

**Company-Run Stress Test
Dodd-Frank Act Stress Test Results**

March 14, 2013

**Supervisory Severely Adverse Scenario
Dodd-Frank Capital Actions**

**12 CFR Section 252.148
12 CFR Section 252.157**

Introduction.

The Bank of New York Mellon Corporation (“BNY Mellon”) and The Bank of New York Mellon (the “Institutional Bank”) are required to conduct company-wide stress tests and disclose a summary of those results pursuant to the requirements of 12 CFR Section 252.148 and 12 CFR Section 252.157, respectively (together, the “Regulations”). Accordingly, we have developed the following disclosure, which contains the information required by the Regulations to be disclosed publicly. The information contained in this disclosure has been prepared in accordance with the Regulations. Any differences in the presentation of information concerning either BNY Mellon or the Institutional Bank contained herein relative to how these firms present such information for other purposes is solely due to our efforts to comply with the Regulations. The information presented herein does not, in any way, reflect changes to our organizational structure, business plans or practices, or strategy. The projections contained here represent hypothetical estimates that involve an economic outcome that is more adverse than expected, and accordingly these estimates are not forecasts of expected losses, revenues, net income before taxes, or capital ratios.

BNY Mellon – Summary of Results.

When conducting the company-run stress test under the supervisory severely adverse scenario with Dodd-Frank capital actions, BNY Mellon evaluated and incorporated the principal risks that have been determined to influence the firm. These risks include operational risk, market risk and credit risk. We define operational risk as the risk of loss resulting from inadequate or failed internal processes, human factors and systems, breaches of technology and information systems, potential legal or regulatory actions, or from external events. We define market risk as the risk of loss due to adverse changes in the financial markets. Market risk arises from derivative financial instruments, such as futures, forwards, swaps, and options and other financial instruments including loans, securities, deposits, and other borrowings. BNY Mellon’s market risks are primarily interest rate and foreign exchange risk, equity risk, and credit risk. Finally, we define credit risk as is the risk of loss attributable to counterparty default on obligations to us. BNY Mellon’s credit risk arises primarily from lending, trading, and securities servicing activities.

BNY Mellon has forecast projected losses, pre-provision net revenue, provision for loan and lease losses and other factors affecting capital using a series of models and estimation techniques that translate the economic and financial variables in the supervisory severely adverse scenario to BNY Mellon’s losses and revenues. In furtherance of this methodology, BNY Mellon has developed a series of models to estimate losses on various types of loans and securities. In addition, BNY Mellon used a separate methodology to estimate operational losses. Consistent with the balance sheet and exposure assumptions used for loss estimation, BNY Mellon developed a model to project all key elements of pre-provision net revenue including net interest income, non-interest income, and non-interest expense. Finally, BNY Mellon’s forecasting process employed a set of methodologies to assess the affect of losses,

pre-provision net revenue, provision for loan and lease losses on pro forma capital levels and ratios.

Throughout the forecast period, BNY Mellon continues to generate increases in regulatory and tier 1 common capital. The most significant cause for changes to BNY Mellon's regulatory capital ratios and tier 1 common ratio is our fee-based business model, which permits us to generate capital even in stressed environments.

BNY Mellon – Tables of Statistical Results.

COMPANY-RUN RESULTS

Dodd-Frank Act Stress Testing Results

Projected Stressed Capital Ratios
BNY Mellon Estimates in the Supervisory Severely Adverse Scenario

The capital ratios are calculated using capital action assumptions provided within the Dodd-Frank Act stress testing rule. These projections represent hypothetical estimates that involve an economic outcome that is more adverse than expected. These estimates are not forecasts of expected losses, revenues, net income before taxes, or capital ratios. The minimum capital ratio presented is for period Q4 2012 to Q4 2014.

