FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**
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BANK OF NEW YORK CO INC
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1994

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-6152

THE BANK OF NEW YORK COMPANY, INC.
(Exact name of registrant as specified in its charter)

New York	13-2614959
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification number)

48 Wall Street, New York, New York	10286
(Address of principal executive offices)	(Zip code)

(212) 495-1784
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No
---- ----

The number of shares outstanding of the issuer's Common Stock, $7.50 par value, was 187,901,790 shares as of April 30, 1994.

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

<CAPTION>

<S>	March 31, 1994 <C>	Dec. 31, 1993 <C>
Assets		
Cash and Due from Banks	$ 3,165	$ 4,511
Interest-Bearing Deposits in Banks	298	269
Securities:		
Held-to-Maturity(market value of $3,085 in 1994 and $4,449 in 1993)	3,199	4,356
Available-for-Sale(market value of $2,420 in 1994 and $1,243 in 1993)	2,420	1,241
Total Securities	5,619	5,597
Trading Assets at Market Value	2,479	1,325
Federal Funds Sold and Securities Purchased Under Resale Agreements	300	36
Loans (less allowance for loan losses of $934 in 1994 and $970 in 1993)	31,626	29,600
Premises and Equipment	934	945
Due from Customers on Acceptances	1,074	888
Accrued Interest Receivable	221	222
Other Assets	2,292	2,153
Total Assets	$48,008	$45,546
Liabilities and Shareholders' Equity		
Deposits		
Noninterest-Bearing (principally domestic offices)	$ 8,792	$ 8,690
Interest-Bearing		
Domestic Offices	14,904	15,156
Foreign Offices	9,061	8,313
Total Deposits	32,757	32,159
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	2,726	2,711
Other Borrowed Funds	4,382	2,781
Acceptances Outstanding	1,075	901
Accrued Taxes and Other Expenses	819	763
Accrued Interest Payable	130	111
Other Liabilities	550	458
Long-Term Debt	1,540	1,590
Total Liabilities	43,979	41,474
Shareholders' Equity		

Preferred Stock-no par value, authorized 5,000,000 shares, outstanding 184,000 shares in 1994 and 3,648,100 shares in 1993	111	267
Class A Preferred Stock - par value $2.00 per share, authorized 5,000,000 shares, outstanding 1,077,015 shares in 1994 and 1,085,415 shares in 1993	27	27
Common Stock-par value $7.50 per share, authorized 350,000,000 shares, issued 187,989,104 shares in 1994 and 187,400,962 shares in 1993	1,410	1,406
Additional Capital	839	841
Retained Earnings	1,650	1,536
Securities Valuation Allowance	(3)	-
	4,034	4,077
Less: Treasury Stock-184,800 shares in 1994 and 173,198 in 1993, at cost	5	5
Total Shareholders' Equity	4,029	4,072
Total Liabilities and Shareholders' Equity	$48,008	$45,546

<FN>
See accompanying Notes to Consolidated Financial Statements.
</TABLE>

4.
<TABLE>

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

<CAPTION>

	For the three months ended March 31, 1994	1993
<S>	<C>	<C>
Interest Income		
Loans	$ 512	$ 507
Securities		
Taxable	57	56
Exempt from Federal Income Taxes	15	19
	72	75
Deposits in Banks	8	8
Federal Funds Sold and Securities Purchased Under Resale Agreements	19	27
Trading Assets	15	8
Total Interest Income	626	625

Interest Expense		
Deposits	166	187
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	27	22
Other Borrowed Funds	23	22
Long-Term Debt	27	28
Total Interest Expense	243	259
Net Interest Income	383	366
Provision for Loan Losses	45	93
Net Interest Income After Provision for Loan Losses	338	273
Noninterest Income		
Processing Fees		
Securities	88	76
Other	42	38
	130	114
Trust and Investment Fees	33	32
Service Charges and Fees	119	114
Securities Gains	12	26
Other	56	44
Total Noninterest Income	350	330
Noninterest Expense		
Salaries and Employee Benefits	211	199
Net Occupancy	47	43
Furniture and Equipment	22	22
Other	123	127
Total Noninterest Expense	403	391
Income Before Income Taxes	285	212
Income Taxes	107	78
Net Income	$ 178	$ 134
Net Income Available to Common Shareholders	$ 174	$ 127
Per Common Share Data (1):		
Primary Earnings	$0.93	$0.69
Fully Diluted Earnings	0.87	0.65
Cash Dividends	0.225	0.19

Average Common Shares Outstanding	188	184

(1) Per Common Share Data has been adjusted to reflect the effect of the 2-for-1 common stock split effective April 22, 1994.

