

THE
BANK OF
NEW
YORK
COMPANY, INC.

NEWS

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IMMEDIATELY

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**THE BANK OF NEW YORK COMPANY, INC. EARNINGS GROWTH LED BY STRENGTH IN
SECURITIES SERVICING AND FIDUCIARY FEES**

NEW YORK, N.Y., January 21, 2004 -- The Bank of New York Company, Inc. (NYSE: BK) reports fourth quarter diluted earnings per share of 40 cents and operating earnings of 44 cents per share, compared with operating earnings of 42 cents per share in the third quarter. Fourth quarter 2003 reported results include merger and integration costs associated with the acquisition of Pershing of 4 cents per share.

Net income for the fourth quarter was \$307 million, compared with \$100 million or 14 cents per share in the fourth quarter of 2002, when results included significant charge-offs primarily related to the Company's airline exposure. For the full year, net income in 2003 was \$1,157 million, or \$1.52 per share, compared to \$902 million, or \$1.24 per share in 2002. The Company's operating income for 2003 was \$1.67 per share, as it recorded non-operating charges of 8 cents per share for Pershing related merger and

integration costs and 7 cents per share for settlement costs with GMAC related to the Company's sale of its factoring business in 1999.

The fourth quarter results showed continued growth in the Company's servicing and fiduciary businesses. Securities servicing fees reached a record \$684 million in the fourth quarter, an increase of \$27 million, or 4%, over the third quarter. Securities servicing fee growth was led by global custody, fund servicing, depository receipts, and Pershing. Private client services and asset management grew by \$6 million, or 6%, over the third quarter, due to higher equity price levels and continued strength in Ivy Asset Management, a fund of funds hedge fund manager. Partially offsetting these increases, foreign exchange and other trading were down by \$11 million, or 12%, versus the third quarter, global payments services was down \$4 million, or 5%, versus the third quarter, and compensation and volume-related expenses were higher.

Nonperforming assets continued to decline, dropping 10% in the fourth quarter, reflecting continuing improvement in asset quality and the Company lowered its provision for credit losses from \$40 million in the third quarter to \$35 million.

Chairman and Chief Executive Officer Thomas A. Renyi stated, "I am pleased that we recorded our third consecutive quarter of improved operating earnings in spite of a mixed market environment. Our strategic accomplishments in 2003 included gaining market share in our key businesses, significantly enhancing our credit risk profile, and successfully integrating Pershing.

"While our business model demonstrated strength and resiliency in 2003, our positive outlook for the coming year is tempered by a number of challenges. The improvement in the capital markets has been uneven, with growth in equity trading volumes and corporate actions rebounding more slowly than asset price levels. The ongoing investigation of mutual fund companies and continued debates over market structure have also created an atmosphere of uncertainty that will take time to resolve. At the same time, the economic and competitive environment has resulted in a lack of pricing power, in the face of continued pressures on expenses.

"Notwithstanding these conditions, we will continue to make strategic investments to strengthen our competitive position and enhance client service, while remaining focused on continued expense discipline and major initiatives to improve productivity."

SUPPLEMENTAL FINANCIAL INFORMATION

For the quarter and year ended December 31, 2003, the Company has prepared information in four categories:

- Reported results which are in accordance with Generally Accepted Accounting Principles (GAAP).
- Core operating results which exclude the Pershing acquisition.
- Pershing results which reflect the revenues and expenses since the May 1 acquisition of Pershing but exclude the merger and integration costs.
- Other non-operating expenses including merger and integration costs related to the Pershing acquisition and the settlement with GMAC.

The Company believes that providing supplemental non-GAAP financial information is useful to investors in understanding the underlying operational performance of the Company, its businesses and performance trends and, therefore, facilitates comparisons with the performance of other financial service companies. Specifically, the Company believes that the exclusion of the merger and integration costs, and the settlement with GMAC, permits evaluation and a comparison of results for ongoing business operations, and it is on this basis that the Company's management internally assesses performance. The following is a reconciliation of the Company's financial results for the three months and year ended December 31, 2003:

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

Income Statement
Quarter ended December 31
SUPPLEMENTAL

	Operating			GAAP	
	Core	Pershing (a)	Other(b)	2003 Reported Results	2002 Reported Results
Net Interest Income	\$ 396	\$ 22	\$ -	\$ 418	\$ 413
Provision for Credit Losses	35	-	-	35	390
Net Interest Income After Provision for Credit Losses	361	22	-	383	23
Noninterest Income					
Servicing Fees					
Securities	511	173	-	684	484
Global Payment Services	76	-	-	76	76
	587	173	-	760	560
Private Client Services and Asset Management Fees	103	-	-	103	88
Service Charges and Fees	96	1	-	97	92
Foreign Exchange and Other Trading Activities	68	13	-	81	51
Securities Gains	9	-	-	9	13
Other	47	5	-	52	29
Total Noninterest Income	910	192	-	1,102	833
Noninterest Expense					
Salaries and Employee Benefits	460	88	-	548	379
Net Occupancy	56	14	-	70	56
Furniture and Equipment	35	14	-	49	37
Clearing	28	15	-	43	33
Sub-custodian Expenses	21	-	-	21	22
Software	36	10	-	46	31
Communications	18	5	-	23	20
Amortization of Intangibles	3	4	-	7	3
Merger and Integration Costs	-	-	48	48	-
Other	130	31	-	161	119
Total Noninterest Expense	787	181	48	1,016	700
Income Before Income Taxes	484	33	(48)	469	156
Income Taxes	164	15	(17)	162	56
Net Income	\$ 320	\$ 18	\$ (31)	\$ 307	\$ 100
Diluted Earnings Per Share	\$0.44	\$0.00	\$(0.04)	\$0.40	\$0.14

Notes:

Reported results agree with the Company's Consolidated Statement of Income

(a) Includes \$8 million of net interest costs attributable to the Pershing acquisition financing.

