

THE
BANK OF
NEW
YORK
COMPANY, INC.

NEWS

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FOR RELEASE:

IMMEDIATELY

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**THE BANK OF NEW YORK COMPANY, INC. REPORTS SECOND QUARTER E.P.S. OF 50 CENTS
RESULTS INCLUDE SEVERANCE EXPENSE OF 1 CENT PER SHARE
ANNUALIZED SEQUENTIAL SECURITIES SERVICING FEE CORE GROWTH OF 11%
RETURN ON EQUITY OF 22.59%; RETURN ON ASSETS OF 1.82%**

NEW YORK, N.Y., July 17, 2002 -- The Bank of New York Company, Inc. (NYSE: BK) reports second quarter net income of \$361 million or 50 cents per diluted share. Net income for the first six months was \$723 million or 99 cents per diluted share. Second quarter 2002 results included \$16 million of pre-tax severance expense associated with a 400 person staff reduction, which reduced net income by 1 cent per share.

The Company's fee-based businesses performed well in a lackluster global capital markets environment. Compared with the first quarter of 2002, second quarter securities servicing fee revenues increased 6% to \$473 million. Private client services and asset management fees were \$86 million, up 6% versus the first quarter. These increases in securities servicing and private client services and asset management were driven by core growth and

acquisitions. The Company's continued focus on fee-based businesses resulted in noninterest income growing to 67% of total revenue in the second quarter, up from 66% last quarter.

Chairman and Chief Executive Officer Thomas A. Renyi stated, "Given the environment, I am pleased with the growth in securities servicing fee revenues this quarter as our diversified business model continued to perform well. We are consistently winning new business, contributing to our top line growth and representing further market share gains.

"We continue to execute our long-term growth strategy through investments in technology, internal product development, and strategic acquisitions. These initiatives have added clients, opened new markets, and expanded our suite of global product offerings for both issuers and investors. This will result in meaningful operating leverage when the capital markets environment improves."

Fees from the Company's securities servicing businesses increased 6% to \$473 million for the second quarter from \$448 million last quarter and increased 9% from \$436 million in the prior year. Core growth in the businesses accounted for approximately half of the sequential quarter revenue growth, which annualizes to an 11% growth rate. The remaining growth resulted largely from the full quarter benefit of acquisitions closed in the first quarter. Strong performers for the quarter include custody, corporate trust, broker-dealer services, and stock transfer. Custody growth resulted from domestic new business wins and increased customer activity, particularly in Europe and Asia. Corporate trust benefited from strong fixed-income issue volume, particularly in the corporate and municipal markets. Broker-dealer services were positively impacted by new business wins, strong fixed income activity and the increased use of the Company's global collateral management system. Stock transfer growth resulted from a large corporate action related fee and several new business wins. The Company continues to be the world's

leading custodian with assets of \$6.6 trillion, including \$1.8 trillion of cross-border custody assets.

Private client services and asset management fees increased 6% to \$86 million for the second quarter of 2002, up from \$81 million last quarter and increased 10% from \$78 million in the second quarter of 2001. Strong sequential quarter growth primarily benefited from the acquisitions of Gannet Welsh & Kotler and Beacon Fiduciary Advisors, both of which closed during the quarter. Fees were also favorably impacted by continued strong flows into alternative investment funds offered by the Company's Ivy Asset Management subsidiary and demand for the Company's retail investment products.

Foreign exchange and other trading revenues were \$72 million in the second quarter of 2002 compared to \$63 million last quarter and \$98 million in the second quarter of 2001. Relative to a year ago, second quarter foreign exchange activity was negatively impacted by continuation of the first quarter's lower volatility and narrow spreads. However, the weakening of the dollar led to a higher volume of client hedging activity as the second quarter progressed. Other trading revenues decreased as a result of a stable interest rate environment, which negatively impacted the Company's interest rate hedging and risk management businesses. In the second quarter of 2001, other trading revenues were also favorably impacted by revenues from seasonal arbitrage strategies related to the Company's securities lending business.

Net interest income on a taxable equivalent basis for the second quarter was \$436 million, up from \$425 million last quarter reflecting growth in the Company's investment securities portfolio and improved pricing on loan and deposit products.

