

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):  
October 15, 2002

**BANK OF AMERICA CORPORATION**  
(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

1-6523  
(Commission File Number)

56-0906609  
(IRS Employer Identification No.)

100 North Tryon Street  
Charlotte, North Carolina  
(Address of principal executive offices)

28255  
(Zip Code)

(704) 388-6780  
(Registrant's telephone number, including area code)

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**ITEM 5. OTHER EVENTS.**

On October 15, 2002, Bank of America Corporation (the "Registrant") announced financial results for the third quarter ended September 30, 2002, reporting net income of \$2.24 billion and diluted earnings per common share of \$1.45. A copy of the press release announcing the Registrant's results for the third quarter ended September 30, 2002 is attached hereto as Exhibit 99.1 and incorporated by reference herein.

**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.****(c) Exhibits.**

The following exhibits are filed herewith:

<b>EXHIBIT NO.</b>	<b>DESCRIPTION OF EXHIBIT</b>
99.1	Press Release dated October 15, 2002 with respect to the Registrant's financial results for the third quarter ended September 30, 2002
99.2	Supplemental Information prepared for use on October 15, 2002 in connection with financial results for the third quarter ended September 30, 2002

**ITEM 9. REGULATION FD DISCLOSURE.**

On October 15, 2002, the Registrant held an investor conference and webcast to disclose financial results for the third quarter ended September 30, 2002. The Supplemental Information package for use at this conference is furnished herewith as Exhibit 99.2 and incorporated by reference in Item 9. All information in the Supplemental Information is presented as of October 15, 2002, and the Registrant does not assume any obligation to correct or update said information in the future.

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**SIGNATURE**

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

BANK OF AMERICA CORPORATION

By: /s/ Marc D. Oken  
Marc D. Oken  
Executive Vice President and  
Principal Financial Executive

Dated: October 15, 2002

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**EXHIBIT INDEX**

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**Bank of America reports third quarter earnings per share of \$1.45**

Strong performance in consumer bank continues to lead growth

CHARLOTTE – Bank of America Corporation today reported third quarter net income of \$2.24 billion, or \$1.45 per share (diluted), up from \$841 million, or \$0.51 per share, reported a year ago.

Third quarter 2001 earnings included \$1.25 billion in after-tax costs related to the exit of the company's auto leasing and subprime real estate lending businesses. In addition, the adoption of FAS No. 142 in the first quarter of 2002 eliminated the amortization of goodwill, which impacts the company's expenses and net income. Excluding goodwill amortization and exit costs in the third quarter of 2001, net income was relatively flat and earnings per share were up 6 percent.

Third quarter results were driven by ongoing growth in consumer revenue from such product lines as mortgage, credit card and deposits, as well as lower credit costs. These improvements offset a significant reduction in market-related revenue from trading and equity investments.

"We continue to benefit from our diversified business mix," said Kenneth D. Lewis, chairman and chief executive officer. "Third quarter performance was led by strong growth in consumer banking, demonstrating the progress we're making in executing our customer-focused strategy."

"We also are encouraged by the reduction of net charge-offs, reflecting improved credit quality in our middle-market business," continued Lewis. "Although the environment remains challenging, we are optimistic that we will continue to gain market share in our businesses and differentiate Bank of America in the eyes of our customers and investors."

In the third quarter, the return on average common equity was 19.02 percent.

Net income for the first nine months of 2002 was \$6.64 billion, or \$4.22 per share (diluted), up from \$4.73 billion, or \$2.90 per share, a year ago. Excluding goodwill amortization and exit costs in 2001, net income and earnings per share were up 3 and 7 percent, respectively, in the first nine months.

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**Third quarter highlights (compared to a year ago)**

*Financial highlights*

- Shareholder Value Added (SVA) grew 7 percent to \$880 million.
- Net charge-offs declined to \$804 million.
- Average total customer deposits grew 8 percent to \$332 billion.
- Average consumer loans grew 8 percent to \$192 billion.
- Mortgage banking income doubled to a record \$218 million.
- Card income was up 11 percent, driven by increased purchase volume.
- Investment banking revenue grew 4 percent to \$318 million.
- Total service charges increased 9 percent, driven by increased consumer activity and higher corporate fees in lieu of compensating balances as a result of the lower rate environment.

*Customer highlights*

- The company increased checking accounts by 401,000 in the first nine months of the year, compared to 193,000 for all of 2001. The number of accounts increased by 153,000 in the third quarter. The company continues to attract and retain customers with its new My Access Checking™ product and through increased customer satisfaction.
- The number of customers expressing the highest level of satisfaction with the company increased 11 percent in the first nine months of the year. This equates to an increase of 1.30 million customers being highly satisfied with their banking experience. These customers are more likely to expand their relationships and refer others to the bank.
- The company achieved the status as the No. 1 national lender by the U.S. Small Business Administration (SBA), by doubling its SBA loan output during the 2002 SBA fiscal year (ended Sept. 30) and providing 3,917 SBA loans, the highest in the industry, to small businesses nationwide.
- LoanSolutions®, an end-to-end consumer real estate credit solution, has been successfully rolled out to 8,000 banking center employees to provide customers with point-of-sale loan decisions on a range of primary mortgages. This has significantly improved the mortgage experience for the customer and creates new cross-selling opportunities.

**More**

- During the third quarter, the company reached 4.3 million active online banking users – the most users in the industry. The growth in that number also reflects the growth in electronic bill payment, which has reached \$7.1 billion of transactions per quarter.
- The company launched its Visa Mini Card, a new miniature credit card that fits on a key chain. This debut is part of the company's strategy to create innovative banking solutions for customers.
- The company saw increased usage of its SafeSend™ debit card product, which allows consumers to send money to Mexico more efficiently and reduces fraud, helping the company support and strengthen its multicultural strategy by better meeting the needs of its diverse customer base.

#### Revenue

Total revenue of \$8.69 billion was relatively unchanged from the previous year.

Fully taxable-equivalent net interest income rose 3 percent to \$5.47 billion, driven by higher securities, consumer loan and deposit levels.

Noninterest income decreased 6 percent to \$3.22 billion. Mortgage banking income doubled, card income rose 11 percent, and both total investment and brokerage services income and investment banking income increased 4 percent. Other income also was up 43 percent due primarily to \$190 million in gains on whole loan sales. These improvements were offset by lower market-related revenues as equity investments and trading account profits declined a total of \$600 million.

During the quarter, the company realized \$189 million in net securities gains.

#### Efficiency

Expenses were down 22 percent from a year ago to \$4.6 billion, (adjusted for business-exit costs and amortization of goodwill, expenses increased 4 percent). Noninterest expense included a charge for a change in assumptions on the return for pension plan assets from 9.5 to 8.5 percent. Additional charges included costs associated with a contract termination for discontinued software licenses. The efficiency ratio was 53.19 percent.

#### Credit quality

Credit quality continued to be affected by the economic slowdown and uncertain market conditions, causing charge-offs to remain at elevated levels.

- Provision for credit losses of \$804 million was down \$447 million from a year ago and 9 percent from \$888 million in the second quarter of 2002. Third quarter 2001 provision included \$395 million related to the exit of the subprime real estate business.

#### More

Net charge-offs were \$804 million, or 0.94 percent of loans and leases, down from \$1.49 billion, or 1.65 percent, a year ago. Third quarter 2001 charge-offs included \$635 million in losses related to the exit of the subprime real estate business.

Total net charge-offs decreased \$84 million, or 9 percent, from the second quarter of 2002. The decline was driven by lower middle-market business charge-offs and slightly higher recoveries.

Nonperforming assets were \$5.13 billion, or 1.50 percent of loans, leases and foreclosed properties at Sept. 30, 2002, up 13 percent from \$4.52 billion, or 1.33 percent, a year earlier. Nonperforming assets increased 4 percent from levels in the second quarter of 2002 due principally to increases in the corporate portfolio.

The allowance for credit losses was 2.01 percent of loans and leases on Sept. 30, 2002, an increase in coverage of 4 basis points from 1.97 percent a year ago. The allowance for credit losses, at \$6.86 billion, represented 142 percent of nonperforming loans, down from 162 percent a year ago. The allowance for credit losses was virtually unchanged from the second quarter of 2002.

#### **Capital management**

Total shareholders' equity was \$48.2 billion on Sept. 30, 2002, down 4 percent from a year ago and represented 7 percent of period-end assets of \$660 billion. The preliminary Tier 1 Capital Ratio was 8.13 percent, an increase of 18 basis points from a year earlier.

During the quarter, Bank of America repurchased 16.8 million shares and issued 3.3 million shares following exercises of stock options. Average common shares outstanding were 1.50 billion, down 6 percent from 1.60 billion a year earlier and 2 percent from the second quarter of 2002.

#### **Business segment results**

To present comparable business segment results, earnings and expenses for the third quarter of 2001 have been adjusted to exclude goodwill amortization.

#### **Consumer and Commercial Banking**

Consumer and Commercial Banking (CCB) earned \$1.58 billion, up 13 percent from a year ago. Total revenue grew 11 percent while expenses increased 11 percent. Return on equity was 34.6 percent and SVA grew 24 percent to \$1.08 billion.

Net interest income increased 11 percent to \$3.73 billion, driven by growth in consumer loans and deposits. Consumer loans grew 14 percent, primarily in residential mortgages and credit cards. Commercial loan levels declined 12 percent as companies paid down loan balances.

#### **More**



Average deposits grew 7 percent, as new customers opened checking accounts and consumers moved assets into deposit products with greater liquidity during uncertain market conditions. Growth in consumer deposits continued to be led by increases in money market savings and checking account balances.

Noninterest income was up 12 percent to \$2.17 billion, driven by higher consumer service charges from increased customer activity, mortgage activity, growth in new customers, increased use of debit and credit cards by customers and higher commercial account service charges.

#### **Global Corporate and Investment Banking**

Global Corporate and Investment Banking (GCIB) earned \$428 million, an 18 percent decrease from last year. While revenue declined 11 percent to \$2.04 billion, the provision for loan losses decreased 30 percent, partly reflecting lower loan balances. Additionally, expenses declined 1 percent. Return on equity was 15.6 percent and SVA decreased 21 percent to \$107 million.

