

THE
BANK OF
NEW
YORK
COMPANY, INC.

NEWS

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FOR RELEASE:

CORPORATE COMMUNICATIONS

IMMEDIATELY

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**THE BANK OF NEW YORK COMPANY, INC. REPORTS FOURTH QUARTER E.P.S. OF 14 CENTS
SECURITIES SERVICING REVENUES UP 7% IN 2002
RESULTS IN LINE WITH PREVIOUS GUIDANCE**

NEW YORK, N.Y., January 22, 2003 -- The Bank of New York Company, Inc. (NYSE: BK) reports fourth quarter net income of \$100 million, or 14 cents per fully diluted share. For the year, net income was \$902 million, or \$1.24 per fully diluted share. As previously announced, net income for the fourth quarter of 2002 includes a \$390 million pre-tax loan loss provision and a related \$240 million charge-off, primarily for aircraft leasing exposure to United Airlines, as well as the potential for losses on leases to other domestic carriers. The impact of this additional provisioning reduced net income by 32 cents per share.

All of the Company's major revenue categories were up slightly from the third quarter in spite of the continued soft global capital markets environment. Fourth quarter securities servicing fees increased to \$484 million from \$480 million last quarter, and represented the fifth consecutive sequential quarter increase. Private client services and asset management fees also increased, to \$88 million, compared with \$85 million in the third quarter. Although still at relatively weak levels, revenues from

foreign exchange and other trading activities also showed a modest increase, to \$51 million from \$49 million in the third quarter.

Earlier this month, the Company announced the signing of a definitive purchase agreement with Credit Suisse First Boston to acquire its Pershing unit for a \$2 billion cash purchase price, subject to certain adjustments. Pershing is the largest global provider of correspondent clearing services and outsourcing solutions for asset managers, brokers, and other financial intermediaries. This acquisition, which is expected to close by the end of the second quarter, solidifies the Company's position as a leading securities servicing outsourcer to financial institutions.

Chairman and Chief Executive Officer Thomas A. Renyi stated, "The fourth quarter results are in line with our prior guidance and reflect a persistently weak market environment. Nonetheless, each of our major business areas showed growth, with securities servicing revenues increasing for the fifth consecutive quarter.

"Our commitment to reinvest in our core businesses is evidenced by the acquisition of Pershing, which offers a great strategic fit and an excellent opportunity to further leverage our global franchise. Pershing will provide new clients, augment our product line and solidify our position of market leadership.

"With respect to the additional provisioning we took in the fourth quarter, this action addressed our exposure to the U.S. airline industry and significantly increased our loan reserves, which created flexibility for our credit risk reduction efforts."

Fees from the Company's securities servicing businesses increased to \$484 million for the fourth quarter from \$480 million last quarter. Excluding the benefit of an acquisition that closed in the quarter, revenues were essentially flat. Corporate trust, securities lending and clearing services performed well in the quarter. Corporate trust benefited from traditional seasonal strength in the fourth quarter and a rebound in structured finance products in the U.S. as well as global issuance. Securities lending benefited from higher volumes and was positively impacted by the reduction in interest rates by the Federal Reserve in early November. Clearing services benefited

from the full quarter impact of new clients. Areas in which results were not as strong included ADRs, reflecting the continued absence of capital raising activity and decreased trading volumes, global custody and mutual funds, due primarily to reduced transaction volumes.

As of December 31, 2002, the Company had assets under custody of \$6.8 trillion, compared with \$6.6 trillion at September 30, 2002. The increase primarily resulted from higher equity price levels and a favorable trend in the Euro exchange rate, as well as new business wins that closed in the fourth quarter. Cross border custody assets increased to \$1.9 trillion from \$1.8 trillion at September 30, 2002.

Private client services and asset management fees increased to \$88 million for the fourth quarter, compared with \$85 million last quarter. The increase reflects the impact of the Lockwood acquisition, as well as continued strong flows into alternative investment funds offered by the Company's Ivy Asset Management subsidiary. Total assets under management were up to \$76 billion from \$71 billion at September 30, 2002.