<FN>
See accompanying Notes to Consolidated Financial Statements.

</TABLE>

<TABLE>

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statement of Changes in Shareholders' Equity
(Unaudited)
For the three months ended March 31, 1994
(In millions)

<CAPTION>

<S>	Preferred Stock <C>	Class A Preferred Stock <C>	Common Stock <C>	Additional Capital <C>	Retained Earnings <C>	Securities Valuation Allowance <C>	Treasury Stock <C>
Balance, January 1, 1994	$ 267	$ 27	$1,406	$ 841	$1,536	$ -	5
Changes:							
Net Income					178		
Cash Dividends							
Common Stock					(41)		
Preferred Stock					(5)		
Redemption of Preferred Stock	(156)				(17)		
Redemption of Common Stock Warrants and Issuance of Common Stock			4	(2)			
Net Unrealized Loss on Securities Available-for-Sale						(3)	
Change in Cumulative Foreign Currency Translation Adjustment					(1)		
	------	------	------	-----	------	-----	------
Balance,							

March 31, 1994	$ 111	$ 27	$1,410	$ 839	$1,650	$ (3)	$ 5
	======	======	======	=====	======	=====	======

</TABLE>

6.

<TABLE>

THE BANK OF NEW YORK COMPANY, INC.
Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

<CAPTION>

	For the three months ended March 31, 1994	1993
<S>	<C>	<C>
Operating Activities		
Net Income	$ 178	$ 134
Adjustments to Determine Net Cash Provided (Used) by Operating Activities		
Provision for Losses on Loans and Other Real Estate	45	100
Depreciation and Amortization	48	44
Deferred Income Taxes	53	41
Securities Gains	(12)	(26)
Change in Trading Assets	(230)	(235)
Change in Securities Held for Sale	-	1,068
Change in Accruals and Other, Net	(237)	37
	------	------
Net Cash Provided (Used) By Operating Activities	(155)	1,163
	------	------
Investing Activities		
Change in Interest-Bearing Deposits in Banks	(21)	18
Purchases of Securities Held-to-Maturity	(107)	(438)
Sales of Securities Held-to-Maturity	-	6
Maturities of Securities Held-to-Maturity	141	223
Purchases of Securities Available-for-Sale	(486)	-
Sales of Securities Available-for-Sale	693	-
Maturities of Securities Available-for-Sale	5	-
Net Principal Disbursed on Loans to Customers	(2,085)	(124)
Sales of Loans	122	158
Sales of Other Real Estate	6	26
Change in Federal Funds Sold and Securities Purchased Under Resale Agreements	(264)	163
Purchases of Premises and Equipment	(6)	(8)
Acquisitions, Net of Cash Acquired	(160)	58
Proceeds from the Sale of Premises and Equipment	4	-
Partial Sale of Unconsolidated Subsidiary	37	-
Other, Net	(108)	(111)
	-------	-------

Net Cash Used by Investing Activities	(2,229)	(29)
Financing Activities		
Change in Deposits	560	(2,427)
Change in Federal Funds Purchased and Securities Sold Under Repurchase Agreements	15	923
Change in Other Borrowed Funds	717	(228)
Repayment of Long-Term Debt	(50)	-
Redemption and Repurchases of Preferred Stock and Warrants	(173)	(13)
Issuance of Common Stock	2	29
Treasury Stock Acquired	-	(1)
Cash Dividends Paid	(46)	(42)
Net Cash Provided (Used) by Financing Activities	1,025	(1,759)
Effect of Exchange Rate Changes on Cash	13	2
Decrease In Cash and Due From Banks	(1,346)	(623)
Cash and Due from Banks at Beginning of Period	4,511	5,506
Cash and Due from Banks at End of Period	$3,165	$4,883
Supplemental Disclosure of Cash Flow Information		
Cash Paid During the Year for:		
Interest	$ 224	$ 287
Income Taxes	11	7
Noncash Investing Activity (Primarily Foreclosure of Real Estate)	29	35