The provision for credit losses remained steady at \$35 million in the second quarter. The Company continues to make significant progress in its program to reduce corporate loan exposures, as it reallocates capital towards its fee-based businesses. At June 30, 2002, exposures related to the

Company's emerging telecom accelerated loan disposition program had been reduced to \$63 million with related outstandings of \$53 million.

Return on average common equity for the second quarter of 2002 was 22.59% compared with 23.76% in the first quarter of 2002 and 25.44% in the second quarter of 2001. Return on average assets for the second quarter of 2002 was 1.82% compared with 1.84% in the first quarter of 2002 and 2.01% in the second quarter of 2001. For the first six months of 2002, return on average common equity was 23.16% compared with 25.68% in 2001. Return on average assets was 1.83% for the first six months of 2002 compared with 2.02% in 2001.

The Company's estimated Tier 1 capital and Total capital ratios were 7.73% and 11.54% at June 30, 2002, compared with 8.43% and 12.56% at March 31, 2002, and 8.07% and 12.07% at June 30, 2001. The leverage ratio was 6.82% at June 30, 2002, compared with 7.19% at March 31, 2002, and 7.40% one year ago. The Company's tangible common equity as a percentage of total assets was 5.41% at June 30, 2002, compared with 5.51% at March 31, 2002, and 5.56% at June 30, 2001. In the first half of 2002, the Company repurchased 7 million shares under its common stock repurchase programs.

NONINTEREST INCOME

	2nd Quarter	1st Quarter	2nd Quarter	Year-to-Date	
(In millions)	2002	2002	2001	2002	2001
Servicing Fees					
Securities	\$473	\$448	\$436	\$ 922	\$ 893
Global Payment Services	71	73	72	144	141
	544	521	508	1,066	1,034
Private Client Services and					
Asset Management Fees	86	81	78	167	158
Service Charges and Fees	93	83	95	176	185
Foreign Exchange and					
Other Trading Activities	72	63	98	134	181
Securities Gains	25	31	46	56	92
Other	28	31	31	60	64
Total Noninterest Income	\$848	\$810	\$856	\$1,659	\$1,714
	=====	=====	=====	=====	=====

Total noninterest income for the second quarter of 2002 increased by 5% compared with the first quarter of 2002 and decreased 1% compared with the second quarter of 2001. Securities servicing fees increased by 6% from the prior quarter and 9% from one year ago, with revenue growth resulting from core growth and acquisitions. Global payment services fees were essentially flat on both a sequential quarter and a year-over-year basis as growth in cash management was offset by modest declines in trade finance. Private client services and asset management fees were up 6% from the prior quarter and 10% from one year ago, with growth resulting from acquisitions and new business in alternative and retail investment products. Service charges and fees were up 12% from the prior quarter and down slightly from one year ago. The sequential quarter increase reflects a pick-up in loan syndication and capital markets fees from the first quarter. Foreign exchange and other trading revenues were up 14% from the prior quarter and down 27% from one year ago. Securities gains of \$25 million in the second quarter were down from \$31 million in the prior quarter and \$46 million one year ago, reflecting the Company's capital allocation initiatives away from equity investing, as well as weak equity market conditions.

NET INTEREST INCOME

	2nd Quarter	1st Quarter	2nd Quarter	Year-to-Date	
(Dollars in millions on a tax equivalent basis)	2002	2002	2001	2002	2001
Net Interest Income	\$436	\$425	\$446	\$861	\$887
Net Interest Rate Spread	2.31%	2.30%	2.00%	2.31%	1.89%
Net Yield on Interest Earning Assets	2.65	2.63	2.79	2.64	2.77

Net interest income on a taxable equivalent basis was \$436 million in the second quarter of 2002 compared with \$425 million in the first quarter of 2002 and \$446 million in the second quarter of 2001. The net interest rate spread was 2.31% in the second quarter of 2002, compared with 2.30% in the first quarter of 2002 and 2.00% one year ago. The net yield on interest earning assets was 2.65% compared with 2.63% in the first quarter of 2002 and 2.79% in last year's second quarter.

The increase in net interest income from the first quarter is primarily due to growth in the Company's highly-rated investment securities portfolio, improved pricing on loan and deposit products, and an extra day in the quarter.

For the first six months of 2002, net interest income on a taxable equivalent basis amounted to \$861 million compared with \$887 million in the first half of 2001. The year-to-date net interest rate spread was 2.31% in 2002 compared with 1.89% in 2001, while the net yield on interest earning assets was 2.64% in 2002 and 2.77% in 2001.