(b) Consists of merger and integration costs related to the Pershing acquisition.

THE BANK OF NEW YORK COMPANY, INC.
Supplemental Information
(In millions, except per share amounts)
(Unaudited)
Income Statement
Year ended December 31
SUPPLEMENTAL

	Operating			GAAP	
	Core	Pershing (a)	Other(c)	2003 Reported Results	2002 Reported Results
Net Interest Income	\$1,556	\$ 53	\$ -	\$1,609	\$1,665
Provision for Credit Losses	155	-	-	155	685
Net Interest Income After Provision for Credit Losses	<u>1,401</u>	<u>53</u>	<u>-</u>	<u>1,454</u>	<u>980</u>
Noninterest Income					
Servicing Fees					
Securities	1,968	444	-	2,412	1,896
Global Payment Services	314	-	-	314	296
	<u>2,282</u>	<u>444</u>	<u>-</u>	<u>2,726</u>	<u>2,192</u>
Private Client Services and Asset Management Fees	384	-	-	384	344
Service Charges and Fees	373	2	-	375	357
Foreign Exchange and Other Trading Activities	292	35	-	327	234
Securities Gains	35	-	-	35	(118)
Other	147	12	-	159	134
Total Noninterest Income	<u>3,513</u>	<u>493</u>	<u>-</u>	<u>4,006</u>	<u>3,143</u>
Noninterest Expense					
Salaries and Employee Benefits	1,765	237	-	2,002	1,581
Net Occupancy	228	33	-	261	230
Furniture and Equipment	144	41	-	185	138
Clearing	116	38	-	154	124
Sub-custodian Expenses	74	-	-	74	70
Software	144	26	-	170	115
Communications	81	11	-	92	65
Amortization of Intangibles	13	12	-	25	8
Merger and Integration Costs	-	-	96	96	-
Other	491	70	78	639	420
Total Noninterest Expense	<u>3,056</u>	<u>468</u>	<u>174</u>	<u>3,698</u>	<u>2,751</u>
Income Before Income Taxes	1,858	78	(174)	1,762	1,372
Income Taxes	637	33	(65)	605	470
Net Income	<u>\$1,221</u> =====	<u>\$ 45</u> =====	<u>\$(109)</u> =====	<u>\$1,157</u> =====	<u>\$ 902</u> =====
Diluted Earnings Per Share	\$1.69	\$(0.02) (b)	\$(0.15)	\$1.52	\$1.24

Notes:

Reported results agree with the Company's Consolidated Statement of Income

(a) Includes \$22 million of net interest costs attributable to the Pershing acquisition financing.

(b) The \$0.02 dilution is due to changes in shares outstanding attributable to the acquisition.

(c) Consists of merger and integration costs related to the Pershing acquisition and the settlement with GMAC of \$78 million, net of reserves.

The following is a supplemental balance sheet showing the impact of the Pershing acquisition.

THE BANK OF NEW YORK COMPANY, INC.
Supplemental Information
(In millions)
(Unaudited)

	Balance Sheet December 31, 2003 SUPPLEMENTAL			GAAP REPORTED	
	Core December 31, 2003	Pershing December 31, 2003	Elimination Entries	December 31, 2003	December 31, 2002
Assets					
Cash and Due from Banks	\$ 3,754	\$ 89	\$ -	\$ 3,843	\$ 4,748
Interest-Bearing Deposits in Banks	6,781	1,505	-	8,286	5,104
Securities	22,864	39	-	22,903	18,300
Trading Assets at Fair Value	5,239	167	-	5,406	7,309
Federal Funds Sold and Securities Purchased Under Resale Agreements	1,167	3,662	-	4,829	1,385
Margin Loans	-	5,712	-	5,712	352
Loans (less allowance for loan losses of \$668 in 2003 and \$656 in 2002)	26,870	2,033	-	28,903	30,331
Premises and Equipment	956	123	-	1,079	975
Due from Customers on Acceptances	170	-	-	170	351
Accrued Interest Receivable	204	10	-	214	204
Investment in/Advances to Pershing	3,744	-	(3,744)	-	-
Goodwill & Intangible Assets	2,737	1,355	-	4,092	2,575
Other Assets	5,356	1,509	-	6,865	6,105
Total Assets	\$79,842	\$16,204	\$ (3,744)	\$92,302	\$77,739
Liabilities and Shareholders' Equity					
Deposits	\$56,385	\$ -	\$ -	\$56,385	\$55,387
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	667	372	-	1,039	636
Trading Liabilities	2,462	56	-	2,518	2,800
Payables to Customers and Broker-Dealers	229	9,963	-	10,192	870
Other Borrowed Funds	392	2,185	(1,741)	836	475
Acceptances Outstanding	172	-	-	172	352
Accrued Taxes and Other Expenses	4,014	167	-	4,181	4,066
Accrued Interest Payable	79	3	-	82	101
Other Liabilities (including allowance for lending-related commitments of \$136 in 2003 and \$175 in 2002)	913	1,455	-	2,368	928
Long-Term Debt	6,121	-	-	6,121	5,440
Total Liabilities	71,434	14,201	(1,741)	83,894	71,055
Shareholders' Equity	8,408	2,003	(2,003)	8,408	6,684
Total Liabilities and Shareholders' Equity	\$79,842	\$16,204	\$ (3,744)	\$92,302	\$77,739

Note: The balance sheet at December 31, 2002 has been derived from the audited financial statements at that date.