<FN>
See accompanying Notes to Consolidated Financial Statements.
</TABLE>

THE BANK OF NEW YORK COMPANY, INC.
Notes to Consolidated Financial Statements

1. General

The accounting and reporting policies of The Bank of New York Company, Inc. (the Company), a bank holding company, and its subsidiaries, conform with generally accepted accounting principles and general practice within the banking industry. Such policies, except as noted below, are consistent with those applied in the preparation of the Company's annual financial statements.

The accompanying financial statements are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of financial position, results of operations and cash flows for the interim periods have been made. Such adjustments are of a normal recurring nature.

2. Securities

Effective January 1, 1994, the Company accounts for debt and equity securities classified as available-for-sale at market value, with net unrealized gains and losses reported as a separate component of shareholders' equity. Previously such securities were stated at the lower of aggregate cost or market value. In connection with this change, the Company reclassified $1,384 million of securities from held-to-maturity to available-for-sale. In addition, $267 million of loans ("Brady Bonds") were reclassified from loans to securities held-to-maturity.

Realized gains on the sale of securities available-for-sale were $7 million in both the first quarter of 1994 and 1993.

The following table sets forth the carrying amount and the fair value of securities at March 31, 1994:

(In millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities Held-to-Maturity				
U.S. Government Obligations	$1,437	$ 2	$ 45	$1,394
U.S. Government Agency Obligations	344	1	8	337
Obligations of States and Political Subdivisions	995	5	-	1,000
Other Debt Securities	423	1	70	354
Total Securities Held-to-Maturity	3,199	9	123	3,085
Securities Available-for-Sale				
U.S. Government Obligations	2,204	8	24	2,188
Equity Securities	220	12	-	232
Total Securities Available-for-Sale	2,424	20	24	2,420
Total Securities	$5,623	$ 29	$ 147	$5,505

9.

The amortized cost and fair value of securities at March 31, 1994, by contractual maturity, are as follows:

(In millions)	Amortized Cost	Fair Value
Securities Held-to-Maturity		
Due In One Year or Less	$ 562	$ 565
Due After One Year Through Five Years	1,262	1,242
Due After Five Years Through Ten Years	619	593
Due After Ten Years	756	685
Total Securities Held-to-Maturity	3,199	3,085
Securities Available-for-Sale		
Due In One Year or Less	265	267
Due After One Year Through Five Years	1,026	1,030
Due After Five Years Through Ten Years	908	884
Due After Ten Years	5	7
Equity Securities	220	232
Total Securities Available-for-Sale	2,424	2,420
Total Securities	$5,623	$5,505

10.

The following table shows the maturity distribution by carrying amount and yield (not on a taxable equivalent basis) of the Company's securities portfolio at March 31, 1994.

<TABLE>
<CAPTION>

(Dollars in millions)	U.S. Government		U.S. Government Agency		States and Political Subdivisions	
<S>	Amount <C>	Yield <C>	Amount <C>	Yield <C>	Amount <C>	Yield <C>
Securities Held to Maturity						
One Year or Less	$ 80	5.55%	$ 21	5.87%	$ 406	4.04%
Over 1 through 5 Years	920	4.71	145	5.05	147	6.84
Over 5 through 10 Years	437	5.63	3	8.00	130	7.43
Over 10 Years	-	-	175	7.51	312	7.44
	$1,437	5.04	$ 344	6.38	$ 995	5.96
Securities Available for Sale						
One Year or Less	$ 267	5.30%	$ -	- %	$ -	- %
Over 1 through 5 Years	1,030	5.89	-	-	-	-
Over 5 through 10 Years	884	6.07	-	-	-	-
Over 10 Years	7	11.19	-	-	-	-
No Maturity	-	-	-	-	-	-
	$2,188	5.91	$ -	-	$ -	-