Total trading-related revenue in GCIB, which includes trading-related net interest income and trading account profits, was \$576 million, down 29 percent from last year's results, primarily due to weaker demand for equity and interest rate products.

Despite the challenging environment, investment banking income increased 4 percent from last year. These results were driven by higher syndications and advisory services fees.

#### **Asset Management**

Asset Management earnings decreased 55 percent from a year ago to \$72 million, primarily due to one large charge-off and lower assets under management. Provision for credit losses rose to \$118 million from \$16 million a year earlier. Revenue of \$581 million was down 5 percent while expenses increased 2 percent. Return on equity was 11.3 percent and SVA declined \$99 million to \$(4) million.

Assets under management declined 3 percent to \$271.9 billion. In an effort to increase its distribution capabilities to better serve the financial needs of clients across the franchise, Asset Management is on track to increase the number of financial advisors and relationship managers in 2002 by 20 percent.

#### **Equity Investments**

Equity Investments reported a net loss of \$160 million, compared to a net loss of \$83 million a year ago. In Principal Investing, cash gains were \$35 million in the third quarter, offset by impairments and fair market valuation adjustments of \$228 million, combined.

**More**

One of the world's leading financial services companies, Bank of America is committed to making banking work for customers and clients like it never has before. Through innovative technologies and the ingenuity of its people, Bank of America provides individuals, small businesses and commercial, corporate and institutional clients across the United States and around the world new and better ways to manage their financial lives.

Shares of Bank of America (ticker: BAC), the second largest banking company in the United States by market capitalization, are listed on the New York, Pacific and London stock exchanges. The company's Web site is [www.bankofamerica.com](http://www.bankofamerica.com). News, speeches and other corporate information may be found at [www.bankofamerica.com/newsroom](http://www.bankofamerica.com/newsroom).

Additional financial tables are available at [www.bankofamerica.com/investor/](http://www.bankofamerica.com/investor/).

**Note:** James H. Hance Jr., vice chairman and chief financial officer, will discuss third quarter results in a conference call at 9:30 a.m. (Eastern Time) today. The call can be accessed via a Webcast available on the Bank of America Web site at <http://www.bankofamerica.com/investor/>.

**Forward-Looking Statements**

This press release contains forward-looking statements including, without limitation, statements about the Corporation's financial conditions, results of operations and earnings outlook. These forward-looking statements involve certain risks and uncertainties. Actual conditions, results and earnings may differ materially from those contemplated by such forward-looking statements. Factors that may cause actual results to differ materially from such statements include, among others, the following: 1) projected business increases following process change and other investments are lower than expected; 2) competitive pressure among financial services companies increases significantly; 3) general economic conditions are less favorable than expected; 4) changes in the interest rate environment reduce interest margins and impact funding sources; 5) changes in market rates and prices may adversely impact the value of financial products; 6) legislation or regulatory requirements or changes adversely affect the businesses in which the company is engaged; 7) litigation liabilities, including costs, expenses, settlements and judgments may adversely affect the Corporation and its businesses; and 8) decisions may be made to downsize, sell or close units or otherwise change the business mix of the company. For further information, please read the Bank of America reports filed with the SEC and available at [www.sec.gov](http://www.sec.gov).

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Bank of America

	Three Months Ended September 30		Nine Months Ended September 30	
	2002	2001	2002	2001
(Dollars in millions, except per share data; shares in thousands)				
<b>Financial Summary(1)</b>				
Earnings	\$ 2,235	\$ 841	\$ 6,635	\$ 4,734
Earnings per common share	1.49	0.52	4.34	2.95
Diluted earnings per common share	1.45	0.51	4.22	2.90
Dividends per common share	0.60	0.56	1.80	1.68
Closing market price per common share	63.80	58.40	63.80	58.40
Average common shares issued and outstanding	1,504,017	1,599,692	1,526,946	1,603,340
Average diluted common shares issued and outstanding	1,546,347	1,634,063	1,573,203	1,632,928
<b>Summary Income Statement(1)</b>				
Net interest income	\$ 5,302	\$ 5,204	\$ 15,549	\$ 14,873
Noninterest income	3,220	3,429	10,141	10,950
Total revenue	8,522	8,633	25,690	25,823
Provision for credit losses	804	1,251	2,532	2,886
Gains on sales of securities	189	97	326	82
Business exit costs	—	1,305	—	1,305
Other noninterest expense	4,620	4,606	13,604	14,081
Income before income taxes	3,287	1,568	9,880	7,633
Income tax expense	1,052	727	3,245	2,899
Net income	\$ 2,235	\$ 841	\$ 6,635	\$ 4,734
<b>Summary Average Balance Sheet</b>				
Loans and leases	\$ 340,484	\$ 357,726	\$ 334,703	\$ 376,261
Managed loans and leases	345,812	367,602	341,473	386,662
Securities	76,484	58,930	72,450	56,637
Earning assets	580,248	557,108	563,964	562,038
Total assets	669,149	642,184	651,257	648,789
Deposits	373,933	363,328	368,142	360,793
Shareholders' equity	46,652	49,202	47,457	48,597
Common shareholders' equity	46,592	49,134	47,396	48,528
<b>Performance Ratios(1)</b>				
Return on average assets	1.33%	0.52%	1.36%	0.98%
Return on average common shareholders' equity	19.02	6.78	18.71	13.03
Efficiency ratio (taxable-equivalent basis)	53.19	67.79	52.09	59.00
<b>Credit Quality</b>				
Net Charge-offs(2)	\$ 804	\$ 1,491	\$ 2,532	\$ 3,050
% of average loans and leases	0.94%	1.65%	1.01%	1.08%
Managed bankcard net charge-offs as a % of average managed bankcard receivables	5.13	4.81	5.38	4.71
At September 30				
			2002	2001
<b>Balance Sheet Highlights</b>				
Loans and leases			\$ 341,091	\$ 339,018
Securities			89,581	75,964
Earning assets			564,825	539,249
Total assets			660,008	640,105
Deposits			377,415	359,870
Shareholders' equity			48,239	50,151
Common shareholders' equity			48,179	50,084
Book value per share			32.07	31.66
Total equity to assets ratio (period end)			7.31%	7.83%
Risk-based capital ratios:(3)				
Tier 1			8.13	7.95
Total			12.38	12.12
Leverage ratio			6.35	6.59
Period-end common shares issued and outstanding			1,502,162	1,582,129
Allowance for credit losses			\$ 6,861	\$ 6,665
Allowance for credit losses as a % of loans and leases			2.01%	1.97%
Allowance for credit losses as a % of nonperforming loans			142	162
Nonperforming loans			\$ 4,849	\$ 4,119
Nonperforming assets			5,131	4,523
Nonperforming assets as a % of:				
Total assets			.78%	.71%
Loans, leases and foreclosed properties			1.50	1.33
Nonperforming loans as a % of loans and leases			1.42	1.22
<b>Other Data</b>				
Full-time equivalent employees			134,135	143,824
Number of banking centers			4,226	4,259

- (1) The three months ended September 30, 2001 included goodwill amortization of \$165 million. The impact on net income was \$153 million, or \$0.09 per share (diluted). The nine months ended September 30, 2001 included goodwill amortization of \$502 million. The impact on net income was \$467 million, or \$0.29 per share (diluted).
- (2) Net charge-offs in 2001 includes \$635 million related to the exit of certain consumer finance businesses. Excluding these net charge-offs, the net charge-off ratio would have been 0.95% and 0.86% for the three months and nine months ended September 30, 2001, respectively.
- (3) 2002 ratios are preliminary.

**BUSINESS SEGMENT RESULTS**

	Consumer and Commercial Banking	Asset Management	Global Corporate and Investment Banking	Equity Investments	Corporate Other
<b>Three months ended September 30, 2002</b>					
Total revenue	\$ 5,902	\$ 581	\$ 2,039	\$ (230)	\$ 393
Net income	1,580	72	428	(160)	315
Shareholder value added	1,075	(4)	107	(222)	(76)
Return on equity	34.6%	11.3%	15.6%	(30.5)%	n/m
Average loans and leases	\$ 183,035	\$ 22,964	\$ 60,821	\$ 446	\$73,218
<b>Three months ended September 30, 2001</b>					
Total revenue	\$ 5,311	\$ 610	\$ 2,286	\$ (60)	\$ 572
Net Income (4)	1,287	148	491	(85)	(1,000)
Shareholder value added	867	95	136	(156)	(118)
Return on equity	26.7%	26.4%	15.1%	(13.7)%	n/m
Average loans and leases	\$ 179,194	\$ 24,631	\$ 78,219	\$ 468	\$75,214

n/m = not meaningful

- (4) Includes goodwill amortization of \$105 million for Consumer and Commercial Banking, \$12 million for Asset Management, \$27 million for Global Corporate and Investment Banking, \$2 million for Equity Investments and \$7 million for Corporate Other.

	Three Months Ended September 30		Nine Months Ended September 30	
	2002	2001	2002	2001
<b>SUPPLEMENTAL FINANCIAL DATA</b>				
<b>Performance Metrics—Excludes nonrecurring charges (1,2)</b>				
Return on average assets	1.33%	1.29%	1.36%	1.23%
Return on average common shareholders' equity	19.02	16.87	18.71	16.48
Efficiency ratio (taxable-equivalent basis)	53.19	52.82	52.09	53.99
Shareholder value added	\$ 880	\$ 824	\$ 2,546	\$ 2,293
<b>Taxable-equivalent basis data</b>				
Net interest income	5,465	5,290	15,974	15,128
Total revenue	8,685	8,719	26,115	26,078
Net interest yield	3.75%	3.78%	3.78%	3.59%

- (1) Excludes nonrecurring charges for provision for credit losses of \$395 million and noninterest expense of \$1.3 billion, both which are related to the exit of certain consumer finance businesses in the third quarter of 2001. Noninterest expense charges consisted of goodwill write-offs, auto lease residual charges, real estate servicing asset charges and other transaction costs. The impact of business exit charges on net income for the three months ended September 30, 2001 was \$1.25 billion or \$0.77 per share (diluted). The impact of business exit charges on net income for the nine months ended September 30, 2001 was \$1.25 billion or \$0.76 per share (diluted). Nonrecurring charges are charges associated with a one time event that is not reasonably expected to recur in the foreseeable future. The Corporation believes that the exclusion of nonrecurring charges provides a meaningful comparison to the results in prior periods and reflects the results of its core operations.
- (2) See footnote (1) on page 1.