Although the Company believes that the non-GAAP financial measures presented in this release enhance investors' understanding of the Company's business and performance, these non-GAAP measures should not be considered an alternative to GAAP.

SECURITIES SERVICING FEES

Securities servicing fees were a record \$684 million in the fourth quarter, an increase of \$27 million or 4% over the third quarter, primarily because of improved performance at Pershing and growth in issuer services. Compared with the fourth quarter of 2002, securities servicing fees were up \$200 million, or 41%, primarily resulting from the acquisition of Pershing and core growth in all areas. For the year 2003, securities servicing fees were \$2,412 million, an increase of \$516 million from \$1,896 million in 2002, principally due to Pershing and growth in investor and broker-dealer services. Pershing's securities servicing fees included in the quarter and year ended December 31, 2003 were \$173 million and \$444 million, respectively.

Investor services fees were up slightly on a sequential quarter basis and modestly higher on a year-over-year basis. Strength in global custody, which benefited from higher equity price levels, favorable exchange rates, and new business wins, offset a decrease in securities lending fees in the fourth quarter. As of December 31, 2003, assets under custody rose to \$8.3 trillion, from \$7.9 trillion at September 30, 2003 and \$6.8 trillion at December 31, 2002.

While broker-dealer services fees were also slightly higher on a sequential quarter basis, strong performance in global clearance and collateral management services led to improved results over the fourth quarter a year ago. These businesses continue to benefit from new business wins and higher fixed income transaction volumes. Mutual fund servicing also increased compared to the fourth quarter of 2002 due to higher equity price levels.

Global issuer services fees were up strongly on both a sequential quarter basis and from a year ago reflecting improved activity levels in depositary receipts (DRs) and strong corporate and municipal issuance in corporate trust in the fourth quarter.

Execution and clearing services fees increased both sequentially and in comparison with last year's fourth quarter due to Pershing. Execution services increased over the third quarter due to increased transition services fees, international equity execution and seasonal portfolio rebalancings, but

was down compared with last year's fourth quarter. Average daily combined fourth quarter NYSE and NASDAQ trading volume was unchanged from the third quarter of 2003 and up 1% from the fourth quarter of 2002. In clearing services, Pershing improved on a sequential quarter basis as retail investor activity rose modestly in the fourth quarter.

NONINTEREST INCOME

Noninterest income for the fourth quarter of 2003 was \$1,102 million, an increase of 4% sequentially and 32% from a year ago. For the year ended December 31, 2003, noninterest income was \$4,006 million, an increase of 27% over the year 2002, principally due to the acquisition of Pershing and improved performance in the core businesses. Pershing's contribution to the Company's noninterest income was \$192 million for the quarter and \$493 million for the year ended December 31, 2003.

	4th Quarter	3rd Quarter	4th Quarter	Year	
(In millions)	2003	2003	2002	2003	2002
Servicing Fees					
Securities	\$ 684	\$ 657	\$484	\$2,412	\$1,896
Global Payment Services	76	80	76	314	296
	<u>760</u>	<u>737</u>	<u>560</u>	<u>2,726</u>	<u>2,192</u>
Private Client Services and Asset Management Fees	103	97	88	384	344
Service Charges and Fees	97	89	92	375	357
Foreign Exchange and Other Trading Activities	81	92	51	327	234
Securities Gains	9	9	13	35	(118)
Other	52	39	29	159	134
	<u>52</u>	<u>39</u>	<u>29</u>	<u>159</u>	<u>134</u>
Total Noninterest Income	<u>\$1,102</u>	<u>\$1,063</u>	<u>\$833</u>	<u>\$4,006</u>	<u>\$3,143</u>

Global payment services fees were down compared with the prior quarter and flat compared to the fourth quarter of 2002. Year-over-year growth is attributable to improved multi-currency funds transfer product capabilities and new business wins.

Private client services and asset management fees for the fourth quarter were up 6% from the prior quarter and 17% from the fourth quarter of 2002. The sequential quarter and year-over-year increases reflect higher equity

price levels as well as strong growth at Ivy Asset Management. In addition, the year-over-year comparison also benefited from the full year impact of several 2002 acquisitions. Total assets under management were \$89 billion at December 31, 2003, up from \$85 billion at September 30, 2003 and \$76 billion a year ago.

Service charges and fees were up 9% from the third quarter and 5% over the fourth quarter and year 2002 driven by higher loan syndication fees and bond underwriting fees reflecting active fixed income markets.

Foreign exchange and other trading revenues were down \$11 million compared with the prior quarter and up \$30 million, or 59% from one year ago. Continued volatility in the currency markets resulted in strong foreign exchange revenues although they were lower than the record third quarter. Other trading activity was impacted by a decline in fixed income hedging activity. Compared to the fourth quarter of 2002, the significant increase resulted from increased client-driven foreign exchange, interest rate hedging activity, and the Pershing acquisition. For the year 2003, foreign exchange and other trading revenues were up 40% over 2002 reflecting the same factors that drove the year-over-year quarterly comparison.