Foreign exchange and other trading revenues increased to \$51 million in the fourth quarter of 2002, from \$49 million last quarter. Foreign exchange activity continues to be constrained by reduced client flows from fund managers, low volatility and narrow spreads. Other trading revenues benefited from increased client-related interest rate hedging activity as a result of the cut in interest rates during the quarter.

Net interest income on a taxable equivalent basis for the fourth quarter was \$423 million, compared with \$429 million last quarter, reflecting continued spread compression on deposits, an increase in average non-accrual loans and continued reductions in the Company's corporate loan portfolio. In 2002, the Company achieved its \$7 billion target for reductions in corporate credit exposures and continued to reallocate capital towards its fee-based businesses.

Return on average common equity for the fourth quarter of 2002 was 5.99%, compared with 4.73% in the third quarter of 2002, and 20.42% in the fourth quarter of 2001. Return on average assets for the fourth quarter of 2002 was 0.49%, compared with 0.40% in the third quarter of 2002, and 1.53% in the

fourth quarter of 2001. For the year 2002, return on average common equity was 13.96%, compared with 21.58% in 2001. Return on average assets was 1.13% for the year 2002, compared with 1.64% in 2001.

The Company's estimated Tier 1 capital and Total capital ratios were 7.60% and 11.98% at December 31, 2002, compared with 7.70% and 11.73% at September 30, 2002, and 8.11% and 11.57% at December 31, 2001. The leverage ratio was 6.48% at December 31, 2002, compared with 6.77% at September 30, 2002, and 6.70% one year ago. The Company's tangible common equity as a percentage of total assets was 5.51% at December 31, 2002, compared with 5.38% at September 30, 2002, and 5.36% at December 31, 2001.

NONINTEREST INCOME

	4th Quarter	3rd Quarter	4th Quarter	Year-to-date	
(In millions)	2002	2002	2001	2002	2001
Servicing Fees					
Securities	\$484	\$480	\$ 446	\$1,896	\$1,775
Global Payment Services	75	73	71	292	287
	<u>559</u>	<u>553</u>	<u>517</u>	<u>2,188</u>	<u>2,062</u>
Private Client Services					
and Asset Management Fees	88	85	78	344	314
Service Charges and Fees	93	91	89	361	356
Foreign Exchange and					
Other Trading Activities	51	49	78	234	338
Securities Gains	13	(188)	40	(118)	154
Other	29	46	208	134	347
	<u>29</u>	<u>46</u>	<u>208</u>	<u>134</u>	<u>347</u>
Total Noninterest Income*	<u>\$833</u>	<u>\$636</u>	<u>\$1,010</u>	<u>\$3,143</u>	<u>\$3,571</u>
	=====	=====	=====	=====	=====

* See Accounting Changes on page 11.

Total noninterest income for the fourth quarter of 2002 was \$833 million, or 67% of total revenues. Comparisons with prior periods include the impact of equity valuation adjustments in the third quarter of 2002 and, in 2001, the World Trade Center disaster ("WTC disaster").

Securities servicing fees for the fourth quarter were up 1% from the prior quarter, and 9% from the fourth quarter of 2001. For the full year, total securities servicing fees increased by 7% from the previous year, reflecting acquisitions and the benefit of well-diversified businesses.

Global payment services fees increased by 3% from the prior quarter, 6% from the fourth quarter of 2001, and 2% for the full year. The increased

revenues reflect higher funds transfer volumes and increased multi-currency activity from existing clients, as well as the addition of new clients. This offset continued weakness in global trade services.

Private client services and asset management fees for the fourth quarter were up 4% from the prior quarter, and 13% from the fourth quarter of 2001. For the year 2002, private client services and asset management fees were up 9% from the previous year, reflecting several acquisitions and core growth in alternative investments and retail investment products. Ivy Asset Management's assets under management increased 30% on a year-over-year basis.

Service charges and fees were up 2% from the prior quarter, and 4% from one year ago. The sequential quarter increase reflects increased fees to offset the adverse impact of lower rates on compensating balances.

Foreign exchange and other trading revenues were up slightly compared with the prior quarter, and down 35% from one year ago. For the full year, foreign exchange and other trading revenues decreased 31% due to a significant decrease in volatility in the currency markets and reduced client activity in the second half of 2002. Other trading was negatively impacted by a sharp fall off in client interest rate hedging activities compared to the previous year.