</TABLE>

<TABLE>

<CAPTION>

(Dollars in millions)	Other Bonds, Notes and Debentures		Stocks and Warrants		
<S>	Amount <C>	Yield <C>	Amount <C>	Yield <C>	Total <C>
Securities Held to Maturity					
One Year or Less	$ 55	4.52%	$ -	- %	$ 562
Over 1 through 5 Years	50	6.22	-	-	1,262
Over 5 through 10 Years	49	5.91	-	-	619
Over 10 Years	269	5.22	-	-	756

	$ 423	5.32	$ -	-	$3,199

Securities Available for Sale

One Year or Less	$ -	- %	$ -	- %	$ 267
Over 1 through 5 Years	-	-	-	-	1,030
Over 5 through 10 Years	-	-	-	-	884
Over 10 Years	-	-	-	-	7
No Maturity	-	-	232	3.59	232
	$ -	-	$ 232	3.59	$2,420

</TABLE>

3. Allowance for Loan Losses

Transactions in the allowance for loan losses are summarized as follows:

(In millions)	Three months ended March 31, 1994	1993
Balance, Beginning of Period	$ 970	$1,072
Charge-offs	(100)	(115)
Recoveries	17	14
Net Charge-Offs	(83)	(101)
Credit Card Securitization	2	-
Provision	45	93
Balance, End of Period	$ 934	$1,064

In 1995, a new accounting standard will require the Company to introduce the time value of money into the determination of the portion of the allowance for loan losses which relates to impaired, non-consumer loans. The loss component of impaired, non-consumer loans will be measured by the difference between their recorded value and fair value. Fair value would be either the present value of the expected future cash flows from borrowers, market value of the loan, or the fair value of the collateral. At the present time, the impact of the new method on the Company's results of operations and financial condition is not expected to be material.

4. Capital Resources
- --------------------

The financial statements reflect a 2-for-1 common stock split, effective April 22, 1994.

Also, the Company increased its quarterly common stock cash dividend to 55 cents per share (27.5 cents per share post split) from 45 cents per share, and announced a plan to buy back, throughout the remainder of 1994, up to 5 million of its post-split common shares. All shares purchased will be used in connection with certain employee benefit plans or will be held as treasury shares.

5. Commitments and Contingent Liabilities

In April 1990, the Company notified Northeast Bancorp., Inc. (NEB) that NEB had materially breached its obligation under a merger agreement. Following denial by the Federal Reserve Board of the Company's application for approval to acquire NEB and failure by state regulators to approve the proposed merger prior to the August 15, 1990 termination date, the Company's Board of Directors notified NEB in September 1990 that it had terminated the merger agreement.

In May 1990, NEB brought suit against the Company in the United States Court for the District of Connecticut seeking money damages of $350 million relating to NEB's allegations that the Company breached its obligations. In November 1990, the Company filed a motion for summary judgment to have the lawsuit dismissed; in June 1991, this motion was granted as to NEB's Connecticut Unfair Trade Practices Act and libel claims and denied as to NEB's other claims. In March 1993, the Company's motion for summary judgment on NEB's contract claims was denied. In May 1993, as part of the acquisition of NEB's Class A voting common stock by First Fidelity Bancorporation, NEB's interest in the suit was transferred to a trust funded with $2 million for the benefit of former NEB shareholders. The action will continue. In the opinion of management, NEB's claims are without merit.

In the ordinary course of business, there are various claims pending against the Company and its subsidiaries. In the opinion of management, liabilities arising from such claims, if any, would not have a material effect upon the Company's consolidated financial statements.

On January 1, 1994, a new accounting standard required the Company to recognize unrealized gains and losses related to certain interest rate and foreign currency contracts as assets and liabilities on its balance sheet. The new standard allows the netting of unrealized gains and losses with the same counterparty when a master netting agreement is in effect. The Company previously presented all unrealized gains and losses on a net basis. Reported assets and liabilities increased by approximately $815 million at March 31, 1994 as a result of the new accounting standard.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company reported record first quarter net income of $178 million, which compares with net income of $134 million in the first quarter of 1993. Fully diluted earnings per share in the first quarter of 1994 were a record $0.87 compared with $0.65 per share in the same period last year, an increase of 34%. The gain on the sale of a portion of the Company's interest in Wing Hang Bank, Ltd. in Hong Kong, which was partially offset by a restructuring charge related to National Community Division, added a net 6 cents to earnings per share this quarter.

