As filed with the Securities and Exchange Commission on October 15, 2018

# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# 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, 2018

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

| Delaware | 1-6523 | 56-0906609 |
|---|---|---|
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**100 North Tryon Street**
**Charlotte, North Carolina 28255**
**(Address of principal executive offices)**

**(704) 386-5681**
**(Registrant's telephone number, including area code)**

**Not Applicable**
**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2) ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

**ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.**

On October 15, 2018, Bank of America Corporation (the "Corporation") announced financial results for thethird quarter ended September 30, 2018, reporting third quarter net income of $7.2 billion, or $0.66 per diluted share. A copy of the press release announcing the Corporation's results for thethird quarter ended September 30, 2018 (the "Press Release") is attached hereto as Exhibit 99.1 and is incorporated by reference in this Item 2.02. The Press Release is available on the Corporation's website.

The information provided in Item 2.02 of this report, including Exhibit 99.1, shall be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**ITEM 7.01. REGULATION FD DISCLOSURE.**

On October 15, 2018, the Corporation will hold an investor conference call and webcast to discuss financial results for thethird quarter ended September 30, 2018, including the Press Release and other matters relating to the Corporation.

The Corporation has also made available on its website presentation materials containing certain historical and forward-looking information relating to the Corporation (the "Presentation Materials") and materials that contain additional information about the Corporation's financial results for the third quarter ended September 30, 2018 (the "Supplemental Information"). The Presentation Materials and the Supplemental Information are furnished herewith as Exhibit 99.2 and Exhibit 99.3, respectively, and are incorporated by reference in this Item 7.01. All information in Exhibits 99.2 and 99.3 is presented as of the particular date or dates referenced therein, and the Corporation does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

The information provided in Item 7.01 of this report, including Exhibits 99.2 and 99.3, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall the information or Exhibits 99.2 or 99.3 be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

**(d) Exhibits.**

Exhibit 99.1 is filed herewith. Exhibits 99.2 and 99.3 are furnished herewith.

| EXHIBIT NO. | DESCRIPTION OF EXHIBIT |
|---|---|
| 99.1 | The Press Release |
| 99.2 | The Presentation Materials |
| 99.3 | The Supplemental Information |

## SIGNATURES

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

**BANK OF AMERICA CORPORATION**

By: /s/ Rudolf A. Bless

Rudolf A. Bless

Chief Accounting Officer

Dated: October 15, 2018

# Bank of America Reports Quarterly Earnings of $7.2 Billion, EPS $0.66

***Record Quarterly Pretax Income of $9.0 Billion, up 18% on Strong Operating Leverage***

## Q3-18 Financial Highlights[1]

- Net income up 32% to $7.2 billion, driven by continuing strong operating leverage and asset quality, as well as the benefit of tax reform
- Diluted earnings per share up 43% to $0.66
- Pretax income up 18% to $9.0 billion
- Revenue, net of interest expense, increased 4% to $22.8 billion
  - Net interest income (NII) increased $709 million, or 6%, to $11.9 billion, reflecting benefits from higher interest rates, as well as loan and deposit growth; net interest yield of 2.42%, up 6 bps[(A)]
  - Noninterest income increased $229 million, or 2%, to $10.9 billion
- Provision for credit losses decreased $118 million to $716 million
  - Net charge-off ratio remained low at 0.40%
- Noninterest expense declined $327 million, or 2%, to $13.1 billion; efficiency ratio improved to 57%
- Average loan and lease balances in business segments rose $29 billion, or 3%, to $871 billion
  - Consumer up 5% and commercial up 2%
- Average deposit balances rose $45 billion, or 4%, to $1.3 trillion
- Repurchased $14.9 billion in common stock and paid $4.0 billion in common dividends YTD

## Q3-18 Business Segment Highlights[1]

| | |
|---|---|
| Consumer Banking | • Net income rose 49% to $3.1 billion<br>• Loans up 6% to $285 billion<br>• Deposits up 4% to $688 billion<br>• Merrill Edge brokerage assets exceeded $200 billion, up 22%<br>• 19th consecutive quarter of positive operating leverage<br>• 25.9 million active mobile banking users |
| Global Wealth and Investment Management | • Net income rose 31% to $1.0 billion<br>• Pretax margin increased to 28%<br>• Record client balances of $2.8 trillion<br>• Loans increased 5% to $162 billion<br>• Increased wealth advisors, U.S. Trust Private Client Advisors, and household relationships |
| Global Banking | • Net income rose 13% to $2.0 billion<br>• Firmwide investment banking fees of $1.2 billion<br>• Loans increased 2% to $353 billion<br>• Deposits increased 7% to $338 billion<br>• Efficiency ratio remained low at 45% |
| Global Markets | • Net income rose 21% to $912 million<br>• Sales and trading revenue of $3.0 billion, including net debit valuation adjustment (DVA) of $(99) million<br>• Excluding net DVA, sales and trading revenue down 3% to $3.1 billion[(B)]<br>– Equities up 3% to $1.0 billion[(B)]<br>– FICC down 5% to $2.1 billion[(B)] |

### CEO Commentary

"Responsible growth, backed by a solid U.S. economy and a healthy U.S. consumer, combined to deliver the highest quarterly pre-tax earnings in our company's history. This marks the 15th consecutive quarter of positive operating leverage, driven by continued growth in deposits, client balances in wealth management, solid loan growth, and disciplined expense management. Our strong balance sheet has allowed us to return $19 billion to shareholders so far this year in dividends and share buybacks. Our high-tech, high-touch approach continues to drive both client satisfaction and efficiencies. More than 3 million users have accessed Erica, the industry's only AI virtual assistant, since its April rollout, and nearly a quarter of deposit transactions this quarter were performed via mobile device. We also have opened 53 financial centers and renovated more than 400 others in the last 12 months. We continue to expand into new markets, recently opening our first financial center in Pittsburgh, and we plan to open in Salt Lake City in the coming months, with additional markets to follow. In Global Banking, deposit growth reflects GTS investments, and Global Markets profitability improved. Bank of America is helping our clients address the straightforward question of what they would like the power to do, and delivering capabilities and solutions to help them reach their goals."

**— Brian Moynihan, Chairman and Chief Executive Officer**

| **Financial Highlights[2]** | **Three months ended** | | |
|---|---|---|---|
| **($ in billions, except per share data)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue, net of interest expense | **$22.8** | $22.6 | $21.8 |
| Net income | **$7.2** | $6.8 | $5.4 |
| Diluted earnings per share | **$0.66** | $0.63 | $0.46 |
| Return on average assets | **1.23%** | 1.17% | 0.95% |
| Return on average common shareholders' equity | **10.99** | 10.75 | 7.89 |
| Return on average tangible common shareholders' equity[3] | **15.48** | 15.15 | 10.98 |
| Efficiency ratio | **57** | 59 | 61 |

[1] Financial Highlights and Business Segment Highlights compare to the year-ago quarter unless noted. Loan and deposit balances are shown on an average basis unless noted.
[2] On December 22, 2017, the Tax Cuts and Jobs Act (the Tax Act) was enacted, which included a lower U.S. corporate tax rate effective in 2018.
[3] Represents a non-GAAP financial measure. For additional information (including reconciliation information), see endnote C.

## CFO Commentary

"Our earnings growth year-over-year was driven by operating leverage, asset quality, and a lower tax rate. Net income increased 32% to $7.2 billion, and diluted earnings per share improved by 43%. For 12 straight quarters, our average deposits have grown year-over-year by more than $40 billion, reflecting the value to customers of our deposit capabilities and franchise – and driving both growth of net interest income and improvement in net interest yield. Responsible growth is also reflected in our asset quality where we reported a net charge-off ratio near a decade-low, complemented by virtually all other credit metrics continuing to improve across both consumer and commercial loans."

**— Paul M. Donofrio, Chief Financial Officer**

## Consumer Banking

### Financial Results[1]

- Net income increased $1.0 billion, or 49%, to $3.1 billion, driven by strong operating leverage of 10%
- Revenue increased $629 million, or 7%, to $9.4 billion
  - NII increased $651 million, or 10%, driven by higher interest rates and deposit and loan growth
  - Noninterest income decreased modestly as higher card income and service charges were more than offset by lower mortgage banking income
- Provision for credit losses decreased $97 million to $870 million, due primarily to a smaller reserve build in credit card
  - Net charge-offs increased $53 million to $853 million due to credit card portfolio seasoning and loan growth
  - Net charge-off ratio was 1.19% compared to 1.18%
- Noninterest expense decreased $106 million, or 2%, to $4.4 billion as investments for business growth were more than offset by improved productivity

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue (FTE)[2] | **$9,403** | $9,211 | $8,774 |
| Provision for credit losses | **870** | 944 | 967 |
| Noninterest expense | **4,355** | 4,395 | 4,461 |
| Pretax income | **4,178** | 3,872 | 3,346 |
| Income tax expense | **1,065** | 988 | 1,260 |
| **Net income** | **$3,113** | $2,884 | $2,086 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Revenue, net of interest expense. Revenue, pretax income and income tax expense are shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.

**Investing for the future**
- Added 6,000 client-facing professionals since 2015; plans to add 5,000 more over next four years
- Launched industry's only AI virtual assistant (Erica); 3.4 million users since April rollout
- 4,385 financial centers: 53 new openings and 404 renovations in past 12 months
- Adding mobile digital identity functions, such as biometrics, that will integrate across channels, including call centers

### Business Highlights[1,2]

- Average deposits grew $29 billion, or 4%; average loans grew $16 billion, or 6%
- Merrill Edge brokerage assets grew $37 billion, or 22%, to $204 billion, driven by strong client flows and market performance
- Combined credit/debit card spending up 7%
- Digital usage continued to grow
  - 25.9 million active mobile banking users, up 10%
  - Digital sales were 23% of all Consumer Banking sales
  - Mobile channel usage up 17%
  - 42.5 million person-to-person payments through Zelle®, more than double the year-ago quarter
- Efficiency ratio improved to 46% from 51%

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Average deposits | **$687.5** | $687.8 | $659.0 |
| Average loans and leases | **285.0** | 280.7 | 268.8 |
| Brokerage assets (EOP) | **203.9** | 191.5 | 167.3 |
| Active mobile banking users (MM) | **25.9** | 25.3 | 23.6 |
| Number of financial centers | **4,385** | 4,433 | 4,515 |
| Efficiency ratio (FTE) | **46%** | 48% | 51% |
| Return on average allocated capital | **33** | 31 | 22 |
| **Total U.S. Consumer Credit Card[2]** | | | |
| Average credit card outstanding balances | **$94.7** | $93.5 | $91.6 |
| Total credit/debit spend | **146.4** | 147.5 | 137.0 |
| Risk-adjusted margin | **8.2%** | 8.1% | 8.6% |

[1] Comparisons are to the year-ago quarter unless noted.
[2] The U.S. consumer credit card portfolio includes Consumer Banking and GWIM.

## Global Wealth and Investment Management

**Financial Results**[1]

- Net income increased $240 million, or 31%, to $1.0 billion
- Revenue increased $163 million, or 4%, as 9% growth in asset management fees and higher net interest income were partially offset by lower transactional revenue
- Noninterest expense increased 1% as higher revenue-related incentives and investment in sales professionals were mostly offset by continued expense discipline

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue (FTE)[2] | **$4,783** | $4,709 | $4,620 |
| Provision for credit losses | **13** | 12 | 16 |
| Noninterest expense | **3,414** | 3,395 | 3,369 |
| Pretax income | **1,356** | 1,302 | 1,235 |
| Income tax expense | **346** | 332 | 465 |
| **Net income** | **$1,010** | $970 | $770 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Revenue, net of interest expense. Revenue, pretax income and income tax expense are shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.

**Investing for the future**

- Improved GWIM digital capabilities to enhance integration between banking and investing, including seamless transition across mobile apps
- Introduced low-cost investment portfolios centrally managed by Chief Investment Office (CIO), which powers Merrill Edge Guided Investing

**Business Highlights**[1]

- Total client balances increased $165 billion, or 6%, to $2.8 trillion, driven by higher market valuations and solid AUM flows
- Average loans and leases grew $8 billion, or 5%, driven by mortgages and custom lending
- Record AUM balances over $1.1 trillion, up 10%
- Pretax margin improved to 28%
- Wealth advisors up 1% to 19,344[2]
- Accelerated net new household growth
  - Pace of YTD organic growth in net new Merrill Lynch households roughly four times 2017 level (annualized basis)
  - YTD U.S. Trust organic net new high net worth relationships increased 7% from 2017

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Average deposits | **$238.3** | $236.2 | $239.6 |
| Average loans and leases | **161.9** | 160.8 | 154.3 |
| Total client balances (EOP) | **2,841.4** | 2,754.2 | 2,676.2 |
| AUM flows | **7.6** | 10.8 | 20.7 |
| Pretax margin | **28%** | 28% | 27% |
| Return on average allocated capital | **28** | 27 | 22 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Includes financial advisors in Consumer Banking of 2,618 and 2,267 in Q3-18 and Q3-17.

## Global Banking

### Financial Results[1]

- Net income increased $231 million, or 13%, to $2.0 billion
- Revenue decreased $249 million, or 5%, to $4.7 billion
  - NII increased $64 million, or 2%, primarily due to the benefit of higher interest rates and growth in deposits
  - Noninterest income decreased $313 million, or 13%, primarily due to lower investment banking fees and the impact of tax reform on certain tax advantaged investments
- Provision improved to a benefit of $70 million, driven primarily by continued improvements in energy and broader asset quality
- Noninterest expense was flat despite continued investment in the business including sales professionals

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue (FTE)[2, 3] | **$4,738** | $4,922 | $4,987 |
| Provision for credit losses | **(70)** | (23) | 48 |
| Noninterest expense | **2,120** | 2,156 | 2,119 |
| Pretax income | **2,688** | 2,789 | 2,820 |
| Income tax expense | **699** | 726 | 1,062 |
| **Net income** | **$1,989** | $2,063 | $1,758 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.
[3] Revenue, net of interest expense. Revenue, pretax income and income tax expense are shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.

**Investing for the future**

- Hired more than 450 commercial and business bankers since 2015 to expand local coverage; adding regional investment bankers
- Enhanced CashPro Mobile (+180% users YoY) and CashPro Assistant AI and predictive analytics capabilities; client logins and payment approvals both up 4x YoY

### Business Highlights[1,2]

- Average deposits increased $22 billion, or 7%, to $338 billion
- Average loans and leases grew $7 billion, or 2%, to $353 billion
- Total firmwide investment banking fees (excluding self-led deals) decreased 18% to $1.2 billion, driven primarily by declines in advisory and leveraged finance, partially offset by an increase in equity underwriting fees
- Efficiency ratio remained low at 45%

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Average deposits | **$337.7** | $323.2 | $315.7 |
| Average loans and leases | **352.7** | 355.1 | 346.1 |
| Total Corp. IB fees (excl. self-led)[2] | **1.2** | 1.4 | 1.5 |
| Global Banking IB fees[2] | **0.6** | 0.7 | 0.8 |
| Business Lending revenue | **2.1** | 2.2 | 2.3 |
| Global Transaction Services revenue | **2.0** | 2.0 | 1.8 |
| Efficiency ratio (FTE) | **45%** | 44% | 43% |
| Return on average allocated capital | **19** | 20 | 17 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.

## Global Markets

**Financial Results**[1]

- Net income increased $156 million, or 21%, to $912 million
- Revenue decreased $58 million, or 1%, to $3.8 billion; excluding net DVA, revenue increased 1%[4]
  - Reflects lower sales and trading revenue and investment banking fees, mostly offset by a gain on sale of an equity investment
- Noninterest expense decreased $99 million, or 4%, to $2.6 billion, driven by lower operating costs
- Average VaR of $31 million remained low[5]

**Investing for the future**

- Equities electronic trading platform upgraded to support 25x order volume, and FX platform is now 50x faster than two years ago
- Reduced manual processes across Global Banking and Markets through the use of AI, robotics and automation, saving 84,000 hours annually
- Migrated to new cross-asset trading platform with enhanced functionality and reporting

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue (FTE)[2,3] | **$3,843** | $4,221 | $3,901 |
| Net DVA[4] | **(99)** | (179) | (21) |
| **Total revenue (excl. net DVA) (FTE)[2,3,4]** | **$3,942** | $4,400 | $3,922 |
| Provision for credit losses | **(2)** | (1) | (6) |
| Noninterest expense | **2,612** | 2,715 | 2,711 |
| Pretax income | **1,233** | 1,507 | 1,196 |
| Income tax expense | **321** | 391 | 440 |
| **Net income** | **$912** | $1,116 | $756 |
| **Net income (excl. net DVA)[4]** | **$987** | $1,252 | $769 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.
[3] Revenue, net of interest expense. Revenue, pretax income and income tax expense are shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.
[4] Revenue and net income, excluding net DVA, are non-GAAP financial measures. See endnote B for more information.
[5] VaR model uses a historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level. Average VaR was $31MM, $30MM and $41MM for Q3-18, Q2-18 and Q3-17, respectively.

**Business Highlights**[1,2]

- Sales and trading revenue decreased $157 million, or 5%, to $3.0 billion
- Excluding net DVA, sales and trading revenue decreased 3% to $3.1 billion[(B)]
  - FICC revenue of $2.1 billion decreased 5%, primarily due to lower client activity in rates products and a weaker environment for municipal bonds
  - Equities revenue of $1.0 billion increased 3%, driven by increased client activity in financing

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Average total assets | **$652.5** | $678.5 | $642.4 |
| Average trading-related assets | **460.3** | 473.1 | 442.3 |
| Average loans and leases | **71.2** | 75.1 | 72.3 |
| Sales and trading revenue[2] | **3.0** | 3.4 | 3.1 |
| Sales and trading revenue (excl. net DVA)[(B),2] | **3.1** | 3.6 | 3.2 |
| Global Markets IB fees[2] | **0.5** | 0.7 | 0.6 |
| Efficiency ratio (FTE) | **68%** | 64% | 69% |
| Return on average allocated capital | **10** | 13 | 9 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.

## All Other

### Financial Results[1]

- Net income of $143 million compared to $54 million
- Revenue increased $364 million, reflecting lower provision for representations and warranties, as well as a small gain from the sale of non-core consumer real estate loans
- Benefit in provision for credit losses declined $96 million to $95 million due to a slower pace of portfolio improvement in non-core consumer real estate
- Noninterest expense decreased $168 million to $566 million reflecting lower non-core mortgage costs and litigation expense

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Total revenue (FTE)[2] | **$161** | $(300) | $(203) |
| Provision for credit losses | **(95)** | (105) | (191) |
| Noninterest expense | **566** | 623 | 734 |
| Pretax loss | **(310)** | (818) | (746) |
| Income tax benefit | **(453)** | (569) | (800) |
| **Net income (loss)** | **$143** | $(249) | $54 |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Revenue, net of interest expense. Revenue, pretax loss and income tax benefit are shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.

Note: All Other consists of asset and liability management (ALM) activities, equity investments, non-core mortgage loans and servicing activities, the net impact of periodic revisions to the mortgage servicing rights (MSR) valuation model for core and non-core MSRs and the related economic hedge results, liquidating businesses and residual expense allocations. ALM activities encompass certain residential mortgages, debt securities, interest rate and foreign currency risk management activities, the impact of certain allocation methodologies and hedge ineffectiveness. The results of certain ALM activities are allocated to our business segments. Equity investments include our merchant services joint venture, as well as a portfolio of equity, real estate and other alternative investments.

## Credit Quality

### Highlights[1]

- Overall credit quality remained strong across both the consumer and commercial portfolios
- Net charge-offs increased $32 million to $932 million, primarily driven by credit card portfolio seasoning and loan growth
  - The net charge-off ratio remained low at 0.40%
- The provision for credit losses decreased $118 million to $716 million
  - The net reserve release was $216 million, driven by continued improvement in consumer real estate and energy portfolios
- Nonperforming assets declined $1.4 billion to $5.4 billion, driven by improvements in both consumer and commercial portfolios
- Commercial reservable criticized utilized exposure down $3.2 billion, or 22%, to $11.6 billion

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| Provision for credit losses | **$716** | $827 | $834 |
| Net charge-offs | **932** | 996 | 900 |
| Net charge-off ratio[2] | **0.40%** | 0.43% | 0.39% |
| **At period-end** | | | |
| Nonperforming assets | **$5,449** | $6,181 | $6,869 |
| Nonperforming assets ratio[3] | **0.59%** | 0.66% | 0.75% |
| Allowance for loan and lease losses | **$9,734** | $10,050 | $10,693 |
| Allowance for loan and lease losses ratio[4] | **1.05%** | 1.08% | 1.16% |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Net charge-off ratio is calculated as annualized net charge-offs divided by average outstanding loans and leases during the period.
[3] Nonperforming assets ratio is calculated as nonperforming loans, leases and foreclosed properties (nonperforming assets) divided by outstanding loans, leases and foreclosed properties at the end of the period.
[4] Allowance for loan and lease losses ratio is calculated as allowance for loan and lease losses divided by loans and leases outstanding at the end of the period.

Note: Ratios do not include loans accounted for under the fair value option.