Securities gains in the fourth quarter were \$9 million, flat with the prior quarter and down from \$13 million a year ago. Securities gains for the year 2003 were \$153 million higher than the prior year, reflecting a \$210 million equity write-down in the third quarter of 2002.

Other noninterest income increased \$13 million from the third quarter of 2003 and \$23 million from the fourth quarter of 2002. The fourth quarter of 2003 included a \$6 million gain on the sale of a lease residual.

NET INTEREST INCOME

(Dollars in millions)	4th	3rd	4th	Year	
	Quarter	Quarter	Quarter	2003	2002
	2003	2003	2002	2003	2002
Net Interest Income	\$418	\$407	\$413	\$1,609	\$1,665
Tax Equivalent Adjustment	8	9	10	35	49
Net Interest Income on a Tax Equivalent Basis	\$426	\$416	\$423	\$1,644	\$1,714
	=====	=====	=====	=====	=====
Net Interest Rate Spread	1.92%	1.87%	2.25%	1.97%	2.30%
Net Yield on Interest Earning Assets	2.15	2.10	2.54	2.22	2.62

Net interest income on a taxable equivalent basis was \$426 million in the fourth quarter of 2003, compared with \$416 million in the third quarter of 2003, and \$423 million in the fourth quarter of 2002. The net interest rate spread was 1.92% in the fourth quarter of 2003, compared with 1.87% in the third quarter of 2003, and 2.25% in the fourth quarter of 2002. The net yield on interest earning assets was 2.15% in the fourth quarter of 2003, compared with 2.10% in the third quarter of 2003, and 2.54% in the fourth quarter of 2002.

The increase in net interest income from the third quarter of 2003 is primarily due to modest growth in the Company's investment securities portfolio, refinancing of higher cost debt, and higher corporate loan breakage fees. The slight increase in net interest income from the fourth quarter of 2002 reflects the Pershing acquisition and higher average balances of investment securities, which were partially offset by lower reinvestment yields on the investment securities portfolio, planned decreases in loan balances, and the impact of Federal Reserve interest rate reductions in 2003.

For the year ended December 31, 2003, net interest income on a taxable equivalent basis amounted to \$1,644 million compared with \$1,714 million for the year ended December 31, 2002, reflecting the same factors that affected the comparison with last year's quarter. For the year 2003, the net interest spread was 1.97% in 2003 compared with 2.30% in 2002, while the net yield on interest earning assets was 2.22% in 2003 and 2.62% in 2002.

In this release a number of amounts related to net interest income are presented on a "taxable equivalent basis". The Company believes that this

presentation provides comparability of net interest income arising from both taxable and tax-exempt sources and is consistent with industry standards.

NONINTEREST EXPENSE AND INCOME TAXES

	4th Quarter	3rd Quarter	4th Quarter	Year	
(In millions)	2003	2003	2002	2003	2002
Salaries and Employee Benefits	\$ 460	\$ 443	\$379	\$1,765	\$1,581
Net Occupancy	56	57	56	228	230
Furniture and Equipment	35	35	37	144	138
Clearing	28	28	33	116	124
Sub-custodian Expenses	21	18	22	74	70
Software	36	36	31	144	115
Communications	18	21	20	81	65
Amortization of Intangibles	3	4	3	13	8
Other	130	124	119	491	420
Total Core	787	766	700	3,056	2,751
Merger and Integration Costs	48	23	-	96	-
Pershing	181	172	-	468	-
GMAC Settlement	-	78	-	78	-
Total Noninterest Expense	\$1,016	\$1,039	\$700	\$3,698	\$2,751

Noninterest expense for the fourth quarter of 2003 was down slightly to \$1,016 million, compared with \$1,039 million in the prior quarter, when the Company recognized a charge for the GMAC settlement.

Core noninterest expense was \$787 million, compared to \$766 million in the third quarter of 2003. Compared to the third quarter of 2003, salaries and employee benefits were up 4% principally reflecting higher incentive compensation costs. In addition, severance, relocation, and consulting expenses associated with cost reduction initiatives were \$5 million in the fourth quarter of 2003.

The increase in core noninterest expenses compared to the fourth quarter of 2002 and full year 2002 primarily reflects the impact of acquisitions, the inception of stock option expensing in 2003, a lower pension credit, increased technology investments, and higher business continuity spending.

Noninterest expenses related to Pershing were up 5% compared to prior quarter due to higher variable expenses tied to revenues. In addition, the Company recorded merger and integration costs of \$48 million, reflecting the remaining nonrecurring costs associated with the acquisition. Included in

this amount was an additional \$10 million charge for London space restructuring, which was not anticipated in prior guidance. For the year, merger and integration costs totaled \$96 million, or 8 cents per share.

The effective tax rate for the fourth quarter of 2003 was 34.6%, compared to 33.4% in the third quarter of 2003, and 35.9% in the fourth quarter of 2002. For the year 2003, the effective tax rate was 34.3%, unchanged from a year ago. The increase in the effective tax rate on a sequential quarter basis mainly reflects the tax benefits related to the GMAC settlement in the third quarter.