Net interest income, on a taxable equivalent basis, increased $16 million or 4% to $396 million from the first quarter of 1993. The Company noted widened spreads and increasing loan demand during the first quarter. Credit card growth remained especially strong. There was also growth in other consumer loans, as well as in middle market and large corporate lending.

Fee income was strong, especially from securities and other processing, syndications and factoring. A lower provision for loan losses and continued control of operating expenses contributed to higher earnings.

Return on average assets in the first quarter of 1994 was 1.50% compared with 1.32% in the fourth quarter of 1993 and 1.17% in the first quarter of 1993. Return on average common equity was 18.55% in the first quarter of 1994 compared with 16.16% in the fourth quarter of 1993 and 15.06% in the first quarter of 1993. Both return on assets and return on equity for this quarter were records for the Company.

CAPITAL AND LIQUIDITY

The Company's estimated Tier I capital and total capital ratios were 8.25% and 12.85% at March 31, 1994 compared with 8.87% and 13.65% at December 31, 1993 and 8.26% and 12.90% at March 31, 1993. The decline in these ratios from December 31, 1993 is primarily attributable to the redemption of $156 million of preferred stock in the first quarter of 1994. The absence of this preferred stock will add approximately 4 cents to annual per share earnings. Tangible common equity as a percent of total assets was 6.84% at March 31, 1994 compared with 7.00% at December 31, and 6.41% one year ago.

On April 12, 1994, the Company's Board of Director's declared a 2-for-1 common stock split. On May 13, 1994, holders of record as of the close of business on April 22, 1994 will receive one additional share for every share held.

Also, the Company's Board of Directors declared a quarterly common stock cash dividend of 55 cents per share (27.5 cents per share post split), a 22% increase over the 45 cents previously paid. This increase

will result in an annual rate of $2.20 per share ($1.10 per share post split), the highest in the Company's history, surpassing the previous high of $2.12 per share ($1.06 per share post split) paid in 1990. The new dividend is payable on May 6, 1994 to holders of record as of the close of business on April 22, 1994.

In addition, the Company announced a plan to buy back, throughout the remainder of this year, up to 5 million of its post-split common shares. All shares purchased will be used in connection with certain employee benefit plans or will be held as treasury shares.

NONPERFORMING ASSETS

(Dollars in millions)

	3/31/94	12/31/93	Change 1Q 1994 vs. 4Q 1993
Loans:			
HLT	$ 51	$ 52	(2)%
Commercial Real Estate	55	72	(24)
Other Commercial	105	130	(19)
Foreign	24	34	(29)
LDC	95	96	(1)
Community Banking	118	156	(24)
Total Loans	448	540	(17)
Other Real Estate	84	99	(15)
Total	$ 532	$ 639	(17)
Nonperforming Asset Ratio	1.6%	2.1%	
Allowance/Nonperforming Loans	208.5	179.6	
Allowance/Nonperforming Assets	175.6	151.8	

Nonperforming assets declined for the eleventh consecutive quarter.

They totaled $532 million at March 31, compared with $639 million at December 31, 1993, a decrease of $107 million or 17%. A total of $51 million of small nonperforming loans were sold this quarter. This was the Company's first bulk sale of nonperforming loans.

Nonperforming commercial real estate assets, which include other real estate owned, declined to $139 million at March 31, 1994, a $32 million, or 19% decrease from $171 million at December 31, 1993.

LOAN LOSS PROVISION AND NET CHARGE-OFFS

(In millions)	1st Quarter 1994	4th Quarter 1993	1st Quarter 1993
Provision	$ 45	$ 50	$ 93
Net Charge-offs:			
HLT	-	2	(7)
Commercial Real Estate	(5)	(30)	(18)
Other Commercial	(20)	(6)	(32)
Consumer	(39)	(40)	(36)
Foreign	-	(6)	(2)
Other	(19)	(5)	(6)
Total	(83)	(85)	(101)
Credit Card Securitization	2	1	-
Decrease in Allowance	$ (36)	$ (34)	$ (8)
Other Real Estate Expense	$ 2	$ 4	$ 9

The allowance for loan losses was $934 million, or 2.87% of loans at March 31, 1994 compared with $970 million, or 3.17% of loans at December 31, 1993.