Securities gains were \$13 million in the quarter, compared with a \$188 million loss in the prior quarter, and a \$40 million gain one year ago. The loss in the third quarter included a \$210 million equity writedown that accelerated the substantial liquidation of the Company's bank stock portfolio. At December 31, 2002, the Company had a total of \$91 million in bank stock investments, excluding its investment in Wing Hang Bank.

Other income was \$29 million, compared with \$46 million in the third quarter, and \$208 million one year ago. Other income in the third quarter included a grant from the Empire State Development Corporation ("ESDC"). Other income in the fourth quarter of 2001 included \$175 million of insurance recoveries associated with the WTC disaster.

NET INTEREST INCOME

	<u>4th Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Year-to-date</u>	
(Dollars in millions on a tax equivalent basis)	<u>2002</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Net Interest Income*	\$423	\$429	\$452	\$1,714	\$1,741
Net Interest Rate Spread*	2.25%	2.32%	2.19%	2.29%	1.89%
Net Yield on Interest Earning Assets*	2.54	2.66	2.55	2.62	2.57

* See Accounting Changes on page 11.

Net interest income on a taxable equivalent basis was \$423 million in the fourth quarter of 2002, compared with \$429 million in the third quarter of 2002, and \$452 million in the fourth quarter of 2001. The net interest rate spread was 2.25% in the fourth quarter of 2002, compared with 2.32% in the third quarter of 2002, and 2.19% in the fourth quarter of 2001. The net yield on interest earning assets was 2.54% in the fourth quarter of 2002, compared with 2.66% in the third quarter of 2002, and 2.55% in the fourth quarter of 2001.

The decrease in net interest income from the third quarter of 2002 is primarily due to continued spread compression on both retail and securities servicing deposits, an increase in average non-accrual loans and a continued decline in average corporate loans.

For the full year, net interest income on a taxable equivalent basis amounted to \$1,714 million, compared with \$1,741 million in 2001. The full year net interest rate spread was 2.29%, compared with 1.89% in 2001, while the net yield on interest earning assets was 2.62% in 2002 and 2.57% in 2001. Comparisons with 2001 include the impact of the WTC disaster.

NONINTEREST EXPENSE AND INCOME TAXES

Noninterest expense for the fourth quarter of 2002 was \$700 million, compared with \$706 million in the prior quarter. Fourth quarter expenses included an \$18 million reduction in salaries and benefits that reflects tight expense control and lower incentive compensation. Net occupancy expense decreased by \$20 million, reflecting a \$22 million loss estimate in the third quarter for a lease termination associated with the Company's move to a new facility in Brooklyn, N.Y. Excluding that cost, net occupancy expenses increased by \$2 million. Other noninterest expenses increased by \$27 million, primarily due to the Lockwood acquisition, seasonal year-end factors, and continued technology and business continuity investments.

For the full year, noninterest expense decreased by 2% to \$2,751 million from \$2,819 million last year, reflecting higher expenses in 2001 due to the impact of the WTC disaster and goodwill amortization, partially offset by growth in 2002 expenses related to acquisitions and business continuity spending.

As a result of new accounting standards related to goodwill and intangibles, effective January 1, 2002, amortization in the fourth quarter and the full year 2002 declined to \$3 million and \$8 million, compared with \$29 million and \$112 million in 2001.

The efficiency ratios for the fourth quarter and full year 2002 were 56.3% and 55.3% compared to 56.1% in the previous quarter and 54.8% in 2001.

The effective tax rates for the fourth quarter and the year 2002 were 35.9% and 34.3%, compared with 33.7% and 34.7% in the fourth quarter and year 2001. The effective tax rate for the third quarter of 2002 was 35.9%. The effective tax rate was higher in the third and fourth quarters of 2002 due to the charges taken in these periods. The tax rate in 2001 was impacted by the WTC disaster.