# Bank of America<sup>®</sup>



## **Supplemental Information Third Quarter 2002**

**October 15, 2002**

This information is preliminary and based on company data available at the time of the presentation. It speaks only as of the particular date or dates included in the accompanying pages. Bank of America does not undertake an obligation to, and disclaims any duty to, correct or update any of the information provided. Any forward-looking statements in this information are subject to the forward-looking language contained in Bank of America's reports filed with the SEC pursuant to the Securities Exchange Act of 1934, which are available at the SEC's website ([www.sec.gov](http://www.sec.gov)) or at Bank of America's website ([www.bankofamerica.com](http://www.bankofamerica.com)). Bank of America's future financial performance is subject to risks and uncertainties as described in its SEC filings.

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## Bank of America Corporation

### Results Overview

- Diluted EPS of \$1.45, up 4% from prior quarter and 6% over the third quarter of 2001, excluding prior year goodwill amortization expense and business exit charges.
- Consumer and Commercial Banking revenue grew 7% over the prior quarter and 11% over the third quarter of 2001.
- Consumer revenue strength included solid growth in net interest income as well as fee growth in mortgage, card and account service charge revenue.
- Steady deposit growth continues as a result of material improvements in customer satisfaction from quality and productivity initiatives as well as new account growth.
- Our market sensitive businesses, Global Corporate and Investment Banking, Asset Management and Equity Investments, experienced revenue declines of 18% from the prior quarter due to the continued weak market conditions.
- Net charge-offs declined from the prior quarter level as well as the third quarter 2001 level.
- Nonperforming assets rose 4% from prior quarter.

**Bank of America Corporation**  
**Consolidated Financial Highlights**

	Year-to-Date 2002	Year-to-Date 2001	Third Quarter 2002	Second Quarter 2002	First Quarter 2002	Fourth Quarter 2001	Third Quarter 2001
(Dollars in millions, except per share information; shares in thousands)							
<b>Income statement</b>							
Total revenue	\$ 25,690	\$ 25,823	\$ 8,522	\$ 8,575	\$ 8,593	\$ 8,815	\$ 8,633
Provision for credit losses	2,532	2,886	804	888	840	1,401	1,251
Gains on sales of securities	326	82	189	93	44	393	97
Business exit costs	—	1,305	—	—	—	—	1,305
Other noninterest expense	13,604	14,081	4,620	4,490	4,494	5,324	4,606
Income tax expense	3,245	2,899	1,052	1,069	1,124	426	727
Net income	6,635	4,734	2,235	2,221	2,179	2,057	841
Diluted earnings per common share (1)	4.22	2.90	1.45	1.40	1.38	1.28	0.51
Average diluted common shares outstanding	1,573,203	1,632,928	1,546,347	1,592,250	1,581,848	1,602,886	1,634,063
Cash dividends paid per common share	\$ 1.80	\$ 1.68	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.56
<b>Performance ratios</b>							
Return on average assets	1.36%	0.98%	1.33%	1.38%	1.39%	1.25%	0.52%
Return on average common shareholders' equity	18.71	13.03	19.02	18.47	18.64	16.70	6.78
Efficiency ratio (taxable-equivalent basis)	52.09	59.00	53.19	51.34	51.74	59.80	67.79
Book value per share of common stock	\$ 32.07	\$ 31.66	\$ 32.07	\$ 31.47	\$ 31.15	\$ 31.07	\$ 31.66
Market price per share of common stock:							
High for the period	\$ 77.08	\$ 65.54	\$ 71.94	\$ 77.08	\$ 69.61	\$ 64.99	\$ 65.54
Low for the period	57.51	45.00	57.90	66.82	57.51	52.10	50.25
Closing price	63.80	58.40	63.80	70.36	68.02	62.95	58.40
Market capitalization	95,838	92,396	95,838	106,642	105,058	98,158	92,396
Number of banking centers	4,226	4,259	4,226	4,232	4,246	4,253	4,259
Number of ATM's	12,489	12,986	12,489	12,827	13,161	13,113	12,986
Full-time equivalent employees	134,135	143,824	134,135	135,489	137,240	142,670	143,824

(1) Includes goodwill amortization of \$.29 per share for year-to-date 2001 and \$.09 per share in the fourth and third quarters of 2001.

	Year-to-Date 2002	Year-to-Date 2001	Third Quarter 2002	Second Quarter 2002	First Quarter 2002	Fourth Quarter 2001	Third Quarter 2001
(Dollars in millions, except per share information; shares in thousands)							
<b>Supplemental Financial Data</b>							
<b>Performance Metrics—Excludes nonrecurring charges (2)</b>							
Return on average assets	1.36%	1.23%	1.33%	1.38%	1.39%	1.25%	1.29%
Return on average common shareholders' equity	18.71	16.48	19.02	18.47	18.64	16.70	16.87
Efficiency ratio (taxable-equivalent basis)	52.09	53.99	53.19	51.34	51.74	59.80	52.82
Shareholder value added	\$ 2,546	\$ 2,293	\$ 880	\$ 834	\$ 832	\$ 793	\$ 824
<b>Taxable-equivalent basis data</b>							
Net interest income	\$ 15,974	\$ 15,128	\$ 5,465	\$ 5,262	\$ 5,247	\$ 5,505	\$ 5,290
Total Revenue	26,115	26,078	8,685	8,743	8,687	8,903	8,719
Net interest yield	3.78%	3.59%	3.75%	3.75%	3.85%	3.95%	3.78%

(2) Excludes nonrecurring charges for provision for credit losses of \$395 million and noninterest expense of \$1.3 billion, both of which are related to the exit of certain consumer finance businesses in the third quarter of 2001. Noninterest expense charges consisted of goodwill write-offs, auto lease residual charges, real estate servicing asset charges and other transaction costs. The impact of business exit charges on net income for the three months ended September 30, 2001 was \$1.25 billion or \$0.77 per share (diluted). The impact of business exit charges on net income for the nine months ended September 30, 2001 was \$1.25 billion or \$0.76 per share (diluted). Nonrecurring charges are charges associated with a one time event that is not reasonably expected to recur in the foreseeable future. The Corporation believes that the exclusion of nonrecurring charges provides a meaningful comparison to results in prior periods and reflects the results of its core operations.

Certain prior period amounts have been reclassified to conform to current period classifications.



**Bank of America Corporation**  
**Consolidated Statement of Income**

	Year-to - Date 2002	Year-to - Date 2001	Third Quarter 2002	Second Quarter 2002	First Quarter 2002	Fourth Quarter 2001	Third Quarter 2001
(Dollars in millions, except per share information; shares in thousands)							
<b>Interest income</b>							
Interest and fees on loan and leases	\$ 16,528	\$ 21,455	\$ 5,553	\$ 5,530	\$ 5,445	\$ 5,824	\$ 6,543
Interest and dividends on securities	2,974	2,631	1,104	924	946	1,075	892
Federal funds sold and securities purchased under agreements to resell	662	1,161	177	270	215	254	321
Trading account assets	2,832	2,712	1,006	948	878	912	930
Other interest income	1,044	1,529	345	312	387	740	636
<b>Total interest income</b>	<b>24,040</b>	<b>29,488</b>	<b>8,185</b>	<b>7,984</b>	<b>7,871</b>	<b>8,805</b>	<b>9,322</b>
<b>Interest expense</b>							
Deposits	4,142	7,173	1,414	1,384	1,344	1,713	2,097
Short-term borrowings	1,532	3,467	526	529	477	700	869
Trading account liabilities	971	887	342	344	285	268	285
Long-term debt	1,846	3,088	601	633	612	707	867
<b>Total interest expense</b>	<b>8,491</b>	<b>14,615</b>	<b>2,883</b>	<b>2,890</b>	<b>2,718</b>	<b>3,388</b>	<b>4,118</b>
<b>Net interest income</b>	<b>15,549</b>	<b>14,873</b>	<b>5,302</b>	<b>5,094</b>	<b>5,153</b>	<b>5,417</b>	<b>5,204</b>
<b>Noninterest income</b>							
Consumer service charges	2,189	2,120	763	734	692	746	712
Corporate service charges	1,717	1,538	585	565	567	540	528
<b>Total service charges</b>	<b>3,906</b>	<b>3,658</b>	<b>1,348</b>	<b>1,299</b>	<b>1,259</b>	<b>1,286</b>	<b>1,240</b>
Consumer investment and brokerage services	1,174	1,164	373	420	381	382	386
Corporate investment and brokerage services	522	415	174	178	170	151	142
<b>Total investment and brokerage services</b>	<b>1,696</b>	<b>1,579</b>	<b>547</b>	<b>598</b>	<b>551</b>	<b>533</b>	<b>528</b>
Mortgage banking income	545	426	218	135	192	167	109
Investment banking income	1,123	1,106	318	464	341	473	305
Equity investment gains/(losses)	(226)	340	(216)	(36)	26	(49)	22
Card income	1,881	1,792	685	620	576	629	618
Trading account profits (1)	679	1,508	71	263	345	334	433
Other income	537	541	249	138	150	25	174
<b>Total noninterest income</b>	<b>10,141</b>	<b>10,950</b>	<b>3,220</b>	<b>3,481</b>	<b>3,440</b>	<b>3,398</b>	<b>3,429</b>
<b>Total revenue</b>	<b>25,690</b>	<b>25,823</b>	<b>8,522</b>	<b>8,575</b>	<b>8,593</b>	<b>8,815</b>	<b>8,633</b>
<b>Provision for credit losses (2)</b>	<b>2,532</b>	<b>2,886</b>	<b>804</b>	<b>888</b>	<b>840</b>	<b>1,401</b>	<b>1,251</b>
<b>Gains on sales of securities</b>	<b>326</b>	<b>82</b>	<b>189</b>	<b>93</b>	<b>44</b>	<b>393</b>	<b>97</b>
<b>Noninterest expense</b>							
Personnel	7,200	7,239	2,368	2,386	2,446	2,590	2,304
Occupancy	1,330	1,309	457	441	432	465	448
Equipment	832	835	291	279	262	280	273
Marketing	550	516	210	170	170	166	165
Professional fees	339	411	126	122	91	153	144
Amortization of intangibles	164	665	54	55	55	213	219
Data processing	726	552	295	226	205	224	175
Telecommunications	361	368	119	123	119	116	121
Business exit costs (2)	—	1,305	—	—	—	—	1,305
Other general operating	2,102	2,186	700	688	714	1,117	757
<b>Total noninterest expense</b>	<b>13,604</b>	<b>15,386</b>	<b>4,620</b>	<b>4,490</b>	<b>4,494</b>	<b>5,324</b>	<b>5,911</b>
<b>Income before income taxes</b>	<b>9,880</b>	<b>7,633</b>	<b>3,287</b>	<b>3,290</b>	<b>3,303</b>	<b>2,483</b>	<b>1,568</b>
<b>Income tax expense</b>	<b>3,245</b>	<b>2,899</b>	<b>1,052</b>	<b>1,069</b>	<b>1,124</b>	<b>426</b>	<b>727</b>
<b>Net income</b>	<b>\$ 6,635</b>	<b>\$ 4,734</b>	<b>\$ 2,235</b>	<b>\$ 2,221</b>	<b>\$ 2,179</b>	<b>\$ 2,057</b>	<b>\$ 841</b>
<b>Income available to common shareholders</b>	<b>6,631</b>	<b>4,730</b>	<b>2,233</b>	<b>2,220</b>	<b>2,178</b>	<b>2,056</b>	<b>839</b>
<b>Per common share information</b>							
Earnings	4.34	2.95	1.49	1.45	1.41	1.31	0.52
Diluted earnings(3)	4.22	2.90	1.45	1.40	1.38	1.28	0.51
Dividends	1.80	1.68	0.60	0.60	0.60	0.60	0.56