NET INTEREST INCOME

On a taxable equivalent basis, net interest income amounted to $396 million in the first quarter of 1994, compared with $380 million in the same period of 1993, an increase of 4%. The net interest rate spread was 3.18% in the first quarter of 1994 compared with 3.12% in the fourth quarter of 1993 and 3.11% one year ago. The net yield on interest earning assets was 3.89% in the first quarter of 1994 compared with 3.83% in the fourth quarter of 1993 and 3.82% in the same period last year. The spread and yield benefitted modestly from the return of a portion of the Company's credit card securitization to its balance sheet.

There was continued strong performance in credit cards, as the number of card accounts increased by 23% to 4.9 million and managed outstandings were up by 21% to $6.3 billion from one year ago. Response rates to the Company's aggressive national direct-mail campaign have significantly exceeded expectations so far this year. The Company will continue this program throughout the remainder of 1994. The credit quality of our card portfolio continues to be excellent. Delinquencies continue to decline. Net charge-offs as a percentage of average outstandings were 3.13% in the first quarter of 1994, down significantly from 3.48% one year ago.

Interest lost on loans on nonaccrual status at March 31, 1994 and 1993, reduced net interest income by $6 million and $15 million for the three months ended March 31, 1994 and 1993.

NONINTEREST INCOME

Noninterest income increased 6% to $350 million in the first quarter, compared with $330 million in the same period last year.

Securities processing fees were $88 million for the first quarter of 1994 and $76 million for the first quarter of 1993, an increase of 16%. Most areas contributed to the increase. Among the strongest were corporate trust, government securities clearance, master trust and mutual fund custody. Other processing fees, principally funds transfer, deposit services, and trade finance, were $42 million for the first quarter of 1994, compared with $38 million in the same period last year, an increase of 11%.

Service charges and fees were $119 million in the first quarter of 1994, compared with $114 million in the first quarter of last year. In the first quarter, noninterest income attributable to the Company's credit card securitization was $4 million less than the comparable period of last year due to a portion of these assets returning to the balance sheet.

Securities gains were $12 million in the first quarter of 1994 compared with $26 million in the same period last year.

Other noninterest income was $56 million and $44 million for the first quarters of 1994 and 1993. Foreign exchange profits and trading activities were $16 million and $23 million in the first quarters of 1994 and 1993. Also included in other noninterest income for 1994 is a pre-tax gain of $22 million ($14 million after-tax) related to the sale of a portion of the Company's interest in Wing Hang Bank, Ltd., which was partially offset by a $3 million restructuring charge related to National Community Division (NCD).

NONINTEREST EXPENSE AND INCOME TAXES

Total noninterest expense increased 3% to $403 million in the first quarter from $391 million in 1993. Other real estate expense decreased to $2 million from $9 million in the first quarter of 1993.

Salaries increased 5% in the first quarter to $153 million from $146 million in the same period last year. Excluding the $3 million restructuring charge related to NCD, salaries increased 3%. Profit-sharing increased to $16 million from $13 million in last year's first quarter. Other employee benefits -- primarily incentive compensation and health care expenses -- were up 4% from the first quarter of last year.

The effective tax rate for the first quarter of 1994 was 37.5% compared with 36.8% for the first quarter of 1993.

CREDIT CARD OPERATIONS

Credit card receivables sold in the form of a security is a technique for financing the Company's credit card operations. It replaces at competitive rates other sources of deposits and borrowed money, and improves liquidity and capital. For accounting purposes, the technique removes the underlying assets and liabilities from the balance sheet, and amounts otherwise reported in the income statement are classified as noninterest income.

The Company securitized $1,350 million of credit card receivables in 1991; $1,038 million were outstanding at March 31, 1994, and $838 million are scheduled to mature during the rest of 1994. The impact of the securitization, assuming the funds received from the securitization were used to replace short-term borrowings, is summarized below:

(In millions)	Three months ended March 31, 1994	1993
Lower Net Interest Income	$34	$42
Lower Provision for Loan Losses	13	15
Higher Noninterest Income	12	16

HIGHLY LEVERAGED TRANSACTIONS

At March 31, 1994, HLT loans outstanding were $1,291 million and commitments were $284 million compared with $1,314 million and $349 million at December 31, 1993. At March 31, 1994, borrowers in the communication industry represented 54% of the HLT portfolio.