# Leadership in high-tech, high-touch

(Figures are for Q3-18 unless otherwise specified)

## High-Tech

**No. 1 in mobile banking, online banking and digital sales functionality**

**"Best in Class"** in Javelin's 2018 Online Banking Scorecard

**"Best in Class"** in Javelin's 2018 Mobile Banking Scorecard

**No. 1 Overall | No. 1 Mobile App | No.1 in Functionality** in Dynatrace's Q3-18 Mobile Banker Scorecard

**Highest overall score** in The Forrester Banking Sales Wave: U.S. Mobile Sites, Q3 2018

**Erica** chosen as 2018 BAI Global Innovation Award winner for Customer Experience in the **"People's Choice"** category

**Trends in Digital Banking**

**36.2MM** active digital banking users

**25.9MM** active mobile banking users

**1.4B** logins to consumer banking app

**23%** of all Consumer sales through digital

- **2,700** auto dealers now participate in our auto digital shopping experience
- **20%** of total consumer mortgage applications came from digital

**42MM** P2P payments via Zelle®, up **138%** YoY, representing **$12B**

**515,000 digital appointments**

**3.4MM** users have completed **11MM** interactions with Erica since full launch

**Innovation in Global Banking and Markets**

**~481K** digital channel users across our commercial, large corporate and business banking businesses

**Enhanced CashPro Mobile** to include streamlined navigation, biometrics and embedded token functionality

Market-leading **cross-currency ACH solution** in 101 countries

**Electronic signature and document exchange** to improve client experience and simplify engagement

**~28MM** Global Markets trades executed per day

**Highest number of patents of any financial firm**

**~3,400** patents awarded or pending

**89** blockchain patents granted or pending

**Innovation in wealth management**

**24%** increase in active users of the Merrill Lynch mobile platform during past year

Implemented one of the **largest-scale brokerage rollouts** for texting capabilities between clients/advisors across mobile and advisor workstations

**Industry leader** in providing capability for clients to use mobile app to scan and send documents directly to their financial advisor

## High-Touch

**4,385** financial centers
- **53** new openings in last 12 months
- **404** renovations in last 12 months

**16,089** ATMs
- **12,105** newly replaced or upgraded
- **100%** contactless enabled

**Expanding into new markets**

- Current locations
- New financial center markets

| | | |
|---|---|---|
| Cincinnati | Denver | Minneapolis/St. Paul |
| Cleveland | Indianapolis | Pittsburgh |
| Columbus | Lexington | Salt Lake City |

**67MM** Consumer and Small Business clients

**19,344** Wealth advisors in Global Wealth and Investment Management and Consumer Banking

**Global footprint serving middle-market, large corporate and institutional clients**

**35+** countries

**79%** of the 2018 Global Fortune 500 and **94%** of the U.S. Fortune 1,000 have a relationship with us

Increased client-facing professionals to further strengthen local market coverage

**Balance Sheet, Liquidity and Capital Highlights ($ in billions except per share data, end of period, unless otherwise noted)**

| | Three months ended | | |
|---|---|---|---|
| | **9/30/2018** | **6/30/2018** | **9/30/2017** |
| **Ending Balance Sheet** | | | |
| Total assets | **$2,338.8** | $2,291.7 | $2,284.2 |
| Total loans and leases | **929.8** | 935.8 | 927.1 |
| Total loans and leases in business segments (excluding All Other) | **874.8** | 874.6 | 854.3 |
| Total deposits | **1,345.6** | 1,309.7 | 1,284.4 |
| **Average Balance Sheet** | | | |
| Average total assets | **$2,317.8** | $2,322.7 | $2,271.1 |
| Average loans and leases | **930.7** | 934.8 | 918.1 |
| Average deposits | **1,316.3** | 1,300.7 | 1,271.7 |
| **Funding and Liquidity** | | | |
| Long-term debt | **$234.1** | $226.6 | $228.7 |
| Global Liquidity Sources, average[(D)] | **537** | 512 | 517 |
| Liquidity coverage ratio, average[(D)] | **120%** | 122% | 126% |
| **Equity** | | | |
| Common shareholders' equity | **$239.8** | $241.0 | $249.6 |
| Common equity ratio | **10.3%** | 10.5% | 10.9% |
| Tangible common shareholders' equity[1] | **$169.9** | $170.9 | $179.7 |
| Tangible common equity ratio[1] | **7.5%** | 7.7% | 8.1% |
| **Per Share Data** | | | |
| Common shares outstanding (in billions) | **9.86** | 10.01 | 10.46 |
| Book value per common share | **$24.33** | $24.07 | $23.87 |
| Tangible book value per common share[1] | **17.23** | 17.07 | 17.18 |
| **Regulatory Capital[(E)]** | | | |
| **Basel 3** | | | |
| CET1 capital | **$164.4** | $164.9 | $173.6 |
| **Standardized approach** | | | |
| Risk-weighted assets | **$1,440** | $1,444 | $1,420 |
| CET1 ratio | **11.4%** | 11.4% | 12.2% |
| **Advanced approaches** | | | |
| Risk-weighted assets | **$1,424** | $1,437 | $1,460 |
| CET1 ratio | **11.5%** | 11.5% | 11.9% |
| **Supplementary leverage** | | | |
| Supplementary leverage ratio (SLR) | **6.7%** | 6.7% | n/a |

[1] Represents a non-GAAP financial measure. For reconciliation, see pages 18-19 of this press release.
n/a = not applicable

## Endnotes

A We also measure net interest income on an FTE basis, which is a non-GAAP financial measure. FTE basis is a performance measure used in operating the business that management believes provides investors a more accurate picture of the interest margin for comparative purposes. We believe that this presentation allows for comparison of amounts from both taxable and tax-exempt sources, and is consistent with industry practices. Net interest income on an FTE basis was $12.0 billion, $11.8 billion and $11.4 billion for the three months ended September 30, 2018, June 30, 2018 and September 30, 2017, respectively. For reconciliation to GAAP financial measures, refer to pages 18-19 of this press release. The FTE adjustment was $151 million, $154 million and $240 million for the three months ended September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

B Global Markets revenue and net income, excluding net debit valuation adjustments (DVA), and sales and trading revenue, excluding net DVA, are non-GAAP financial measures. Net DVA losses were $99 million, $179 million and $21 million for the three months ended September 30, 2018, June 30, 2018 and September 30, 2017, respectively. FICC net DVA losses were $80 million, $184 million and $14 million for the three months ended September 30, 2018, June 30, 2018 and September 30, 2017, respectively. Equities net DVA gains (losses) were $(19) million, $5 million and $(7) million for the three months ended September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

C Return on average tangible common shareholders' equity is a non-GAAP financial measure. For reconciliation to GAAP financial measures, see pages 18-19 of this press release.

D Liquidity Coverage Ratio (LCR) at September 30, 2018 is preliminary. Global Liquidity Sources (GLS) include cash and high-quality, liquid, unencumbered securities, limited to U.S. government securities, U.S. agency securities, U.S. agency MBS, and a select group of non-U.S. government and supranational securities, and are readily available to meet funding requirements as they arise. They do not include Federal Reserve Discount Window or Federal Home Loan Bank borrowing capacity. Transfers of liquidity among legal entities may be subject to certain regulatory and other restrictions. The LCR represents the consolidated average amount of high-quality liquid assets as a percentage of the prescribed average net cash outflows over a 30-calendar-day period of significant liquidity stress, under the U.S. LCR final rule.

E Regulatory capital ratios at September 30, 2018 are preliminary. We report regulatory capital ratios under both the Standardized and Advanced approaches. The approach that yields the lower ratio is used to assess capital adequacy, which for CET1 is the Standardized approach at September 30, 2018 and June 30, 2018 and the Advanced approaches at September 30, 2017. Basel 3 transition provisions for regulatory capital adjustments and deductions were fully phased-in as of January 1, 2018. Prior periods are presented on a fully phased-in basis. SLR requirements became effective January 1, 2018.

## Contact Information and Investor Conference Call Invitation

**Investor Call Information**

Note: Chief Executive Officer Brian Moynihan and Chief Financial Officer Paul Donofrio will discuss third-quarter 2018 financial results in a conference call at 8:30 a.m. ET today. The presentation and supporting materials can be accessed on the Bank of America Investor Relations website at http://investor.bankofamerica.com.

For a listen-only connection to the conference call, dial 1.877.200.4456 (U.S.) or 1.785.424.1732 (international). The conference ID is 79795. Please dial in 10 minutes prior to the start of the call. Investors can access replays of the conference call by visiting the Investor Relations website or by calling 1.800.934.4850 (U.S.) or 1.402.220.1178 (international) from noon on October 15 through 11:59 p.m. ET on October 22.

**Investors May Contact:**

Lee McEntire, Bank of America, 1.980.388.6780

Jonathan Blum, Bank of America (Fixed Income), 1.212.449.3112

**Reporters May Contact:**

Lawrence Grayson, Bank of America, 1.704.995.5825
lawrence.grayson@bankofamerica.com

Bank of America

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 67 million consumer and small business clients with approximately 4,400 retail financial centers, approximately 16,100 ATMs, and award-winning digital banking with more than 36 million active users, including nearly 26 million mobile users. Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 3 million small business owners through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and more than 35 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange.

Forward-Looking Statements

Bank of America Corporation (the "Company") and its management may make certain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." Forward-looking statements represent the Company's current expectations, plans or forecasts of its future results, revenues, expenses, efficiency ratio, capital measures, strategy, and future business and economic conditions more generally, and other future matters. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond the Company's control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed under Item 1A. Risk Factors of the Company's 2017 Annual Report on Form 10-K and in any of the Company's subsequent Securities and Exchange Commission filings: the Company's potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions, including inquiries into our retail sales practices, and the possibility that amounts may be in excess of the Company's recorded liability and estimated range of possible loss for litigation exposures; the possibility that the Company could face increased servicing, securities, fraud, indemnity, contribution or other claims from one or more counterparties, including trustees, purchasers of loans, underwriters, issuers, other parties involved in securitizations, monolines or private-label and other investors; the possibility that future representations and warranties losses may occur in excess of the Company's recorded liability and estimated range of possible loss for its representations and warranties exposures; the Company's ability to resolve representations and warranties repurchase and related claims, including claims brought by investors or trustees seeking to avoid the statute of limitations for repurchase claims; uncertainties about the financial stability and growth rates of non-U.S. jurisdictions, the risk that those jurisdictions may face difficulties servicing their sovereign debt, and related stresses on financial markets, currencies and trade, and the Company's exposures to such risks, including direct, indirect and operational; the impact of U.S. and global interest rates, currency exchange rates, economic conditions, trade policies, including tariffs, and potential geopolitical instability; the impact on the Company's business, financial condition and results of operations of a potential higher interest rate environment; the possibility that future credit losses may be higher than currently expected due to changes in economic assumptions, customer behavior, adverse developments with respect to U.S. or global economic conditions and other uncertainties; the Company's ability to achieve its expense targets, net interest income expectations, or other projections; adverse changes to the Company's credit ratings from the major credit rating agencies; estimates of the fair value of certain of the Company's assets and liabilities; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements; the potential impact of total loss-absorbing capacity requirements; potential adverse changes to our global systemically important bank surcharge; the potential impact of Federal Reserve actions on the Company's capital plans; the possible impact of the Company's failure to remediate the shortcoming identified by banking regulators in the Company's Resolution Plan; the effect of regulations, other guidance or additional information on our estimated impact of the Tax Act; the impact of implementation and compliance with U.S. and international laws, regulations and regulatory interpretations, including, but not limited to, recovery and resolution planning requirements, Federal Deposit Insurance Corporation (FDIC) assessments, the Volcker Rule, fiduciary standards and derivatives regulations; a failure in or breach of the Company's operational or security systems or infrastructure, or those of third parties, including as a result of cyber attacks; the impact on the Company's business, financial condition and results of operations from the planned exit of the United Kingdom from the European Union; and other similar matters.

"Bank of America Merrill Lynch" is the marketing name for the Global Banking and Global Markets businesses of Bank of America Corporation. Lending, derivatives and other commercial banking activities are performed by banking affiliates of Bank of America Corporation, including Bank of America, N.A., member FDIC. Securities, financial advisory and other investment banking activities are performed by investment banking affiliates of Bank of America Corporation (Investment Banking Affiliates), including Merrill Lynch, Pierce, Fenner & Smith Incorporated, which are registered broker-dealers and members of FINRA and SIPC. Investment products offered by Investment Banking Affiliates: Are Not FDIC Insured * May Lose Value * Are Not Bank Guaranteed. Bank of America Corporation's broker-dealers are not banks and are separate legal entities from their bank affiliates. The obligations of the broker-dealers are not obligations of their bank affiliates (unless explicitly stated otherwise), and these bank affiliates are not responsible for securities sold, offered or recommended by the broker-dealers. The foregoing also applies to other non-bank affiliates.

For more Bank of America news, including dividend announcements and other important information, visit the Bank of America newsroom at https://newsroom.bankofamerica.com.

www.bankofamerica.com

## Bank of America Corporation and Subsidiaries

## Selected Financial Data

(In millions, except per share data)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|---|---|
| **Summary Income Statement** | | | | | |
| Net interest income | $ 35,128 | $ 33,205 | $ 11,870 | $ 11,650 | $ 11,161 |
| Noninterest income | 33,383 | 33,711 | 10,907 | 10,959 | 10,678 |
| Total revenue, net of interest expense | 68,511 | 66,916 | 22,777 | 22,609 | 21,839 |
| Provision for credit losses | 2,377 | 2,395 | 716 | 827 | 834 |
| Noninterest expense | 40,248 | 41,469 | 13,067 | 13,284 | 13,394 |
| Income before income taxes | 25,886 | 23,052 | 8,994 | 8,498 | 7,611 |
| Income tax expense | 5,017 | 7,185 | 1,827 | 1,714 | 2,187 |
| Net income | $ 20,869 | $ 15,867 | $ 7,167 | $ 6,784 | $ 5,424 |
| Preferred stock dividends | 1,212 | 1,328 | 466 | 318 | 465 |
| Net income applicable to common shareholders | $ 19,657 | $ 14,539 | $ 6,701 | $ 6,466 | $ 4,959 |
| | | | | | |
| Average common shares issued and outstanding | 10,177.5 | 10,103.4 | 10,031.6 | 10,181.7 | 10,197.9 |
| Average diluted common shares issued and outstanding | 10,317.9 | 10,832.1 | 10,170.8 | 10,309.4 | 10,746.7 |
| **Summary Average Balance Sheet** | | | | | |
| Total debt securities | $ 436,080 | $ 432,775 | $ 445,813 | $ 429,191 | $ 436,886 |
| Total loans and leases | 932,485 | 915,678 | 930,736 | 934,818 | 918,129 |
| Total earning assets | 1,978,039 | 1,912,629 | 1,972,437 | 1,981,930 | 1,919,502 |
| Total assets | 2,322,099 | 2,257,493 | 2,317,829 | 2,322,678 | 2,271,104 |
| Total deposits | 1,304,827 | 1,261,782 | 1,316,345 | 1,300,659 | 1,271,711 |
| Common shareholders' equity | 241,943 | 245,841 | 241,812 | 241,313 | 249,214 |
| Total shareholders' equity | 265,102 | 270,658 | 264,653 | 265,181 | 273,238 |
| **Performance Ratios** | | | | | |
| Return on average assets | 1.20% | 0.94% | 1.23% | 1.17% | 0.95% |
| Return on average common shareholders' equity | 10.86 | 7.91 | 10.99 | 10.75 | 7.89 |
| Return on average tangible common shareholders' equity [1] | 15.30 | 11.10 | 15.48 | 15.15 | 10.98 |
| **Per Common Share Information** | | | | | |
| Earnings | $ 1.93 | $ 1.44 | $ 0.67 | $ 0.64 | $ 0.49 |
| Diluted earnings | 1.91 | 1.36 | 0.66 | 0.63 | 0.46 |
| Dividends paid | 0.39 | 0.27 | 0.15 | 0.12 | 0.12 |
| Book value | 24.33 | 23.87 | 24.33 | 24.07 | 23.87 |
| Tangible book value [1] | 17.23 | 17.18 | 17.23 | 17.07 | 17.18 |

| | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| **Summary Period-End Balance Sheet** | | | |
| Total debt securities | $ 446,107 | $ 438,269 | $ 439,209 |
| Total loans and leases | 929,801 | 935,824 | 927,117 |
| Total earning assets | 1,982,338 | 1,948,663 | 1,938,821 |
| Total assets | 2,338,833 | 2,291,670 | 2,284,174 |
| Total deposits | 1,345,649 | 1,309,691 | 1,284,417 |
| Common shareholders' equity | 239,832 | 241,035 | 249,646 |
| Total shareholders' equity | 262,158 | 264,216 | 271,969 |
| Common shares issued and outstanding | 9,858.3 | 10,012.7 | 10,457.5 |

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|---|---|
| **Credit Quality** | | | | | |
| Total net charge-offs [2] | $ 2,839 | $ 2,742 | $ 932 | $ 996 | $ 900 |
| Net charge-offs as a percentage of average loans and leases outstanding [3] | 0.41% | 0.40% | 0.40% | 0.43% | 0.39% |
| Provision for credit losses | $ 2,377 | $ 2,395 | $ 716 | $ 827 | $ 834 |

| | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| Total nonperforming loans, leases and foreclosed properties [4] | $ 5,449 | $ 6,181 | $ 6,869 |
| Nonperforming loans, leases and foreclosed properties as a percentage of total loans, leases and foreclosed properties [3] | 0.59% | 0.66% | 0.75% |
| Allowance for loan and lease losses | $ 9,734 | $ 10,050 | $ 10,693 |
| Allowance for loan and lease losses as a percentage of total loans and leases outstanding [3] | 1.05% | 1.08% | 1.16% |

For footnotes, see page 14.

## Bank of America Corporation and Subsidiaries
## Selected Financial Data (continued)

(Dollars in millions)

| Capital Management | Basel 3<br>September 30<br>2018 | June 30<br>2018 | September 30<br>2017 |
|---|---|---|---|
| **Regulatory capital metrics** [5]**:** | | | |
| Common equity tier 1 capital | **$ 164,386** | $ 164,872 | $ 173,568 |
| Common equity tier 1 capital ratio - Standardized approach | **11.4%** | 11.4% | 12.2% |
| Common equity tier 1 capital ratio - Advanced approaches | **11.5** | 11.5 | 11.9 |
| Tier 1 leverage ratio | **8.3** | 8.4 | 8.9 |
| | | | |
| Tangible equity ratio [6] | **8.5** | 8.7 | 9.1 |
| Tangible common equity ratio [6] | **7.5** | 7.7 | 8.1 |

[1] Return on average tangible common shareholders' equity and tangible book value per share of common stock are non-GAAP financial measures. We believe the use of ratios that utilize tangible equity provides additional useful information because they present measures of those assets that can generate income. Tangible book value per share provides additional useful information about the level of tangible assets in relation to outstanding shares of common stock. See Reconciliations to GAAP Financial Measures on pages 18-19.

[2] Includes non-U.S. credit card net charge-offs of $75 million for the nine months ended Q3-17. These net charge-offs represent net charge-offs of non-U.S. credit card loans, which were sold in the second quarter of 2017.

[3] Ratios do not include loans accounted for under the fair value option. Charge-off ratios are annualized for the quarterly presentation.

[4] Balances do not include past due consumer credit card loans, consumer loans secured by real estate where repayments are insured by the Federal Housing Administration and individually insured long-term stand-by agreements (fully insured home loans), and in general, other consumer and commercial loans not secured by real estate; purchased credit-impaired loans even though the customer may be contractually past due; and nonperforming loans held-for-sale or accounted for under the fair value option.

[5] Regulatory capital ratios at September 30, 2018 are preliminary. Bank of America Corporation (the Corporation) reports regulatory capital ratios under both the Standardized and Advanced approaches. The approach that yields the lower ratio is used to assess capital adequacy, which for CET1 is the Standardized approach at September 30, 2018 and June 30, 2018 and the Advanced approaches at September 30, 2017. Basel 3 transition provisions for regulatory capital adjustments and deductions were fully phased-in as of January 1, 2018. Prior periods are presented on a fully phased-in basis.

[6] Tangible equity ratio equals period-end tangible shareholders' equity divided by period-end tangible assets. Tangible common equity ratio equals period-end tangible common shareholders' equity divided by period-end tangible assets. Tangible shareholders' equity and tangible assets are non-GAAP financial measures. We believe the use of ratios that utilize tangible equity provides additional useful information because they present measures of those assets that can generate income. See Reconciliations to GAAP Financial Measures on pages 18-19.

**Bank of America Corporation and Subsidiaries**

## Quarterly Results by Business Segment and All Other

(Dollars in millions)

| | Third Quarter 2018 | | | | |
|---|---|---|---|---|---|
| | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| Total revenue, net of interest expense (FTE basis) [1] | **$ 9,403** | **$ 4,783** | **$ 4,738** | **$ 3,843** | **$ 161** |
| Provision for credit losses | **870** | **13** | **(70)** | **(2)** | **(95)** |
| Noninterest expense | **4,355** | **3,414** | **2,120** | **2,612** | **566** |
| Net income | **3,113** | **1,010** | **1,989** | **912** | **143** |
| Return on average allocated capital [2] | **33%** | **28%** | **19%** | **10%** | **n/m** |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | **$ 284,994** | **$ 161,869** | **$ 352,712** | **$ 71,231** | **$ 59,930** |
| Total deposits | **687,530** | **238,291** | **337,685** | **30,721** | **22,118** |
| Allocated capital [2] | **37,000** | **14,500** | **41,000** | **35,000** | **n/m** |
| **Period end** | | | | | |
| Total loans and leases | **$ 287,277** | **$ 162,191** | **$ 352,332** | **$ 73,023** | **$ 54,978** |
| Total deposits | **692,770** | **239,654** | **350,748** | **41,102** | **21,375** |

| | Second Quarter 2018 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense (FTE basis) [1] | $ 9,211 | $ 4,709 | $ 4,922 | $ 4,221 | $ (300) |
| Provision for credit losses | 944 | 12 | (23) | (1) | (105) |
| Noninterest expense | 4,395 | 3,395 | 2,156 | 2,715 | 623 |
| Net income (loss) | 2,884 | 970 | 2,063 | 1,116 | (249) |
| Return on average allocated capital [2] | 31% | 27% | 20% | 13% | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 280,689 | $ 160,833 | $ 355,088 | $ 75,053 | $ 63,155 |
| Total deposits | 687,812 | 236,214 | 323,215 | 30,736 | 22,682 |
| Allocated capital [2] | 37,000 | 14,500 | 41,000 | 35,000 | n/m |
| **Period end** | | | | | |
| Total loans and leases | $ 283,565 | $ 162,034 | $ 355,473 | $ 73,496 | $ 61,256 |
| Total deposits | 695,530 | 233,925 | 326,029 | 31,450 | 22,757 |

| | Third Quarter 2017 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense (FTE basis) [1] | $ 8,774 | $ 4,620 | $ 4,987 | $ 3,901 | $ (203) |
| Provision for credit losses | 967 | 16 | 48 | (6) | (191) |
| Noninterest expense | 4,461 | 3,369 | 2,119 | 2,711 | 734 |
| Net income | 2,086 | 770 | 1,758 | 756 | 54 |
| Return on average allocated capital [2] | 22% | 22% | 17% | 9% | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 268,810 | $ 154,333 | $ 346,093 | $ 72,347 | $ 76,546 |
| Total deposits | 658,974 | 239,647 | 315,692 | 32,125 | 25,273 |
| Allocated capital [2] | 37,000 | 14,000 | 40,000 | 35,000 | n/m |
| **Period end** | | | | | |
| Total loans and leases | $ 272,360 | $ 155,871 | $ 349,838 | $ 76,225 | $ 72,823 |
| Total deposits | 669,647 | 237,771 | 319,545 | 33,382 | 24,072 |

[1] Fully taxable-equivalent (FTE) basis is a performance measure used by management in operating the business that management believes provides investors a more accurate picture of the interest margin for comparative purposes. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices.

[2] Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

n/m = not meaningful

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

**Bank of America Corporation and Subsidiaries**

## Year-to-Date Results by Business Segment and All Other

(Dollars in millions)

| | Nine Months Ended September 30, 2018 | | | | |
|---|---|---|---|---|---|
| | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| Total revenue, net of interest expense (FTE basis) [1] | $ 27,646 | $ 14,348 | $ 14,594 | $ 12,850 | $ (472) |
| Provision for credit losses | 2,749 | 63 | (77) | (6) | (352) |
| Noninterest expense | 13,231 | 10,235 | 6,471 | 8,145 | 2,166 |
| Net income (loss) | 8,691 | 3,017 | 6,068 | 3,486 | (393) |
| Return on average allocated capital [2] | 31% | 28% | 20% | 13% | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 281,767 | $ 160,609 | $ 353,167 | $ 73,340 | $ 63,602 |
| Total deposits | 683,279 | 239,176 | 328,484 | 31,253 | 22,635 |
| Allocated capital [2] | 37,000 | 14,500 | 41,000 | 35,000 | n/m |
| **Period end** | | | | | |
| Total loans and leases | $ 287,277 | $ 162,191 | $ 352,332 | $ 73,023 | $ 54,978 |
| Total deposits | 692,770 | 239,654 | 350,748 | 41,102 | 21,375 |

| | Nine Months Ended September 30, 2017 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense (FTE basis) [1] | $ 25,567 | $ 13,907 | $ 14,980 | $ 12,555 | $ 581 |
| Provision for credit losses | 2,639 | 50 | 80 | 2 | (376) |
| Noninterest expense | 13,286 | 10,085 | 6,435 | 8,117 | 3,546 |
| Net income (loss) | 6,006 | 2,350 | 5,273 | 2,883 | (645) |
| Return on average allocated capital [2] | 22% | 23% | 18% | 11% | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 262,804 | $ 151,205 | $ 344,683 | $ 70,692 | $ 86,294 |
| Total deposits | 649,204 | 247,389 | 307,163 | 32,397 | 25,629 |
| Allocated capital [2] | 37,000 | 14,000 | 40,000 | 35,000 | n/m |
| **Period end** | | | | | |
| Total loans and leases | $ 272,360 | $ 155,871 | $ 349,838 | $ 76,225 | $ 72,823 |
| Total deposits | 669,647 | 237,771 | 319,545 | 33,382 | 24,072 |

[1] Fully taxable-equivalent (FTE) basis is a performance measure used by management in operating the business that management believes provides investors a more accurate picture of the interest margin for comparative purposes. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices.

[2] Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

n/m = not meaningful

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

## Bank of America Corporation and Subsidiaries

# Supplemental Financial Data

(Dollars in millions)

| Fully taxable-equivalent (FTE) basis data [1] | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|---|---|
| Net interest income | $ 35,583 | $ 33,879 | $ 12,021 | $ 11,804 | $ 11,401 |
| Total revenue, net of interest expense | 68,966 | 67,590 | 22,928 | 22,763 | 22,079 |
| Net interest yield | 2.39% | 2.36% | 2.42% | 2.38% | 2.36% |
| Efficiency ratio | 58.36 | 61.35 | 56.99 | 58.36 | 60.67 |

| Other Data | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| Number of financial centers - U.S. | 4,385 | 4,433 | 4,515 |
| Number of branded ATMs - U.S. | 16,089 | 16,050 | 15,973 |
| Headcount | 204,681 | 207,992 | 209,839 |

[1] FTE basis is a non-GAAP financial measure. FTE basis is a performance measure used by management in operating the business that management believes provides investors a more accurate picture of the interest margin for comparative purposes. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. See Reconciliations to GAAP Financial Measures on pages 18-19.