<b>Average common shares issued and outstanding</b>	1,526,946	1,603,340	1,504,017	1,533,783	1,543,471	1,570,083	1,599,692
<b>Average diluted common shares issued and outstanding</b>	1,573,203	1,632,928	1,546,347	1,592,250	1,581,848	1,602,886	1,634,063

- (1) Trading account profits for year-to-date 2001 included the \$83 million transition adjustment loss resulting from adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," on January 1, 2001.
  - (2) Results include provision for credit losses of \$395 million and noninterest expense of \$1.3 billion, both of which are related to the exit of certain consumer finance businesses in the third quarter of 2001.
  - (3) Includes goodwill amortization of \$.29 per share in year-to-date 2001 and \$.09 per share in the fourth and third quarters of 2001.
- Certain prior period amounts have been reclassified to conform to current period presentation.

**Bank of America Corporation**

**Consolidated Balance Sheet**

	<u>September 30 2002</u>	<u>June 30 2002</u>	<u>September 30 2001</u>
	<u>(Dollars in millions)</u>		
<b>Assets</b>			
Cash and cash equivalents	\$ 24,469	\$ 21,309	\$ 23,280
Time deposits placed and other short-term investments	6,397	6,307	4,629
Federal funds sold and securities purchased under agreements to resell	40,371	35,449	26,450
Trading account assets	56,907	63,466	53,471
Derivative assets	32,838	24,809	23,816
Securities:			
Available-for-sale	88,571	82,143	74,815
Held-to-maturity	1,010	1,020	1,149
<b>Total securities</b>	<b>89,581</b>	<b>83,163</b>	<b>75,964</b>
Loans and leases	341,091	340,394	339,018
Allowance for credit losses	(6,861)	(6,873)	(6,665)
<b>Loans and leases, net of allowance for credit losses</b>	<b>334,230</b>	<b>333,521</b>	<b>332,353</b>
Premises and equipment, net	6,758	6,755	6,372
Mortgage banking assets	2,129	3,404	3,477
Goodwill	11,389	10,950	11,028
Core deposits and other intangibles	1,127	1,184	1,330
Other assets	53,812	48,131	77,935
<b>Total assets</b>	<b>\$ 660,008</b>	<b>\$ 638,448</b>	<b>\$ 640,105</b>
<b>Liabilities</b>			
Deposits in domestic offices:			
Noninterest-bearing	\$ 116,847	\$ 101,163	\$ 98,881
Interest-bearing	228,174	224,582	215,569
Deposits in foreign offices:			
Noninterest-bearing	1,928	1,750	1,854
Interest-bearing	30,466	33,274	43,566
<b>Total deposits</b>	<b>377,415</b>	<b>360,769</b>	<b>359,870</b>
Federal funds purchased and securities sold under agreements to repurchase	61,823	56,678	59,839
Trading account liabilities	26,031	25,751	22,575
Derivative liabilities	23,701	17,800	18,193
Commercial paper	149	1,946	2,544
Other short-term borrowings	34,272	31,027	20,396
Accrued expenses and other liabilities	22,393	32,002	40,369
Long-term debt	59,954	59,181	61,213
Trust preferred securities	6,031	5,530	4,955
<b>Total liabilities</b>	<b>611,769</b>	<b>590,684</b>	<b>589,954</b>
<b>Shareholders' equity</b>			
Preferred stock, \$0.01 par value; authorized—100,000,000 shares; issued and outstanding 1,391,749, 1,411,750 and 1,556,979 shares	60	60	67
Common stock, \$0.01 par value; authorized—5,000,000,000 shares; issued and outstanding 1,502,161,891, 1,515,667,160 and 1,582,129,416 shares	674	1,499	6,491
Retained earnings	46,870	45,546	41,857
Accumulated other comprehensive income/(loss)	613	660	1,731
Other	22	(1)	5
<b>Total shareholders' equity</b>	<b>48,239</b>	<b>47,764</b>	<b>50,151</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 660,008</b>	<b>\$ 638,448</b>	<b>\$ 640,105</b>

**Bank of America Corporation**

**Capital Management**

	3Q01	4Q01	1Q02	2Q02	3Q02*
	(Dollars in millions)				
Tier 1 capital	\$ 41,517	\$ 41,979	\$ 42,078	\$ 41,097	\$ 41,732
Total capital	63,311	64,124	64,158	63,108	63,505
Net risk-weighted assets	522,291	506,020	496,227	508,008	513,085
Tier 1 capital ratio	7.95%	8.30%	8.48%	8.09%	8.13%
Total capital ratio	12.12	12.67	12.93	12.42	12.38
Ending equity / ending assets	7.83	7.80	7.77	7.48	7.31
Ending capital / ending assets	8.61	8.69	8.66	8.35	8.22
Average equity / average assets	7.66	7.50	7.44	7.47	6.97

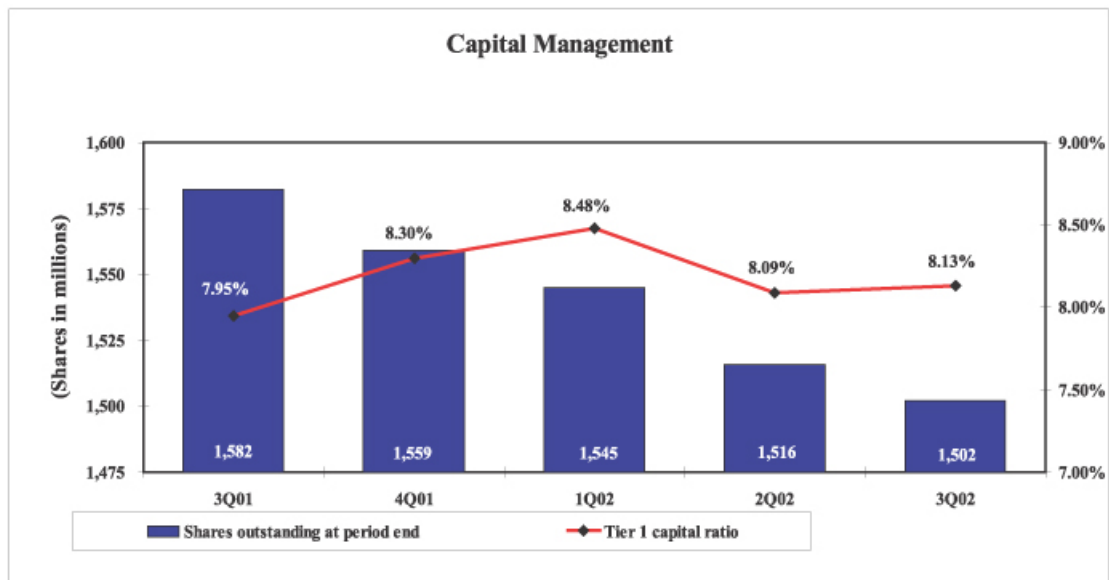
\* Preliminary

**Share Repurchase Program**

99 million common shares were repurchased in the first nine months of 2002 as a part of ongoing share repurchase programs. 17 million common shares were repurchased during the third quarter of 2002.

33 million shares remain outstanding under current authorized program.

42 million shares were issued in the first three quarters of 2002 with 3 million shares issued during the third quarter, as part of stock option plans.