LESS DEVELOPED COUNTRY (LDC) DEBT

The Company's medium-term LDC loans were $150 million at March 31, 1994 compared with $151 million at December 31, 1993. The medium-term LDC loan loss allowance was $116 million, or 77% of such loans, which adequately reflects their current market value.

In the second quarter, the Company expects to charge-off approximately $15 million of Yugoslavian loans in response to the Interagency Country Exposure Review Committee's statements that certain Yugoslavian loans were value-impaired.

<TABLE>

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

<CAPTION>

<S>	For the three months ended March 31, 1994 Average Balance <C>	Interest <C>	Average Rate <C>	For the three months ended March 31, 1993 Average Balance <C>	Interest <C>	Average Rate <C>
ASSETS						
Interest-Bearing Deposits in Banks (primarily foreign)	$ 563	$ 8	5.39%	$ 576	$ 8	5.49%
Federal Funds Sold and Securities Purchased Under Resale Agreements	2,444	19	3.23	3,520	27	3.09
Loans						
Domestic Offices	21,309	398	7.58	19,845	379	7.75
Foreign Offices	10,005	116	4.69	10,575	129	4.96
Total Loans	31,314	514	6.66	30,420	508	6.78
Securities						
U.S. Government Obligations	3,688	48	5.30	2,322	33	5.84
U.S. Government Agency						

Obligations	366	6	6.41	1,118	18	6.47
Obligations of States and Political Subdivisions	1,024	24	9.55	1,133	30	10.48
Other Securities,including Trading Securities	1,822	20	4.35	1,167	15	5.13
Total Securities	6,900	98	5.74	5,740	96	6.74
Total Interest-Earning Assets	41,221	639	6.29%	40,256	639	6.44%
Allowance for Loan Losses	(971)			(1,073)		
Cash and Due from Banks	3,000			2,705		
Other Assets	5,116			4,645		
TOTAL ASSETS	$48,366			$46,533		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-Bearing Deposits						
Money Market Rate Accounts	$ 3,626	22	2.47%	$ 3,699	24	2.59%
Savings	8,383	45	2.19	8,276	51	2.51
Certificates of Deposit $100,000 & Over	885	7	3.06	1,413	11	3.18
Other Time Deposits	2,268	24	4.37	2,952	32	4.46
Foreign Offices	8,739	68	3.17	8,022	69	3.46
Total Interest-Bearing Deposits	23,901	166	2.83	24,362	187	3.11
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	3,713	27	2.90	2,956	22	3.00
Other Borrowed Funds	2,610	23	3.63	2,576	22	3.45
Long-Term Debt	1,557	27	6.86	1,695	28	6.73
Total Interest-Bearing Liabilities	31,781	243	3.11%	31,589	259	3.33%
Noninterest-Bearing Deposits	9,440			8,864		
Other Liabilities	3,106			2,277		
Preferred Stock	243			400		
Common Shareholders' Equity	3,796			3,403		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$48,366			$46,533		
Net Interest Earnings and Interest Rate Spread		$396	3.18%		$380	3.11%
Net Yield on Interest-Earning Assets			3.89%			3.82%

</TABLE>

PART 2. OTHER INFORMATION

Item 1. Legal Proceedings
- --------------------------

Discussion of litigation regarding Northeast Bancorp, Inc. is included in Note 5 to the Consolidated Financial Statements included in Part 1, Item 1 of this Report.

Item 4. Submission of Matters to Vote of Security Holders
- --

The Company held its annual meeting on May 10, 1994 at its 48 Wall Street headquarters in New York City. The following matters were submitted to a vote of the shareholders:

-- Election of eighteen director nominees to new one-year terms was approved with no nominee receiving less than 79.1 million votes.

-- Appointment of Deloitte & Touche as the Company's independent public accountants for 1994 was ratified by a vote of 80.7 million affirmative to 311 thousand negative.

-- The adoption of the 1994 Management Incentive Compensation Plan of the Bank of New York Company, Inc. was approved by a vote of 75.5 million affirmative to 5.0 million negative.