NONPERFORMING ASSETS

(Dollars in millions)	12/31/02	9/30/02	Change 12/31/02 vs. 9/30/02
Loans:			
Commercial	\$321	\$427	\$(106)
Foreign	84	89	(5)
Other	34	34	-
Total Nonperforming Loans	439	550	(111)
Other Real Estate	1	1	-
Total Nonperforming Assets	\$440	\$551	\$(111)
	=====	=====	=====
Nonperforming Assets Ratio	1.4%	1.6%	
Allowance/Nonperforming Loans	189.1	123.7	
Allowance/Nonperforming Assets	188.7	123.5	

Nonperforming assets totaled \$440 million at December 31, 2002, down 20% from \$551 million at September 30, 2002. The decrease in commercial nonperforming loans primarily reflects the Company's partial sale of exposure to a cable operator that is categorized as nonperforming.

CREDIT LOSS PROVISION AND NET CHARGE-OFFS

(In millions)	4th Quarter	3rd Quarter	4th Quarter	Year-to-date	
	2002	2002	2001	2002	2001
Provision	\$390	\$225	\$275	\$685	\$375
	=====	=====	=====	=====	=====
Net Charge-offs:					
Commercial	\$(210)	\$(150)	\$(253)	\$(388)	\$(342)
Foreign	(18)	(5)	(12)	(21)	(12)
Other	(7)	-	(5)	(41)	(7)
Consumer	(5)	(5)	(5)	(20)	(14)
Total	\$(240)	\$(160)	\$(275)	\$(470)	\$(375)
	=====	=====	=====	=====	=====
Other Real Estate Expenses	\$ -	\$ -	\$ -	\$ -	\$ 2

The Company increased its quarterly loan loss provision above a base provision of \$40 million to a total of \$390 million. Included in the total provision was \$225 million related to the Company's airline leasing portfolio. Of this, \$125 million was charged-off, which represented substantially all of its United Airlines aircraft leasing exposure of \$130 million. The remaining \$100 million provision, combined with previous reserves, gives the Company substantial reserves to cover its remaining leasing exposure of approximately

\$290 million to major U.S. carriers, the industry segment which faces the most severe operating challenges.

Of the remaining provision, \$75 million was charged-off to recognize losses on three specific credits. These include: a nonperforming retailer that experienced further impairment during the quarter; an insurance company that became nonperforming during the quarter; and a partial sale of exposure to the cable operator.

The allowance for credit losses was \$831 million, or 2.65% of loans at December 31, 2002, compared with \$681 million, or 1.99% of loans at September 30, 2002, and \$616 million, or 1.72% of loans at December 31, 2001. The ratio of the allowance to nonperforming assets was 188.7% at December 31, 2002, compared with 123.5% at September 30, 2002, and 277.6% at December 31, 2001.

At December 31, 2002, exposures related to the remaining 6 borrowers in the Company's accelerated loan disposition programs totaled \$36 million with related outstandings of \$35 million.

WORLD TRADE CENTER DISASTER UPDATE

During the fourth quarter and year 2002, the Company incurred \$60 million and \$173 million in expenses associated with interim space, business interruption, and the restoration of facilities.

The Company has also estimated and recorded losses associated with subletting of its interim operating facilities of \$75 million and \$296 million in the fourth quarter and year 2002. The sublease loss expense in the fourth quarter of 2002 reflects a significant decline in the Manhattan real estate market late in 2002. At December 31, 2002, the Company has reserved for approximately 51% of the future costs associated with the subleases. The Company expects the remainder of the costs to be covered by income from subletting these properties.

The expenses incurred in 2002 have been netted against offsetting insurance recoveries. Since the WTC disaster, the Company has recorded insurance recoveries of \$644 million and received cash advances on its claim of \$400 million. Future cash advances will largely relate to the sublease loss and business interruption costs.

ADDITIONAL INFORMATION

Thomas A. Renyi, chairman and chief executive officer, and Bruce W. Van Saun, senior executive vice president and chief financial officer, will review the quarterly results in a live conference call and audio webcast today at 9:00 am ET. The presentation will be accessible from the Company's website at www.bankofny.com/4q2002 and also by telephone at (888)790-0319 within the United States or (610)769-3531 internationally. The replay will be available through the Company's website and also by telephone at (800)876-9209 within the United States or (402)220-5333 internationally through 5:00 p.m. ET on Wednesday, January 29, 2003. 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 \$77 billion as of December 31, 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, changes in customer credit quality, the effects of capital reallocation, portfolio performance, 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 2001 Form 10-K and Third Quarter 2002 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 which have changed after a forward looking statement was made.