Projected Basel I Capital Ratios through Q4 2014 under the Supervisory Severely Adverse Scenario

	<u>Actual</u>	Stressed Capital Ratios in the Supervisory Severely Adverse Scenario	
	3Q 2012	4Q 2014	Minimum over Projection Horizon
Tier 1 Common Capital Ratio	13.3%	14.4%	13.1%
Tier 1 Capital Ratio	15.3%	15.7%	14.5%
Total Risk-Based Capital Ratio	16.9%	16.5%	15.6%
Tier 1 Leverage Ratio	5.6%	5.4%	5.0%

Note: All results contain DFA actions

Projected Losses, Revenue, and Net Income Before Taxes for 4Q 2012 through 4Q 2014 under the Supervisory Severely Adverse Scenario (Aggregate over the planning horizon)

	Billions of Dollars	Percentage of Average Assets
Pre-Provision Net Revenue	\$3.6	1.1%
Other Revenue	\$0.0	
<i>less</i>		
Provisions	\$0.3	
Realized Loss/Gains on Securities	\$0.6	
Trading and Counterparty Losses	\$0.0	
Other Losses/Gains	\$0.0	
<i>equals</i>		
Net Income Before Taxes	\$2.7	0.8%

Projected Loan Losses by Type of Loans for 4Q 2012 through 4Q 2014 under the Supervisory Severely Adverse Scenario (Aggregate over the planning horizon)

	Billions of Dollars	Portfolio Loss Rates ¹
Loan Losses	\$0.3	0.7%
First Lien Mortgages, Domestic	\$0.1	2.1%
Jr Lien Mortgages, HELOCs	\$0.0	0.0%
Commercial and Industrial	\$0.1	3.3%
Commercial RE, Domestic	\$0.0	0.0%
Credit Cards	\$0.0	0.0%
Other Consumer	\$0.0	0.0%
Other Loans	\$0.1	0.2%

¹ Percent of average portfolio balance.

Institutional Bank – Summary of Results.

When conducting the company-run stress test under the supervisory severely adverse scenario and Dodd-Frank capital actions, the Institutional Bank evaluated the types of risks and utilized the same methodologies as described above in the discussion concerning BNY Mellon. Throughout the forecast period, the Institutional Bank continues to generate increases in regulatory and tier 1 common capital. The most significant cause for changes to the Institutional Bank’s regulatory capital ratios and tier 1 common ratio is our fee-based business model, which permits us to generate capital even in stressed environments.

Institutional Bank – Tables of Statistical Results.

COMPANY-RUN RESULTS

Dodd-Frank Act Stress Testing Results

Projected Stressed Capital Ratios
Institutional Bank Estimates in the Supervisory Severely Adverse Scenario

The capital ratios are calculated using capital action assumptions provided within the Dodd-Frank Act stress testing rule. These projections represent hypothetical estimates that involve an economic outcome that is more adverse than expected. These estimates are not forecasts of expected capital ratios. The minimum capital ratio presented is for period Q4 2012 to Q4 2014.

Projected Capital Ratios through Q4 2014 under the Supervisory Severely Adverse Scenario			
	<u>Actual</u>	Supervisory Severely Adverse Scenario Stressed Capital Ratios	
	3Q 2012	4Q 2014	Minimum over Projection Horizon
Tier 1 Common Capital Ratio	13.2%	13.2%	12.6%
Tier 1 Capital Ratio	14.1%	13.2%	13.2%
Total Risk-Based Capital Ratio	14.8%	13.7%	13.7%
Tier 1 Leverage Ratio	5.5%	4.8%	4.8%

Additional information related to BNY Mellon and the Institutional Bank is contained in BNY Mellon's reports filed with the Securities and Exchange Commission (the "SEC"), including the Annual Report on Form 10-K for the year ended December 31, 2012 (including the Annual Report to Shareholders (the "Annual Report") included with the 10-K) (the "2012 Form 10-K"), the Quarterly Reports on Form 10-Q and the Current Reports on Form 8-K (each, a "'34 Act Report"). These periodic '34 Act Reports can be viewed, as they become available, on the SEC's website at www.sec.gov and at www.bnymellon.com. Information contained in '34 Act Reports that BNY Mellon makes with the SEC subsequent to the date of the 2012 Form 10-K may modify, update and supersede the information contained in the 2012 Form 10-K and provided in this document.

This document and BNY Mellon's '34 Act Reports referred to above contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "estimate," "forecast," "project," "anticipate," "confident," "target," "expect," "intend," "seek," "believe," "plan," "goal," "could," "should," "may," "will," "strategy," "opportunities," "trends" and words of similar meaning, signify forward-looking statements. These statements are based on the current beliefs and expectations of BNY Mellon's management and are subject to significant risks and uncertainties that are subject to change based on various important factors (some of which are beyond BNY Mellon's control). Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause BNY Mellon's actual results to differ materially from those described in the forward-looking statements can be found in the "Risk Factors" section of the 2012 Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC. All forward-looking statements speak only as of the date on which such statements are made and BNY Mellon does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.