-- A proposal that cumulative voting rights be accorded to shareholders was defeated by a vote of 21.5 million affirmative to 48.1 million negative.

-- A proposal concerning disclosure of compensation of executive officers was defeated by a vote of 5.2 million affirmative to 63.8 million negative.

Item 6. Exhibits and Reports on Form 8-K
- ---

(a) The exhibits filed as part of this report are as follows:

Exhibit 11 - Statement Re: Computation of Earnings Per Common Share for the Three Months Ended March 31, 1994 and 1993.

Exhibit 12 - Statement Re: Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the Three Months Ended March 31, 1994 and 1993.

(b) The Company filed the following reports on Form 8-K since December 31, 1993:

On January 14, 1994, the Company filed a Form 8-K Current Report (Item 5), which report included unaudited interim financial information and accompanying discussion for the fourth quarter of 1993 contained in the Company's press release dated January 14, 1994.

On April 12, 1994, the Company filed a Form 8-K Current Report (Item 5), which report included unaudited interim financial information and accompanying discussion for the first quarter of 1994 and the announcement of a quarterly dividend increase to 55 cents per share, a 2-for-1 stock split, and a plan to buy back up to 2.5 million of its pre-split common shares contained in the Company's press release dated April 12, 1994.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE BANK OF NEW YORK COMPANY, INC.

(Registrant)

Date: May 13, 1994

/s/ Deno D. Papageorge

Deno D. Papageorge,
Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description

11	Computation of Earnings Per Common Share for the Three Months Ended March 31, 1994 and 1993.
12	Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends for the Three Months Ended March 31, 1994 and 1993.

<TABLE>

EXHIBIT 11

THE BANK OF NEW YORK COMPANY, INC.
Computation of Earnings Per Common Share
(in millions, except per share amounts)

<CAPTION>

<S>	For the Three Months Ended March 31, 1994 <C>	1993 <C>
Weighted Average Number of Shares of Common Stock for Primary Computation	188	184
Shares Assumed to be Issued on Conversion:		
Debentures	12	12
Cumulative Preferred Stock	2	2
Weighted Average Number of Shares of Common Stock Assuming Full Dilution	202	198
Net Income	$ 178	$ 134
Dividend Requirements on Preferred Stock	4	7
Net Income Available to Common Shareholders	174	127
Interest on Convertible Debentures, Net of Tax	2	2
Dividends on Convertible Preferred Stock	1	1
Net Income Available to Common Shareholders', Assuming Full Dilution	$ 177	$ 130
Earnings Per Share:		
Primary	$0.93	$0.69
Fully Diluted	0.87	0.65

<FN>
Restated to reflect the effect of the 2-for-1 common stock split effective April 22, 1994.

</TABLE>

<TABLE>

EXHIBIT 12

THE BANK OF NEW YORK COMPANY, INC.
Ratios of Earnings to Fixed Charges and Ratios
of Earnings to Combined Fixed Charges
and Preferred Stock Dividends
(Dollars in millions)

<CAPTION>

	For the three months ended March 31, 1994	1993
<S>	<C>	<C>
EARNINGS		
Income Before Income Taxes	$285	$212
Fixed Charges, Excluding Interest on Deposits	85	80
Income Before Income Taxes and Fixed Charges, Excluding Interest on Deposits	370	292
Interest on Deposits	166	187
Income Before Income Taxes and Fixed Charges, Including Interest on Deposits	$536	$479
FIXED CHARGES		
Interest Expense, Excluding Interest on Deposits	$77	$72
One-Third Net Rental Expense*	8	8
Total Fixed Charges, Excluding Interest on Deposits	85	80
Interest on Deposits	166	187
Total Fixed Charges, Including Interest on Deposits	$251	$267
PREFERRED STOCK DIVIDENDS,PRE-TAX BASIS	$ 8	$ 12
EARNINGS TO FIXED CHARGES RATIOS		
Excluding Interest on Deposits	4.35x	3.65x
Including Interest on Deposits	2.14	1.79
EARNINGS TO COMBINED FIXED CHARGES & PREFERRED STOCK DIVIDENDS RATIOS		

Excluding Interest on Deposits	3.98	3.17
Including Interest on Deposits	2.07	1.72

* The proportion deemed representative of the interest factor.

</TABLE>