ACCOUNTING CHANGES

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.

In the second quarter of 2002, the Company adopted a new accounting pronouncement related to the recognition of reimbursable client-related expenses as revenue and the costs as operating expense. Prior periods have been restated.

(Financial highlights and detailed financial statements are attached.)

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

	<u>2002</u>	<u>2001</u>	<u>Change</u>
<u>For the Three Months Ended December 31:</u>			
Net Income	\$ 100	\$ 331	(69.7)%
Per Common Share:			
Basic	\$ 0.14	\$ 0.45	(68.9)
Diluted	0.14	0.45	(68.9)
Cash Dividends Paid	0.19	0.18	5.6
Return on Average Common Shareholders' Equity	5.99%	20.42%	
Return on Average Assets	0.49	1.53	
 <u>For the Twelve Months Ended December 31:</u>			
Net Income	\$ 902	\$ 1,343	(32.8)%
Per Common Share:			
Basic	\$ 1.25	\$ 1.84	(32.1)
Diluted	1.24	1.81	(31.5)
Cash Dividends Paid	0.76	0.72	5.6
Return on Average Common Shareholders' Equity	13.96%	21.58%	
Return on Average Assets	1.13	1.64	
 <u>As of December 31:</u>			
Assets	\$77,170	\$81,025	(4.8)%
Loans	31,339	35,747	(12.3)
Securities	18,300	12,862	42.3
Deposits - Domestic	33,094	28,780	15.0
- Foreign	22,285	26,931	(17.3)
Long-Term Debt	5,440	4,976	9.3
Common Shareholders' Equity	6,684	6,317	5.8
Common Shareholders' Equity Per Share	9.21	8.66	6.4
Market Value Per Share of Common Stock	23.96	40.80	(41.3)
Allowance for Credit Losses as a Percent of Loans	2.65%	1.72%	
Tier 1 Capital Ratio	7.60	8.11	
Total Capital Ratio	11.98	11.57	
Leverage Ratio	6.48	6.70	
Tangible Common Equity Ratio	5.51	5.36	

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

	For the three months ended December 31,		For the twelve months ended December 31,	
	2002	2001	2002	2001
<u>Interest Income</u>				
Loans	\$ 347	\$ 445	\$1,470	\$2,271
Securities				
Taxable	166	143	639	463
Exempt from Federal Income Taxes	14	18	61	74
	<u>180</u>	<u>161</u>	<u>700</u>	<u>537</u>
Deposits in Banks	26	53	133	252
Federal Funds Sold and Securities Purchased				
Under Resale Agreements	14	16	51	159
Trading Assets	61	66	259	401
	<u>628</u>	<u>741</u>	<u>2,613</u>	<u>3,620</u>
<u>Interest Expense</u>				
Deposits	160	206	644	1,392
Federal Funds Purchased and Securities Sold				
Under Repurchase Agreements	5	21	29	103
Other Borrowed Funds	6	17	73	167
Long-Term Debt	44	59	202	277
	<u>215</u>	<u>303</u>	<u>948</u>	<u>1,939</u>
Net Interest Income	413	438	1,665	1,681
Provision for Credit Losses	390	275	685	375
Net Interest Income After Provision for Credit Losses	<u>23</u>	<u>163</u>	<u>980</u>	<u>1,306</u>
<u>Noninterest Income</u>				
Servicing Fees				
Securities	484	446	1,896	1,775
Global Payment Services	75	71	292	287
	<u>559</u>	<u>517</u>	<u>2,188</u>	<u>2,062</u>
Private Client Services and				
Asset Management Fees	88	78	344	314
Service Charges and Fees	93	89	361	356
Foreign Exchange and Other Trading Activities	51	78	234	338
Securities Gains	13	40	(118)	154
Other	29	208	134	347
	<u>833</u>	<u>1,010</u>	<u>3,143</u>	<u>3,571</u>
<u>Noninterest Expense</u>				
Salaries and Employee Benefits	379	386	1,581	1,593
Net Occupancy	56	48	230	233
Furniture and Equipment	37	30	138	178
Other	228	209	802	815
	<u>700</u>	<u>673</u>	<u>2,751</u>	<u>2,819</u>
Income Before Income Taxes	156	500	1,372	2,058
Income Taxes	56	169	470	715
Net Income	<u>\$ 100</u>	<u>\$ 331</u>	<u>\$ 902</u>	<u>\$1,343</u>
	=====	=====	=====	=====
<u>Per Common Share Data:</u>				
Basic Earnings	\$0.14	\$0.45	\$1.25	\$1.84
Diluted Earnings	0.14	0.45	1.24	1.81
Cash Dividends Paid	0.19	0.18	0.76	0.72
Diluted Shares Outstanding	726	738	728	741