BALANCE SHEET RETURN AND CAPITAL RATIOS

Total assets were \$92.3 billion at December 31, 2003, compared with \$95.2 billion at September 30, 2003, and \$77.7 billion at December 31, 2002. The increase versus a year ago mainly reflects the Pershing acquisition. Total shareholders' equity was \$8.4 billion at December 31, 2003, compared with \$8.2 billion at September 30, 2003, and \$6.7 billion at December 31, 2002. The major reasons for the increase in shareholders' equity from a year ago are the issuance of approximately \$1 billion of common stock to fund the Pershing acquisition and the retention of earnings.

Return on average common equity on a reported basis for the fourth quarter of 2003 was 14.81%, compared with 12.82% in the third quarter of 2003, and 5.99% in the fourth quarter of 2002. On an operating basis, return on average common equity for the fourth quarter of 2003 was 16.33%, compared with 15.85% in the third quarter of 2003.

For the year ended December 31, 2003, the reported return on average common equity was 15.12% compared with 13.96% in 2002 and the return on average assets was 1.27% for the year ended December 31, 2003 compared with 1.13% in 2002.

On a reported basis, return on average assets for the fourth quarter of 2003 was 1.26%, compared with 1.06% in the third quarter of 2003, and 0.49% in the fourth quarter of 2002. On an operating basis, return on average assets

for the fourth quarter of 2003 was 1.39%, compared with 1.31% in the third quarter of 2003.

The Company's estimated regulatory Tier 1 capital and Total capital ratios were 7.41% and 11.46% at December 31, 2003, compared with 7.08% and 11.18% at September 30, 2003, and 7.58% and 11.96% at December 31, 2002. The regulatory leverage ratio was 5.80% at December 31, 2003, compared with 5.64% at September 30, 2003, and 6.48% at December 31, 2002. The Company's tangible common equity as a percentage of total assets was 4.89% at December 31, 2003, compared with 4.65% at September 30, 2003, and 5.47% at December 31, 2002. The improvement in the Company's capital ratios versus September 30, 2003 reflects the retention of equity during the quarter and a smaller balance sheet.

NONPERFORMING ASSETS

(Dollars in millions)	12/31/03	9/30/03	Change 12/31/03 vs. 9/30/03
	<u> </u>	<u> </u>	<u> </u>
Loans:			
Commercial	\$219	\$265	\$(46)
Foreign	79	79	-
Other	51	44	7
	<u> </u>	<u> </u>	<u> </u>
Total Nonperforming Loans	349	388	(39)
Other Real Estate	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Nonperforming Assets	\$349	\$388	\$(39)
	=====	=====	=====
Nonperforming Assets Ratio	1.2%	1.2%	
Allowance for loan			
losses/Nonperforming Loans	191.2	171.3	
Allowance for loan			
losses/Nonperforming Assets	191.2	171.3	
Allowance for credit			
losses/Nonperforming Loans	230.2	210.5	
Allowance for credit			
losses/Nonperforming Assets	230.2	210.5	

Nonperforming assets declined by \$39 million, or 10%, during the fourth quarter to \$349 million, reflecting continued improvement in asset quality. The decrease primarily reflects paydowns and charge-offs of commercial loans. The ratio of the allowance for credit losses to nonperforming assets increased to 230.2% at December 31, 2003, compared with 210.5% at September 30, 2003, and 188.7% at December 31, 2002.

CREDIT LOSS PROVISION AND NET CHARGE-OFFS

	4th Quarter	3rd Quarter	4th Quarter	Year	
(In millions)	2003	2003	2002	2003	2002
Provision	\$ 35	\$ 40	\$390	\$155	\$685
Net Charge-offs:					
Commercial	\$ (24)	\$ (25)	\$ (210)	\$ (109)	\$ (388)
Foreign	(7)	(12)	(18)	(25)	(21)
Other	(5)	(4)	(7)	(20)	(41)
Consumer	(12)	(6)	(5)	(28)	(20)
Total	\$ (48)	\$ (47)	\$ (240)	\$ (182)	\$ (470)
Other Real Estate Expenses	\$ -	\$ -	\$ -	\$ -	\$ -

The Company's lower provision in the fourth quarter reflects improved credit quality in the loan portfolio. The allowance for credit losses was \$804 million at December 31, 2003, \$817 million at September 30, 2003, and \$831 million at December 31, 2002. The allowance for credit losses as a percent of non-margin loans increased to 2.72% at December 31, 2003, compared with 2.55% at September 30, 2003, and 2.68% at December 31, 2002.

(Dollars in millions)	December 31 2003	September 30 2003	December 31 2002
Margin Loans	\$ 5,712	\$ 5,472	\$ 352
Non-Margin Loans	29,571	32,068	30,987
Total Loans	35,283	37,540	31,339
Allowance for Loan Losses	668	665	656
Allowance for Lending-Related Commitments	136	152	175
Total Allowance for Credit Losses	804	817	831
Allowance for Credit Losses As a Percent of Total Loans	2.28%	2.18%	2.65%
Allowance for Credit Losses As a Percent of Non-Margin Loans	2.72	2.55	2.68
Allowance for Loan Losses As a Percent of Total Loans	1.89	1.77	2.09
Allowance for Loan Losses As a Percent of Non-Margin Loans	2.26	2.07	2.12

OTHER DEVELOPMENTS

The Company has nearly completed its \$9 billion corporate exposure reduction program announced last year. During the fourth quarter, corporate exposures were reduced by approximately \$1.8 billion, to \$24.5 billion compared with a target of \$24 billion by December 31, 2004. Telecom industry exposures were reduced to approximately \$875 million at December 31, 2003, down from \$1.5 billion at December 31, 2002.