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

Current period information is preliminary and based on company data available at the time of the presentation.

**Bank of America Corporation and Subsidiaries**

## Reconciliations to GAAP Financial Measures

(Dollars in millions)

The Corporation evaluates its business based on a fully taxable-equivalent basis, a non-GAAP financial measure. Total revenue, net of interest expense, on a fully taxable-equivalent basis includes net interest income on a fully taxable-equivalent basis and noninterest income. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. The Corporation presents related ratios and analyses (i.e., efficiency ratios and net interest yield) on a fully taxable-equivalent basis. To derive the fully taxable-equivalent basis, net interest income is adjusted to reflect tax-exempt income on an equivalent before-tax basis with a corresponding increase in income tax expense. For purposes of this calculation, the Corporation uses the federal statutory tax rate of 21 percent for the 2018 periods and 35 percent for all prior periods. The efficiency ratio measures the costs expended to generate a dollar of revenue, and net interest yield measures the basis points the Corporation earns over the cost of funds.

The Corporation also evaluates its business based on the following ratios that utilize tangible equity, a non-GAAP financial measure. Tangible equity represents an adjusted shareholders' equity or common shareholders' equity amount which has been reduced by goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Return on average tangible common shareholders' equity measures the Corporation's earnings contribution as a percentage of adjusted average common shareholders' equity. The tangible common equity ratio represents adjusted ending common shareholders' equity divided by total assets less goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Return on average tangible shareholders' equity measures the Corporation's earnings contribution as a percentage of adjusted average total shareholders' equity. The tangible equity ratio represents adjusted ending shareholders' equity divided by total assets less goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Tangible book value per common share represents adjusted ending common shareholders' equity divided by ending common shares outstanding. These measures are used to evaluate the Corporation's use of equity. In addition, profitability, relationship and investment models all use return on average tangible shareholders' equity as key measures to support our overall growth goals.

See the tables below and on page 19 for reconciliations of these non-GAAP financial measures to financial measures defined by GAAP for the nine months ended September 30, 2018 and 2017 and the three months ended September 30, 2018, June 30, 2018 and September 30, 2017. The Corporation believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. Other companies may define or calculate supplemental financial data differently.

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | Third Quarter |
|---|---|---|---|---|---|
| | **2018** | 2017 | **2018** | 2018 | 2017 |
| **Reconciliation of net interest income to net interest income on a fully taxable-equivalent basis** | | | | | |
| Net interest income | **$ 35,128** | $ 33,205 | **$ 11,870** | $ 11,650 | $ 11,161 |
| Fully taxable-equivalent adjustment | **455** | 674 | **151** | 154 | 240 |
| **Net interest income on a fully taxable-equivalent basis** | **$ 35,583** | $ 33,879 | **$ 12,021** | $ 11,804 | $ 11,401 |
| **Reconciliation of total revenue, net of interest expense, to total revenue, net of interest expense, on a fully taxable-equivalent basis** | | | | | |
| Total revenue, net of interest expense | **$ 68,511** | $ 66,916 | **$ 22,777** | $ 22,609 | $ 21,839 |
| Fully taxable-equivalent adjustment | **455** | 674 | **151** | 154 | 240 |
| **Total revenue, net of interest expense, on a fully taxable-equivalent basis** | **$ 68,966** | $ 67,590 | **$ 22,928** | $ 22,763 | $ 22,079 |
| **Reconciliation of income tax expense to income tax expense on a fully taxable-equivalent basis** | | | | | |
| Income tax expense | **$ 5,017** | $ 7,185 | **$ 1,827** | $ 1,714 | $ 2,187 |
| Fully taxable-equivalent adjustment | **455** | 674 | **151** | 154 | 240 |
| **Income tax expense on a fully taxable-equivalent basis** | **$ 5,472** | $ 7,859 | **$ 1,978** | $ 1,868 | $ 2,427 |
| **Reconciliation of average common shareholders' equity to average tangible common shareholders' equity** | | | | | |
| Common shareholders' equity | **$ 241,943** | $ 245,841 | **$ 241,812** | $ 241,313 | $ 249,214 |
| Goodwill | **(68,951)** | (69,398) | **(68,951)** | (68,951) | (68,969) |
| Intangible assets (excluding mortgage servicing rights) | **(2,125)** | (2,737) | **(1,992)** | (2,126) | (2,549) |
| Related deferred tax liabilities | **917** | 1,503 | **896** | 916 | 1,465 |
| **Tangible common shareholders' equity** | **$ 171,784** | $ 175,209 | **$ 171,765** | $ 171,152 | $ 179,161 |
| **Reconciliation of average shareholders' equity to average tangible shareholders' equity** | | | | | |
| Shareholders' equity | **$ 265,102** | $ 270,658 | **$ 264,653** | $ 265,181 | $ 273,238 |
| Goodwill | **(68,951)** | (69,398) | **(68,951)** | (68,951) | (68,969) |
| Intangible assets (excluding mortgage servicing rights) | **(2,125)** | (2,737) | **(1,992)** | (2,126) | (2,549) |
| Related deferred tax liabilities | **917** | 1,503 | **896** | 916 | 1,465 |
| **Tangible shareholders' equity** | **$ 194,943** | $ 200,026 | **$ 194,606** | $ 195,020 | $ 203,185 |

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

**Bank of America Corporation and Subsidiaries**

## Reconciliations to GAAP Financial Measures (continued)

(In millions, except per share data)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|---|---|
| **Reconciliation of period-end common shareholders' equity to period-end tangible common shareholders' equity** | | | | | |
| Common shareholders' equity | **$ 239,832** | $ 249,646 | **$ 239,832** | $ 241,035 | $ 249,646 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 1,435 |
| **Tangible common shareholders' equity** | **$ 169,851** | $ 179,654 | **$ 169,851** | $ 170,941 | $ 179,654 |
| **Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity** | | | | | |
| Shareholders' equity | **$ 262,158** | $ 271,969 | **$ 262,158** | $ 264,216 | $ 271,969 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 1,435 |
| **Tangible shareholders' equity** | **$ 192,177** | $ 201,977 | **$ 192,177** | $ 194,122 | $ 201,977 |
| **Reconciliation of period-end assets to period-end tangible assets** | | | | | |
| Assets | **$ 2,338,833** | $ 2,284,174 | **$ 2,338,833** | $ 2,291,670 | $ 2,284,174 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 1,435 |
| **Tangible assets** | **$ 2,268,852** | $ 2,214,182 | **$ 2,268,852** | $ 2,221,576 | $ 2,214,182 |
| **Book value per share of common stock** | | | | | |
| Common shareholders' equity | **$ 239,832** | $ 249,646 | **$ 239,832** | $ 241,035 | $ 249,646 |
| Ending common shares issued and outstanding | **9,858.3** | 10,457.5 | **9,858.3** | 10,012.7 | 10,457.5 |
| **Book value per share of common stock** | **$ 24.33** | $ 23.87 | **$ 24.33** | $ 24.07 | $ 23.87 |
| **Tangible book value per share of common stock** | | | | | |
| Tangible common shareholders' equity | **$ 169,851** | $ 179,654 | **$ 169,851** | $ 170,941 | $ 179,654 |
| Ending common shares issued and outstanding | **9,858.3** | 10,457.5 | **9,858.3** | 10,012.7 | 10,457.5 |
| **Tangible book value per share of common stock** | **$ 17.23** | $ 17.18 | **$ 17.23** | $ 17.07 | $ 17.18 |

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

# Bank of America
# 3Q18 Financial Results

October 15, 2018

Bank of America

BANK OF AMERICA | MERRILL LYNCH | U.S. TRUST | BANK OF AMERICA MERRILL LYNCH

# Third Quarter 2018 Highlights

(Comparisons to 3Q17)

**Earnings** [1]

- Diluted earnings per share of $0.66, up 43%
- Record net income of $7.2B, up 32%
- Pretax income of $9.0B, up 18%
- Total revenue of $22.8B, up 4%
  - Net interest income up 6%
  - Noninterest income up 2%
- Noninterest expense of $13.1B, down 2%
- Net charge-off ratio of 0.40%, up 1 bp

**Returns and Efficiency**

- Return on average assets of 1.23%, improved 28 bps
- Return on average common shareholders' equity of 11.0%, increased 310 bps
- Return on average tangible common shareholders' equity of 15.5%, improved 450 bps [2]
- Efficiency ratio of 57%, improved 396 bps

**Client Balances**

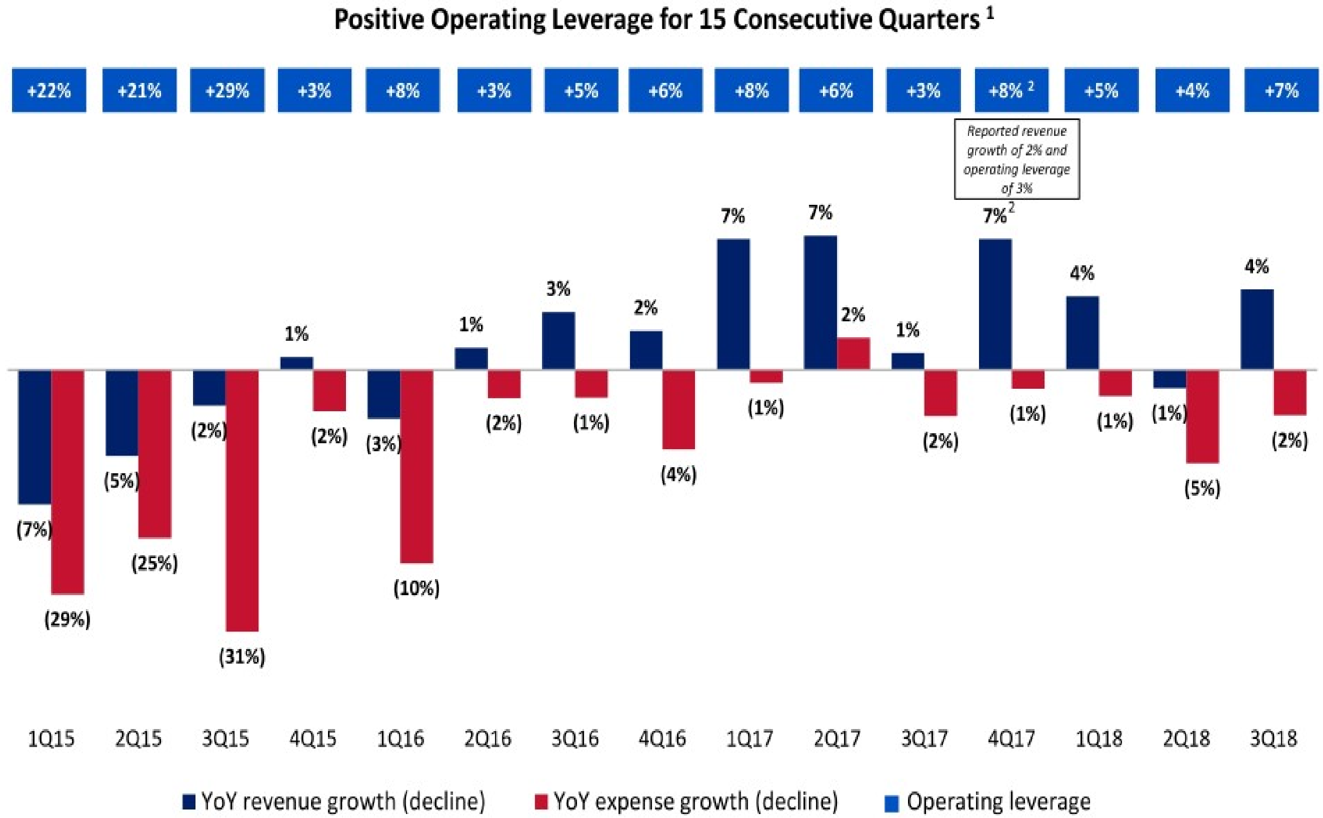
- Average loans and leases in business segments grew 3%
  - Consumer up 5% and commercial up 2%
- Average deposits increased 4%
- Merrill Edge brokerage assets increased 22%, crossing $200B
- Client balances within Global Wealth & Investment Management increased to $2.8T

**Capital and Liquidity**

- $164B of Common Equity Tier 1 Capital (CET1) and CET1 ratio of 11.4% [3]
- $537B of average Global Liquidity Sources [4]
- Increased capital returned to shareholders
  - Repurchased $14.9B of common shares and paid $4.0B in common dividends year-to-date; returned 96% of net income available to common shareholders

[1] On December 22, 2017, the Tax Cuts and Jobs Act (the "Tax Act") was enacted, which included a lower U.S. corporate tax rate effective in 2018.
[2] Represents a non-GAAP financial measure. For important presentation information, see slide 28.
[3] Regulatory capital ratios at September 30, 2018 are preliminary. The Company reports regulatory capital ratios under both the Standardized and Advanced approaches. The approach that yields the lower ratio is used to assess capital adequacy, which for CET1 is the Standardized approach for 3Q18.
[4] See note A on slide 25 for definition of Global Liquidity Sources.

# Operating Leverage Trend




Note: Amounts may not total due to rounding.

[1] Operating leverage calculated as the year-over-year percentage change in revenue, net of interest expense, less the percentage change in noninterest expense. Quarterly expense for 2017 and 2016 has been restated to reflect the accounting change for retirement-eligible equity incentives adopted in 4Q17; 2015 and 2014 periods are as reported.

[2] Revenue growth and operating leverage adjusted to exclude the $0.9B noninterest income charge in 4Q17 from the Tax Act; represents a non-GAAP financial measure.

# Investing for the Future

## Technology

- Consistent **$3B annual technology new initiative investment spend** since 2012 [1]
- Launched industry's only **AI virtual assistant (Erica);** 3.4MM users since 2Q18 rollout
- Launched **Zelle P2P payments in 2017;** 4.3MM users since 2Q17 launch
- Deployed **digital mortgage and auto shopping** experiences within the only mobile banking app certified by J.D. Power
- Leveraging **mobile digital identity** including biometrics to provide access across all other channels starting with integration with our phone and call center platforms
- Enhanced common **Financial Wellness tools**
- **Seamless mobile integration across banking and investment applications** enabling clients to easily navigate across all of their relationships
- Enhanced **self-directed investing; crossed $200B in Merrill Edge brokerage assets**
- Launched **Merrill Edge Guided Investing** in 1Q17, providing online investing and professional portfolio management
- Rolled out industry-leading **GWIM digital capabilities** including document scan/upload and introduced client-to-advisor texting capabilities
- Enhanced **CashPro Mobile** (+180% users YoY) and **CashPro Assistant** AI and predictive analytics capabilities; client logins and payment approvals both up 4x YoY
- **Reduced manual processes** across Global Banking and Markets through the use of AI, Robotics and Automation, saving 84,000 hours annually
- Migrated to **new cross asset trading platform** with enhanced functionality and reporting
- **Equities electronic trading platform upgraded to support 25x order volume** and **FX platform is now 50x faster** than 2 years ago
- **Migrated 70%** of BAC application workloads **to our internal private cloud**
- **Reduced data centers to 25 from 65 since 2007**
- **Replaced all major operating platforms** over past several years, including deposits, card, mortgage, investment advisory, trading, financial reporting, wholesale credit
- **Highest number of patents of any financial firm** (~3,400 patents awarded or pending, including 89 for Blockchain)

## People

**Investments in Client-Facing Professionals**

- **Added 6,000 client professionals in Consumer Banking** since 2015 with plans for additional 5,000 to meet our clients' life priorities over next 4 years
- **Invested in world-class Wealth Advisor Development programs**; grew Merrill Lynch FAs at 3% CAGR and U.S. Trust Private Client Advisors at 9% CAGR over last 3 years
- Hired >450 commercial and business bankers since 2015 to **expand local coverage**; adding regional investment bankers

**Great Place to Work**

- **Shared Success bonuses** and stock grants (90% of employees), led the industry on $15 minimum wage, **parental leave** of 16 weeks for both parents, sabbaticals for certain employees, wellness initiatives
- **Pathways Program**: targeting hiring 10,000 associates from low- and moderate-income neighborhoods over next 5 years
- **Focused on diversity & inclusion:** more than 50% of our global workforce is women and 40% of our U.S.-based workforce is racially or ethnically diverse

## Physical Footprint/Infrastructure

- Opened 103 financial centers over the last 3 years with 53 over past 12 months; **Announced plans to open >500 new financial centers** over next 4 years
- **Expansion into new cities** with existing wealth mgmt. / commercial presence
  - Denver, Minneapolis / St. Paul, Indianapolis, Pittsburgh, Cincinnati, Cleveland, Columbus, Salt Lake City, Lexington
- **Redesigned ~700 financial centers** with new technology / layouts over past 3 years
  - ~1,200 more redesigns planned, including:
    - Opening 600 Merrill Edge investment centers by 2020
    - Opening 100 student centers by end of 2018
- **100% of ATMs cardless-enabled**
  - Replaced 75% of ATM network since 2015; plan to complete all by mid-2019

Note: GWIM defined as Global Wealth and Investment Management.

[1] $3B annual technology initiative investment spend is a component of 2018 total technology budget of ~$10B.

# Financial Results

| Summary Income Statement ($B, except per share data) | 3Q18 | 3Q17 | % Inc / (Dec) |
|---|---|---|---|
| Total revenue, net of interest expense | **$22.8** | $21.8 | 4 % |
| Noninterest expense | **13.1** | 13.4 | (2) |
| Provision for credit losses | **0.7** | 0.8 | (14) |
| Pretax income | **9.0** | 7.6 | 18 |
| Income tax expense | **1.8** | 2.2 | (16) |
| Net income | **$7.2** | $5.4 | 32 |
| Diluted earnings per share | **$0.66** | $0.46 | 43 |
| Average diluted common shares (in millions) | **10,171** | 10,747 | (5) |

| Return Metrics and Efficiency | 3Q18 | 3Q17 | Inc / (Dec) |
|---|---|---|---|
| Return on average assets | **1.23** % | 0.95 % | 28 bps |
| Return on average common shareholders' equity | **11.0** | 7.9 | 310 |
| Return on average tangible common shareholders' equity [1] | **15.5** | 11.0 | 450 |
| Efficiency ratio | **57** | 61 | (396) |

Note: Amounts may not total due to rounding.

[1] Represents a non-GAAP financial measure. For important presentation information, see slide 28.

# Balance Sheet, Liquidity and Capital

(EOP basis unless noted)

| Balance Sheet ($B) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Total assets | $2,338.8 | $2,291.7 | $2,284.2 |
| Total loans and leases | 929.8 | 935.8 | 927.1 |
| Total loans and leases in business segments [1] | 874.8 | 874.6 | 854.3 |
| Total debt securities | 446.1 | 438.3 | 439.2 |
| **Funding & Liquidity ($B)** | | | |
| Total deposits | $1,345.6 | $1,309.7 | $1,284.4 |
| Long-term debt | 234.1 | 226.6 | 228.7 |
| Global Liquidity Sources (average) [2] | 537 | 512 | 517 |
| Liquidity coverage ratio (average) [2,3] | 120 % | 122 % | 126 % |
| **Equity ($B)** | | | |
| Common shareholders' equity | $239.8 | $241.0 | $249.6 |
| Common equity ratio | 10.3 % | 10.5 % | 10.9 % |
| Tangible common shareholders' equity [4] | $169.9 | $170.9 | $179.7 |
| Tangible common equity ratio [4] | 7.5 % | 7.7 % | 8.1 % |
| **Per Share Data** | | | |
| Book value per common share | $24.33 | $24.07 | $23.87 |
| Tangible book value per common share [4] | 17.23 | 17.07 | 17.18 |
| Common shares outstanding (in billions) | 9.86 | 10.01 | 10.46 |

| Basel 3 Capital ($B) [3] | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Common equity tier 1 capital (CET1) | $164.4 | $164.9 | $173.6 |
| **Standardized approach** | | | |
| Risk-weighted assets | $1,440 | $1,444 | $1,420 |
| CET1 ratio | 11.4 % | 11.4 % | 12.2 % |
| **Advanced approaches** | | | |
| Risk-weighted assets | $1,424 | $1,437 | $1,460 |
| CET1 ratio | 11.5 % | 11.5 % | 11.9 % |
| **Supplementary leverage** | | | |
| Supplementary leverage ratio (SLR) | 6.7 % | 6.7 % | n/a |

Note: n/a = not applicable.

[1] Excludes loans and leases in All Other.

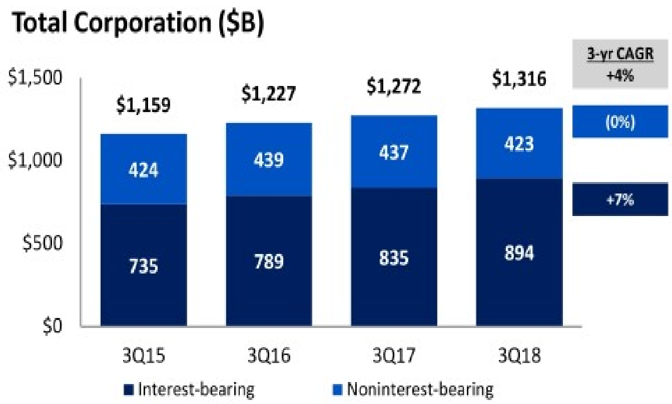
[2] See notes A and B on slide 25 for definitions of Global Liquidity Sources and Liquidity Coverage Ratio, respectively.

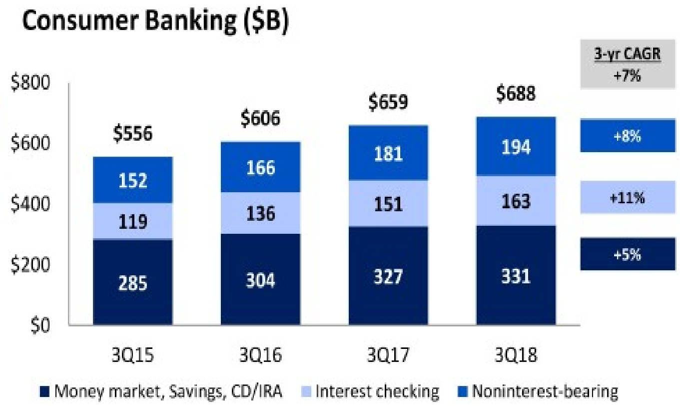
[3] Regulatory capital and liquidity ratios at September 30, 2018 are preliminary. The Company reports regulatory capital ratios under both the Standardized and Advanced approaches. The approach that yields the lower ratio is used to assess capital adequacy. Basel 3 transition provisions for regulatory capital adjustments and deductions were fully phased-in as of January 1, 2018. Prior periods are presented on a fully phased-in basis. SLR requirements became effective January 1, 2018.

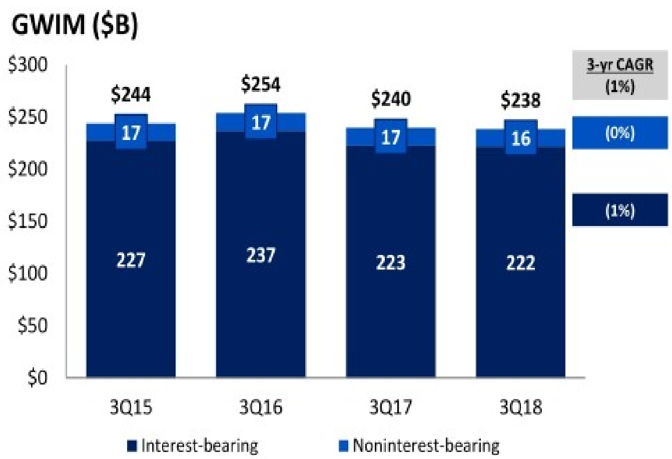
[4] Represents a non-GAAP financial measure. For important presentation information, see slide 28.