NONINTEREST EXPENSE AND INCOME TAXES

Noninterest expense for the second quarter of 2002 was \$689 million compared with \$641 million in the first quarter of 2002 and \$655 million in 2001. Of the \$48 million in sequential quarter expense increase, \$16 million relates to severance and \$12 million relates to acquisitions. The growth in core expenses annualizes to an 11% rate, driven by higher technology spending, incentive compensation and other variable expenses.

As a result of applying a new accounting pronouncement related to goodwill and intangibles, amortization in the second quarter and the first six months of 2002 declined to \$2 million and \$4 million compared with \$25 million and \$54 million in 2001.

The efficiency ratio for the second quarter of 2002 was 54.7% compared with 53.3% in the first quarter of 2002 and 52.1% in the second quarter of 2001. For the first half of 2002, the efficiency ratio was 54.0% compared with 52.0% last year. Excluding severance costs, the efficiency ratio for the second quarter would have been 53.4%.

The effective tax rates for the second quarter and the first six months of 2002 were 34.0% and 33.8% compared with 36.0% in the second quarter and 36.1% in the first six months of 2001. The decline in the rates from a year ago primarily reflects an increase in tax credits and fewer nondeductible expenses.

NONPERFORMING ASSETS

(Dollars in millions)	6/30/02	3/31/02	Change 6/30/02 vs. 3/31/02
	<u> </u>	<u> </u>	<u> </u>
Category of Loans:			
Commercial	\$184	\$187	\$(3)
Foreign	97	67	30
Other	34	20	14
	<u> </u>	<u> </u>	<u> </u>
Total Nonperforming Loans	315	274	41
Other Real Estate	1	1	-
	<u> </u>	<u> </u>	<u> </u>
Total Nonperforming Assets	\$316	\$275	\$41
	=====	=====	=====
Nonperforming Assets Ratio	0.9%	0.8%	
Allowance/Nonperforming Loans	195.7	225.1	
Allowance/Nonperforming Assets	194.9	223.8	

Nonperforming assets totaled \$316 million at June 30, 2002, compared with \$275 million at March 31, 2002 and \$245 million at June 30, 2001. The increase in foreign nonperforming loans primarily reflects Argentine loans which became nonperforming in the second quarter of 2002. The increase in other nonperforming loans primarily reflects a private banking loan placed on nonaccrual in the second quarter of 2002.

CREDIT LOSS PROVISION AND NET CHARGE-OFFS

(In millions)	2nd Quarter	1st Quarter	2nd Quarter	Year-to-date	
	<u>2002</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Provision	\$ 35	\$ 35	\$ 30	\$ 70	\$ 60
	=====	=====	=====	=====	=====
Net Charge-offs:					
Commercial	\$(17)	\$(30)	\$(26)	\$(47)	\$(54)
Foreign	-	1	-	1	-
Other	(14)	-	(1)	(14)	(1)
Consumer	(4)	(6)	(3)	(10)	(5)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	\$(35)	\$(35)	\$(30)	\$(70)	\$(60)
	=====	=====	=====	=====	=====
Other Real Estate Expenses	\$ -	\$ -	\$ -	\$ -	\$ 2

The allowance for credit losses was \$616 million, or 1.71% of loans at June 30, 2002, compared with \$616 million, or 1.74% of loans at

March 31, 2002, and \$616 million, or 1.68% of loans at June 30, 2001. The ratio of the allowance to nonperforming assets was 194.9% at June 30, 2002, compared with 223.8% at March 31, 2002, and 251.0% at June 30, 2001.

WORLD TRADE CENTER DISASTER

The Company has commenced the reoccupation of its two major facilities disabled by the WTC disaster. During the second quarter, the Company incurred \$31 million of expenses associated with its interim operating facilities which were netted against an offsetting insurance recovery. In addition, during the second quarter the Company completed its assessment of damaged equipment from the WTC disaster and wrote off an incremental \$38 million of technology equipment, against which it booked an offsetting insurance recovery. Since the WTC disaster, the Company has recorded insurance recoveries of \$267 million and received advances on its claim of \$275 million. Additional recoveries will be reflected in the future, largely related to interim space costs.