**Bank of America Corporation**

**Average Balances and Interest Rates—Taxable-Equivalent Basis**

	Third Quarter 2002			Second Quarter 2002			Third Quarter 2001		
	Average Balance	Interest Income/Expense	Yield/Rate	Average Balance	Interest Income/Expense	Yield/Rate	Average Balance	Interest Income/Expense	Yield/Rate
<b>(Dollars in millions)</b>									
<b>Earning assets</b>									
Time deposits placed and other short-term investments	\$ 10,396	\$ 63	2.41%	\$ 10,673	\$ 63	2.37%	\$ 5,881	\$ 71	4.84%
Federal funds sold and securities purchased under agreements to resell	40,294	178	1.76	48,426	270	2.23	36,133	321	3.54
Trading account assets	85,129	1,017	4.76	78,113	961	4.93	68,258	937	5.46
Total securities(1)	76,484	1,120	5.85	67,291	939	5.59	58,930	902	6.12
Loans and leases(2)									
Commercial—domestic	106,039	1,728	6.47	111,522	1,887	6.78	129,673	2,343	7.17
Commercial—foreign	21,256	206	3.85	21,454	212	3.97	25,267	353	5.54
Commercial real estate—domestic	20,576	265	5.10	21,486	258	4.83	24,132	395	6.50
Commercial real estate—foreign	425	4	3.92	393	5	5.14	366	5	5.78
<b>Total commercial</b>	<b>148,296</b>	<b>2,203</b>	<b>5.90</b>	<b>154,855</b>	<b>2,362</b>	<b>6.12</b>	<b>179,438</b>	<b>3,096</b>	<b>6.85</b>
Residential mortgage	104,590	1,733	6.61	94,726	1,602	6.77	80,526	1,457	7.22
Home equity lines	23,275	314	5.35	22,579	305	5.41	22,115	394	7.06
Direct/Indirect consumer	30,029	530	7.01	30,021	542	7.25	30,670	607	7.85
Consumer finance	10,043	201	7.97	11,053	226	8.20	25,169	505	8.00
Bankcard	22,263	583	10.38	20,402	510	10.01	17,632	493	11.11
Foreign consumer	1,988	19	3.83	2,048	19	3.71	2,176	28	5.28
<b>Total consumer</b>	<b>192,188</b>	<b>3,380</b>	<b>7.00</b>	<b>180,829</b>	<b>3,204</b>	<b>7.10</b>	<b>178,288</b>	<b>3,484</b>	<b>7.78</b>
<b>Total loans and leases</b>	<b>340,484</b>	<b>5,583</b>	<b>6.52</b>	<b>335,684</b>	<b>5,566</b>	<b>6.65</b>	<b>357,726</b>	<b>6,580</b>	<b>7.31</b>
Other earning assets	27,461	387	5.61	22,005	353	6.42	30,180	597	7.89
<b>Total earning assets(3)</b>	<b>580,248</b>	<b>8,348</b>	<b>5.73</b>	<b>562,192</b>	<b>8,152</b>	<b>5.81</b>	<b>557,108</b>	<b>9,408</b>	<b>6.72</b>
Cash and cash equivalents	20,202			21,200			20,753		
Other assets, less allowance for credit losses	68,699			63,207			64,323		
<b>Total assets</b>	<b>\$669,149</b>			<b>\$646,599</b>			<b>\$642,184</b>		
<b>Interest-bearing liabilities</b>									
Domestic interest-bearing deposits:									
Savings	\$ 22,047	36	0.64	\$ 21,841	34	0.64	\$ 20,076	53	1.04
NOW and money market deposit accounts	132,939	362	1.08	129,856	346	1.07	116,638	588	2.00
Consumer CDs and IRAs	67,179	746	4.40	68,015	764	4.51	73,465	918	4.95
Negotiable CDs, public funds and other time deposits	4,254	51	4.73	4,635	30	2.43	5,085	57	4.44
<b>Total domestic interest-bearing deposits</b>	<b>226,419</b>	<b>1,195</b>	<b>2.09</b>	<b>224,347</b>	<b>1,174</b>	<b>2.10</b>	<b>215,264</b>	<b>1,616</b>	<b>2.98</b>
Foreign interest-bearing deposits(4)									
Banks located in foreign countries	17,044	123	2.85	14,048	108	3.10	24,097	257	4.22
Governments and official institutions	2,188	10	1.85	2,449	12	1.89	3,533	35	3.90
Time, savings, and other	18,686	86	1.83	18,860	90	1.91	23,847	189	3.16
<b>Total foreign interest-bearing deposits</b>	<b>37,918</b>	<b>219</b>	<b>2.29</b>	<b>35,357</b>	<b>210</b>	<b>2.38</b>	<b>51,477</b>	<b>481</b>	<b>3.71</b>
<b>Total interest-bearing deposits</b>	<b>264,337</b>	<b>1,414</b>	<b>2.12</b>	<b>259,704</b>	<b>1,384</b>	<b>2.14</b>	<b>266,741</b>	<b>2,097</b>	<b>3.12</b>
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	108,281	526	1.93	97,579	529	2.17	89,042	869	3.87
Trading account liabilities	33,038	342	4.11	31,841	344	4.34	30,913	285	3.66
Long-term debt and trust preferred securities	64,880	601	3.71	65,940	633	3.84	67,267	867	5.15
<b>Total interest-bearing liabilities(3)</b>	<b>470,536</b>	<b>2,883</b>	<b>2.44</b>	<b>455,064</b>	<b>2,890</b>	<b>2.55</b>	<b>453,963</b>	<b>4,118</b>	<b>3.61</b>
Noninterest-bearing sources:									
Noninterest-bearing deposits	109,596			106,282			96,587		
Other liabilities	42,365			36,979			42,432		
Shareholders' equity	46,652			48,274			49,202		
<b>Total liabilities and shareholders' equity</b>	<b>\$669,149</b>			<b>\$646,599</b>			<b>\$642,184</b>		
Net interest spread			3.29			3.26			3.11
Impact of noninterest-bearing sources			0.46			0.49			0.67
<b>Net interest income/yield on earning assets(4)</b>		<b>\$ 5,465</b>	<b>3.75%</b>		<b>\$ 5,262</b>	<b>3.75%</b>		<b>\$ 5,290</b>	<b>3.78%</b>

(1) The average balance and yield on securities are based on the average of historical amortized cost balances.

(2) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.

(3) Interest income includes the impact of interest rate risk management contracts, which increased interest income by \$397 million and \$509 million in the third and second quarters of 2002 and \$284 million in the third quarter of 2001, respectively. These amounts were substantially offset by corresponding decreases in the income earned on the underlying assets. Interest expense includes the impact of interest rate risk management contracts, which (increased) decreased interest expense by \$(69) million and \$(65) million in the third and second quarters of 2002 and \$31 million in the third quarter of 2001, respectively. These amounts were substantially offset by corresponding decreases (increases) in the interest paid on the underlying liabilities.

(4) Primarily consists of time deposits in denominations of \$100,000 or more.

**Bank of America Corporation**

**Average Balances and Interest Rates—Taxable-Equivalent Basis**

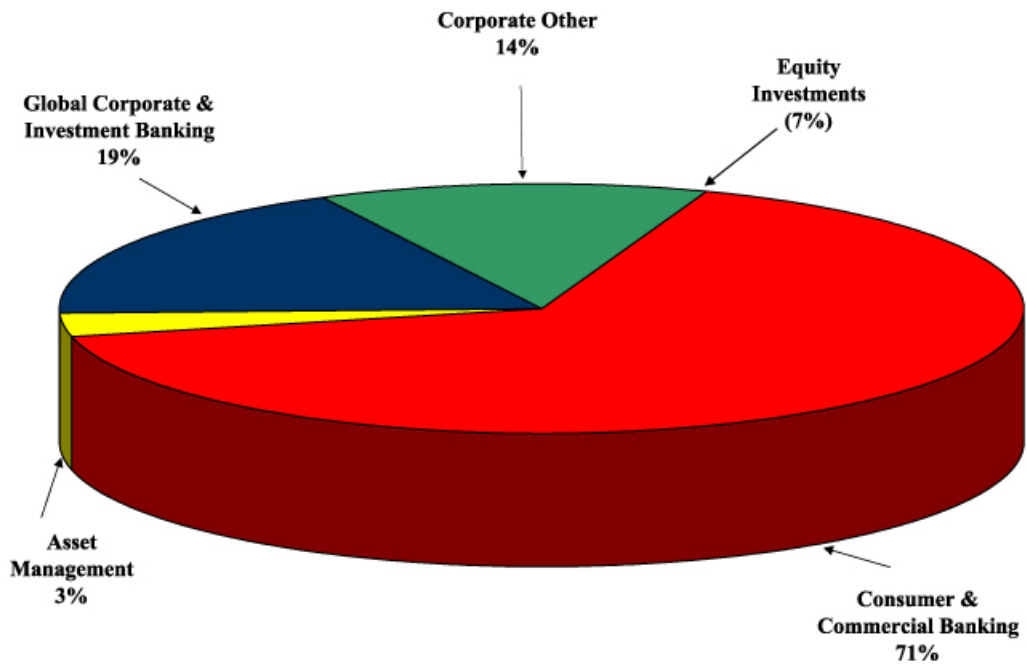
	Year-to-Date 2002			Year-to-Date 2001		
	Average Balance	Interest Income/Expense	Yield/Rate	Average Balance	Interest Income/Expense	Yield/Rate
(Dollars in millions)						
<b>Earning assets</b>						
Time deposits placed and other short-term investments	\$ 10,437	\$ 187	2.40%	\$ 6,544	\$ 254	5.20%
Federal funds sold and securities purchased under agreements to resell	44,451	662	1.99	33,980	1,161	4.56
Trading account assets	78,005	2,866	4.91	66,041	2,733	5.52
Total securities(1)	72,450	3,022	5.56	56,637	2,671	6.29
Loans and leases(2)						
Commercial—domestic	111,204	5,592	6.72	137,670	7,741	7.52
Commercial—foreign	21,540	644	3.99	27,403	1,287	6.28
Commercial real estate—domestic	21,431	798	4.98	25,131	1,384	7.36
Commercial real estate—foreign	402	13	4.34	339	17	6.67
<b>Total commercial</b>	<b>154,577</b>	<b>7,047</b>	<b>6.09</b>	<b>190,543</b>	<b>10,429</b>	<b>7.32</b>
Residential mortgage	93,559	4,724	6.74	82,519	4,535	7.33
Home equity lines	22,626	913	5.40	21,940	1,285	7.83
Direct/Indirect consumer	30,136	1,623	7.20	30,377	1,883	8.29
Consumer finance	11,069	682	8.22	32,654	1,945	7.94
Bankcard	20,693	1,582	10.22	15,962	1,381	11.57
Foreign consumer	2,043	57	3.75	2,266	108	6.36
<b>Total consumer</b>	<b>180,126</b>	<b>9,581</b>	<b>7.10</b>	<b>185,718</b>	<b>11,137</b>	<b>8.01</b>
<b>Total loans and leases</b>	<b>334,703</b>	<b>16,628</b>	<b>6.64</b>	<b>376,261</b>	<b>21,566</b>	<b>7.66</b>
Other earning assets	23,918	1,100	6.14	22,575	1,358	8.04
<b>Total earning assets(3)</b>	<b>563,964</b>	<b>24,465</b>	<b>5.79</b>	<b>562,038</b>	<b>29,743</b>	<b>7.07</b>
Cash and cash equivalents	21,140			22,327		
Other assets, less allowance for credit losses	66,153			64,424		
<b>Total assets</b>	<b>\$651,257</b>			<b>\$648,789</b>		
<b>Interest-bearing liabilities</b>						
Domestic interest-bearing deposits:						
Savings	\$ 21,539	103	0.64	\$ 20,233	171	1.13
NOW and money market deposit accounts	130,025	1,044	1.07	112,263	2,072	2.47
Consumer CDs and IRAs	68,176	2,240	4.39	75,322	2,955	5.24
Negotiable CDs, public funds and other time deposits	4,520	112	3.29	6,068	246	5.42
<b>Total domestic interest-bearing deposits</b>	<b>224,260</b>	<b>3,499</b>	<b>2.09</b>	<b>213,886</b>	<b>5,444</b>	<b>3.40</b>
Foreign interest-bearing deposits(4)						
Banks located in foreign countries	15,525	338	2.91	24,283	882	4.86
Governments and official institutions	2,511	36	1.90	3,835	132	4.59
Time, savings, and other	19,051	269	1.89	23,304	715	4.11
<b>Total foreign interest-bearing deposits</b>	<b>37,087</b>	<b>643</b>	<b>2.32</b>	<b>51,422</b>	<b>1,729</b>	<b>4.50</b>
<b>Total interest-bearing deposits</b>	<b>261,347</b>	<b>4,142</b>	<b>2.12</b>	<b>265,308</b>	<b>7,173</b>	<b>3.61</b>
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	97,655	1,532	2.10	94,223	3,467	4.92
Trading account liabilities	31,989	971	4.06	30,019	887	3.95
Long-term debt and trust preferred securities	66,161	1,846	3.72	70,121	3,088	5.87
<b>Total interest-bearing liabilities(3)</b>	<b>457,152</b>	<b>8,491</b>	<b>2.48</b>	<b>459,671</b>	<b>14,615</b>	<b>4.25</b>
Noninterest-bearing sources:						
Noninterest-bearing deposits	106,795			95,485		
Other liabilities	39,853			45,036		
Shareholders' equity	47,457			48,597		
<b>Total liabilities and shareholders' equity</b>	<b>\$651,257</b>			<b>\$648,789</b>		
Net interest spread			3.31			2.82
Impact of noninterest-bearing sources			0.47			0.77
<b>Net interest income/yield on earning assets(4)</b>		<b>\$15,974</b>	<b>3.78%</b>		<b>\$15,128</b>	<b>3.59%</b>