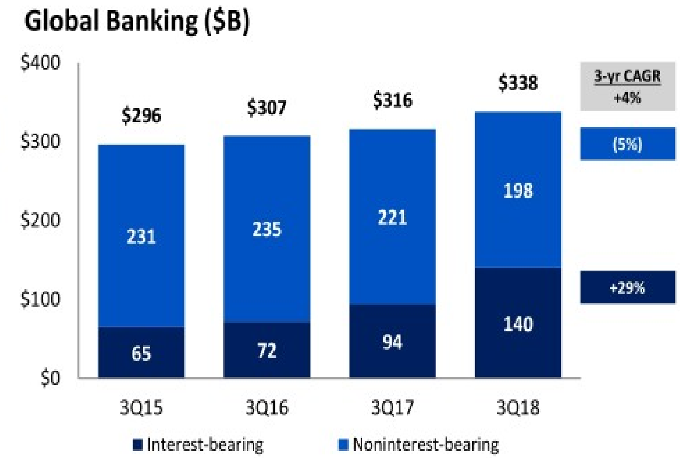
# Average Deposits

***Bank of America Ranked #1 in U.S. Deposit Market Share [1]***



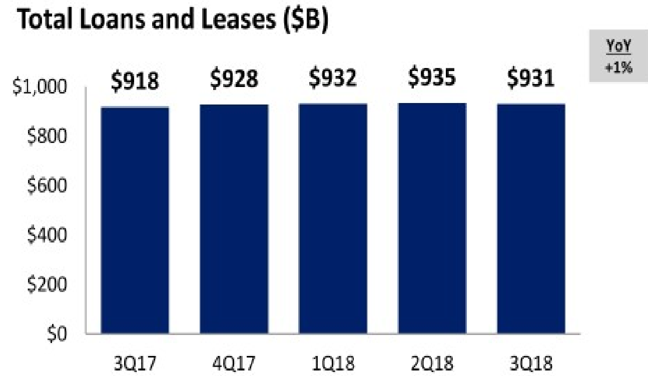



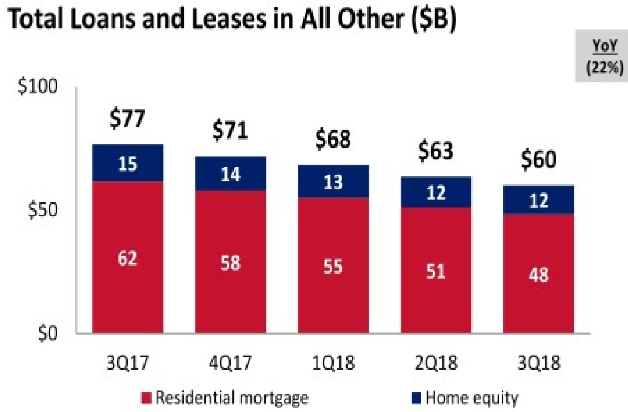



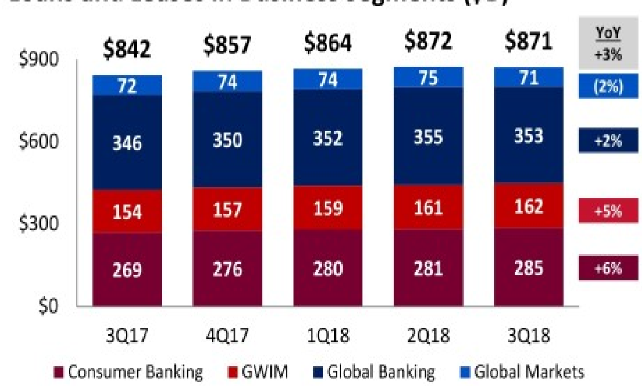

Note: Amounts may not total due to rounding. Total corporation includes Global Markets & All Other.

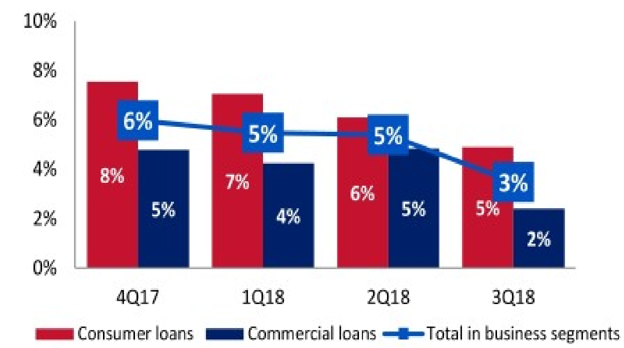
[1] Based on June 30, 2018 FDIC deposit data.

# Average Loans and Leases



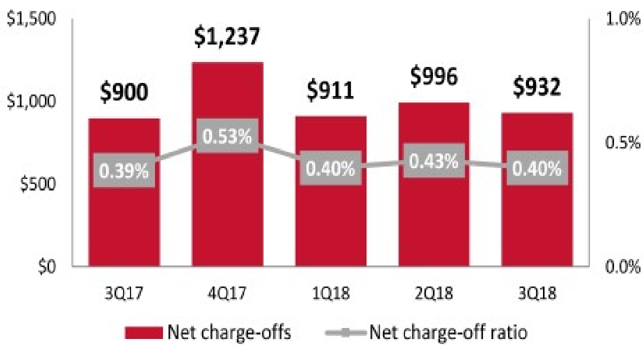



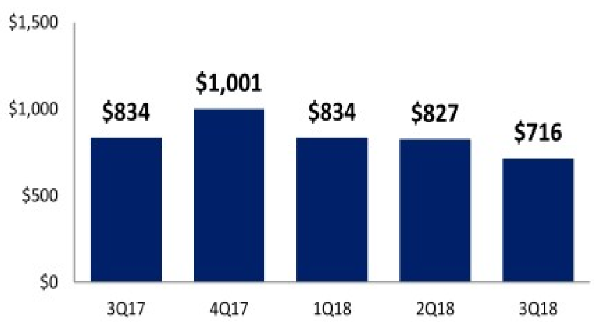

Note: Amounts may not total due to rounding.

# Asset Quality

**Net Charge-offs ($MM)** [1]




**Provision for Credit Losses ($MM)**

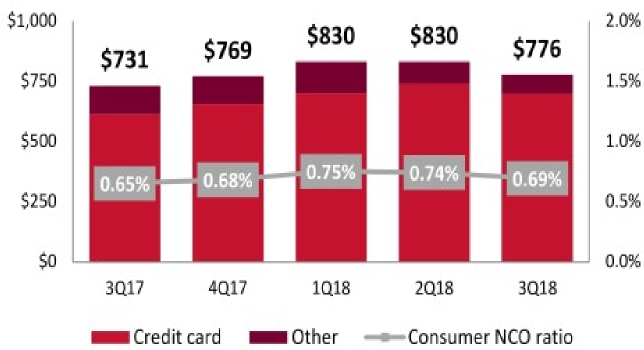



- Total net charge-offs decreased $64MM from 2Q18; net charge-off ratio declined 3 bps to 0.40%
  - Consumer net charge-offs decreased $54MM, reflecting seasonally lower losses in credit card
    - Net charge-off ratio of 0.69%, down 5 bps
  - Commercial net charge-offs decreased $10MM
    - Net charge-off ratio of 0.13% (0.08% excl. small business), down 1 bp
- Provision expense decreased $111MM from 2Q18
  - Net reserve release of $216MM in 3Q18, reflected improvements in consumer real estate and energy
- Allowance for loan and lease losses of $9.7B, represented 1.05% of total loans and leases [1]
- Nonperforming loans (NPLs) decreased $743MM from 2Q18, driven by improvements in both consumer and commercial
  - 48% of consumer NPLs are contractually current
- Commercial reservable criticized utilized exposure decreased $760MM from 2Q18, reflecting broad-based improvements

[1] Excludes loans measured at fair value.

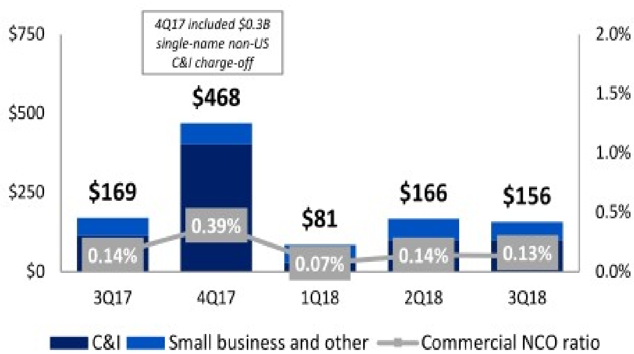
# Asset Quality – Consumer and Commercial Portfolios

**Consumer Net Charge-offs ($MM)**




| Consumer Metrics ($MM) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Provision | $710 | $757 | $730 |
| Nonperforming loans and leases | 4,306 | 4,639 | 5,252 |
| % of loans and leases [1] | 0.97 % | 1.03 % | 1.17 % |
| Consumer 30+ days performing past due | $7,158 | $7,233 | $9,244 |
| Fully-insured [2] | 3,183 | 3,454 | 4,721 |
| Non fully-insured | 3,975 | 3,779 | 4,523 |
| Allowance for loans and leases | 4,980 | 5,140 | 5,582 |
| % of loans and leases [1] | 1.12 % | 1.15 % | 1.25 % |
| # times annualized NCOs | 1.62 x | 1.54 x | 1.93 x |

**Commercial Net Charge-offs ($MM)**

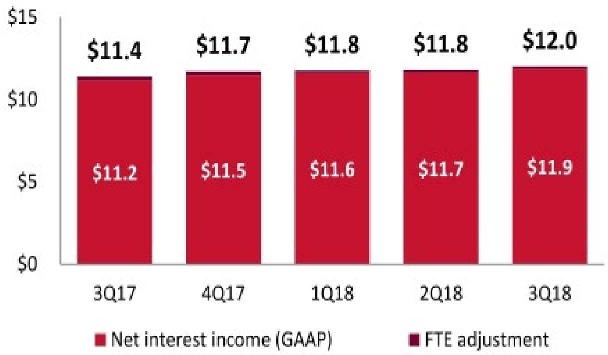



| Commercial Metrics ($MM) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Provision | $6 | $70 | $104 |
| Reservable criticized utilized exposure | 11,597 | 12,357 | 14,824 |
| Nonperforming loans and leases | 848 | 1,258 | 1,318 |
| % of loans and leases [1] | 0.18 % | 0.26 % | 0.28 % |
| Allowance for loans and leases | $4,754 | $4,910 | $5,111 |
| % of loans and leases [1] | 0.99 % | 1.02 % | 1.08 % |

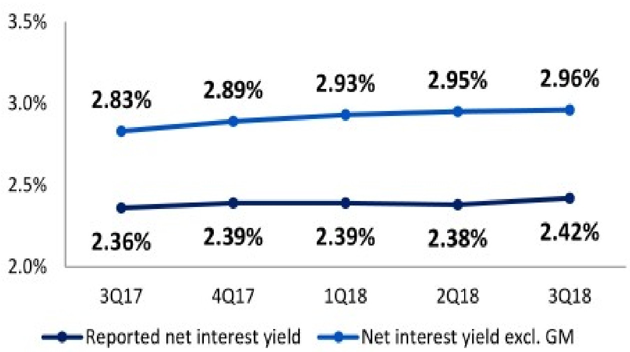
[1] Excludes loans measured at fair value.
[2] Fully-insured loans are FHA-insured loans and other loans individually insured under long-term standby agreements.

# Net Interest Income

**Net Interest Income (FTE, $B) [1]**




**Net Interest Yield (FTE) [1]**

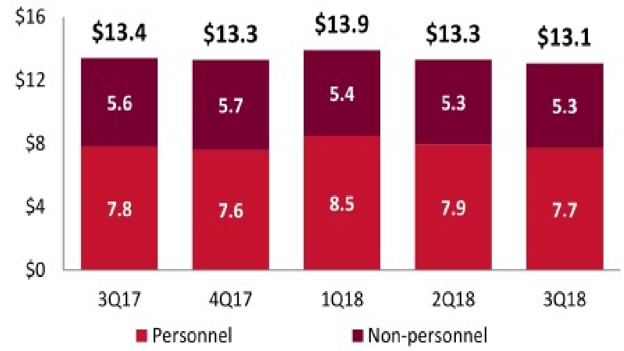



- Net interest income of $11.9B ($12.0B FTE [1])
  - Increased $0.7B from 3Q17, reflecting the benefits from higher interest rates and loan and deposit growth, partially offset by higher funding costs in Global Markets
  - Increased $0.2B from 2Q18, driven by securities growth, higher interest rates and one additional interest accrual day
- Net interest yield of 2.42% increased 6 bps from 3Q17
  - Reflected the benefits from spread improvement, partially offset by the impact of an increase in lower-yielding Global Markets assets
  - Excluding Global Markets, the net interest yield was 2.96%, up 13 bps from 3Q17 [1]
- Interest rate sensitivity as of September 30, 2018 [2]
  - Remain positioned for NII to benefit as rates move higher
  - +100 bps parallel shift in interest rate yield curve is estimated to benefit NII by $2.9B over the next 12 months, driven primarily by sensitivity to short-end interest rates

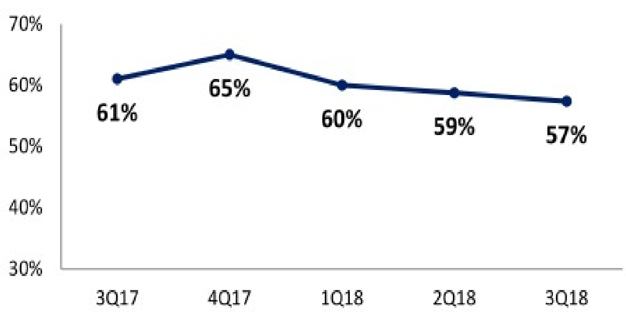
Notes: FTE defined as fully taxable-equivalent basis. GM defined as Global Markets.
[1] Represent non-GAAP financial measures. Net interest yield adjusted to exclude Global Markets NII of $754MM, $801MM, $870MM, $932MM and $899MM, and average earning assets of $459B, $490B, $486B, $464B and $447B for 3Q18, 2Q18, 1Q18, 4Q17 and 3Q17, respectively. The Company believes the presentation of net interest yield excluding Global Markets provides investors with transparency of NII and net interest yield in core banking activities. For important presentation information, see slide 28.
[2] NII asset sensitivity represents banking book positions.

# Expense and Efficiency

**Total Noninterest Expense ($B)**




**Efficiency Ratio**




- Total noninterest expense of $13.1B declined $327MM, or 2%, from 3Q17, due to broad-based improvements in both personnel and non-personnel expense
  - Noninterest expense declined $217MM from 2Q18, due primarily to lower personnel expense
- Efficiency ratio improved to 57% in 3Q18
- Total headcount of 205K declined 2% from 3Q17, reflecting declines in non-sales professionals as well as continued investments in primary sales professionals across Consumer Banking, GWIM and Global Banking

Note: Amounts may not total due to rounding.

# Consumer Banking

| Summary Income Statement ($MM) [1] | 3Q18 | Inc / (Dec) 2Q18 | 3Q17 |
|---|---|---|---|
| Total revenue, net of interest expense | $9,403 | $192 | $629 |
| Provision for credit losses | 870 | (74) | (97) |
| Noninterest expense | 4,355 | (40) | (106) |
| Pretax income | 4,178 | 306 | 832 |
| Income tax expense | 1,065 | 77 | (195) |
| Net income | $3,113 | $229 | $1,027 |

| Key Indicators ($B) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Average deposits | $687.5 | $687.8 | $659.0 |
| Rate paid on deposits | 0.06 % | 0.05 % | 0.04 % |
| Cost of deposits [2] | 1.52 | 1.55 | 1.59 |
| Average loans and leases | $285.0 | $280.7 | $268.8 |
| Net charge-off ratio | 1.19 % | 1.28 % | 1.18 % |
| Client brokerage assets | $203.9 | $191.5 | $167.3 |
| Active mobile banking users (MM) | 25.9 | 25.3 | 23.6 |
| % Consumer sales through digital channels | 23 % | 24 % | 22 % |
| Number of financial centers | 4,385 | 4,433 | 4,515 |
| Combined credit / debit purchase volumes [3] | $146.4 | $147.5 | $137.0 |
| Total consumer credit card risk-adjusted margin [3] | 8.15 % | 8.07 % | 8.63 % |
| Return on average allocated capital | 33 | 31 | 22 |
| Allocated capital | $37 | $37 | $37 |
| Efficiency ratio [1] | 46 % | 48 % | 51 % |

- Net income of $3.1B increased 49% from 3Q17; ROAAC of 33%
  - 10% operating leverage (19th consecutive quarter of positive operating leverage)
- Revenue of $9.4B increased $0.6B, or 7%, from 3Q17
  - Strong NII growth, driven by higher interest rates and growth in deposits and loans
  - Noninterest income decreased modestly, as higher card income and service charges were more than offset by lower mortgage banking income
- Provision decreased $0.1B from 3Q17, due primarily to a smaller reserve build in credit card
  - Net charge-offs increased $0.1B to $0.9B due to credit card portfolio seasoning and loan growth
- Noninterest expense declined $0.1B, or 2%, from 3Q17, as investments for business growth were more than offset by improved productivity
  - Efficiency ratio improved 455 bps to 46%
  - Continued investment in financial center builds/renovations and digital capabilities
- Average deposits of $688B grew $29B, or 4%, from 3Q17
  - 51% of deposits in checking accounts; 91% primary accounts [4]
  - Average cost of deposits of 1.52% [2]; rate paid of 0.06%
- Average loans and leases of $285B increased $16B, or 6%, from 3Q17, driven by growth in residential mortgage and credit card
- Client brokerage assets of $204B grew $37B, or 22%, from 3Q17, driven by strong client flows and market performance
- Combined card spend grew 7% from 3Q17
- Active mobile banking users of 25.9MM, up 10% from 3Q17, and mobile channel usage up 17% from 3Q17

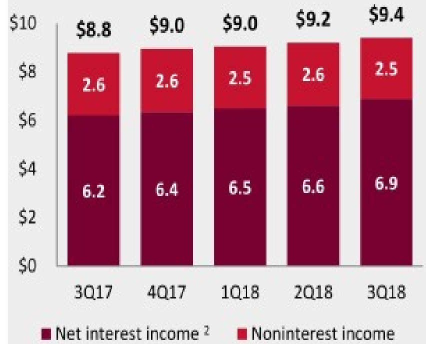
Note: ROAAC defined as return on average allocated capital.
[1] Revenue, pretax income, income tax expense and efficiency ratio shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.
[2] Cost of deposits calculated as annualized noninterest expense as a percentage of total average deposits within the Deposits subsegment.
[3] Includes U.S. consumer credit card portfolios in Consumer Banking and GWIM.
[4] Represents the percentage of consumer checking accounts that are estimated to be the customer's primary account based on multiple relationship factors (e.g., linked to their direct deposit).

# Consumer Banking Trends

### Business Leadership [1]

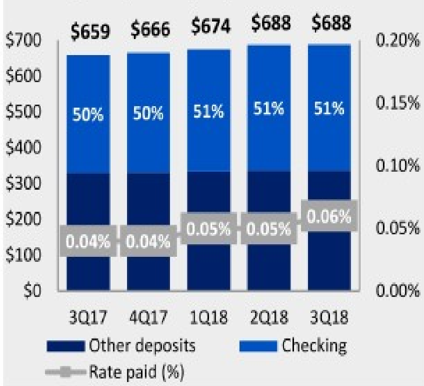
- #1 Consumer Deposit Market Share [A]
- 2018 J.D. Power Certified Mobile App
- Named North America's Best Digital Bank [B]
- #1 Online Banking and Mobile Banking Functionality [C]
- #1 U.S. Checking Account Digital Sales Functionality [D]
- 4-Star Rating by Barron's 2018 Best Online Brokers
- #1 Home Equity Originator and #2 bank for Retail Mortgage Originations [E]
- #1 in Prime Auto Credit distribution of new originations among peers [F]
- #2 Small Business Lender [G]
- Global Retail Bank of the Year [H]

### Total Revenue ($B) [2]

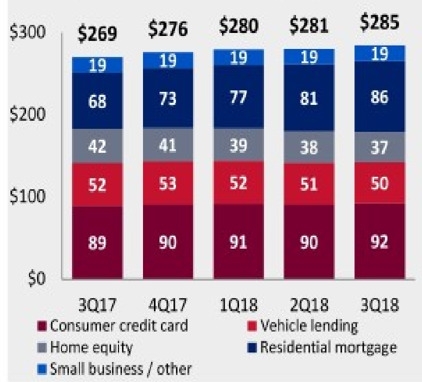



### Total Expense ($B) and Efficiency [2]

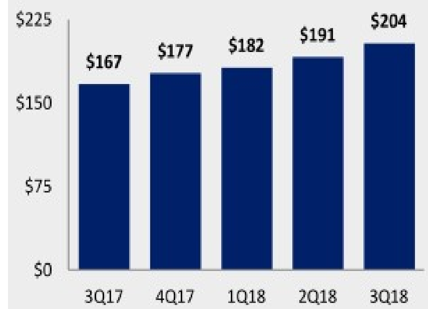

### Average Deposits ($B)




### Average Loans and Leases ($B)

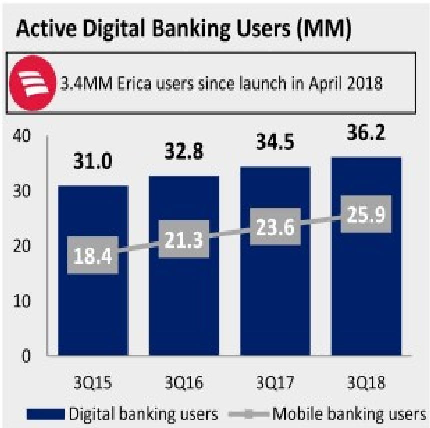


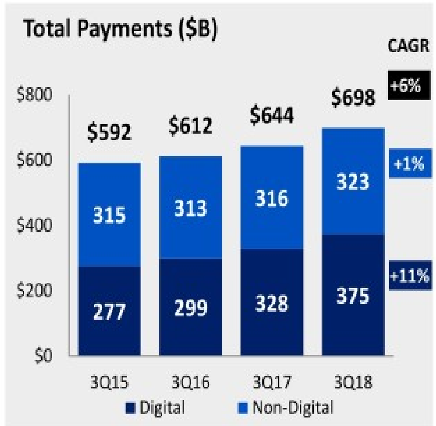

### Client Brokerage Assets (EOP, $B)

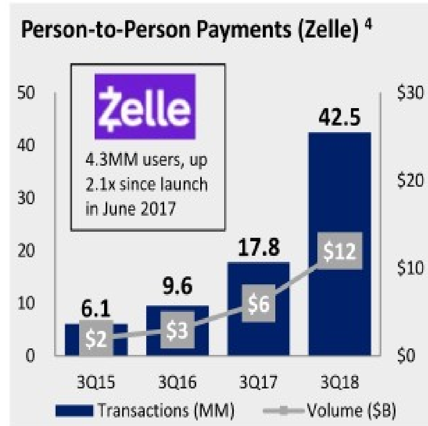


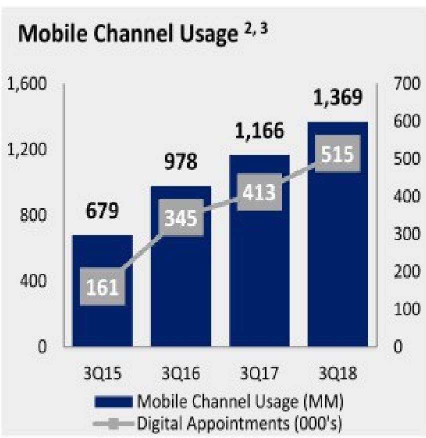

Note: Amounts may not total due to rounding.
[1] See slide 26 for business leadership sources.
[2] FTE basis.