During the fourth quarter of 2003, the Company acquired Fifth Third Bank's corporate trust business, which includes approximately 5,000 bond trustee and agency appointments representing \$45 billion of principal debt outstanding for nearly 4,000 clients.

Also, in the fourth quarter of 2003, the Company announced it had agreed to acquire the corporate trust business of The Bank of Hawaii. This transaction includes 80 bond trust and agency agreements representing approximately \$3 billion of principal debt outstanding, and is expected to close in the first quarter of 2004.

The Company adopts new accounting policies as they become accepted as a best practice or required by generally accepted accounting principles. Accordingly, at December 31, 2003, the Company split its allowance for credit losses into an allowance for loan losses and an allowance for lending-related commitments such as unfunded loan commitments and standby letters of credit. This resulted in a decrease in the allowance for loan losses of \$136 million and a corresponding increase in other liabilities (which includes the allowance for lending-related commitments). Prior period balance sheets have been restated.

As required by Financial Accounting Standards Board Interpretation No. 46, ("FIN 46"), "Consolidation of Variable Interest Entities", the Company deconsolidated the trusts that issue its trust preferred securities at December 31, 2003. This resulted in an increase in other assets and long-term debt of \$36 million.

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/earnings and also by telephone at (888) 790-0319 within the United States or (610) 769-3531 internationally. A replay of the call will be available through the Company's website and also by telephone at (888) 567-0449 within the United States or (402) 998-1803 internationally.

The Bank of New York Company, Inc. (NYSE: BK) is a global leader in securities servicing for issuers, investors and financial intermediaries. The Company plays an integral role in the infrastructure of the capital markets, servicing securities in more than 100 markets worldwide. The Company provides quality solutions through leading technology for global corporations, financial institutions, asset managers, governments, non-profit organizations, and individuals. Its principal subsidiary, The Bank of New York, founded in 1784, is the oldest bank in the United States and has a distinguished history of serving clients around the world through its five primary businesses: Securities Servicing and Global Payment Services, Private Client Services and Asset Management, Corporate Banking, Global Market Services, and Retail Banking. 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 2002 Form 10-K and Third Quarter 2003 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.

(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)

	December 31, 2003		September 30, 2003		December 31, 2002
	<u>Reported</u>	<u>Operating</u>	<u>Reported</u>	<u>Operating</u>	<u>Reported</u>
<u>Quarter</u>					
Revenue (tax equivalent basis)	\$1,694	\$1,694	\$1,647	\$1,647	\$1,471
Net Income	307	338	260	322	100
Basic EPS	0.40	0.44	0.34	0.42	0.14
Diluted EPS	0.40	0.44	0.34	0.42	0.14
Cash Dividends Per Share	0.19	0.19	0.19	0.19	0.19
Return on Average Common Shareholders' Equity	14.81%	16.33%	12.82%	15.85%	5.99%
Return on Average Assets	1.26	1.39	1.06	1.31	0.49
Efficiency Ratio	66.9	63.7	70.7	63.8	56.3
<u>Year-to-Date</u>					
Revenue (tax equivalent basis)	\$6,371	\$6,371	\$4,676	\$4,676	\$5,805
Net Income	1,157	1,266	850	929	902
Basic EPS	1.54	1.69	1.14	1.24	1.25
Diluted EPS	1.52	1.67	1.13	1.23	1.24
Cash Dividends Per Share	0.76	0.76	0.57	0.57	0.76
Return on Average Common Shareholders' Equity	15.12%	16.55%	15.23%	16.63%	13.96%
Return on Average Assets	1.27	1.39	1.27	1.39	1.13
Efficiency Ratio	65.8	62.7	65.5	62.4	55.3
Assets	\$92,302		\$95,345		\$77,739
Loans	35,283		37,540		31,339
Securities	22,903		22,862		18,300
Deposits - Domestic	33,709		35,660		33,094
- Foreign	22,676		23,283		22,293
Long-Term Debt	6,121		6,298		5,440
Common Shareholders' Equity	8,408		8,223		6,684
Common Shareholders' Equity Per Share	\$10.85		\$10.63		\$ 9.21
Market Value Per Share of Common Stock	33.12		29.11		23.96
Allowance for Credit Losses as a Percent of Total Loans	2.28%		2.18%		2.65%
Allowance for Credit Losses as a Percent of Non-Margin Loans	2.72		2.55		2.68
Allowance for Loan Losses as a Percent of Total Loans	1.89		1.77		2.09
Allowance for Loan Losses as a Percent of Non-Margin Loans	2.26		2.07		2.12
Tier 1 Capital Ratio	7.41		7.08		7.58
Total Capital Ratio	11.46		11.18		11.96
Leverage Ratio	5.80		5.64		6.48
Tangible Common Equity Ratio	4.89		4.65		5.47
Employees	22,901		22,926		19,437
Assets Under Custody (In trillions)					
Total Assets Under Custody	\$8.3		\$7.9		\$6.8
Equity Securities	34%		32%		26%
Fixed Income Securities	66		68		74
Cross-Border Assets	\$2.3		\$2.2		\$1.9
Assets Under Management (In billions)					
Total Assets Under Management	\$89		\$85		\$76
Equity Securities	34%		31%		29%
Fixed Income Securities	22		22		25
Alternative Investments	10		10		8
Liquid Assets	34		37		38
Assets Under Administration (In billions)	\$32		\$32		\$28