- (1) The average balance and yield on securities are based on the average of historical amortized cost balances.
- (2) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.
- (3) Interest income includes the impact of interest rate risk management contracts, which increased interest income by \$1.5 billion and \$505 million in 2002 and 2001, respectively. These amounts were substantially offset by corresponding decreases in the income earned on the underlying assets. Interest expense includes the impact of interest rate risk management contracts, which (increased) decreased interest expense by \$(79) million and \$103 million in 2002 and 2001, respectively. These amounts were substantially offset by corresponding decreases (increases) in the interest paid on the underlying liabilities.
- (4) Primarily consists of time deposits in denominations of \$100,000 or more.

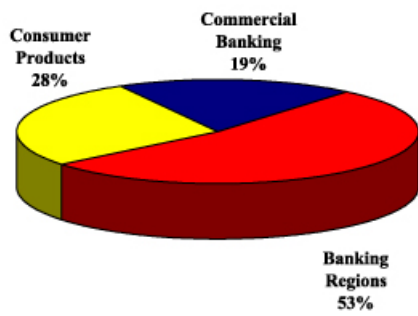
**Bank of America Corporation  
Business Segment View**

(Dollars in millions)

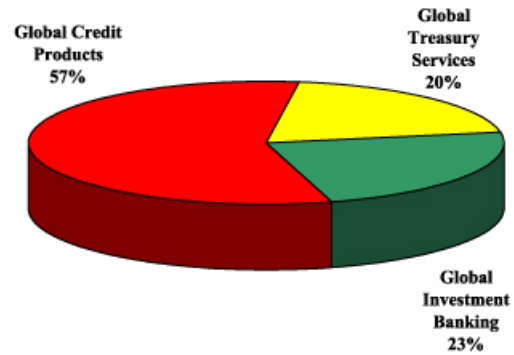
**Net Income  
Third Quarter 2002**



**Consumer & Commercial Banking**



**Global Corporate & Investment Banking**





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**Bank of America Corporation****Customer Segment View****Net Income  
Year-to-date**

	<u>2002</u>	<u>2001</u>	<u>% Increase (Decrease)</u>
	(Dollars in millions)		
<b>Customer Segments:</b>			
Consumer	\$2,383	\$1,962	21.5%
Premier	396	321	23.4
Private	197	324	(39.2)
Small Business	731	632	15.7
Commercial	1,018	846	20.3
Corporate	1,494	1,521	(1.8)%
Equity Investments	(249)	(17)	n/m
Corporate Other (1)	665	(855)	n/m
<b>Total Net Income</b>	<u>\$6,635</u>	<u>\$4,734</u>	(1)

(1) Includes provision for credit losses of \$395 million and noninterest expense of \$1.3 billion, both of which are related to the exit of certain consumer finance businesses in the third quarter of 2001. The impact of these charges on net income was \$1.25 billion.

**Bank of America Corporation**

**Consumer and Commercial Banking Segment Results**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
(Dollars in millions)							
<b>Key Measures</b>							
Total Revenue*	\$ 16,910	\$ 15,509	\$ 5,902	\$ 5,531	\$ 5,477	\$ 5,549	\$ 5,311
Provision for Credit Losses	1,296	1,046	420	449	427	536	389
Net Income(1)	4,440	3,695	1,580	1,444	1,416	1,257	1,287
Shareholder Value Added	2,920	2,447	1,075	937	908	840	867
Return on Average Equity	32.3%	25.7%	34.6%	31.5%	30.8%	26.2%	26.7%
Efficiency Ratio	50.9	54.3	51.0	50.4	51.1	54.2	53.0

**Selected Average Balance**

**Sheet Components**

Total Loans and Leases	\$182,715	\$177,633	\$183,035	\$182,863	\$182,238	\$179,548	\$179,194
Total Deposits	280,227	263,602	283,772	280,169	276,663	273,256	266,339
Total Earning Assets	279,296	261,955	285,267	278,199	274,297	270,678	265,232

**Period end (in billions)**

Mortgage Servicing Portfolio	\$ 278.7	\$ 313.4	\$ 278.7	\$ 287.8	\$ 289.9	\$ 299.1	\$ 313.4
<b>Mortgage Originations</b>							
Retail	37.8	29.5	15.3	9.5	13.0	16.8	9.8
Wholesale	18.3	13.8	8.6	4.9	4.8	6.0	4.5
Correspondent	—	10.4	—	—	—	0.1	1.7

**Consumer and Commercial Banking Sub-Segment Results**

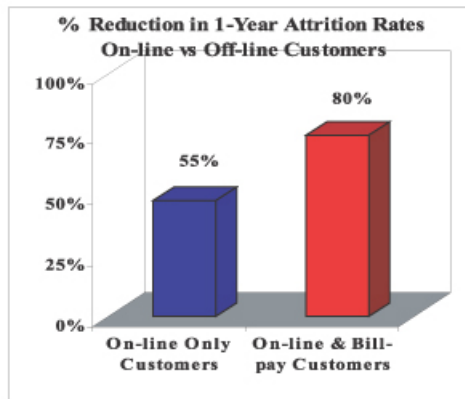
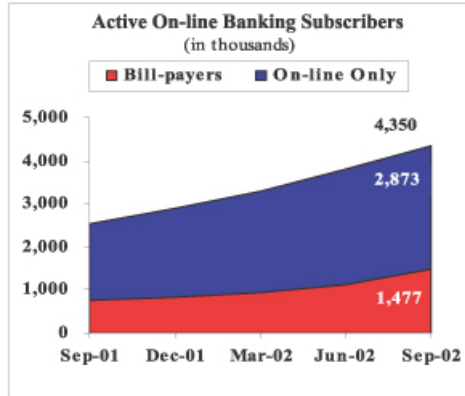
	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
(Dollars in millions)							
<b>Key Measures</b>							
<b>Banking Regions</b>							
Total Revenue*	\$ 9,893	\$ 9,200	\$ 3,427	\$ 3,289	\$ 3,177	\$ 3,203	\$ 3,156
Net Income(2)	2,398	1,961	838	815	745	654	702
Shareholder Value Added	1,509	1,334	537	517	455	440	490
Efficiency Ratio	59.4%	62.3%	59.7%	57.6%	60.7%	63.0%	60.9%
<b>Consumer Products</b>							
Total Revenue*	\$ 4,425	\$ 3,700	\$ 1,590	\$ 1,396	\$ 1,439	\$ 1,432	\$ 1,266
Net Income(3)	1,184	949	437	350	397	368	316
Shareholder Value Added	923	712	350	263	310	286	234
Efficiency Ratio	38.3%	42.2%	38.0%	40.5%	36.5%	38.4%	41.4%
<b>Commercial Banking</b>							
Total Revenue*	\$ 2,592	\$ 2,609	\$ 885	\$ 846	\$ 861	\$ 914	\$ 889
Net Income(4)	858	785	305	279	274	235	269
Shareholder Value Added	488	401	188	157	143	114	143
Efficiency Ratio	39.9%	42.4%	40.6%	39.0%	39.9%	48.3%	41.4%

\* Taxable-equivalent basis

- (1) Includes goodwill amortization of \$316 million in year-to-date 2001; \$105 million in both the fourth and third quarters of 2001.
- (2) Includes goodwill amortization of \$261 million in year-to-date 2001; \$87 million in both the fourth and third quarters of 2001.
- (3) Includes goodwill amortization of \$21 million in year-to-date 2001; \$7 million in both the fourth and third quarters of 2001.
- (4) Includes goodwill amortization of \$34 million in year-to-date 2001; \$11 million in both the fourth and third quarters of 2001.

Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

**Bank of America Corporation**  
**E-Commerce & BankofAmerica.com**

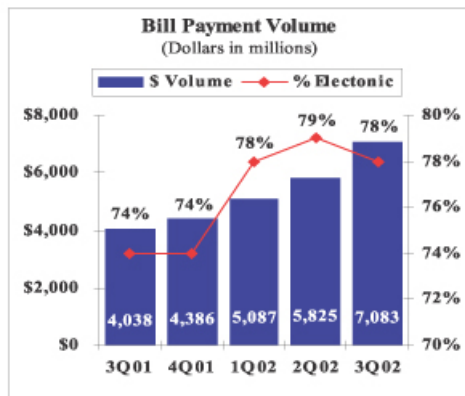


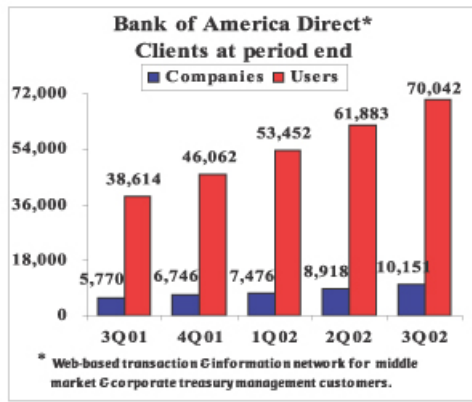
Bank of America has the largest active online banking customer base with over 4.3 million subscribers. This represents an active customer penetration rate of 30%.

Bank of America uses a strict Active User standard—customers must have used our online services within the last 90 days.

1.5 million **active** bill pay users paid over \$7 billion worth of bills this quarter. The number of active bill pay users has increased 74% since the beginning of the year, driven by Bank of America's free bill pay promotion.

Currently, nearly 200 companies are presenting over 1.6 million e-bills per quarter.





**Bank of America Corporation**  
**Consumer Credit Card Results**  
**Included within Consumer Products**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
<b>Key Measures</b>							
(Dollars in millions)							
<b>Outstandings:</b>							
Held (Period-End)	\$23,062	\$18,052	\$23,062	\$21,155	\$19,535	\$19,884	\$18,052
Managed (Period-End)	28,057	25,513	28,057	27,089	26,558	27,185	25,513
Held (Average)	20,693	15,962	22,263	20,402	19,383	18,656	17,632
Managed (Average)	26,997	24,165	27,540	26,902	26,539	26,040	25,310
<b>Managed Income Statement:</b>							
Total Revenue	\$ 2,591	\$ 2,244	\$ 925	\$ 821	\$ 845	\$ 835	\$ 794
Provision Expense	1,156	1,030	392	393	371	350	357
Noninterest Expense	717	636	244	239	234	228	216
Net Income Before Taxes	718	578	289	189	240	257	221
Shareholder Value Added (SVA)	\$ 320	\$ 233	\$ 138	\$ 75	\$ 107	\$ 109	\$ 94
<b>Credit Quality:</b>							
<b>Charge-off \$:</b>							
Held	\$ 795	\$ 464	\$ 285	\$ 269	\$ 241	\$ 208	\$ 181
Managed	1,086	852	356	375	355	322	307
<b>Charge-off %:</b>							
Held	5.14%	3.89%	5.09%	5.28%	5.05%	4.43%	4.08%
Managed	5.38	4.71	5.13	5.59	5.43	4.90	4.81
<b>Managed Delinquency %:</b>							
30+	3.63%	3.95%	3.63%	3.78%	4.16%	4.12%	3.95%
90+	1.66	1.68	1.66	1.76	1.95	1.75	1.68

**Bank of America Corporation**  
**Global Corporate and Investment Banking Segment Results**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
	(Dollars in millions)						
<b>Key Measures</b>							
Total Revenue*	\$ 6,740	\$ 7,195	\$ 2,039	\$ 2,362	\$ 2,339	\$ 2,390	\$ 2,286
Provision for Credit Losses	683	794	203	216	264	498	292
Net Income(1)	1,494	1,521	428	562	504	435	491
Shareholder Value Added	515	416	107	237	171	102	136
Return on Average Equity	17.9%	15.1%	15.6%	20.3%	17.7%	14.2%	15.1%
Efficiency Ratio	55.5	55.8	58.3	53.9	54.8	56.6	53.9

**Selected Average Balance**

**Sheet Components**

Total Loans and Leases	\$ 63,841	\$ 85,897	\$ 60,821	\$ 63,926	\$ 66,840	\$ 71,711	\$ 78,219
Total Deposits	64,393	67,288	66,166	63,770	63,212	66,076	68,472
Total Earning Assets	199,017	195,398	203,326	201,213	192,392	186,445	191,763

**Global Corporate and Investment Banking Sub-Segment Results**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
	(Dollars in millions)						
<b>Key Measures</b>							
<b>Global Investment Banking</b>							
Total Revenue*	\$ 3,514	\$ 4,128	\$ 915	\$ 1,256	\$ 1,343	\$ 1,259	\$ 1,190
Net Income(2)	598	838	100	224	274	192	230
Shareholder Value Added	285	508	(8)	118	175	93	123
Efficiency Ratio	72.9%	67.7%	86.4%	70.6%	65.9%	74.9%	69.4%
<b>Global Credit Products</b>							
Total Revenue*	\$ 1,935	\$ 1,958	\$ 716	\$ 658	\$ 561	\$ 726	\$ 702
Net Income(3)	573	472	242	209	122	154	172
Shareholder Value Added	(52)	(266)	43	3	(98)	(67)	(64)
Efficiency Ratio	20.3%	22.9%	17.7%	20.5%	23.5%	19.4%	21.2%
<b>Global Treasury Services</b>							
Total Revenue*	\$ 1,291	\$ 1,109	\$ 408	\$ 448	\$ 435	\$ 405	\$ 394
Net Income(4)	323	211	86	129	108	89	89
Shareholder Value Added	282	174	72	116	94	76	77
Efficiency Ratio	61.0%	69.9%	66.5%	56.0%	61.0%	66.1%	65.2%

\* Taxable-equivalent basis

- (1) Includes goodwill amortization of \$81 million in year-to-date 2001; \$27 million in both the fourth and third quarters of 2001.  
(2) Includes goodwill amortization of \$42 million in year-to-date 2001; \$14 million in both the fourth and third quarters of 2001.  
(3) Includes goodwill amortization of \$32 million in year-to-date 2001; \$11 million in both the fourth and third quarters of 2001.  
(4) Includes goodwill amortization of \$7 million in year-to-date 2001; \$2 million in both the fourth and third quarters of 2001.

Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

**Bank of America Corporation**  
**Asset Management Segment Results**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
(Dollars in millions)							
<b>Key Measures</b>							
Total Revenue*	\$ 1,799	\$ 1,850	\$ 581	\$ 620	\$ 598	\$ 625	\$ 610
Provision for Credit Losses	287	87	118	143	26	34	16
Net Income(1)	285	390	72	71	142	133	148
Shareholder Value Added	74	233	(4)	3	75	80	95
Return on Average Equity	15.9%	23.4%	11.3%	12.2%	24.9%	23.7%	26.4%
Efficiency Ratio	60.2	62.2	61.8	60.2	58.8	61.7	59.5
<b>Selected Average Balance Sheet Components</b>							
Total Loans and Leases	\$23,596	\$24,328	\$22,964	\$23,666	\$24,171	\$24,537	\$24,631
Total Deposits	11,860	11,883	11,967	11,776	11,837	11,936	11,837
Total Earning Assets	24,213	25,515	23,566	24,266	24,822	25,285	25,820
<b>Period end (in billions)</b>							
Assets under Management	\$ 271.9	\$ 281.8	\$ 271.9	\$ 295.2	\$ 314.9	\$ 314.2	\$ 281.8
Client Brokerage Assets	87.1	93.6	87.1	90.5	96.6	99.4	93.6
Assets in Custody	42.1	43.1	42.1	41.0	46.0	46.9	43.1
<b>Total Client Assets</b>	<b>\$ 401.1</b>	<b>\$ 418.5</b>	<b>\$ 401.1</b>	<b>\$ 426.7</b>	<b>\$ 457.5</b>	<b>\$ 460.5</b>	<b>\$ 418.5</b>

\* Taxable-equivalent basis

(1) Includes goodwill amortization of \$35 million in year-to-date 2001; \$12 million in both the fourth and third quarters of 2001.

Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

**Bank of America Corporation**  
**Equity Investments Segment Results**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
(Dollars in millions)							
<b>Key Measures</b>							
Total Revenue*	(\$ 338)	\$ 119	(\$ 230)	(\$ 82)	(\$ 26)	(\$ 90)	(\$ 60)
Provision for Credit Losses	—	—	—	—	—	9	—
Net Income(1)	(249)	(17)	(160)	(56)	(33)	(98)	(85)
Shareholder Value Added	(438)	(224)	(222)	(121)	(95)	(165)	(156)
Return on Average Equity	(15.6)%	(0.9)%	(30.5)%	(10.3)%	(6.4)%	(17.1)%	(13.7)%
Efficiency Ratio	(19.4)	127.6	(12.0)	(11.7)	(109.2)	(69.9)	(131.1)
<b>Selected Average Balance Sheet Components</b>							
Total Loans and Leases	\$ 440	\$ 487	\$ 446	\$ 448	\$ 427	\$ 444	\$ 468
Total Deposits	—	17	—	—	—	—	—
Total Earning Assets	443	502	446	448	433	453	489
<b>Period end</b>							
Investment Balances for Principal Investing	\$ 5,429	\$5,568	\$ 5,429	\$ 5,429	\$ 5,513	\$ 5,463	\$ 5,568

\* Taxable-equivalent basis

(1) Includes goodwill amortization of \$6 million in year-to-date 2001; \$2 million in both the fourth and third quarters of 2001.

Certain prior period amounts have been reclassified between segments to conform to the current period presentation.



