51	53	(2)	(6)
Clearing	53	42	50	26	6
Sub-custodian Expenses	36	24	34	50	6
Software	53	55	56	(4)	(5)
Communications	23	22	27	5	(15)
Amortization of Intangibles	15	10	13	50	15
Other	209	197	189	6	11
Total Noninterest Expense	1,248	1,123	1,178	11	6
Income Before Income Taxes	690	598	637	15	8
Income Taxes	242	200	215	21	13
Net Income	\$ 448	\$ 398	\$ 422	13	6
	=====	=====	=====		
Diluted Earnings Per Share	\$0.59	\$0.52	\$0.55	13	7

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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

Six Months Ended June 30,

	Continuing Operations	Discontinued Operations	2006 Adjusted Results ⁽¹⁾	2005 Adjusted Results ⁽¹⁾	6/30/06 vs. 6/30/05
Net Interest Income	\$ 697	\$ 303	\$1,000	\$ 925	8%
Provision for Credit Losses	(1)	6	5	(5)	(200)
Net Interest Income After Provision for Credit Losses	698	297	995	930	7
Noninterest Income					
Servicing Fees					
Securities	1,740	-	1,740	1,525	14
Global Payment Services	125	15	140	151	(7)
	1,865	15	1,880	1,676	12
Private Banking and					
Asset Management Fees	268	23	291	245	19
Service Charges and Fees	105	75	180	195	(8)
Foreign Exchange and Other					
Trading Activities	243	4	247	199	24
Securities Gains	40	-	40	35	14
Other	106	14	120	84	43
Total Noninterest Income	2,627	131	2,758	2,434	13
Noninterest Expense					
Salaries and Employee Benefits	1,260	131	1,391	1,258	11
Net Occupancy	136	38	174	160	9
Furniture and Equipment	99	4	103	103	-
Clearing	103	-	103	88	17
Sub-custodian Expenses	70	-	70	47	49
Software	108	1	109	108	1
Communications	48	2	50	45	11
Amortization of Intangibles	28	-	28	18	56
Other	347	51	398	373	7
Total Noninterest Expense	2,199	227	2,426	2,200	10
Income Before Income Taxes	1,126	201	1,327	1,164	14
Income Taxes	375	82	457	387	18
Net Income	\$ 751	\$ 119	\$ 870	\$ 777	12
	=====	=====	=====	=====	
Diluted Earnings Per Share	\$0.98	\$0.15	\$1.13	\$1.00	13

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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

Six Months Ended June 30, 2005

	Continuing Operations	Discontinued Operations	2005 Adjusted Results ⁽¹⁾
Net Interest Income	\$ 650	\$ 275	\$ 925
Provision for Credit Losses	(20)	15	(5)
Net Interest Income After Provision for Credit Losses	670	260	930
Noninterest Income			
Servicing Fees			
Securities	1,525	-	1,525
Global Payment Services	133	18	151
	1,658	18	1,676
Private Banking and Asset Management Fees	224	21	245
Service Charges and Fees	118	77	195
Foreign Exchange and Other Trading Activities	193	6	199
Securities Gains	35	-	35
Other	82	2	84
Total Noninterest Income	2,310	124	2,434
Noninterest Expense			
Salaries and Employee Benefits	1,138	120	1,258
Net Occupancy	124	36	160
Furniture and Equipment	98	5	103
Clearing	88	-	88
Sub-custodian Expenses	47	-	47
Software	107	1	108
Communications	43	2	45
Amortization of Intangibles	18	-	18
Other	329	44	373
Total Noninterest Expense	1,992	208	2,200
Income Before Income Taxes	988	176	1,164
Income Taxes	317	70	387
Net Income	\$ 671	\$ 106	\$ 777
	=====	=====	=====
Diluted Earnings Per Share	\$0.86	\$0.14	\$1.00

Notes:

(1) Adjusted results combine continuing and discontinued operations to provide continuity with historical results.

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THE BANK OF NEW YORK COMPANY, INC.
Consolidated Balance Sheets
(In millions)
(Unaudited)

	June 30, 2006			December 31, 2005		
	Continuing Operations	Discontinued Operations	Adjusted	Continuing Operations	Discontinued Operations	Adjusted
Assets						
Cash and Due from Banks	\$ 3,010	\$ 609	\$ 3,619	\$ 2,882	\$ 633	\$ 3,515
Interest-Bearing Deposits in Banks	11,978	-	11,978	8,644	-	8,644
Securities	27,355	104	27,459	27,218	108	27,326
Trading Assets at Fair Value	6,065	-	6,065	5,930	-	5,930
Federal Funds Sold and Securities Purchased Under Resale Agreements	2,235	-	2,235	2,425	-	2,425
Loans	35,313	7,892	43,205	32,601	7,714	40,315
Premises and Equipment	963	112	1,075	960	100	1,060
Due from Customers on Acceptances	210	23	233	212	21	233
Accrued Interest Receivable	394	32	426	363	28	391
Goodwill	3,784	109	3,893	3,510	109	3,619
Intangible Assets	885	-	885	811	-	811
Other Assets	7,743	65	7,808	7,710	95	7,805
Total Assets	\$ 99,935	\$ 8,946	\$108,881	\$ 93,266	\$ 8,808	\$ 102,074
	=====	=====	=====	=====	=====	=====
Liabilities and Shareholders' Equity						
Deposits	\$ 56,741	\$13,678	\$ 70,419	\$ 49,787	\$ 14,637	\$ 64,424
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,177	-	1,177	834	-	834
Trading Liabilities	2,938	-	2,938	2,401	-	2,401
Payables to Customers and Broker-Dealers	6,638	-	6,638	8,623	-	8,623
Other Borrowed Funds	1,026	-	1,026	860	-	860
Acceptances Outstanding	210	26	236	212	23	235
Accrued Taxes and Other Expenses	3,864	8	3,872	4,123	1	4,124
Accrued Interest Payable	192	11	203	172	-	172
Other Liabilities	4,101	8	4,109	2,697	11	2,708
Long-Term Debt	8,207	-	8,207	7,817	-	7,817
Total Liabilities	85,094	13,731	98,825	77,526	14,672	92,198
Shareholders' Equity	10,056	-	10,056	9,876	-	9,876
Total Liabilities and Shareholders' Equity	\$ 95,150	\$13,731	\$108,881	\$ 87,402	\$ 14,672	\$ 102,074
	=====	=====	=====	=====	=====	=====

Note: The balance sheet at December 31, 2005 has been derived from the audited financial statements at that date.