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

	December 31, 2002	December 31, 2001
<u>Assets</u>		
Cash and Due from Banks	\$ 4,748	\$ 3,222
Interest-Bearing Deposits in Banks	5,104	6,619
Securities		
Held-to-Maturity	955	1,211
Available-for-Sale	17,345	11,651
Total Securities	18,300	12,862
Trading Assets at Fair Value	7,368	8,270
Federal Funds Sold and Securities Purchased		
Under Resale Agreements	1,385	4,795
Loans (less allowance for credit losses of \$831 in 2002 and \$616 in 2001)	30,508	35,131
Premises and Equipment	992	992
Due from Customers on Acceptances	351	313
Accrued Interest Receivable	209	236
Goodwill	2,497	2,065
Intangible Assets	78	19
Other Assets	5,630	6,501
Total Assets	\$77,170	\$81,025
<u>Liabilities and Shareholders' Equity</u>		
<u>Deposits</u>		
Noninterest-Bearing (principally domestic offices)	\$13,300	\$12,635
Interest-Bearing		
Domestic Offices	19,997	16,553
Foreign Offices	22,082	26,523
Total Deposits	55,379	55,711
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	636	1,756
Trading Liabilities	2,860	2,264
Other Borrowed Funds	625	2,363
Acceptances Outstanding	349	358
Accrued Taxes and Other Expenses	4,011	3,766
Accrued Interest Payable	101	92
Other Liabilities	1,085	3,422
Long-Term Debt	5,440	4,976
Total Liabilities	70,486	74,708
<u>Shareholders' Equity</u>		
Class A Preferred Stock - par value \$2.00 per share, authorized 5,000,000 shares, outstanding 3,000 shares in 2002 and 3,500 shares in 2001	-	-
Common Stock-par value \$7.50 per share, authorized 2,400,000,000 shares, issued 993,697,297 shares in 2002 and 990,773,101 shares in 2001	7,453	7,431
Additional Capital	847	741
Retained Earnings	4,736	4,383
Accumulated Other Comprehensive Income	134	80
	13,170	12,635
Less: Treasury Stock (267,240,854 shares in 2002 and 260,449,527 shares in 2001), at cost	6,483	6,312
Loan to ESOP (485,533 shares in 2002 and 823,810 shares in 2001), at cost	3	6
Total Shareholders' Equity	6,684	6,317
Total Liabilities and Shareholders' Equity	\$77,170	\$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 December 31, 2002			For the three months ended December 31, 2001		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing Deposits						
in Banks (primarily foreign)	\$ 4,266	\$ 26	2.44%	\$ 6,596	\$ 53	3.16%
Federal Funds Sold and Securities Purchased Under Resale Agreements	4,021	14	1.37	3,528	16	1.84
Loans						
Domestic Offices	19,860	236	4.70	23,109	267	4.59
Foreign Offices	13,480	112	3.29	17,024	178	4.14
Total Loans	33,340	348	4.13	40,133	445	4.40
Securities						
U.S. Government Obligations	433	4	4.05	817	12	5.76
U.S. Government Agency Obligations Obligations of States and Political Subdivisions	3,726	43	4.57	3,227	46	5.76
Other Securities	430	7	6.56	612	10	6.85
Trading Securities	12,670	135	4.27	8,302	107	5.06
Total Securities	6,983	61	3.46	7,179	66	3.69
Total Securities	24,242	250	4.12	20,137	241	4.77
Total Interest-Earning Assets	65,869	638	3.84%	70,394	755	4.26%
Allowance for Credit Losses	(677)			(610)		
Cash and Due from Banks	2,731			3,249		
Other Assets	12,592			13,172		
TOTAL ASSETS	\$80,515			\$86,205		
	=====			=====		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 7,440	\$ 21	1.10%	\$ 7,179	\$ 29	1.58%
Savings	8,241	20	0.99	7,745	30	1.56
Certificates of Deposit						
\$100,000 & Over	4,445	22	1.98	596	5	3.53
Other Time Deposits	1,390	7	2.04	1,828	15	3.17
Foreign Offices	23,995	90	1.49	28,824	127	1.75
Total Interest-Bearing Deposits	45,511	160	1.40	46,172	206	1.77
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,633	5	1.24	4,229	21	2.01
Other Borrowed Funds	1,133	6	2.18	2,763	17	2.41
Long-Term Debt	5,402	44	3.19	4,853	59	4.81
Total Interest-Bearing Liabilities	53,679	215	1.59%	58,017	303	2.07%
Noninterest-Bearing Deposits	11,501			11,263		
Other Liabilities	8,689			10,483		
Shareholders' Equity	6,646			6,442		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$80,515			\$86,205		
	=====			=====		
Net Interest Earnings and Interest Rate Spread		\$ 423	2.25%		\$ 452	2.19%
		=====	=====		=====	=====
Net Yield on Interest-Earning Assets			2.54%			2.55%
			=====			=====