**Bank of America Corporation**

**Corporate Other Results(1,2)**

	Year-to-Date		Quarterly				
	2002	2001	3 Qtr 02	2 Qtr 02	1 Qtr 02	4 Qtr 01	3 Qtr 01
(Dollars in millions)							
<b>Key Measures</b>							
Total Revenue*	\$ 1,004	\$ 1,405	\$ 393	\$ 312	\$ 299	\$ 429	\$ 572
Provision for Credit Losses	266	959	63	80	123	324	554
Net Income(3)	665	(855)	315	200	150	330	(1,000)
Shareholder Value Added	(525)	(579)	(76)	(222)	(227)	(64)	(118)
<b>Selected Average Balance Sheet Components</b>							
Total Loans and Leases	\$ 64,111	\$ 87,916	\$ 73,218	\$ 64,781	\$ 54,125	\$ 57,115	\$ 75,214
Total Deposits	11,662	18,003	12,028	10,271	12,691	16,903	16,680
Total Earning Assets	143,103	143,815	158,036	138,750	132,241	145,361	141,847

\* Taxable-equivalent basis

- (1) Corporate Other consists primarily of gains and losses associated with managing the balance sheet of the Corporation, certain consumer finance and commercial lending businesses being liquidated, and certain residential mortgages originated by the mortgage group or otherwise acquired and held for asset/liability management purposes.
- (2) Results include provision for credit losses of \$395 million and noninterest expense of \$1.3 billion, both of which are related to the exit of certain consumer finance businesses in the third quarter of 2001.
- (3) Includes goodwill amortization of \$29 million in year-to-date 2001; \$3 million and \$7 million in the fourth and third quarters of 2001, respectively.

Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

**Bank of America Corporation**

**Net Charge-offs and Net Charge-off Ratios**

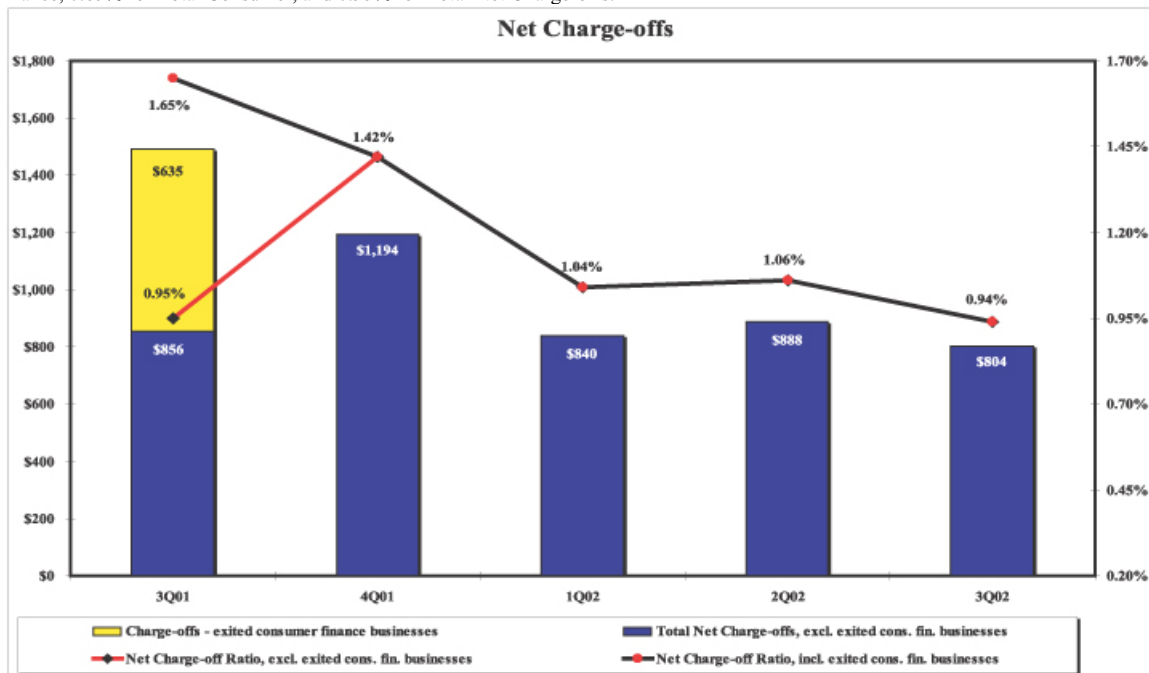
	3Q01		4Q01		1Q02		2Q02		3Q02	
	Amt.	Ratio	Amt.	Ratio	Amt.	Ratio	Amt.	Ratio	Amt.	Ratio
(Dollars in millions)										
Commercial—domestic (1)	\$ 412	1.26%	\$ 714	2.33%	\$ 370	1.29%	\$ 383	1.38%	\$ 240	0.90%
Commercial—foreign	57	0.89	60	1.00	49	0.90	119	2.23	148	2.77
Commercial real estate—domestic	4	0.07	17	0.29	14	0.25	8	0.14	6	0.12
<b>Total Commercial</b>	<b>473</b>	<b>1.05</b>	<b>791</b>	<b>1.86</b>	<b>433</b>	<b>1.09</b>	<b>510</b>	<b>1.32</b>	<b>394</b>	<b>1.05</b>
Residential mortgage	7	0.04	6	0.03	11	0.05	8	0.03	5	0.02
Home equity lines	4	0.07	5	0.10	8	0.15	7	0.12	5	0.08
Direct/indirect consumer	68	0.87	83	1.08	64	0.86	38	0.50	48	0.63
Consumer finance (2)	746	11.75	81	2.46	75	2.49	49	1.77	54	2.13
Bankcard	181	4.08	208	4.43	241	5.05	269	5.28	285	5.09
Other consumer domestic	11	n/m	18	n/m	7	n/m	7	n/m	11	n/m
Foreign consumer	1	0.21	2	0.25	1	0.16	—	—	2	0.32
<b>Total Consumer (2)</b>	<b>1,018</b>	<b>2.27</b>	<b>403</b>	<b>0.97</b>	<b>407</b>	<b>0.99</b>	<b>378</b>	<b>0.84</b>	<b>410</b>	<b>0.85</b>
<b>Total Net Charge-offs (2)</b>	<b>\$ 1,491</b>	<b>1.65</b>	<b>\$ 1,194</b>	<b>1.42</b>	<b>\$ 840</b>	<b>1.04</b>	<b>\$ 888</b>	<b>1.06</b>	<b>\$ 804</b>	<b>0.94</b>

**By Business Segment:**

Consumer & Commercial Banking	\$ 389	0.86%	\$ 536	1.18%	\$ 427	0.94%	\$ 449	0.99%	\$ 420	0.91%
Global Corporate & Investment Banking (1)	292	1.48	498	2.76	264	1.60	216	1.35	203	1.32
Asset Management	16	0.26	34	0.55	26	0.44	143	2.43	118	2.04
Equity Investments	—	—	9	7.76	—	—	—	—	—	—
Corporate Other (2)	794	4.19	117	0.81	123	0.92	80	0.50	63	0.34
<b>Total Net Charge-offs</b>	<b>\$ 1,491</b>	<b>1.65</b>	<b>\$ 1,194</b>	<b>1.42</b>	<b>\$ 840</b>	<b>1.04</b>	<b>\$ 888</b>	<b>1.06</b>	<b>\$ 804</b>	<b>0.94</b>

Loans are classified as domestic or foreign based upon the domicile of the borrower.

- Fourth quarter 2001 includes \$210 million related to Enron.
- Third quarter 2001 includes \$635 million related to the exit of certain consumer finance businesses. Excluding these net charge-offs, the ratios would be 1.75% for Consumer Finance, 0.85% for Total Consumer, and 0.95% for Total Net Charge-offs.



**Bank of America Corporation**

**Nonperforming Assets**

	3Q01	4Q01	1Q02	2Q02	3Q02
	(Dollars in millions)				
Commercial—domestic	\$2,705	\$3,123	\$3,207	\$2,847	\$3,132
Commercial—foreign	566	461	583	980	854
Commercial real estate—domestic	257	240	216	202	172
Commercial real estate—foreign	2	3	2	3	3
<b>Total Commercial</b>	<b>3,530</b>	<b>3,827</b>	<b>4,008</b>	<b>4,032</b>	<b>4,161</b>
Residential mortgage	491	556	477	503	585
Home equity lines	61	80	73	64	57
Direct/Indirect consumer	20	27	26	27	31
Consumer finance	9	9	8	8	8
Foreign consumer	8	7	9	8	7
<b>Total Consumer</b>	<b>589</b>	<b>679</b>	<b>593</b>	<b>610</b>	<b>688</b>
<b>Total Nonperforming Loans</b>	<b>4,119</b>	<b>4,506</b>	<b>4,601</b>	<b>4,642</b>	<b>4,849</b>
<b>Foreclosed properties</b>	<b>404</b>	<b>402</b>	<b>391</b>	<b>297</b>	<b>282</b>
<b>Total Nonperforming Assets(1)</b>	<b>\$4,523</b>	<b>\$4,908</b>	<b>\$4,992</b>	<b>\$4,939</b>	<b>\$5,131</b>
Loans past due 90 days or more and still accruing	\$ 691	\$ 680	\$ 662	\$ 605	\$ 726
Nonperforming Assets/ Total Assets	0.71%	0.79%	0.81%	0.77%	0.78%
Nonperforming Assets/ Total Loans, Leases and Foreclosed Properties	1.33	1.49	1.51	1.45	1.50
Nonperforming Loans/Total Loans and Leases	1.22	1.37	1.39	1.36	1.42
Allowance for Loan Losses	\$6,665	\$6,875	\$6,869	\$6,873	\$6,861
Allowance / Total Loans	1.97%	2.09%	2.07%	2.02%	2.01%
Allowance / Total Nonperforming Loans	162	153	149	148	142

Loans are classified as domestic or foreign based upon the domicile of the borrower.

(1) Balances do not include \$184 million, \$221 million, \$304 million, \$1.0 billion and \$1.3 billion of nonperforming assets included in other assets at September 30, 2002, June 30, 2002, March 31, 2002, December 31, 2001 and September 30, 2001 respectively. In the third quarter of 2001, \$1.2 billion of nonperforming subprime real estate loans were transferred to loans held for sale as a result of the exit of certain consumer finance businesses.