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 year ended December 31,	
	2003	2002	2003	2002
<u>Interest Income</u>				
Loans	\$ 283	\$ 344	\$1,187	\$1,452
Margin loans	32	3	86	12
Securities				
Taxable	174	166	651	639
Exempt from Federal Income Taxes	11	14	48	61
	<u>185</u>	<u>180</u>	<u>699</u>	<u>700</u>
Deposits in Banks	41	26	150	133
Federal Funds Sold and Securities Purchased				
Under Resale Agreements	17	14	79	51
Trading Assets	26	61	129	259
	<u>584</u>	<u>628</u>	<u>2,330</u>	<u>2,607</u>
<u>Interest Expense</u>				
Deposits	110	160	507	644
Federal Funds Purchased and Securities Sold				
Under Repurchase Agreements	3	5	13	29
Other Borrowed Funds	8	6	21	65
Customer Payables	11	-	30	2
Long-Term Debt	34	44	150	202
	<u>166</u>	<u>215</u>	<u>721</u>	<u>942</u>
Total Interest Expense				
Net Interest Income	418	413	1,609	1,665
Provision for Credit Losses	35	390	155	685
Net Interest Income After Provision for Credit Losses	<u>383</u>	<u>23</u>	<u>1,454</u>	<u>980</u>
<u>Noninterest Income</u>				
Servicing Fees				
Securities	684	484	2,412	1,896
Global Payment Services	76	76	314	296
	<u>760</u>	<u>560</u>	<u>2,726</u>	<u>2,192</u>
Private Client Services and Asset Management Fees	103	88	384	344
Service Charges and Fees	97	92	375	357
Foreign Exchange and Other Trading Activities	81	51	327	234
Securities Gains	9	13	35	(118)
Other	52	29	159	134
	<u>1,102</u>	<u>833</u>	<u>4,006</u>	<u>3,143</u>
<u>Noninterest Expense</u>				
Salaries and Employee Benefits	548	379	2,002	1,581
Net Occupancy	70	56	261	230
Furniture and Equipment	49	37	185	138
Other	301	228	1,154	802
Merger and Integration Costs	48	-	96	-
	<u>1,016</u>	<u>700</u>	<u>3,698</u>	<u>2,751</u>
Income Before Income Taxes	469	156	1,762	1,372
Income Taxes	162	56	605	470
Net Income	<u>\$ 307</u>	<u>\$ 100</u>	<u>\$1,157</u>	<u>\$ 902</u>
	=====	=====	=====	=====
<u>Per Common Share Data:</u>				
Basic Earnings	\$0.40	\$0.14	\$1.54	\$1.25
Diluted Earnings	0.40	0.14	1.52	1.24
Cash Dividends Paid	0.19	0.19	0.76	0.76
Diluted Shares Outstanding	776	726	759	728

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

	December 31, 2003	December 31, 2002
<u>Assets</u>		
Cash and Due from Banks	\$ 3,843	\$ 4,748
Interest-Bearing Deposits in Banks	8,286	5,104
Securities		
Held-to-Maturity	261	954
Available-for-Sale	22,642	17,346
Total Securities	22,903	18,300
Trading Assets at Fair Value	5,406	7,309
Federal Funds Sold and Securities Purchased Under Resale Agreements	4,829	1,385
Loans (less allowance for loan losses of \$668 in 2003 and \$656 in 2002)	34,615	30,683
Premises and Equipment	1,079	975
Due from Customers on Acceptances	170	351
Accrued Interest Receivable	214	204
Goodwill	3,268	2,497
Intangible Assets	824	78
Other Assets	6,865	6,105
Total Assets	\$92,302	\$77,739
<u>Liabilities and Shareholders' Equity</u>		
<u>Deposits</u>		
Noninterest-Bearing (principally domestic offices)	\$14,766	\$13,301
Interest-Bearing		
Domestic Offices	19,284	19,997
Foreign Offices	22,335	22,089
Total Deposits	56,385	55,387
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,039	636
Trading Liabilities	2,518	2,800
Payables to Customers and Broker-Dealers	10,192	870
Other Borrowed Funds	836	475
Acceptances Outstanding	172	352
Accrued Taxes and Other Expenses	4,181	4,066
Accrued Interest Payable	82	101
Other Liabilities (including allowance for lending-related commitments of \$136 in 2003 and \$175 in 2002)	2,368	928
Long-Term Debt	6,121	5,440
Total Liabilities	83,894	71,055
<u>Shareholders' Equity</u>		
Class A Preferred Stock - par value \$2.00 per share, authorized 5,000,000 shares, outstanding 3,000 shares in 2003 and in 2002	-	-
Common Stock-par value \$7.50 per share, authorized 2,400,000,000 shares, issued 1,039,968,482 shares in 2003 and 993,697,297 shares in 2002	7,800	7,453
Additional Capital	1,627	847
Retained Earnings	5,330	4,736
Accumulated Other Comprehensive Income	72	134
Total Shareholders' Equity	14,829	13,170
Less: Treasury Stock (264,649,827 shares in 2003 and 267,240,854 shares in 2002), at cost	6,420	6,483
Loan to ESOP (126,960 shares in 2003 And 485,533 in 2002), at cost	1	3
Total Shareholders' Equity	8,408	6,684
Total Liabilities and Shareholders' Equity	\$92,302	\$77,739