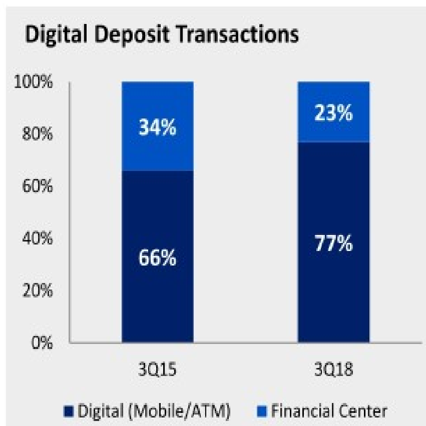
# Consumer Banking Digital Usage Trends [1]





[1] Digital users represent mobile and / or online users in consumer businesses.
[2] Mobile channel usage represents the total number of application logins using a smartphone or tablet.
[3] Digital appointments represent the number of appointments made via online, smartphone or tablet.
[4] Includes Bank of America person-to-person payments sent and / or received through e-mail or mobile identification.

# Global Wealth & Investment Management

| Summary Income Statement ($MM) [1] | 3Q18 | Inc / (Dec) 2Q18 | Inc / (Dec) 3Q17 |
|---|---|---|---|
| Total revenue, net of interest expense | $4,783 | $74 | $163 |
| Provision for credit losses | 13 | 1 | (3) |
| Noninterest expense | 3,414 | 19 | 45 |
| Pretax income | 1,356 | 54 | 121 |
| Income tax expense | 346 | 14 | (119) |
| Net income | $1,010 | $40 | $240 |

| Key Indicators ($B) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Average deposits | $238.3 | $236.2 | $239.6 |
| Average loans and leases | 161.9 | 160.8 | 154.3 |
| Net charge-off ratio | 0.03 % | 0.04 % | 0.03 % |
| AUM flows | $7.6 | $10.8 | $20.7 |
| Pretax margin | 28 % | 28 % | 27 % |
| Return on average allocated capital | 28 | 27 | 22 |
| Allocated capital | $14.5 | $14.5 | $14.0 |

- Net income of $1.0B increased 31% from 3Q17; ROAAC of 28%
  - Strong pretax margin of 28%, up from 27% in 3Q17
- Revenue of $4.8B increased 4% from 3Q17 as 9% higher asset management fees and net interest income were partially offset by lower transactional revenue
  - 85% of revenue from asset management fees and net interest income vs. 83% in 3Q17
- Noninterest expense increased 1% from 3Q17, as higher revenue-related incentives and investment in sales professionals were largely offset by continued expense discipline
- Client balances grew to a record $2.8T, up 6% from 3Q17, driven by higher market valuations and solid assets under management (AUM) flows
  - AUM flows of $8B in 3Q18 reflected solid client activity and, compared to 3Q17, less of a shift from brokerage to AUM
- Pace of year-to-date organic growth in net new Merrill Lynch households roughly four times 2017 level on annualized basis
- Average deposits of $238B declined 1% from 3Q17
  - Growth of 1% compared to 2Q18
- Average loans and leases of $162B increased $8B, or 5%, from 3Q17, driven by residential mortgage and custom lending
- Wealth advisors grew 1% from 3Q17 to 19,344 [2]

[1] Revenue, pretax income, income tax expense and efficiency ratio shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.
[2] Includes financial advisors in Consumer Banking of 2,618 and 2,267 in 3Q18 and 3Q17.

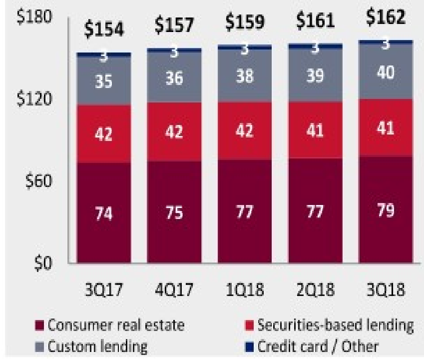
# Global Wealth & Investment Management Trends

### Business Leadership [1]

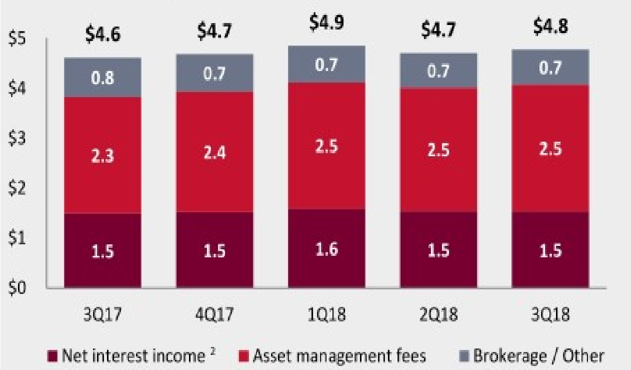
- #1 U.S. wealth management market position across client assets, deposits and loans [1]
- #1 in personal trust assets under management [1]
- #1 in Barron's U.S. high net worth client assets (2018)
- #1 in Barron's Top 1,200 ranked Financial Advisors (2018)
- #1 in Forbes' Top 500 America's Top Next Generation Advisors (2018)
- #1 in Financial Times Top 401K Retirement Plan Advisers (2018)
- #1 in Barron's Top 100 Women Advisors (2018)

### Average Deposits ($B)

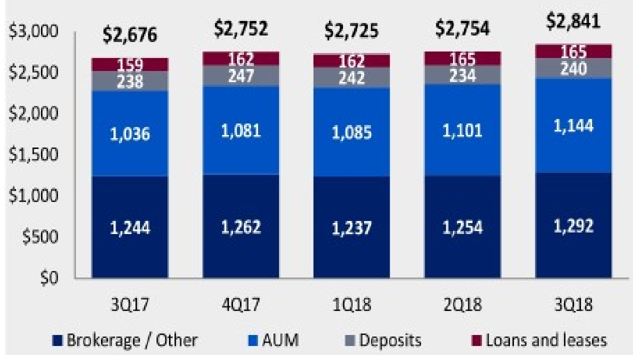

### Average Loans and Leases ($B)




### Total Revenue ($B) [2]




### Client Balances (EOP, $B) [3]




Note: Amounts may not total due to rounding.
[1] See slide 26 for business leadership sources.
[2] FTE basis.
[3] Loans and leases include margin receivables which are classified in customer and other receivables on the consolidated balance sheet.

# Global Banking

| Summary Income Statement ($MMM)[1] | 3Q18 | Inc/(Dec) 2Q18 | 3Q17 |
|---|---|---|---|
| Total revenue, net of interest expense[2] | $4,738 | ($184) | ($249) |
| Provision (benefit) for credit losses | (70) | (47) | (118) |
| Noninterest expense | 2,120 | (36) | 1 |
| Pretax income | 2,688 | (101) | (132) |
| Income tax expense | 699 | (27) | (363) |
| Net income | $1,989 | ($74) | $231 |

| Selected Revenue Items ($MM) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Total Corporation IB fees (excl. self-led)[2] | $1,204 | $1,422 | $1,477 |
| Global Banking IB fees[2] | 643 | 743 | 806 |
| Business Lending revenue | 2,084 | 2,166 | 2,318 |
| Global Transaction Services revenue | 1,972 | 1,960 | 1,815 |

| Key Indicators ($B) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Average deposits | $337.7 | $323.2 | $315.7 |
| Average loans and leases | 352.7 | 355.1 | 346.1 |
| Net charge-off ratio | 0.10 % | 0.10 % | 0.12 % |
| Return on average allocated capital | 19 | 20 | 17 |
| Allocated capital | $41 | $41 | $40 |
| Efficiency ratio[1] | 45 % | 44 % | 43 % |

- Net income of $2.0B increased 13% from 3Q17; ROAAC of 19%
- Revenue of $4.7B decreased 5% from 3Q17
  - Reflected lower investment banking fees and the impact of tax reform on certain tax-advantaged investments, partially offset by higher NII from the benefit of higher interest rates and growth in deposits
- Total Corporation investment banking fees of $1.2B (excl. self-led) declined 18% from 3Q17
  - Decline driven primarily by advisory and leveraged finance, partially offset by an increase in equity underwriting fees
- Provision improved $0.1B from 3Q17, driven primarily by continued improvements in energy and broader asset quality
- Noninterest expense was flat compared to 3Q17, despite continued investment in the business, including sales professionals
- Average loans and leases of $353B increased 2% from 3Q17
- Strong average deposit growth of $22B, or 7%, compared to 3Q17

[1] Revenue, pretax income, income tax expense and efficiency ratio shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.

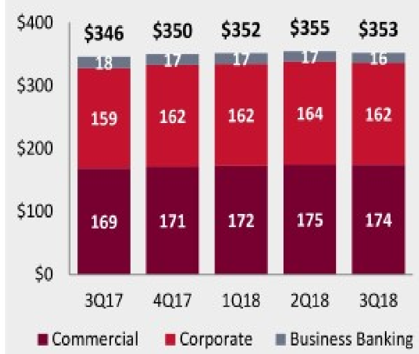
# Global Banking Trends

### Business Leadership [1]

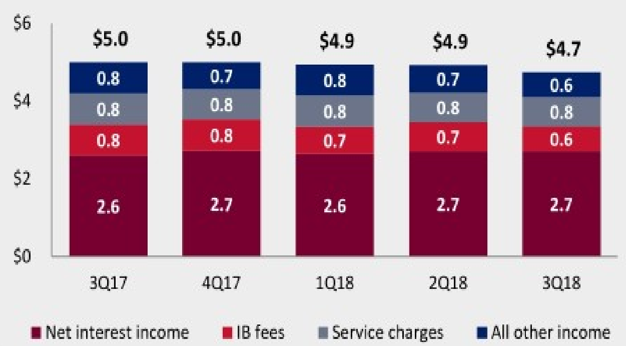
- North America's Best Bank for Small to Medium-sized Enterprises [B]
- Most Innovative Investment Bank of the Year and Best Bank for Global Payments [K]
- Best Transaction Bank in North America [L]
- Best Bank for Transaction Services in Western Europe [B]
- 2018 Quality, Share and Excellence Awards for U.S. Large Corporate Cash Management [M]
- Best Global Debt Bank [N]
- Best Brand for Overall Middle Market Banking and Excellence Award for International Middle Market Banking - Payments, FX, Trade Finance [O]
- Relationships with 79% of the Global Fortune 500; 94% of the U.S. Fortune 1,000 (2018)

### Average Deposits ($B)

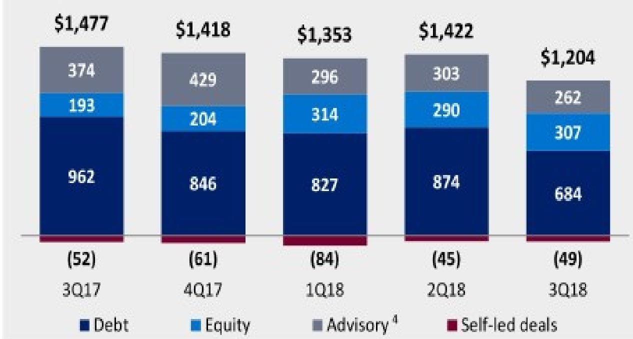

### Average Loans and Leases ($B)




### Total Revenue ($B) [2, 3]




### Total Corporation IB Fees ($MM) [2]




Note: Amounts may not total due to rounding.
[1] See slide 26 for business leadership sources.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.
[3] FTE basis.
[4] Advisory includes fees on debt and equity advisory and mergers and acquisitions.

# Global Markets

| Summary Income Statement ($MM) [1] | 3Q18 | Inc/(Dec) 2Q18 | Inc/(Dec) 3Q17 |
|---|---|---|---|
| Total revenue, net of interest expense [2] | $3,843 | ($378) | ($58) |
| *Net DVA* | *(99)* | *80* | *(78)* |
| *Total revenue (excl. net DVA)* [2,3] | *3,942* | *(458)* | *20* |
| Provision for credit losses | (2) | (1) | 4 |
| Noninterest expense | 2,612 | (103) | (99) |
| Pretax income | 1,233 | (274) | 37 |
| Income tax expense | 321 | (70) | (119) |
| Net income | $912 | ($204) | $156 |
| *Net income (excl. net DVA)* [3] | *$987* | *($265)* | *$218* |

| Selected Revenue Items ($MM) [2] | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Sales and trading revenue | $2,972 | $3,417 | $3,129 |
| Sales and trading revenue (excl. net DVA) [3] | 3,071 | 3,596 | 3,150 |
| FICC (excl. net DVA) | 2,062 | 2,290 | 2,166 |
| Equities (excl. net DVA) | 1,009 | 1,306 | 984 |
| Global Markets IB fees | 523 | 651 | 624 |

| Key Indicators ($B) | 3Q18 | 2Q18 | 3Q17 |
|---|---|---|---|
| Average total assets | $652.5 | $678.5 | $642.4 |
| Average trading-related assets | 460.3 | 473.1 | 442.3 |
| Average 99% VaR ($ in MM) [4] | 31 | 30 | 41 |
| Average loans and leases | 71.2 | 75.1 | 72.3 |
| Return on average allocated capital | 10 % | 13 % | 9 % |
| Allocated capital | $35 | $35 | $35 |
| Efficiency ratio [1] | 68 % | 64 % | 69 % |

- Net income of $0.9B increased 21% from 3Q17; ROAAC of 10%
  - Excluding net DVA, net income of $1.0B increased 28%
- Revenue declined 1% from 3Q17; excluding net DVA, revenue increased 1%
  - Reflects lower sales and trading revenue and investment banking fees, mostly offset by a gain on sale of an equity investment (excluded from sales and trading revenue)
- Sales and trading revenue of $3.0B declined 5% from 3Q17
- Excluding net DVA, sales and trading revenue of $3.1B decreased 3% from 3Q17 [3]
  - FICC revenue of $2.1B decreased 5% from 3Q17, due primarily to lower client activity in rates products as well as a weaker environment for municipal bonds
  - Equities revenue of $1.0B increased 3% from 3Q17, driven by increased client activity in financing
- Noninterest expense decreased 4% vs. 3Q17, driven by lower operating costs
- Average VaR remained low at $31MM in 3Q18 [4]

[1] Revenue, pretax income, income tax expense and efficiency ratio shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.
[2] Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities and sales and trading activities.
[3] Represents a non-GAAP financial measure; see note C on slide 25.
[4] See note D on slide 25 for definition of VaR.

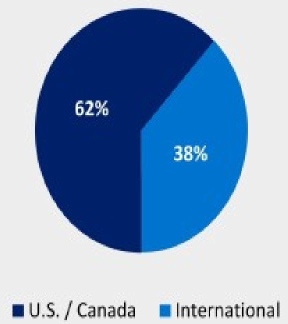
# Global Markets Trends and Revenue Mix

### Business Leadership [1]

- Best Bank for Markets in Asia [P]
- European Trading House of the Year [Q]
- Equity Derivatives House of the Year [R]
- #1 Equity Portfolio Trading Share – North American Institutions [O]
- #1 for U.S. FICC Overall Trading Quality and #1 for U.S. FICC Overall Sales Quality [M]
- 2018 Quality Leader in Global Top-Tier Foreign Exchange Sales and Corporate FX Sales [M]
- 2017 U.S. Fixed Income Quality Leader in Credit and Securitized Products [O]
- #2 Global Research Firm [S]

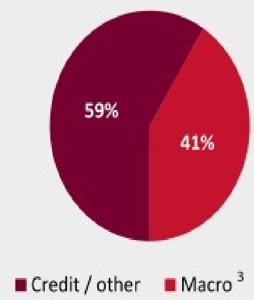
### 2018 YTD Global Markets Revenue Mix

(excl. net DVA) [2]




### 2018 YTD Total FICC S&T Revenue Mix

(excl. net DVA) [2]




### YTD Sales & Trading Revenue (excl. net DVA) ($B) [2]


### YTD Average Trading-related Assets ($B) and VaR ($MM) [4]


Note: Amounts may not total due to rounding.
[1] See slide 26 for business leadership sources.
[2] Represents a non-GAAP financial measure. Reported sales & trading revenue was $10.5B, $10.2B and $10.6B for 2018 YTD, 2017 YTD and 2016 YTD, respectively. Reported FICC sales & trading revenue was $6.7B, $7.1B and $7.5B for 2018 YTD, 2017 YTD and 2016 YTD, respectively. Reported Equities sales & trading revenue was $3.8B, $3.2B and $3.1B for 2018 YTD, 2017 YTD and 2016 YTD, respectively. See note C on slide 25.
[3] Macro includes G10 FX, rates and commodities products.
[4] See note D on slide 25 for definition of VaR.

# All Other [1]

| Summary Income Statement ($MM) [2] | 3Q18 | Inc/(Dec) 2Q18 | 3Q17 |
|---|---|---|---|
| Total revenue, net of interest expense | $161 | $461 | $364 |
| Provision (benefit) for credit losses | (95) | 10 | 96 |
| Noninterest expense | 566 | (57) | (168) |
| Pretax income (loss) | (310) | 508 | 436 |
| Income tax expense (benefit) | (453) | 116 | 347 |
| Net income (loss) | $143 | $392 | $89 |

- Net income of $0.1B improved $0.1B from 3Q17
- Revenue improved $0.4B from 3Q17, reflecting lower provision for representations and warranties as well as a small gain from the sale of a non-core consumer real estate loan portfolio
- Provision benefit declined $0.1B from 3Q17, due to a slower pace of portfolio improvement in non-core consumer real estate
- Noninterest expense declined $0.2B from 3Q17, reflecting lower non-core mortgage costs and litigation expense

[1] All Other consists of asset and liability management (ALM) activities, equity investments, non-core mortgage loans and servicing activities, the net impact of periodic revisions to the MSR valuation model for core and non-core MSRs and the related economic hedge results, liquidating businesses and residual expense allocations. ALM activities encompass certain residential mortgages, debt securities, interest rate and foreign currency risk management activities, the impact of certain allocation methodologies and hedge ineffectiveness. The results of certain ALM activities are allocated to our business segments. Equity investments include our merchant services joint venture, as well as a portfolio of equity, real estate and other alternative investments.

[2] Revenue, pretax income and income tax expense shown on an FTE basis. Tax expense compared to prior year impacted by a lower U.S. corporate tax rate.

# Third Quarter 2018 Key Takeaways

- Record earnings while driving responsible growth; pretax earnings up 18% from 3Q17
- Continued investments in the franchise
- Positive operating leverage for 15 consecutive quarters; grew revenue 4% and reduced expenses 2% from 3Q17
- Solid client activity drove growth in client balances
- Asset quality remained strong
- Increased capital returned to shareholders
- Positioned to benefit from higher interest rates and an improving economic environment

# Appendix

# Notes

[A] Global Liquidity Sources (GLS) include cash and high-quality, liquid, unencumbered securities, limited to U.S. government securities, U.S. agency securities, U.S. agency MBS, and a select group of non-U.S. government and supranational securities, and are readily available to meet funding requirements as they arise. It does not include Federal Reserve Discount Window or Federal Home Loan Bank borrowing capacity. Transfers of liquidity among legal entities may be subject to certain regulatory and other restrictions.

[B] The Liquidity Coverage Ratio (LCR) represents the consolidated average amount of high-quality liquid assets as a percent of the prescribed average net cash outflows over a 30 calendar-day period of significant liquidity stress, under the U.S. LCR final rule.

[C] Revenue for all periods included net debit valuation adjustments (DVA) on derivatives, as well as amortization of own credit portion of purchase discount and realized DVA on structured liabilities. Net DVA gains (losses) were ($99MM), ($179MM) and ($21MM) for 3Q18, 2Q18 and 3Q17, respectively, and ($214MM), ($310MM) and ($137MM) for 2018 YTD, 2017 YTD and 2016 YTD, respectively. Net DVA gains (losses) included in FICC revenue were ($80MM), ($184MM) and ($14MM) for 3Q18, 2Q18 and 3Q17, respectively, and ($186MM), ($282MM) and ($140MM) for 2018 YTD, 2017 YTD and 2016 YTD, respectively. Net DVA gains (losses) included in Equities revenue were ($19MM), $5MM and ($7MM) for 3Q18, 2Q18 and 3Q17, respectively, and ($28MM), ($28MM) and $3MM for 2018 YTD, 2017 YTD and 2016 YTD, respectively.

[D] VaR model uses historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level. Using a 95% confidence level, average VaR was $17MM, $17MM and $19MM for 3Q18, 2Q18 and 3Q17, respectively.

# Sources

[A] Estimated retail consumer deposits based on June 30, 2018 FDIC deposit data.

[B] Euromoney, 2018.

[C] Dynatrace 2Q18 Online Banker Scorecard, Javelin 2018 Online Banking Scorecard, Dynatrace 3Q18 Mobile Banking Scorecard, and Javelin 2017 Mobile Banking Scorecard.

[D] Forrester 2018 Banking Sales Wave: U.S. Mobile Sites, 3Q18.

[E] Inside Mortgage Finance as of 1H18 and FY17, respectively.

[F] Largest percentage of 740+ Vantage 3.0 customers among key competitors as of July 2018.

[G] FDIC, 2Q18.

[H] 2018 Global Retail Banking Awards.

[I] U.S.-based full-service wirehouse peers based on 2Q18 earnings releases.

[J] Industry 2Q18 call reports.

[K] The Banker, 2017.

[L] The Banker, 2018.

[M] Greenwich, 2018.

[N] Global Finance, 2018.

[O] Greenwich, 2017.

[P] Euromoney, 2017.

[Q] Financial News, 2017.

[R] Risk Magazine, 2017.

[S] Institutional Investor, 2017.

# Forward-Looking Statements

Bank of America Corporation (the "Company") and its management may make certain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." Forward-looking statements represent the Company's current expectations, plans or forecasts of its future results, revenues, expenses, efficiency ratio, capital measures, strategy, and future business and economic conditions more generally, and other future matters. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond the Company's control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed under Item 1A. Risk Factors of the Company's 2017 Annual Report on Form 10-K and in any of the Company's subsequent Securities and Exchange Commission filings: the Company's potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions, including inquiries into our retail sales practices, and the possibility that amounts may be in excess of the Company's recorded liability and estimated range of possible loss for litigation exposures; the possibility that the Company could face increased servicing, securities, fraud, indemnity, contribution or other claims from one or more counterparties, including trustees, purchasers of loans, underwriters, issuers, other parties involved in securitizations, monolines or private-label and other investors; the possibility that future representations and warranties losses may occur in excess of the Company's recorded liability and estimated range of possible loss for its representations and warranties exposures; the Company's ability to resolve representations and warranties repurchase and related claims, including claims brought by investors or trustees seeking to avoid the statute of limitations for repurchase claims; uncertainties about the financial stability and growth rates of non-U.S. jurisdictions, the risk that those jurisdictions may face difficulties servicing their sovereign debt, and related stresses on financial markets, currencies and trade, and the Company's exposures to such risks, including direct, indirect and operational; the impact of U.S. and global interest rates, currency exchange rates, economic conditions, trade policies, including tariffs, and potential geopolitical instability; the impact on the Company's business, financial condition and results of operations of a potential higher interest rate environment; the possibility that future credit losses may be higher than currently expected due to changes in economic assumptions, customer behavior, adverse developments with respect to U.S. or global economic conditions and other uncertainties; the Company's ability to achieve its expense targets, net interest income expectations, or other projections; adverse changes to the Company's credit ratings from the major credit rating agencies; estimates of the fair value of certain of the Company's assets and liabilities; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements; the potential impact of total loss-absorbing capacity requirements; potential adverse changes to our global systemically important bank surcharge; the potential impact of Federal Reserve actions on the Company's capital plans; the possible impact of the Company's failure to remediate the shortcoming identified by banking regulators in the Company's Resolution Plan; the effect of regulations, other guidance or additional information on our estimated impact of the Tax Act; the impact of implementation and compliance with U.S. and international laws, regulations and regulatory interpretations, including, but not limited to, recovery and resolution planning requirements, Federal Deposit Insurance Corporation (FDIC) assessments, the Volcker Rule, fiduciary standards and derivatives regulations; a failure in or breach of the Company's operational or security systems or infrastructure, or those of third parties, including as a result of cyber attacks; the impact on the Company's business, financial condition and results of operations from the planned exit of the United Kingdom from the European Union; and other similar matters.