ADDITIONAL INFORMATION

A pre-recorded call with Bruce W. Van Saun, senior executive vice president and chief financial officer, reviewing the quarterly results can be accessed domestically at (888)568-0336 and internationally at (402)530-7883. The call will be available through 5:00 p.m. EDT on Tuesday, July 23, 2002. The call may include forward looking statements. See "Forward Looking Statements" below.

The Bank of New York Company, Inc. (NYSE: BK), is a financial holding company with total assets of over \$80 billion as of June 30, 2002. The Company provides a complete range of banking and other financial services to corporations and individuals worldwide through its basic businesses, namely, Securities Servicing and Global Payment Services, Corporate Banking, BNY Asset Management and Private Client Services, Retail Banking, and Global Market

Services. Additional information on the Company 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, the level of capital market activity, the effects of capital reallocation, 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" in the Company's First Quarter 2002 Form 10-Q 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. Accounting Change - In the fourth quarter of 2001, the Company reclassified Company-Obligated Mandatory Redeemable Preferred Trust Securities of Subsidiary Trust Holding Solely Junior Subordinated Debentures to Long-Term Debt. Prior periods have been restated.

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

	<u>2002</u>	<u>2001</u>	<u>Change</u>
For the Three Months Ended June 30:			
<hr/>			
Net Income	\$ 361	\$ 385	(6.0)%
Per Common Share:			
Basic	\$ 0.50	\$ 0.53	(5.7)
Diluted	0.50	0.52	(3.8)
Cash Dividends Paid	0.19	0.18	5.6
Return on Average Common Shareholders' Equity	22.59%	25.44%	
Return on Average Assets	1.82	2.01	
For the Six Months Ended June 30:			
<hr/>			
Net Income	\$ 723	\$ 769	(6.0)%
Per Common Share:			
Basic	\$ 1.00	\$ 1.05	(4.8)
Diluted	0.99	1.03	(3.9)
Cash Dividends Paid	0.38	0.36	5.6
Return on Average Common Shareholders' Equity	23.16%	25.68%	
Return on Average Assets	1.83	2.02	
As of June 30:			
<hr/>			
Assets	\$80,663	\$76,831	5.0%
Loans	35,998	36,705	(1.9)
Securities	16,377	9,702	68.8
Deposits - Domestic	29,423	27,363	7.5
- Foreign	25,868	26,345	(1.8)
Long-Term Debt	5,668	4,555	24.4
Common Shareholders' Equity	6,610	6,285	5.2
Common Shareholders' Equity Per Share	9.09	8.53	6.5
Market Value Per Share of Common Stock	33.75	48.00	(29.7)
Allowance for Credit Losses as a Percent of Loans	1.71%	1.68%	
Tier 1 Capital Ratio	7.73	8.07	
Total Capital Ratio	11.54	12.07	
Leverage Ratio	6.82	7.40	
Tangible Common Equity Ratio	5.41	5.56	

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

	For the three months ended June 30,		For the six months ended June 30,	
	2002	2001	2002	2001
<u>Interest Income</u>				
Loans	\$ 377	\$ 595	\$ 760	\$1,271
Securities				
Taxable	158	100	299	178
Exempt from Federal Income Taxes	16	20	32	37
	<u>174</u>	<u>120</u>	<u>331</u>	<u>215</u>
Deposits in Banks	44	62	79	132
Federal Funds Sold and Securities Purchased Under Resale Agreements	12	38	26	89
Trading Assets	68	110	141	251
	<u>675</u>	<u>925</u>	<u>1,337</u>	<u>1,958</u>
<u>Interest Expense</u>				
Deposits	158	373	318	835
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	8	23	16	55
Other Borrowed Funds	30	28	59	59
Long-Term Debt	56	71	109	152
	<u>252</u>	<u>495</u>	<u>502</u>	<u>1,101</u>
Net Interest Income	423	430	835	857
Provision for Credit Losses	35	30	70	60
Net Interest Income After Provision for Credit Losses	<u>388</u>	<u>400</u>	<u>765</u>	<u>797</u>
<u>Noninterest Income</u>				
Servicing Fees				
Securities	473	436	922	893
Global Payment Services	71	72	144	141
	<u>544</u>	<u>508</u>	<u>1,066</u>	<u>1,034</u>
Private Client Services and Asset Management Fees	86	78	167	158
Service Charges and Fees	93	95	176	185
Foreign Exchange and Other Trading Activities	72	98	134	181
Securities Gains	25	46	56	92
Other	28	31	60	64
	<u>848</u>	<u>856</u>	<u>1,659</u>	<u>1,714</u>
<u>Noninterest Expense</u>				
Salaries and Employee Benefits	416	391	802	785
Net Occupancy	49	47	98	97
Furniture and Equipment	35	31	70	62
Other	189	186	361	364
	<u>689</u>	<u>655</u>	<u>1,331</u>	<u>1,308</u>
Income Before Income Taxes	547	601	1,093	1,203
Income Taxes	186	216	370	434
Net Income	<u>\$ 361</u>	<u>\$ 385</u>	<u>\$ 723</u>	<u>\$ 769</u>
	=====	=====	=====	=====
<u>Per Common Share Data</u>				
Basic Earnings	\$0.50	\$0.53	\$1.00	\$1.05
Diluted Earnings	0.50	0.52	0.99	1.03
Cash Dividends Paid	0.19	0.18	0.38	0.36
Diluted Shares Outstanding	729	742	729	743