Note: The balance sheet at December 31, 2002 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, 2003			For the three months ended December 31, 2002		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 7,605	\$ 41	2.12%	\$ 4,266	\$ 26	2.44%
Federal Funds Sold and Securities Purchased Under Resale Agreements	7,124	17	0.97	4,021	14	1.37
Margin Loans	5,758	32	2.18	396	3	2.98
Loans						
Domestic Offices	21,449	212	3.93	19,464	233	4.73
Foreign Offices	10,096	71	2.77	13,480	112	3.29
Total Loans	31,545	283	3.56	32,944	345	4.14
Securities						
U.S. Government Obligations	444	3	2.31	433	4	4.05
U.S. Government Agency Obligations	4,319	36	3.30	3,726	43	4.57
Obligations of States and Political Subdivisions	274	4	6.29	430	7	6.56
Other Securities	17,315	150	3.46	12,670	135	4.27
Trading Securities	4,019	26	2.59	6,983	61	3.46
Total Securities	26,371	219	3.31	24,242	250	4.12
Total Interest-Earning Assets	78,403	592	2.99%	65,869	638	3.84%
Allowance for Credit Losses	(821)			(677)		
Cash and Due from Banks	2,861			2,731		
Other Assets	16,022			12,592		
TOTAL ASSETS	\$96,465			\$80,515		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 7,049	\$ 12	0.68%	\$ 7,440	\$ 21	1.10%
Savings	9,142	16	0.71	8,241	20	0.99
Certificates of Deposit						
\$100,000 & Over	3,518	12	1.32	4,445	22	1.98
Other Time Deposits	1,224	4	1.35	1,390	7	2.04
Foreign Offices	24,302	66	1.07	23,995	90	1.49
Total Interest-Bearing Deposits	45,235	110	0.96	45,511	160	1.40
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,756	3	0.72	1,633	5	1.24
Other Borrowed Funds	2,084	8	1.43	965	6	2.15
Payables to Customers and Broker-Dealers	6,274	11	0.70	168	-	0.68
Long-Term Debt	6,179	34	2.19	5,402	44	3.19
Total Interest-Bearing Liabilities	61,528	166	1.07%	53,679	215	1.59%
Noninterest-Bearing Deposits	13,646			11,501		
Other Liabilities	13,079			8,689		
Common Shareholders' Equity	8,212			6,646		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$96,465			\$80,515		
Net Interest Earnings and Interest Rate Spread		\$ 426	1.92%		\$ 423	2.25%
Net Yield on Interest-Earning Assets			2.15%			2.54%

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

	For the year ended December 31, 2003			For the year ended December 31, 2002		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
ASSETS						
Interest-Bearing						
Deposits in Banks (primarily foreign)	\$ 6,690	\$ 150	2.24%	\$ 4,809	\$ 133	2.76%
Federal Funds Sold and Securities Purchased Under Resale Agreements	7,326	79	1.07	3,225	51	1.60
Margin Loans	3,795	86	2.27	434	12	2.73
Loans						
Domestic Offices	20,458	855	4.18	18,985	948	5.00
Foreign Offices	11,370	332	2.93	14,886	505	3.38
Total Loans	31,828	1,187	3.73	33,871	1,453	4.27
Securities						
U.S. Government Obligations	323	10	3.12	605	31	5.08
U.S. Government Agency Obligations	3,516	129	3.66	3,407	177	5.20
Obligations of States and Political Subdivisions	329	23	6.94	520	34	6.57
Other Securities	15,758	571	3.63	10,849	505	4.66
Trading Securities	4,605	130	2.81	7,655	260	3.39
Total Securities	24,531	863	3.52	23,036	1,007	4.37
Total Interest-Earning Assets	74,170	2,365	3.19%	65,375	2,656	4.06%
Allowance for Credit Losses	(825)			(631)		
Cash and Due from Banks	2,834			2,675		
Other Assets	15,135			12,236		
TOTAL ASSETS	\$91,314			\$79,655		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	\$ 7,381	\$ 60	0.82%	\$ 6,857	\$ 87	1.27%
Savings	9,014	71	0.78	8,154	90	1.11
Certificates of Deposit						
\$100,000 & Over	4,179	65	1.56	2,393	52	2.17
Other Time Deposits	1,257	20	1.55	1,508	34	2.25
Foreign Offices	24,114	291	1.21	24,210	381	1.57
Total Interest-Bearing Deposits	45,945	507	1.10	43,122	644	1.49
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	1,542	13	0.85	2,018	29	1.43
Other Borrowed Funds	1,654	21	1.26	2,701	65	2.40
Payables to Customers and Broker-Dealers	3,945	30	0.75	176	2	0.98
Long-Term Debt	6,103	150	2.45	5,338	202	3.79
Total Interest-Bearing Liabilities	59,189	721	1.22%	53,355	942	1.76%
Noninterest-Bearing Deposits	12,670			10,673		
Other Liabilities	11,801			9,162		
Common Shareholders' Equity	7,654			6,465		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$91,314			\$79,655		
Net Interest Earnings and Interest Rate Spread		\$1,644	1.97%		\$1,714	2.30%
Net Yield on Interest-Earning Assets			2.22%			2.62%