# Important Presentation Information

- The information contained herein is preliminary and based on Company data available at the time of the earnings presentation. It speaks only as of the particular date or dates included in the accompanying slides. Bank of America does not undertake an obligation to, and disclaims any duty to, update any of the information provided.
- The Company may present certain key performance indicators and ratios, including year-over-year comparisons of revenue, noninterest expense and pretax income, excluding certain items (e.g., DVA) which result in non-GAAP financial measures. The Company believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. For more information about the non-GAAP financial measures contained herein, please see the presentation of the most directly comparable financial measures calculated in accordance with GAAP and accompanying reconciliations in the earnings press release for the quarter ended September 30, 2018 and other earnings-related information available through the Bank of America Investor Relations website at: http://investor.bankofamerica.com.
- The Company views net interest income and related ratios and analyses on a fully taxable-equivalent (FTE) basis, which when presented on a consolidated basis are non-GAAP financial measures. The Company believes managing the business with net interest income on an FTE basis provides investors with a more accurate picture of the interest margin for comparative purposes. The Company believes that the presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. The FTE adjustment was $151MM, $154MM, $150MM, $251MM and $240MM for 3Q18, 2Q18, 1Q18, 4Q17 and 3Q17 respectively.
- The Company allocates capital to its business segments using a methodology that considers the effect of regulatory capital requirements in addition to internal risk-based capital models. The Company's internal risk-based capital models use a risk-adjusted methodology incorporating each segment's credit, market, interest rate, business and operational risk components. Allocated capital is reviewed periodically and refinements are made based on multiple considerations that include, but are not limited to, risk-weighted assets measured under Basel 3 Standardized and Advanced approaches, business segment exposures and risk profile, and strategic plans. As a result of this process, in the first quarter of 2018, the Company adjusted the amount of capital being allocated to its business segments.

Bank of America

BANK OF AMERICA | MERRILL LYNCH | U.S. TRUST | BANK OF AMERICA MERRILL LYNCH

# Supplemental Information
# Third Quarter 2018

**Bank of America Corporation and Subsidiaries**

## Table of Contents

## Bank of America Corporation and Subsidiaries

# Consolidated Financial Highlights

(In millions, except per share information)

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | First Quarter | Fourth Quarter | Third Quarter |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **2018** | 2018 | 2018 | 2017 | 2017 |
| **Income statement** | | | | | | | |
| Net interest income | **$ 35,128** | $ 33,205 | **$ 11,870** | $ 11,650 | $ 11,608 | $ 11,462 | $ 11,161 |
| Noninterest income | **33,383** | 33,711 | **10,907** | 10,959 | 11,517 | 8,974 | 10,678 |
| Total revenue, net of interest expense | **68,511** | 66,916 | **22,777** | 22,609 | 23,125 | 20,436 | 21,839 |
| Provision for credit losses | **2,377** | 2,395 | **716** | 827 | 834 | 1,001 | 834 |
| Noninterest expense | **40,248** | 41,469 | **13,067** | 13,284 | 13,897 | 13,274 | 13,394 |
| Income tax expense | **5,017** | 7,185 | **1,827** | 1,714 | 1,476 | 3,796 | 2,187 |
| Net income | **20,869** | 15,867 | **7,167** | 6,784 | 6,918 | 2,365 | 5,424 |
| Preferred stock dividends | **1,212** | 1,328 | **466** | 318 | 428 | 286 | 465 |
| Net income applicable to common shareholders | **19,657** | 14,539 | **6,701** | 6,466 | 6,490 | 2,079 | 4,959 |
| Diluted earnings per common share | **1.91** | 1.36 | **0.66** | 0.63 | 0.62 | 0.20 | 0.46 |
| Average diluted common shares issued and outstanding | **10,317.9** | 10,832.1 | **10,170.8** | 10,309.4 | 10,472.7 | 10,621.8 | 10,746.7 |
| Dividends paid per common share | **$ 0.39** | $ 0.27 | **$ 0.15** | $ 0.12 | $ 0.12 | $ 0.12 | $ 0.12 |
| **Performance ratios** | | | | | | | |
| Return on average assets | **1.20 %** | 0.94 % | **1.23 %** | 1.17 % | 1.21 % | 0.41 % | 0.95 % |
| Return on average common shareholders' equity | **10.86** | 7.91 | **10.99** | 10.75 | 10.85 | 3.29 | 7.89 |
| Return on average shareholders' equity | **10.52** | 7.84 | **10.74** | 10.26 | 10.57 | 3.43 | 7.88 |
| Return on average tangible common shareholders' equity[(1)] | **15.30** | 11.10 | **15.48** | 15.15 | 15.26 | 4.56 | 10.98 |
| Return on average tangible shareholders' equity[(1)] | **14.31** | 10.61 | **14.61** | 13.95 | 14.37 | 4.62 | 10.59 |
| **At period end** | | | | | | | |
| Book value per share of common stock | **$ 24.33** | $ 23.87 | **$ 24.33** | $ 24.07 | $ 23.74 | $ 23.80 | $ 23.87 |
| Tangible book value per share of common stock[(1)] | **17.23** | 17.18 | **17.23** | 17.07 | 16.84 | 16.96 | 17.18 |
| Market price per share of common stock: | | | | | | | |
| Closing price | **$ 29.46** | $ 25.34 | **$ 29.46** | $ 28.19 | $ 29.99 | $ 29.52 | $ 25.34 |
| High closing price for the period | **32.84** | 25.50 | **31.80** | 31.22 | 32.84 | 29.88 | 25.45 |
| Low closing price for the period | **27.78** | 22.05 | **27.78** | 28.19 | 29.17 | 25.45 | 22.89 |
| Market capitalization | **290,424** | 264,992 | **290,424** | 282,259 | 305,176 | 303,681 | 264,992 |
| Number of financial centers - U.S. | **4,385** | 4,515 | **4,385** | 4,433 | 4,452 | 4,477 | 4,515 |
| Number of branded ATMs - U.S. | **16,089** | 15,973 | **16,089** | 16,050 | 16,011 | 16,039 | 15,973 |
| Headcount | **204,681** | 209,839 | **204,681** | 207,992 | 207,953 | 209,376 | 209,839 |

(1) Tangible equity ratios and tangible book value per share of common stock are non-GAAP financial measures. We believe the use of ratios that utilize tangible equity provides additional useful information because they present measures of those assets that can generate income. Tangible book value per share provides additional useful information about the level of tangible assets in relation to outstanding shares of common stock. (See Exhibit A: Non-GAAP Reconciliations - Reconciliations to GAAP Financial Measures on pages 39-40.)

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

**Bank of America Corporation and Subsidiaries**

# Consolidated Statement of Income

(In millions, except per share information)

| | Nine Months Ended September 30 | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2018 | 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
| **Interest income** | | | | | | | |
| Loans and leases | $ 30,095 | $ 26,877 | $ 10,401 | $ 10,071 | $ 9,623 | $ 9,344 | $ 9,203 |
| Debt securities | 8,646 | 7,764 | 2,986 | 2,856 | 2,804 | 2,707 | 2,629 |
| Federal funds sold and securities borrowed or purchased under agreements to resell | 2,130 | 1,658 | 799 | 709 | 622 | 732 | 659 |
| Trading account assets | 3,506 | 3,330 | 1,172 | 1,198 | 1,136 | 1,144 | 1,091 |
| Other interest income | 4,556 | 2,884 | 1,607 | 1,535 | 1,414 | 1,139 | 1,075 |
| **Total interest income** | 48,933 | 42,513 | 16,965 | 16,369 | 15,599 | 15,066 | 14,657 |
| **Interest expense** | | | | | | | |
| Deposits | 2,933 | 1,252 | 1,230 | 943 | 760 | 679 | 624 |
| Short-term borrowings | 4,123 | 2,508 | 1,526 | 1,462 | 1,135 | 1,030 | 944 |
| Trading account liabilities | 1,040 | 890 | 335 | 348 | 357 | 314 | 319 |
| Long-term debt | 5,709 | 4,658 | 2,004 | 1,966 | 1,739 | 1,581 | 1,609 |
| Total interest expense | 13,805 | 9,308 | 5,095 | 4,719 | 3,991 | 3,604 | 3,496 |
| **Net interest income** | 35,128 | 33,205 | 11,870 | 11,650 | 11,608 | 11,462 | 11,161 |
| **Noninterest income** | | | | | | | |
| Card income | 4,469 | 4,347 | 1,470 | 1,542 | 1,457 | 1,555 | 1,429 |
| Service charges | 5,836 | 5,863 | 1,961 | 1,954 | 1,921 | 1,955 | 1,968 |
| Investment and brokerage services | 10,616 | 10,314 | 3,494 | 3,458 | 3,664 | 3,522 | 3,437 |
| Investment banking income | 3,979 | 4,593 | 1,204 | 1,422 | 1,353 | 1,418 | 1,477 |
| Trading account profits | 6,907 | 6,124 | 1,893 | 2,315 | 2,699 | 1,153 | 1,837 |
| Other income (loss) | 1,576 | 2,470 | 885 | 268 | 423 | (629 ) | 530 |
| Total noninterest income | 33,383 | 33,711 | 10,907 | 10,959 | 11,517 | 8,974 | 10,678 |
| **Total revenue, net of interest expense** | 68,511 | 66,916 | 22,777 | 22,609 | 23,125 | 20,436 | 21,839 |
| **Provision for credit losses** | 2,377 | 2,395 | 716 | 827 | 834 | 1,001 | 834 |
| **Noninterest expense** | | | | | | | |
| Personnel | 24,145 | 24,326 | 7,721 | 7,944 | 8,480 | 7,605 | 7,811 |
| Occupancy | 3,051 | 3,000 | 1,015 | 1,022 | 1,014 | 1,009 | 999 |
| Equipment | 1,278 | 1,281 | 421 | 415 | 442 | 411 | 416 |
| Marketing | 1,161 | 1,235 | 421 | 395 | 345 | 511 | 461 |
| Professional fees | 1,219 | 1,417 | 439 | 399 | 381 | 471 | 476 |
| Data processing | 2,398 | 2,344 | 791 | 797 | 810 | 795 | 777 |
| Telecommunications | 522 | 538 | 173 | 166 | 183 | 161 | 170 |
| Other general operating | 6,474 | 7,328 | 2,086 | 2,146 | 2,242 | 2,311 | 2,284 |
| Total noninterest expense | 40,248 | 41,469 | 13,067 | 13,284 | 13,897 | 13,274 | 13,394 |
| **Income before income taxes** | 25,886 | 23,052 | 8,994 | 8,498 | 8,394 | 6,161 | 7,611 |
| **Income tax expense** | 5,017 | 7,185 | 1,827 | 1,714 | 1,476 | 3,796 | 2,187 |
| **Net income** | $ 20,869 | $ 15,867 | $ 7,167 | $ 6,784 | $ 6,918 | $ 2,365 | $ 5,424 |
| **Preferred stock dividends** | 1,212 | 1,328 | 466 | 318 | 428 | 286 | 465 |
| **Net income applicable to common shareholders** | $ 19,657 | $ 14,539 | $ 6,701 | $ 6,466 | $ 6,490 | $ 2,079 | $ 4,959 |
| **Per common share information** | | | | | | | |
| Earnings | $ 1.93 | $ 1.44 | $ 0.67 | $ 0.64 | $ 0.63 | $ 0.20 | $ 0.49 |
| Diluted earnings | 1.91 | 1.36 | 0.66 | 0.63 | 0.62 | 0.20 | 0.46 |
| Dividends paid | 0.39 | 0.27 | 0.15 | 0.12 | 0.12 | 0.12 | 0.12 |
| **Average common shares issued and outstanding** | 10,177.5 | 10,103.4 | 10,031.6 | 10,181.7 | 10,322.4 | 10,470.7 | 10,197.9 |
| **Average diluted common shares issued and outstanding** | 10,317.9 | 10,832.1 | 10,170.8 | 10,309.4 | 10,472.7 | 10,621.8 | 10,746.7 |

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

## Bank of America Corporation and Subsidiaries

# Consolidated Statement of Comprehensive Income

(Dollars in millions)

| | Nine Months Ended September 30 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **Third Quarter 2018** | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
| **Net income** | **$ 20,869** | $ 15,867 | **$ 7,167** | $ 6,784 | $ 6,918 | $ 2,365 | $ 5,424 |
| **Other comprehensive income (loss), net-of-tax:** | | | | | | | |
| Net change in debt and equity securities | **(6,166)** | 931 | **(1,172)** | (1,031) | (3,963) — | (870) — | 462 |
| Net change in debit valuation adjustments | **183** | (149) | **(269)** | 179 | 273 | (144) | (80) |
| Net change in derivatives | **(346)** | 156 | **21** | (92) | (275) | (92) | 24 |
| Employee benefit plan adjustments | **91** | 80 | **31** | 30 | 30 | 208 | 26 |
| Net change in foreign currency translation adjustments | **(303)** | 102 | **(114)** | (141) | (48) | (16) | 5 |
| **Other comprehensive income (loss)** | **(6,541)** | 1,120 | **(1,503)** | (1,055) | (3,983) | (914) | 437 |
| **Comprehensive income** | **$ 14,328** | $ 16,987 | **$ 5,664** | $ 5,729 | $ 2,935 | $ 1,451 | $ 5,861 |

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

**Bank of America Corporation and Subsidiaries**

## Consolidated Balance Sheet

(Dollars in millions)

| | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| **Assets** | | | |
| Cash and due from banks | **$ 27,440** | $ 29,365 | $ 30,819 |
| Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks | **157,418** | 141,834 | 141,562 |
| Cash and cash equivalents | **184,858** | 171,199 | 172,381 |
| Time deposits placed and other short-term investments | **7,865** | 8,212 | 9,493 |
| Federal funds sold and securities borrowed or purchased under agreements to resell | **248,237** | 226,486 | 217,214 |
| Trading account assets | **219,118** | 203,420 | 210,319 |
| Derivative assets | **45,617** | 45,210 | 38,384 |
| Debt securities: | | | |
| Carried at fair value | **251,635** | 275,256 | 316,864 |
| Held-to-maturity, at cost | **194,472** | 163,013 | 122,345 |
| Total debt securities | **446,107** | 438,269 | 439,209 |
| Loans and leases | **929,801** | 935,824 | 927,117 |
| Allowance for loan and lease losses | **(9,734)** | (10,050) | (10,693) |
| Loans and leases, net of allowance | **920,067** | 925,774 | 916,424 |
| Premises and equipment, net | **9,680** | 9,537 | 8,971 |
| Goodwill | **68,951** | 68,951 | 68,968 |
| Loans held-for-sale | **5,576** | 6,511 | 13,243 |
| Customer and other receivables | **56,962** | 57,813 | 55,855 |
| Other assets | **125,795** | 130,288 | 133,713 |
| **Total assets** | **$ 2,338,833** | $ 2,291,670 | $ 2,284,174 |

| **Assets of consolidated variable interest entities included in total assets above (isolated to settle the liabilities of the variable interest entities)** | | | |
|---|---|---|---|
| Trading account assets | **$ 6,145** | $ 5,692 | $ 5,142 |
| Loans and leases | **44,163** | 45,483 | 50,022 |
| Allowance for loan and lease losses | **(920)** | (959) | (1,023) |
| Loans and leases, net of allowance | **43,243** | **44,524** | **48,999** |
| Loans held-for-sale | **2** | 3 | 66 |
| All other assets | **355** | 396 | 662 |
| **Total assets of consolidated variable interest entities** | **$ 49,745** | $ 50,615 | $ 54,869 |

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

## Bank of America Corporation and Subsidiaries

# Consolidated Balance Sheet (continued)

(Dollars in millions)

| | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| **Liabilities** | | | |
| Deposits in U.S. offices: | | | |
| Noninterest-bearing | **$ 414,853** | $ 420,995 | $ 429,861 |
| Interest-bearing | **844,204** | 811,193 | 776,756 |
| Deposits in non-U.S. offices: | | | |
| Noninterest-bearing | **12,896** | 14,247 | 14,126 |
| Interest-bearing | **73,696** | 63,256 | 63,674 |
| Total deposits | **1,345,649** | 1,309,691 | 1,284,417 |
| Federal funds purchased and securities loaned or sold under agreements to repurchase | **171,600** | 177,903 | 189,790 |
| Trading account liabilities | **89,964** | 87,028 | 86,434 |
| Derivative liabilities | **36,189** | 33,605 | 31,781 |
| Short-term borrowings | **29,035** | 40,622 | 32,679 |
| Accrued expenses and other liabilities | **170,138** | 152,010 | 158,438 |
| Long-term debt | **234,100** | 226,595 | 228,666 |
| **Total liabilities** | **2,076,675** | 2,027,454 | 2,012,205 |
| **Shareholders' equity** | | | |
| Preferred stock, $0.01 par value; authorized –**100,000,000** shares; issued and outstanding –**3,843,140,** 3,872,702 and 3,837,683 shares | **22,326** | 23,181 | 22,323 |
| Common stock and additional paid-in capital, $0.01 par value; authorized –**12,800,000,000** shares; issued and outstanding – **9,858,252,641**, 10,012,719,225 and 10,457,473,674 shares | **123,921** | 128,822 | 142,818 |
| Retained earnings | **130,747** | 125,546 | 112,996 |
| Accumulated other comprehensive income (loss) | **(14,836)** | (13,333) | (6,168) |
| **Total shareholders' equity** | **262,158** | 264,216 | 271,969 |
| **Total liabilities and shareholders' equity** | **$ 2,338,833** | $ 2,291,670 | $ 2,284,174 |

| **Liabilities of consolidated variable interest entities included in total liabilities above** | | | |
|---|---|---|---|
| Short-term borrowings | **$ 905** | $ 396 | $ 122 |
| Long-term debt | **11,024** | 9,865 | 9,457 |
| All other liabilities | **39** | 39 | 54 |
| **Total liabilities of consolidated variable interest entities** | **$ 11,968** | $ 10,300 | $ 9,633 |

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

# Capital Management

(Dollars in millions)

| | Basel 3 | | |
|---|---|---|---|
| | **September 30 2018** | June 30 2018 | September 30 2017 |
| **Risk-based capital metrics[1]:** | | | |
| **Standardized Approach** | | | |
| Common equity tier 1 capital | **$ 164,386** | $ 164,872 | $ 173,568 |
| Tier 1 capital | **186,189** | 187,506 | 195,291 |
| Total capital | **218,143** | 220,230 | 229,779 |
| Risk-weighted assets | **1,439,705** | 1,443,654 | 1,419,803 |
| Common equity tier 1 capital ratio | **11.4%** | 11.4% | 12.2% |
| Tier 1 capital ratio | **12.9** | 13.0 | 13.8 |
| Total capital ratio | **15.2** | 15.3 | 16.2 |
| **Advanced Approaches** | | | |
| Common equity tier 1 capital | **$ 164,386** | $ 164,872 | $ 173,568 |
| Tier 1 capital | **186,189** | 187,506 | 195,291 |
| Total capital | **209,919** | 211,973 | 220,745 |
| Risk-weighted assets | **1,424,338** | 1,436,949 | 1,460,151 |
| Common equity tier 1 capital ratio | **11.5%** | 11.5% | 11.9% |
| Tier 1 capital ratio | **13.1** | 13.0 | 13.4 |
| Total capital ratio | **14.7** | 14.8 | 15.1 |
| **Leverage-based metrics[1]** | | | |
| Adjusted average assets | **$ 2,240,120** | $ 2,244,553 | $ 2,193,471 |
| Tier 1 leverage ratio | **8.3%** | 8.4% | 8.9% |
| Supplementary leverage exposure | **$ 2,785,138** | $ 2,803,331 | n/a |
| Supplementary leverage ratio | **6.7%** | 6.7% | n/a |
| Tangible equity ratio[2] | **8.5** | 8.7 | 9.1 |
| Tangible common equity ratio[2] | **7.5** | 7.7 | 8.1 |

(1) Regulatory capital ratios at September 30, 2018 are preliminary. We report regulatory capital ratios under both the Standardized and Advanced approaches. The approach that yields the lower ratio is used to assess capital adequacy. Basel 3 transition provisions for regulatory capital adjustments and deductions were fully phased-in as of January 1, 2018. Prior periods are presented on a fully phased-in basis. SLR requirements became effective January 1, 2018.

(2) Tangible equity ratio equals period-end tangible shareholders' equity divided by period-end tangible assets. Tangible common equity ratio equals period-end tangible common shareholders' equity divided by period-end tangible assets. Tangible shareholders' equity and tangible assets are non-GAAP financial measures. We believe the use of ratios that utilize tangible equity provides additional useful information because they present measures of those assets that can generate income. (See Exhibit A: Non-GAAP Reconciliations - Reconciliation to GAAP Financial Measures on pages 39-40.)

n/a = not applicable

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

## Bank of America Corporation and Subsidiaries

# Quarterly Average Balances and Interest Rates – Fully Taxable-equivalent Basis

(Dollars in millions)

| | Third Quarter 2018 | | | Second Quarter 2018 | | | Third Quarter 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Average Balance** | **Interest Income/ Expense** | **Yield/ Rate** | Average Balance | Interest Income/ Expense | Yield/ Rate | Average Balance | Interest Income/ Expense | Yield/ Rate |
| **Earning assets** | | | | | | | | | |
| Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks | **$ 144,411** | **$ 523** | **1.44 %** | $ 144,983 | $ 487 | 1.35 % | $ 127,835 | $ 323 | 1.00 % |
| Time deposits placed and other short-term investments | **8,328** | **48** | **2.26** | 10,015 | 48 | 1.91 | 12,503 | 68 | 2.17 |
| Federal funds sold and securities borrowed or purchased under agreements to resell | **241,426** | **799** | **1.31** | 251,880 | 709 | 1.13 | 223,585 | 487 | 0.86 |
| Trading account assets | **128,896** | **1,195** | **3.68** | 132,799 | 1,232 | 3.72 | 124,068 | 1,125 | 3.60 |
| Debt securities | **445,813** | **3,014** | **2.66** | 429,191 | 2,885 | 2.64 | 436,886 | 2,670 | 2.44 |
| Loans and leases [1]: | | | | | | | | | |
| Residential mortgage | **209,460** | **1,857** | **3.54** | 206,083 | 1,798 | 3.49 | 199,240 | 1,724 | 3.46 |
| Home equity | **53,050** | **656** | **4.91** | 54,863 | 640 | 4.68 | 61,225 | 664 | 4.31 |
| U.S. credit card | **94,710** | **2,435** | **10.20** | 93,531 | 2,298 | 9.86 | 91,602 | 2,253 | 9.76 |
| Direct/Indirect and other consumer | **91,828** | **787** | **3.40** | 93,620 | 766 | 3.28 | 96,272 | 706 | 2.91 |
| Total consumer | **449,048** | **5,735** | **5.08** | 448,097 | 5,502 | 4.92 | 448,339 | 5,347 | 4.74 |
| U.S. commercial | **303,680** | **3,034** | **3.97** | 305,372 | 2,983 | 3.92 | 293,203 | 2,542 | 3.44 |
| Non-U.S. commercial | **96,019** | **831** | **3.43** | 99,255 | 816 | 3.30 | 95,725 | 676 | 2.80 |
| Commercial real estate | **60,754** | **682** | **4.45** | 60,653 | 646 | 4.27 | 59,044 | 552 | 3.71 |
| Commercial lease financing | **21,235** | **173** | **3.25** | 21,441 | 168 | 3.14 | 21,818 | 160 | 2.92 |
| Total commercial | **481,688** | **4,720** | **3.89** | 486,721 | 4,613 | 3.80 | 469,790 | 3,930 | 3.32 |
| Total loans and leases | **930,736** | **10,455** | **4.46** | 934,818 | 10,115 | 4.34 | 918,129 | 9,277 | 4.02 |
| Other earning assets | **72,827** | **1,082** | **5.91** | 78,244 | 1,047 | 5.36 | 76,496 | 849 | 4.41 |
| **Total earning assets [2]** | **1,972,437** | **17,116** | **3.45** | 1,981,930 | 16,523 | 3.34 | 1,919,502 | 14,799 | 3.06 |
| Cash and due from banks | **25,639** | | | 25,329 | | | 28,990 | | |
| Other assets, less allowance for loan and lease losses | **319,753** | | | 315,419 | | | 322,612 | | |
| **Total assets** | **$ 2,317,829** | | | $ 2,322,678 | | | $ 2,271,104 | | |

(1) Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is generally recognized on a cost recovery basis. Purchased credit-impaired loans are recorded at fair value upon acquisition and accrete interest income over the estimated life of the loan.