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

	For the twelve months ended December 31, 2002			For the twelve months ended December 31, 2001		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing Deposits in Banks (primarily foreign)	\$ 4,809	\$ 133	2.76%	\$ 6,105	\$ 252	4.13%
Federal Funds Sold and Securities Purchased Under Resale Agreements	3,225	51	1.60	4,260	159	3.72
Loans						
Domestic Offices	19,419	966	4.98	20,902	1,257	6.01
Foreign Offices	14,886	505	3.38	17,868	1,016	5.68
Total Loans	34,305	1,471	4.29	38,770	2,273	5.86
Securities						
U.S. Government Obligations	605	31	5.08	1,014	57	5.61
U.S. Government Agency Obligations	3,407	177	5.20	2,925	181	6.19
Obligations of States and Political Subdivisions	520	34	6.57	654	49	7.48
Other Securities	10,849	505	4.66	5,529	308	5.58
Trading Securities	7,655	260	3.39	8,437	401	4.76
Total Securities	23,036	1,007	4.37	18,559	996	5.37
Total Interest-Earning Assets	65,375	2,662	4.07%	67,694	3,680	5.44%
Allowance for Credit Losses	(631)			(612)		
Cash and Due from Banks	2,675			3,289		
Other Assets	12,236			11,329		
TOTAL ASSETS	\$79,655			\$81,700		
	=====			=====		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 6,857	\$ 87	1.27%	\$ 6,750	\$ 199	2.95%
Savings	8,154	90	1.11	7,632	156	2.05
Certificates of Deposit						
\$100,000 & Over	2,393	52	2.17	446	21	4.79
Other Time Deposits	1,508	34	2.25	1,884	79	4.18
Foreign Offices	24,210	381	1.57	27,922	937	3.35
Total Interest-Bearing Deposits	43,122	644	1.49	44,634	1,392	3.12
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,018	29	1.43	3,183	103	3.24
Other Borrowed Funds	2,877	73	2.53	2,204	167	7.60
Long-Term Debt	5,338	202	3.79	4,609	277	6.00
Total Interest-Bearing Liabilities	53,355	948	1.78%	54,630	1,939	3.55%
Noninterest-Bearing Deposits	10,673			11,644		
Other Liabilities	9,162			9,201		
Shareholders' Equity	6,465			6,225		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$79,655			\$81,700		
	=====			=====		
Net Interest Earnings and Interest Rate Spread		\$1,714	2.29%		\$1,741	1.89%
		=====	=====		=====	=====
Net Yield on Interest-Earning Assets			2.62%			2.57%
			=====			=====