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

	<u>June 30,</u> 2002	<u>December 31,</u> 2001
Assets		
Cash and Due from Banks	\$ 2,885	\$ 3,222
Interest-Bearing Deposits in Banks	7,765	6,619
Securities:		
Held-to-Maturity	1,201	1,211
Available-for-Sale	15,176	11,651
	<hr/>	<hr/>
Total Securities	16,377	12,862
Trading Assets at Fair Value	6,435	8,270
Federal Funds Sold and Securities Purchased Under Resale Agreements	2,645	4,795
Loans (less allowance for credit losses of \$616 in 2002 and 2001)	35,382	35,131
Premises and Equipment	1,013	992
Due from Customers on Acceptances	502	313
Accrued Interest Receivable	248	236
Goodwill	2,298	2,065
Intangible Assets	74	19
Other Assets	5,039	6,501
	<hr/>	<hr/>
Total Assets	\$80,663	\$81,025
	=====	=====
Liabilities and Shareholders' Equity		
Deposits		
Noninterest-Bearing (principally domestic offices)	\$11,627	\$12,635
Interest-Bearing		
Domestic Offices	18,093	16,553
Foreign Offices	25,571	26,523
	<hr/>	<hr/>
Total Deposits	55,291	55,711
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,687	1,756
Trading Liabilities	2,891	2,264
Other Borrowed Funds	2,052	2,363
Acceptances Outstanding	504	358
Accrued Taxes and Other Expenses	3,998	3,766
Accrued Interest Payable	53	92
Other Liabilities	1,909	3,422
Long-Term Debt	5,668	4,976
	<hr/>	<hr/>
Total Liabilities	74,053	74,708
	<hr/>	<hr/>
Shareholders' Equity		
Class A Preferred Stock - par value \$2.00 per share, authorized 5,000,000 shares, outstanding 3,500 shares in 2002 and 2001	-	-
Common Stock-par value \$7.50 per share, authorized 2,400,000,000 shares, issued 993,235,006 shares in 2002 and 990,773,101 shares in 2001	7,449	7,431
Additional Capital	809	741
Retained Earnings	4,827	4,383
Accumulated Other Comprehensive Income	36	80
	<hr/>	<hr/>
Total Shareholders' Equity	13,121	12,635
Less: Treasury Stock (265,346,551 shares in 2002 and 260,449,527 shares in 2001), at cost	6,505	6,312
Loan to ESOP (823,810 shares in 2002 and 2001), at cost	6	6
	<hr/>	<hr/>
Total Shareholders' Equity	6,610	6,317
	<hr/>	<hr/>
Total Liabilities and Shareholders' Equity	\$80,663	\$81,025
	=====	=====