(2) The impact of interest rate risk management derivatives on interest income is presented below. Interest income includes the impact of interest rate risk management contracts, which increased (decreased) interest income on:

| | **Third Quarter 2018** | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|
| Federal funds sold and securities borrowed or purchased under agreements to resell | **$ (52)** | $ (39) | $ 8 |
| Debt securities | **3** | — | (5) |
| U.S. commercial loans and leases | **(8)** | (10) | (10) |
| **Net hedge expense on assets** | **$ (57)** | $ (49) | $ (7) |

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

**Bank of America Corporation and Subsidiaries**

## Quarterly Average Balances and Interest Rates – Fully Taxable-equivalent Basis (continued)

(Dollars in millions)

| | Third Quarter 2018 | | | Second Quarter 2018 | | | Third Quarter 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Average Balance** | **Interest Income/ Expense** | **Yield/ Rate** | Average Balance | Interest Income/ Expense | Yield/ Rate | Average Balance | Interest Income/ Expense | Yield/ Rate |
| **Interest-bearing liabilities** | | | | | | | | | |
| U.S. interest-bearing deposits: | | | | | | | | | |
| Savings | **$ 53,929** | **$ 1** | **0.01 %** | $ 55,734 | $ 2 | 0.01 % | $ 54,328 | $ 1 | 0.01 % |
| NOW and money market deposit accounts | **680,285** | **737** | **0.43** | 664,002 | 536 | 0.32 | 631,270 | 333 | 0.21 |
| Consumer CDs and IRAs | **39,160** | **40** | **0.41** | 39,953 | 36 | 0.36 | 44,239 | 31 | 0.27 |
| Negotiable CDs, public funds and other deposits | **54,192** | **275** | **2.01** | 44,539 | 197 | 1.78 | 38,119 | 101 | 1.05 |
| Total U.S. interest-bearing deposits | **827,566** | **1,053** | **0.50** | 804,228 | 771 | 0.38 | 767,956 | 466 | 0.24 |
| Non-U.S. interest-bearing deposits: | | | | | | | | | |
| Banks located in non-U.S. countries | **2,353** | **12** | **2.06** | 2,329 | 11 | 1.89 | 2,259 | 5 | 0.97 |
| Governments and official institutions | **709** | **—** | **0.01** | 1,113 | — | 0.01 | 1,012 | 3 | 1.04 |
| Time, savings and other | **63,179** | **165** | **1.04** | 65,326 | 161 | 0.99 | 63,716 | 150 | 0.93 |
| Total non-U.S. interest-bearing deposits | **66,241** | **177** | **1.07** | 68,768 | 172 | 1.00 | 66,987 | 158 | 0.93 |
| Total interest-bearing deposits | **893,807** | **1,230** | **0.55** | 872,996 | 943 | 0.43 | 834,943 | 624 | 0.30 |
| Federal funds purchased, securities loaned or sold under agreements to repurchase, short-term borrowings and other interest-bearing liabilities | **264,168** | **1,526** | **2.30** | 272,777 | 1,462 | 2.15 | 270,364 | 846 | 1.24 |
| Trading account liabilities | **50,904** | **335** | **2.60** | 52,228 | 348 | 2.67 | 48,390 | 319 | 2.62 |
| Long-term debt | **233,475** | **2,004** | **3.42** | 229,037 | 1,966 | 3.44 | 227,309 | 1,609 | 2.82 |
| **Total interest-bearing liabilities** [(1)] | **1,442,354** | **5,095** | **1.40** | 1,427,038 | 4,719 | 1.33 | 1,381,006 | 3,398 | 0.98 |
| Noninterest-bearing sources: | | | | | | | | | |
| Noninterest-bearing deposits | **422,538** | | | 427,663 | | | 436,768 | | |
| Other liabilities | **188,284** | | | 202,796 | | | 180,092 | | |
| Shareholders' equity | **264,653** | | | 265,181 | | | 273,238 | | |
| **Total liabilities and shareholders' equity** | **$ 2,317,829** | | | $ 2,322,678 | | | $ 2,271,104 | | |
| Net interest spread | | | **2.05 %** | | | 2.01 % | | | 2.08 % |
| Impact of noninterest-bearing sources | | | **0.37** | | | 0.37 | | | 0.28 |
| **Net interest income/yield on earning assets** | | **$ 12,021** | **2.42 %** | | $ 11,804 | 2.38 % | | $ 11,401 | 2.36 % |

(1) The impact of interest rate risk management derivatives on interest expense is presented below. Interest expense includes the impact of interest rate risk management contracts, which increased (decreased) interest expense on:

| | **Third Quarter 2018** | Second Quarter 2018 | Third Quarter 2017 |
|---|---|---|---|
| NOW and money market deposit accounts | **$ 1** | $ (1) | $ — |
| Consumer CDs and IRAs | **5** | 6 | 6 |
| Negotiable CDs, public funds and other deposits | **2** | 4 | 3 |
| Banks located in non-U.S. countries | **6** | 4 | 5 |
| Federal funds purchased, securities loaned or sold under agreements to repurchase, short-term borrowings and other interest-bearing liabilities | **30** | 30 | 33 |
| Long-term debt | **24** | (10) | (393) |
| **Net hedge (income) expense on liabilities** | **$ 68** | $ 33 | $ (346) |

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

**Bank of America Corporation and Subsidiaries**

# Year-to-Date Average Balances and Interest Rates – Fully Taxable-equivalent Basis

(Dollars in millions)

| | Nine Months Ended September 30 | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | | | 2017 | | |
| | Average Balance | Interest Income/ Expense | Yield/ Rate | Average Balance | Interest Income/ Expense | Yield/ Rate |
| **Earning assets** | | | | | | |
| Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks | $ 143,229 | $ 1,432 | 1.34 % | $ 127,000 | $ 786 | 0.83 % |
| Time deposits placed and other short-term investments | 9,700 | 157 | 2.16 | 11,820 | 173 | 1.96 |
| Federal funds sold and securities borrowed or purchased under agreements to resell | 247,183 | 2,130 | 1.15 | 222,255 | 1,278 | 0.77 |
| Trading account assets | 130,931 | 3,574 | 3.65 | 128,547 | 3,435 | 3.57 |
| Debt securities | 436,080 | 8,729 | 2.62 | 432,775 | 7,875 | 2.42 |
| Loans and leases[(1)]: | | | | | | |
| Residential mortgage | 206,808 | 5,437 | 3.51 | 196,288 | 5,082 | 3.45 |
| Home equity | 54,941 | 1,939 | 4.72 | 63,339 | 1,967 | 4.15 |
| U.S. credit card | 94,222 | 7,046 | 10.00 | 90,238 | 6,492 | 9.62 |
| Non-U.S. credit card[(2)] | — | — | — | 5,253 | 358 | 9.12 |
| Direct/Indirect and other consumer | 93,568 | 2,281 | 3.26 | 95,964 | 2,010 | 2.80 |
| Total consumer | 449,539 | 16,703 | 4.96 | 451,082 | 15,909 | 4.71 |
| U.S. commercial | 302,981 | 8,734 | 3.85 | 290,632 | 7,167 | 3.30 |
| Non-U.S. commercial | 98,246 | 2,385 | 3.25 | 93,762 | 1,886 | 2.69 |
| Commercial real estate | 60,218 | 1,915 | 4.25 | 58,340 | 1,545 | 3.54 |
| Commercial lease financing | 21,501 | 516 | 3.20 | 21,862 | 547 | 3.33 |
| Total commercial | 482,946 | 13,550 | 3.75 | 464,596 | 11,145 | 3.21 |
| Total loans and leases[(2)] | 932,485 | 30,253 | 4.34 | 915,678 | 27,054 | 3.95 |
| Other earning assets | 78,431 | 3,113 | 5.31 | 74,554 | 2,322 | 4.16 |
| **Total earning assets[(3)]** | 1,978,039 | 49,388 | 3.34 | 1,912,629 | 42,923 | 3.00 |
| Cash and due from banks | 25,746 | | | 27,955 | | |
| Other assets, less allowance for loan and lease losses | 318,314 | | | 316,909 | | |
| **Total assets** | $ 2,322,099 | | | $ 2,257,493 | | |

(1) Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is generally recognized on a cost recovery basis. Purchased credit-impaired loans are recorded at fair value upon acquisition and accrete interest income over the estimated life of the loan.
(2) The nine months ended September 30, 2017includes assets of the Corporation's non-U.S. consumer credit card business, which was sold during the second quarter of 2017.
(3) The impact of interest rate risk management derivatives on interest income is presented below. Interest income includes the impact of interest rate risk management contracts, which increased (decreased) interest income on:

| | Nine Months Ended September 30, 2018 | Nine Months Ended September 30, 2017 |
|---|---|---|
| Federal funds sold and securities borrowed or purchased under agreements to resell | $ (86) | $ 33 |
| Debt securities | — | (52) |
| U.S. commercial loans and leases | (27) | (29) |
| **Net hedge expense on assets** | $ (113) | $ (48) |

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

## Bank of America Corporation and Subsidiaries

# Year-to-Date Average Balances and Interest Rates – Fully Taxable-equivalent Basis (continued)

(Dollars in millions)

| | Nine Months Ended September 30 | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | | | 2017 | | |
| | **Average Balance** | **Interest Income/ Expense** | **Yield/ Rate** | Average Balance | Interest Income/ Expense | Yield/ Rate |
| **Interest-bearing liabilities** | | | | | | |
| U.S. interest-bearing deposits: | | | | | | |
| Savings | **$ 54,800** | **$ 4** | **0.01 %** | $ 53,679 | $ 4 | 0.01 % |
| NOW and money market deposit accounts | **667,851** | **1,679** | **0.34** | 622,920 | 512 | 0.11 |
| Consumer CDs and IRAs | **40,134** | **109** | **0.36** | 45,535 | 92 | 0.27 |
| Negotiable CDs, public funds and other deposits | **46,507** | **629** | **1.81** | 35,968 | 221 | 0.82 |
| Total U.S. interest-bearing deposits | **809,292** | **2,421** | **0.40** | 758,102 | 829 | 0.15 |
| Non-U.S. interest-bearing deposits: | | | | | | |
| Banks located in non-U.S. countries | **2,309** | **32** | **1.88** | 2,643 | 16 | 0.82 |
| Governments and official institutions | **990** | **—** | **0.01** | 1,002 | 7 | 0.92 |
| Time, savings and other | **65,264** | **480** | **0.98** | 60,747 | 400 | 0.88 |
| Total non-U.S. interest-bearing deposits | **68,563** | **512** | **1.00** | 64,392 | 423 | 0.88 |
| Total interest-bearing deposits | **877,855** | **2,933** | **0.45** | 822,494 | 1,252 | 0.20 |
| Federal funds purchased, securities loaned or sold under agreements to repurchase, short-term borrowings and other interest-bearing liabilities | **272,192** | **4,123** | **2.03** | 275,731 | 2,244 | 1.09 |
| Trading account liabilities | **52,815** | **1,040** | **2.63** | 44,128 | 890 | 2.70 |
| Long-term debt | **230,719** | **5,709** | **3.30** | 224,287 | 4,658 | 2.77 |
| **Total interest-bearing liabilities** [(1)] | **1,433,581** | **13,805** | **1.29** | 1,366,640 | 9,044 | 0.88 |
| Noninterest-bearing sources: | | | | | | |
| Noninterest-bearing deposits | **426,972** | | | 439,288 | | |
| Other liabilities | **196,444** | | | 180,907 | | |
| Shareholders' equity | **265,102** | | | 270,658 | | |
| **Total liabilities and shareholders' equity** | **$ 2,322,099** | | | $ 2,257,493 | | |
| Net interest spread | | | **2.05 %** | | | 2.12 % |
| Impact of noninterest-bearing sources | | | **0.34** | | | 0.24 |
| **Net interest income/yield on earning assets** | | **$ 35,583** | **2.39 %** | | $ 33,879 | 2.36 % |

(1) The impact of interest rate risk management derivatives on interest expense is presented below. Interest expense includes the impact of interest rate risk management contracts, which increased (decreased) interest expense on:

| | **Nine Months Ended September 30, 2018** | Nine Months Ended September 30, 2017 |
|---|---|---|
| NOW and money market deposit accounts | **$ —** | $ (1) |
| Consumer CDs and IRAs | **16** | 17 |
| Negotiable CDs, public funds and other deposits | **9** | 10 |
| Banks located in non-U.S. countries | **15** | 14 |
| Federal funds purchased, securities loaned or sold under agreements to repurchase, short-term borrowings and other interest-bearing liabilities | **89** | 213 |
| Long-term debt | **(232)** | (1,349) |
| **Net hedge income on liabilities** | **$ (103)** | $ (1,096) |

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

## Bank of America Corporation and Subsidiaries

# Debt Securities

(Dollars in millions)

| | September 30, 2018 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| **Available-for-sale debt securities** | | | | |
| Mortgage-backed securities: | | | | |
| Agency | **$ 141,721** | **$ 101** | **$ (5,710)** | **$ 136,112** |
| Agency-collateralized mortgage obligations | **5,878** | **9** | **(209)** | **5,678** |
| Commercial | **14,138** | **2** | **(630)** | **13,510** |
| Non-agency residential | **1,983** | **217** | **(6)** | **2,194** |
| Total mortgage-backed securities | **163,720** | **329** | **(6,555)** | **157,494** |
| U.S. Treasury and agency securities | **54,664** | **8** | **(2,366)** | **52,306** |
| Non-U.S. securities | **7,076** | **5** | **(2)** | **7,079** |
| Other taxable securities, substantially all asset-backed securities | **3,749** | **77** | **(7)** | **3,819** |
| Total taxable securities | **229,209** | **419** | **(8,930)** | **220,698** |
| Tax-exempt securities | **18,401** | **36** | **(87)** | **18,350** |
| **Total available-for-sale debt securities** | **247,610** | **455** | **(9,017)** | **239,048** |
| **Other debt securities carried at fair value** | **12,409** | **205** | **(27)** | **12,587** |
| **Total debt securities carried at fair value** | **260,019** | **660** | **(9,044)** | **251,635** |
| **Held-to-maturity debt securities, substantially all U.S. agency mortgage-backed securities** (1) | **194,472** | **1** | **(6,485)** | **187,988** |
| **Total debt securities** | **$ 454,491** | **$ 661** | **$ (15,529)** | **$ 439,623** |

| | June 30, 2018 | | | |
|---|---|---|---|---|
| **Available-for-sale debt securities** | | | | |
| Mortgage-backed securities: | | | | |
| Agency | $ 162,301 | $ 125 | $ (5,426) | $ 157,000 |
| Agency-collateralized mortgage obligations | 6,194 | 13 | (172) | 6,035 |
| Commercial | 14,156 | 2 | (558) | 13,600 |
| Non-agency residential | 2,283 | 262 | (11) | 2,534 |
| Total mortgage-backed securities | 184,934 | 402 | (6,167) | 179,169 |
| U.S. Treasury and agency securities | 54,758 | 12 | (2,036) | 52,734 |
| Non-U.S. securities | 6,659 | 7 | (1) | 6,665 |
| Other taxable securities, substantially all asset-backed securities | 4,412 | 81 | (7) | 4,486 |
| Total taxable securities | 250,763 | 502 | (8,211) | 243,054 |
| Tax-exempt securities | 19,085 | 82 | (102) | 19,065 |
| **Total available-for-sale debt securities** | 269,848 | 584 | (8,313) | 262,119 |
| **Other debt securities carried at fair value** | 12,853 | 306 | (22) | 13,137 |
| **Total debt securities carried at fair value** | 282,701 | 890 | (8,335) | 275,256 |
| **Held-to-maturity debt securities, substantially all U.S. agency mortgage-backed securities** (1) | 163,013 | 131 | (4,913) | 158,231 |
| **Total debt securities** | $ 445,714 | $ 1,021 | $ (13,248) | $ 433,487 |

(1) During the third quarter of 2018, we transferred available-for-sale securities with an amortized cost of $25.0 billion to held to maturity.

## Other Debt Securities Carried at Fair Value

| (Dollars in millions) | September 30 2018 | June 30 2018 |
|---|---|---|
| Non-agency residential mortgage-backed securities | **$ 1,696** | $ 2,535 |
| Non-U.S. securities (1) | **10,888** | 10,400 |
| Other taxable securities, substantially all asset-backed securities | **3** | 202 |
| **Total** | **$ 12,587** | $ 13,137 |

(1) These securities are primarily used to satisfy certain international regulatory liquidity requirements.

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

**Bank of America Corporation and Subsidiaries**

## Supplemental Financial Data

(Dollars in millions)

| | Nine Months Ended September 30 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **Third Quarter 2018** | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
| **Fully taxable-equivalent (FTE) basis data**[(1)] | | | | | | | |
| Net interest income | **$ 35,583** | $ 33,879 | **$ 12,021** | $ 11,804 | $ 11,758 | $ 11,713 | $ 11,401 |
| Total revenue, net of interest expense | **68,966** | 67,590 | **22,928** | 22,763 | 23,275 | 20,687 | 22,079 |
| Net interest yield | **2.39 %** | 2.36 % | **2.42 %** | 2.38 % | 2.39 % | 2.39 % | 2.36 % |
| Efficiency ratio | **58.36** | 61.35 | **56.99** | 58.36 | 59.71 | 64.16 | 60.67 |

(1) FTE basis is a non-GAAP financial measure. FTE basis is a performance measure used by management in operating the business that management believes provides investors with a more accurate picture of the interest margin for comparative purposes. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. (See Exhibit A: Non-GAAP Reconciliations - Reconciliations to GAAP Financial Measures on pages 39-40.)

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

**Bank of America Corporation and Subsidiaries**

## Quarterly Results by Business Segment and All Other

(Dollars in millions)

| | Third Quarter 2018 | | | | | |
|---|---|---|---|---|---|---|
| | **Total Corporation** | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| Net interest income (FTE basis) | **$ 12,021** | **$ 6,863** | **$ 1,536** | **$ 2,706** | **$ 754** | **$ 162** |
| Card income | **1,470** | **1,281** | **33** | **132** | **23** | **1** |
| Service charges | **1,961** | **1,098** | **19** | **754** | **86** | **4** |
| Investment and brokerage services | **3,494** | **80** | **3,004** | **28** | **388** | **(6)** |
| Investment banking income (loss) | **1,204** | **—** | **88** | **643** | **523** | **(50)** |
| Trading account profits | **1,893** | **2** | **24** | **59** | **1,727** | **81** |
| Other income (loss) | **885** | **79** | **79** | **416** | **342** | **(31)** |
| Total noninterest income (loss) | **10,907** | **2,540** | **3,247** | **2,032** | **3,089** | **(1)** |
| Total revenue, net of interest expense (FTE basis) | **22,928** | **9,403** | **4,783** | **4,738** | **3,843** | **161** |
| Provision for credit losses | **716** | **870** | **13** | **(70)** | **(2)** | **(95)** |
| Noninterest expense | **13,067** | **4,355** | **3,414** | **2,120** | **2,612** | **566** |
| Income (loss) before income taxes (FTE basis) | **9,145** | **4,178** | **1,356** | **2,688** | **1,233** | **(310)** |
| Income tax expense (benefit) (FTE basis) | **1,978** | **1,065** | **346** | **699** | **321** | **(453)** |
| **Net income** | **$ 7,167** | **$ 3,113** | **$ 1,010** | **$ 1,989** | **$ 912** | **$ 143** |
| **Average** | | | | | | |
| Total loans and leases | **$ 930,736** | **$ 284,994** | **$ 161,869** | **$ 352,712** | **$ 71,231** | **$ 59,930** |
| Total assets (1) | **2,317,829** | **759,665** | **273,581** | **422,255** | **652,481** | **209,847** |
| Total deposits | **1,316,345** | **687,530** | **238,291** | **337,685** | **30,721** | **22,118** |
| **Period end** | | | | | | |
| Total loans and leases | **$ 929,801** | **$ 287,277** | **$ 162,191** | **$ 352,332** | **$ 73,023** | **$ 54,978** |
| Total assets (1) | **2,338,833** | **765,497** | **276,146** | **430,846** | **646,359** | **219,985** |
| Total deposits | **1,345,649** | **692,770** | **239,654** | **350,748** | **41,102** | **21,375** |

| | Second Quarter 2018 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Net interest income (FTE basis) | $ 11,804 | $ 6,620 | $ 1,543 | $ 2,711 | $ 801 | $ 129 |
| Card income | 1,542 | 1,342 | 38 | 138 | 25 | (1) |
| Service charges | 1,954 | 1,072 | 17 | 768 | 90 | 7 |
| Investment and brokerage services | 3,458 | 80 | 2,937 | 18 | 430 | (7) |
| Investment banking income (loss) | 1,422 | — | 72 | 743 | 651 | (44) |
| Trading account profits | 2,315 | 2 | 28 | 64 | 2,184 | 37 |
| Other income (loss) | 268 | 95 | 74 | 480 | 40 | (421) |
| Total noninterest income (loss) | 10,959 | 2,591 | 3,166 | 2,211 | 3,420 | (429) |
| Total revenue, net of interest expense (FTE basis) | 22,763 | 9,211 | 4,709 | 4,922 | 4,221 | (300) |
| Provision for credit losses | 827 | 944 | 12 | (23) | (1) | (105) |
| Noninterest expense | 13,284 | 4,395 | 3,395 | 2,156 | 2,715 | 623 |
| Income (loss) before income taxes (FTE basis) | 8,652 | 3,872 | 1,302 | 2,789 | 1,507 | (818) |
| Income tax expense (benefit) (FTE basis) | 1,868 | 988 | 332 | 726 | 391 | (569) |
| **Net income (loss)** | $ 6,784 | $ 2,884 | $ 970 | $ 2,063 | $ 1,116 | $ (249) |
| **Average** | | | | | | |
| Total loans and leases | $ 934,818 | $ 280,689 | $ 160,833 | $ 355,088 | $ 75,053 | $ 63,155 |
| Total assets (1) | 2,322,678 | 759,982 | 272,316 | 423,256 | 678,500 | 188,624 |
| Total deposits | 1,300,659 | 687,812 | 236,214 | 323,215 | 30,736 | 22,682 |
| **Period end** | | | | | | |
| Total loans and leases | $ 935,824 | $ 283,565 | $ 162,034 | $ 355,473 | $ 73,496 | $ 61,256 |
| Total assets (1) | 2,291,670 | 768,187 | 270,912 | 424,971 | 637,110 | 190,490 |
| Total deposits | 1,309,691 | 695,530 | 233,925 | 326,029 | 31,450 | 22,757 |

(1) Total assets include asset allocations to match liabilities (i.e., deposits).