Note: The balance sheet at December 31, 2001 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, 2002			For the three months ended June 30, 2001		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 5,737	\$ 44	3.03%	\$ 5,563	\$ 62	4.46%
Federal Funds Sold and Securities Purchased Under Resale Agreements	2,834	12	1.69	3,602	38	4.28
Loans						
Domestic Offices	19,068	245	5.16	18,941	321	6.80
Foreign Offices	15,566	132	3.40	18,228	274	6.04
Total Loans	34,634	377	4.37	37,169	595	6.43
Securities						
U.S. Government Obligations	669	9	5.40	1,019	14	5.68
U.S. Government Agency Obligations	3,253	45	5.54	2,880	47	6.43
Obligations of States and Political Subdivisions	580	9	6.54	638	13	7.88
Other Securities	10,112	124	4.89	4,086	61	6.02
Trading Securities	8,124	68	3.36	9,003	111	4.91
Total Securities	22,738	255	4.49	17,626	246	5.57
Total Interest-Earning Assets	65,943	688	4.18%	63,960	941	5.90%
Allowance for Credit Losses	(616)			(612)		
Cash and Due from Banks	2,726			2,791		
Other Assets	11,634			10,572		
TOTAL ASSETS	\$79,687			\$76,711		
	=====			=====		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 6,405	\$ 21	1.33%	\$ 6,190	\$ 53	3.41%
Savings	8,171	22	1.10	7,650	41	2.14
Certificates of Deposit						
\$100,000 & Over	1,252	8	2.50	377	5	5.37
Other Time Deposits	1,567	9	2.27	1,975	22	4.48
Foreign Offices	24,459	98	1.60	25,935	252	3.91
Total Interest-Bearing Deposits	41,854	158	1.51	42,127	373	3.55
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,299	8	1.47	2,279	23	4.05
Other Borrowed Funds	4,394	30	2.73	2,031	28	5.43
Long-Term Debt	5,450	56	4.06	4,502	71	6.34
Total Interest-Bearing Liabilities	53,997	252	1.87%	50,939	495	3.90%
Noninterest-Bearing Deposits	10,257			10,696		
Other Liabilities	9,017			9,011		
Common Shareholders' Equity	6,416			6,065		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$79,687			\$76,711		
	=====			=====		
Net Interest Earnings and Interest Rate Spread		\$ 436	2.31%		\$ 446	2.00%
		=====			=====	
Net Yield on Interest-Earning Assets			2.65%			2.79%
			=====			=====

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, 2002			For the six months ended June 30, 2001		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 5,481	\$ 79	2.88%	\$ 5,697	\$ 132	4.66%
Federal Funds Sold and Securities Purchased Under Resale Agreements	3,069	26	1.72	3,666	89	4.92
Loans						
Domestic Offices	19,211	490	5.15	19,028	661	6.99
Foreign Offices	15,869	270	3.43	18,667	611	6.61
Total Loans	35,080	760	4.37	37,695	1,272	6.80
Securities						
U.S. Government Obligations	736	20	5.37	1,146	32	5.71
U.S. Government Agency Obligations Obligations of States and Political Subdivisions	3,075	87	5.66	2,340	76	6.55
Other Securities	574	19	6.57	660	26	7.90
Trading Securities	9,322	231	4.96	3,682	108	5.93
	8,435	141	3.38	9,596	253	5.27
Total Securities	22,142	498	4.51	17,424	495	5.72
Total Interest-Earning Assets	65,772	1,363	4.18%	64,482	1,988	6.21%
Allowance for Credit Losses	(616)			(613)		
Cash and Due from Banks	2,683			2,712		
Other Assets	11,809			10,115		
TOTAL ASSETS	\$79,648			\$76,696		
	=====			=====		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 6,661	\$ 44	1.34%	\$ 6,197	\$ 123	4.01%
Savings	8,114	48	1.18	7,572	90	2.39
Certificates of Deposit						
\$100,000 & Over	877	12	2.74	392	11	5.79
Other Time Deposits	1,585	19	2.38	1,940	45	4.72
Foreign Offices	24,816	195	1.59	26,372	566	4.33
Total Interest-Bearing Deposits	42,053	318	1.53	42,473	835	3.97
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,203	16	1.47	2,375	55	4.66
Other Borrowed Funds	4,566	59	2.58	2,030	59	5.84
Long-Term Debt	5,239	109	4.15	4,510	152	6.75
Total Interest-Bearing Liabilities	54,061	502	1.87%	51,388	1,101	4.32%
Noninterest-Bearing Deposits	10,192			10,852		
Other Liabilities	9,097			8,415		
Common Shareholders' Equity	6,298			6,041		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$79,648			\$76,696		
	=====			=====		
Net Interest Earnings and Interest Rate Spread		\$ 861	2.31%		\$ 887	1.89%
		=====			=====	
Net Yield on Interest-Earning Assets			2.64%			2.77%
			=====			=====