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

## Bank of America Corporation and Subsidiaries

# Quarterly Results by Business Segment and All Other (continued)

(Dollars in millions)

| | Third Quarter 2017 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Net interest income (FTE basis) | $ 11,401 | $ 6,212 | $ 1,496 | $ 2,642 | $ 899 | $ 152 |
| Card income | 1,429 | 1,243 | 40 | 124 | 22 | — |
| Service charges | 1,968 | 1,082 | 19 | 776 | 85 | 6 |
| Investment and brokerage services | 3,437 | 74 | 2,854 | 18 | 496 | (5) |
| Investment banking income (loss) | 1,477 | — | 100 | 806 | 624 | (53) |
| Trading account profits (loss) | 1,837 | 1 | 29 | (5) | 1,714 | 98 |
| Other income (loss) | 530 | 162 | 82 | 626 | 61 | (401) |
| Total noninterest income (loss) | 10,678 | 2,562 | 3,124 | 2,345 | 3,002 | (355) |
| Total revenue, net of interest expense (FTE basis) | 22,079 | 8,774 | 4,620 | 4,987 | 3,901 | (203) |
| Provision for credit losses | 834 | 967 | 16 | 48 | (6) | (191) |
| Noninterest expense | 13,394 | 4,461 | 3,369 | 2,119 | 2,711 | 734 |
| Income (loss) before income taxes (FTE basis) | 7,851 | 3,346 | 1,235 | 2,820 | 1,196 | (746) |
| Income tax expense (benefit) (FTE basis) | 2,427 | 1,260 | 465 | 1,062 | 440 | (800) |
| **Net income** | $ 5,424 | $ 2,086 | $ 770 | $ 1,758 | $ 756 | $ 54 |
| **Average** | | | | | | |
| Total loans and leases | $ 918,129 | $ 268,810 | $ 154,333 | $ 346,093 | $ 72,347 | $ 76,546 |
| Total assets [(1)] | 2,271,104 | 731,077 | 275,570 | 414,755 | 642,428 | 207,274 |
| Total deposits | 1,271,711 | 658,974 | 239,647 | 315,692 | 32,125 | 25,273 |
| **Period end** | | | | | | |
| Total loans and leases | $ 927,117 | $ 272,360 | $ 155,871 | $ 349,838 | $ 76,225 | $ 72,823 |
| Total assets [(1)] | 2,284,174 | 742,513 | 276,187 | 423,185 | 629,222 | 213,067 |
| Total deposits | 1,284,417 | 669,647 | 237,771 | 319,545 | 33,382 | 24,072 |

(1) Total assets include asset allocations to match liabilities (i.e., deposits).

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

**Bank of America Corporation and Subsidiaries**

## Year-to-Date Results by Business Segment and All Other

(Dollars in millions)

| | Nine Months Ended September 30, 2018 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Net interest income (FTE basis) | $ 35,583 | $ 19,993 | $ 4,673 | $ 8,057 | $ 2,425 | $ 435 |
| Card income | 4,469 | 3,902 | 92 | 405 | 70 | — |
| Service charges | 5,836 | 3,214 | 55 | 2,285 | 266 | 16 |
| Investment and brokerage services | 10,616 | 242 | 8,981 | 71 | 1,306 | 16 |
| Investment banking income (loss) | 3,979 | — | 244 | 2,130 | 1,783 | (178) |
| Trading account profits | 6,907 | 6 | 81 | 184 | 6,614 | 22 |
| Other income (loss) | 1,576 | 289 | 222 | 1,462 | 386 | (783) |
| Total noninterest income (loss) | 33,383 | 7,653 | 9,675 | 6,537 | 10,425 | (907) |
| Total revenue, net of interest expense (FTE basis) | 68,966 | 27,646 | 14,348 | 14,594 | 12,850 | (472) |
| Provision for credit losses | 2,377 | 2,749 | 63 | (77) | (6) | (352) |
| Noninterest expense | 40,248 | 13,231 | 10,235 | 6,471 | 8,145 | 2,166 |
| Income (loss) before income taxes (FTE basis) | 26,341 | 11,666 | 4,050 | 8,200 | 4,711 | (2,286) |
| Income tax expense (benefit) (FTE basis) | 5,472 | 2,975 | 1,033 | 2,132 | 1,225 | (1,893) |
| **Net income (loss)** | $ 20,869 | $ 8,691 | $ 3,017 | $ 6,068 | $ 3,486 | $ (393) |
| **Average** | | | | | | |
| Total loans and leases | $ 932,485 | $ 281,767 | $ 160,609 | $ 353,167 | $ 73,340 | $ 63,602 |
| Total assets [1] | 2,322,099 | 755,479 | 275,182 | 422,041 | 669,688 | 199,709 |
| Total deposits | 1,304,827 | 683,279 | 239,176 | 328,484 | 31,253 | 22,635 |
| **Period end** | | | | | | |
| Total loans and leases | $ 929,801 | $ 287,277 | $ 162,191 | $ 352,332 | $ 73,023 | $ 54,978 |
| Total assets [1] | 2,338,833 | 765,497 | 276,146 | 430,846 | 646,359 | 219,985 |
| Total deposits | 1,345,649 | 692,770 | 239,654 | 350,748 | 41,102 | 21,375 |

| | Nine Months Ended September 30, 2017 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Net interest income (FTE basis) | $ 33,879 | $ 17,953 | $ 4,653 | $ 7,786 | $ 2,812 | $ 675 |
| Card income | 4,347 | 3,716 | 110 | 383 | 67 | 71 |
| Service charges | 5,863 | 3,194 | 57 | 2,351 | 245 | 16 |
| Investment and brokerage services | 10,314 | 233 | 8,474 | 72 | 1,548 | (13) |
| Investment banking income (loss) | 4,593 | — | 247 | 2,661 | 1,879 | (194) |
| Trading account profits | 6,124 | 2 | 120 | 82 | 5,634 | 286 |
| Other income (loss) | 2,470 | 469 | 246 | 1,645 | 370 | (260) |
| Total noninterest income (loss) | 33,711 | 7,614 | 9,254 | 7,194 | 9,743 | (94) |
| Total revenue, net of interest expense (FTE basis) | 67,590 | 25,567 | 13,907 | 14,980 | 12,555 | 581 |
| Provision for credit losses | 2,395 | 2,639 | 50 | 80 | 2 | (376) |
| Noninterest expense | 41,469 | 13,286 | 10,085 | 6,435 | 8,117 | 3,546 |
| Income (loss) before income taxes (FTE basis) | 23,726 | 9,642 | 3,772 | 8,465 | 4,436 | (2,589) |
| Income tax expense (benefit) (FTE basis) | 7,859 | 3,636 | 1,422 | 3,192 | 1,553 | (1,944) |
| **Net income (loss)** | $ 15,867 | $ 6,006 | $ 2,350 | $ 5,273 | $ 2,883 | $ (645) |
| **Average** | | | | | | |
| Total loans and leases | $ 915,678 | $ 262,804 | $ 151,205 | $ 344,683 | $ 70,692 | $ 86,294 |
| Total assets [1] | 2,257,493 | 721,245 | 283,324 | 414,867 | 631,684 | 206,373 |
| Total deposits | 1,261,782 | 649,204 | 247,389 | 307,163 | 32,397 | 25,629 |
| **Period end** | | | | | | |
| Total loans and leases | $ 927,117 | $ 272,360 | $ 155,871 | $ 349,838 | $ 76,225 | $ 72,823 |
| Total assets [1] | 2,284,174 | 742,513 | 276,187 | 423,185 | 629,222 | 213,067 |
| Total deposits | 1,284,417 | 669,647 | 237,771 | 319,545 | 33,382 | 24,072 |

(1) Total assets include asset allocations to match liabilities (i.e., deposits).

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

## Bank of America Corporation and Subsidiaries
# Consumer Banking Segment Results

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| Net interest income (FTE basis) | **$ 19,993** | $ 17,953 | **$ 6,863** | $ 6,620 | $ 6,510 | $ 6,354 | $ 6,212 |
| Noninterest income: | | | | | | | |
| Card income | **3,902** | 3,716 | **1,281** | 1,342 | 1,279 | 1,354 | 1,243 |
| Service charges | **3,214** | 3,194 | **1,098** | 1,072 | 1,044 | 1,071 | 1,082 |
| All other income | **537** | 704 | **161** | 177 | 199 | 176 | 237 |
| Total noninterest income | **7,653** | 7,614 | **2,540** | 2,591 | 2,522 | 2,601 | 2,562 |
| Total revenue, net of interest expense (FTE basis) | **27,646** | 25,567 | **9,403** | 9,211 | 9,032 | 8,955 | 8,774 |
| Provision for credit losses | **2,749** | 2,639 | **870** | 944 | 935 | 886 | 967 |
| Noninterest expense | **13,231** | 13,286 | **4,355** | 4,395 | 4,481 | 4,509 | 4,461 |
| Income before income taxes (FTE basis) | **11,666** | 9,642 | **4,178** | 3,872 | 3,616 | 3,560 | 3,346 |
| Income tax expense (FTE basis) | **2,975** | 3,636 | **1,065** | 988 | 922 | 1,364 | 1,260 |
| **Net income** | **$ 8,691** | $ 6,006 | **$ 3,113** | $ 2,884 | $ 2,694 | $ 2,196 | $ 2,086 |
| Net interest yield (FTE basis) | **3.73 %** | 3.52 % | **3.78 %** | 3.68 % | 3.73 % | 3.61 % | 3.56 % |
| Return on average allocated capital [1] | **31** | 22 | **33** | 31 | 30 | 24 | 22 |
| Efficiency ratio (FTE basis) | **47.86** | 51.96 | **46.30** | 47.73 | 49.62 | 50.35 | 50.85 |
| **Balance Sheet** | | | | | | | |
| **Average** | | | | | | | |
| Total loans and leases | **$ 281,767** | $ 262,804 | **$ 284,994** | $ 280,689 | $ 279,557 | $ 275,716 | $ 268,810 |
| Total earning assets [2] | **716,475** | 682,436 | **720,652** | 720,878 | 707,754 | 699,004 | 692,122 |
| Total assets [2] | **755,479** | 721,245 | **759,665** | 759,982 | 746,647 | 737,755 | 731,077 |
| Total deposits | **683,279** | 649,204 | **687,530** | 687,812 | 674,351 | 665,536 | 658,974 |
| Allocated capital [1] | **37,000** | 37,000 | **37,000** | 37,000 | 37,000 | 37,000 | 37,000 |
| **Period end** | | | | | | | |
| Total loans and leases | **$ 287,277** | $ 272,360 | **$ 287,277** | $ 283,565 | $ 279,055 | $ 280,473 | $ 272,360 |
| Total earning assets [2] | **726,494** | 703,277 | **726,494** | 729,036 | 735,247 | 709,832 | 703,277 |
| Total assets [2] | **765,497** | 742,513 | **765,497** | 768,187 | 774,256 | 749,325 | 742,513 |
| Total deposits | **692,770** | 669,647 | **692,770** | 695,530 | 701,488 | 676,530 | 669,647 |

(1) Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.
(2) Total earning assets and total assets include asset allocations to match liabilities (i.e., deposits) and allocated shareholders' equity.

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

**Bank of America Corporation and Subsidiaries**

## Consumer Banking Key Indicators

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| **Average deposit balances** | | | | | | | |
| Checking | **$ 349,015** | $ 323,490 | **$ 354,013** | $ 351,686 | $ 341,204 | $ 334,345 | $ 329,048 |
| Savings | **53,139** | 52,021 | **52,306** | 54,052 | 53,068 | 52,466 | 52,687 |
| MMS | **241,885** | 229,773 | **243,064** | 242,841 | 239,714 | 236,909 | 234,288 |
| CDs and IRAs | **36,247** | 41,055 | **35,225** | 36,173 | 37,366 | 38,732 | 40,067 |
| Non-U.S. and other | **2,993** | 2,865 | **2,922** | 3,060 | 2,999 | 3,084 | 2,884 |
| **Total average deposit balances** | **$ 683,279** | $ 649,204 | **$ 687,530** | $ 687,812 | $ 674,351 | $ 665,536 | $ 658,974 |
| **Deposit spreads (excludes noninterest costs)** | | | | | | | |
| Checking | **2.13 %** | 1.99 % | **2.18 %** | 2.13 % | 2.08 % | 2.03 % | 2.01 % |
| Savings | **2.41** | 2.29 | **2.45** | 2.40 | 2.37 | 2.34 | 2.35 |
| MMS | **2.00** | 1.54 | **2.15** | 2.00 | 1.85 | 1.70 | 1.66 |
| CDs and IRAs | **1.99** | 1.39 | **2.22** | 2.02 | 1.73 | 1.55 | 1.48 |
| Non-U.S. and other | **2.12** | 1.31 | **2.47** | 2.16 | 1.73 | 1.56 | 1.45 |
| **Total deposit spreads** | **2.10** | 1.82 | **2.19** | 2.10 | 2.00 | 1.91 | 1.88 |
| Client brokerage assets | **$ 203,882** | $ 167,274 | **$ 203,882** | $ 191,472 | $ 182,110 | $ 177,045 | $ 167,274 |
| Active digital banking users (units in thousands) (1) | **36,174** | 34,472 | **36,174** | 35,722 | 35,518 | 34,855 | 34,472 |
| Active mobile banking users (units in thousands) | **25,990** | 23,572 | **25,990** | 25,335 | 24,801 | 24,238 | 23,572 |
| Financial centers | **4,385** | 4,515 | **4,385** | 4,433 | 4,452 | 4,477 | 4,515 |
| ATMs | **16,089** | 15,973 | **16,089** | 16,050 | 16,011 | 16,039 | 15,973 |
| **Total U.S. credit card** (2) | | | | | | | |
| **Loans** | | | | | | | |
| Average credit card outstandings | **$ 94,222** | $ 90,238 | **$ 94,710** | $ 93,531 | $ 94,423 | $ 93,531 | $ 91,602 |
| Ending credit card outstandings | **94,829** | 92,602 | **94,829** | 94,790 | 93,014 | 96,274 | 92,602 |
| **Credit quality** | | | | | | | |
| Net charge-offs | **$ 2,138** | $ 1,858 | **$ 698** | $ 739 | $ 701 | $ 655 | $ 612 |
| | **3.03 %** | 2.75 % | **2.92 %** | 3.17 % | 3.01 % | 2.78 % | 2.65 % |
| 30+ delinquency | **$ 1,805** | $ 1,657 | **$ 1,805** | $ 1,695 | $ 1,795 | $ 1,847 | $ 1,657 |
| | **1.90 %** | 1.79 % | **1.90 %** | 1.79 % | 1.93 % | 1.92 % | 1.79 % |
| 90+ delinquency | **$ 872** | $ 810 | **$ 872** | $ 865 | $ 925 | $ 900 | $ 810 |
| | **0.92 %** | 0.87 % | **0.92 %** | 0.91 % | 0.99 % | 0.93 % | 0.87 % |
| **Other Total U.S. credit card indicators** (2) | | | | | | | |
| Gross interest yield | **10.00 %** | 9.62 % | **10.20 %** | 9.86 % | 9.93 % | 9.75 % | 9.76 % |
| Risk-adjusted margin | **8.18** | 8.64 | **8.15** | 8.07 | 8.32 | 8.74 | 8.63 |
| New accounts (in thousands) | **3,496** | 3,801 | **1,116** | 1,186 | 1,194 | 1,138 | 1,315 |
| Purchase volumes | **$ 194,658** | $ 179,230 | **$ 66,490** | $ 66,821 | $ 61,347 | $ 65,523 | $ 62,244 |
| **Debit card data** | | | | | | | |
| Purchase volumes | **$ 236,669** | $ 220,729 | **$ 79,920** | $ 80,697 | $ 76,052 | $ 77,912 | $ 74,769 |
| **Loan production** (3) | | | | | | | |
| Total (4): | | | | | | | |
| First mortgage | **$ 31,778** | $ 37,876 | **$ 10,682** | $ 11,672 | $ 9,424 | $ 12,705 | $ 13,183 |
| Home equity | **11,229** | 12,871 | **3,399** | 4,081 | 3,749 | 4,053 | 4,133 |
| *Consumer Banking:* | | | | | | | |
| First mortgage | **$ 21,053** | $ 25,679 | **$ 7,208** | $ 7,881 | $ 5,964 | $ 8,386 | $ 9,044 |
| Home equity | **10,042** | 11,604 | **3,053** | 3,644 | 3,345 | 3,595 | 3,722 |

(1) Digital users represents mobile and/or online users across consumer businesses.

(2) In addition to the U.S. credit card portfolio in *Consumer Banking*, the remaining U.S. credit card portfolio is in *GWIM.*

(3) The above loan production amounts represent the unpaid principal balance of loans and, in the case of home equity, the principal amount of the total line of credit.

(4) In addition to loan production in *Consumer Banking*, there is also first mortgage and home equity loan production in *GWIM.*

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

**Bank of America Corporation and Subsidiaries**

# Consumer Banking Quarterly Results

(Dollars in millions)

| | Third Quarter 2018 | | |
|---|---|---|---|
| | **Total Consumer Banking** | **Deposits** | **Consumer Lending** |
| Net interest income (FTE basis) | **$ 6,863** | **$ 4,068** | **$ 2,795** |
| Noninterest income: | | | |
| Card income | **1,281** | **2** | **1,279** |
| Service charges | **1,098** | **1,097** | **1** |
| All other income | **161** | **100** | **61** |
| Total noninterest income | **2,540** | **1,199** | **1,341** |
| Total revenue, net of interest expense (FTE basis) | **9,403** | **5,267** | **4,136** |
| Provision for credit losses | **870** | **48** | **822** |
| Noninterest expense | **4,355** | **2,618** | **1,737** |
| Income before income taxes (FTE basis) | **4,178** | **2,601** | **1,577** |
| Income tax expense (FTE basis) | **1,065** | **663** | **402** |
| **Net income** | **$ 3,113** | **$ 1,938** | **$ 1,175** |
| Net interest yield (FTE basis) | **3.78%** | **2.35%** | **3.95%** |
| Return on average allocated capital (1) | **33** | **64** | **19** |
| Efficiency ratio (FTE basis) | **46.30** | **49.70** | **41.97** |
| **Balance Sheet** | | | |
| **Average** | | | |
| Total loans and leases | **$ 284,994** | **$ 5,269** | **$ 279,725** |
| Total earning assets (2) | **720,652** | **685,662** | **280,637** |
| Total assets (2) | **759,665** | **713,942** | **291,370** |
| Total deposits | **687,530** | **681,726** | **5,804** |
| Allocated capital (1) | **37,000** | **12,000** | **25,000** |
| **Period end** | | | |
| Total loans and leases | **$ 287,277** | **$ 5,276** | **$ 282,001** |
| Total earning assets (2) | **726,494** | **690,968** | **282,921** |
| Total assets (2) | **765,497** | **719,126** | **293,766** |
| Total deposits | **692,770** | **686,723** | **6,047** |

| | Second Quarter 2018 | | |
|---|---|---|---|
| | Total Consumer Banking | Deposits | Consumer Lending |
| Net interest income (FTE basis) | $ 6,620 | $ 3,919 | $ 2,701 |
| Noninterest income: | | | |
| Card income | 1,342 | 2 | 1,340 |
| Service charges | 1,072 | 1,072 | — |
| All other income | 177 | 102 | 75 |
| Total noninterest income | 2,591 | 1,176 | 1,415 |
| Total revenue, net of interest expense (FTE basis) | 9,211 | 5,095 | 4,116 |
| Provision for credit losses | 944 | 46 | 898 |
| Noninterest expense | 4,395 | 2,637 | 1,758 |
| Income before income taxes (FTE basis) | 3,872 | 2,412 | 1,460 |
| Income tax expense (FTE basis) | 988 | 616 | 372 |
| **Net income** | $ 2,884 | $ 1,796 | $ 1,088 |
| Net interest yield (FTE basis) | 3.68% | 2.29% | 3.92% |
| Return on average allocated capital (1) | 31 | 60 | 17 |
| Efficiency ratio (FTE basis) | 47.73 | 51.76 | 42.73 |
| **Balance Sheet** | | | |
| **Average** | | | |
| Total loans and leases | $ 280,689 | $ 5,191 | $ 275,498 |
| Total earning assets (2) | 720,878 | 686,331 | 276,436 |
| Total assets (2) | 759,982 | 714,494 | 287,377 |
| Total deposits | 687,812 | 682,202 | 5,610 |
| Allocated capital (1) | 37,000 | 12,000 | 25,000 |

| | | | |
|---|---|---|---|
| **Period end** | | | |
| Total loans and leases | $ 283,565 | $ 5,212 | $ 278,353 |
| Total earning assets (2) | 729,036 | 693,709 | 279,399 |
| Total assets (2) | 768,187 | 721,646 | 290,613 |
| Total deposits | 695,530 | 689,258 | 6,272 |

For footnotes, see page 20.

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

## Consumer Banking Quarterly Results (continued)

(Dollars in millions)

| | Third Quarter 2017 | | |
|---|---|---|---|
| | Total Consumer Banking | Deposits | Consumer Lending |
| Net interest income (FTE basis) | $ 6,212 | $ 3,440 | $ 2,772 |
| Noninterest income: | | | |
| Card income | 1,243 | 1 | 1,242 |
| Service charges | 1,082 | 1,082 | — |
| All other income | 237 | 97 | 140 |
| Total noninterest income | 2,562 | 1,180 | 1,382 |
| Total revenue, net of interest expense (FTE basis) | 8,774 | 4,620 | 4,154 |
| Provision for credit losses | 967 | 47 | 920 |
| Noninterest expense | 4,461 | 2,617 | 1,844 |
| Income before income taxes (FTE basis) | 3,346 | 1,956 | 1,390 |
| Income tax expense (FTE basis) | 1,260 | 737 | 523 |
| **Net income** | $ 2,086 | $ 1,219 | $ 867 |
| Net interest yield (FTE basis) | 3.56% | 2.08% | 4.16% |
| Return on average allocated capital (1) | 22 | 40 | 14 |
| Efficiency ratio (FTE basis) | 50.85 | 56.65 | 44.40 |
| **Balance Sheet** | | | |
| **Average** | | | |
| Total loans and leases | $ 268,810 | $ 5,079 | $ 263,731 |
| Total earning assets (2) | 692,122 | 657,036 | 264,665 |
| Total assets (2) | 731,077 | 684,642 | 276,014 |
| Total deposits | 658,974 | 652,286 | 6,688 |
| Allocated capital (1) | 37,000 | 12,000 | 25,000 |
| **Period end** | | | |
| Total loans and leases | $ 272,360 | $ 5,060 | $ 267,300 |
| Total earning assets (2) | 703,277 | 667,733 | 268,354 |
| Total assets (2) | 742,513 | 695,403 | 279,920 |
| Total deposits | 669,647 | 662,781 | 6,866 |

(1) Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

(2) For presentation purposes, in segments or businesses where the total of liabilities and equity exceeds assets, the Corporation allocates assets from *All Other* to match the segments' and businesses' liabilities and allocated shareholders' equity. As a result, total earning assets and total assets of the businesses may not equal total *Consumer Banking*.

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

**Bank of America Corporation and Subsidiaries**

## Consumer Banking Year-to-Date Results

(Dollars in millions)

| | Nine Months Ended September 30, 2018 | | |
|---|---|---|---|
| | **Total Consumer Banking** | **Deposits** | **Consumer Lending** |
| Net interest income (FTE basis) | **$ 19,993** | **$ 11,728** | **$ 8,265** |
| Noninterest income: | | | |
| Card income | **3,902** | **6** | **3,896** |
| Service charges | **3,214** | **3,213** | **1** |
| All other income | **537** | **310** | **227** |
| Total noninterest income | **7,653** | **3,529** | **4,124** |
| Total revenue, net of interest expense (FTE basis) | **27,646** | **15,257** | **12,389** |
| Provision for credit losses | **2,749** | **135** | **2,614** |
| Noninterest expense | **13,231** | **7,907** | **5,324** |
| Income before income taxes (FTE basis) | **11,666** | **7,215** | **4,451** |
| Income tax expense (FTE basis) | **2,975** | **1,840** | **1,135** |
| **Net income** | **$ 8,691** | **$ 5,375** | **$ 3,316** |
| Net interest yield (FTE basis) | **3.73%** | **2.30%** | **3.99%** |
| Return on average allocated capital (1) | **31** | **60** | **18** |
| Efficiency ratio (FTE basis) | **47.86** | **51.83** | **42.97** |
| **Balance Sheet** | | | |
| **Average** | | | |
| Total loans and leases | **$ 281,767** | **$ 5,211** | **$ 276,556** |
| Total earning assets (2) | **716,475** | **681,922** | **277,295** |
| Total assets (2) | **755,479** | **709,997** | **288,224** |
| Total deposits | **683,279** | **677,684** | **5,595** |
| Allocated capital (1) | **37,000** | **12,000** | **25,000** |
| **Period end** | | | |
| Total loans and leases | **$ 287,277** | **$ 5,276** | **$ 282,001** |
| Total earning assets (2) | **726,494** | **690,968** | **282,921** |
| Total assets (2) | **765,497** | **719,126** | **293,766** |
| Total deposits | **692,770** | **686,723** | **6,047** |

| | Nine Months Ended September 30, 2017 | | |
|---|---|---|---|
| | Total Consumer Banking | Deposits | Consumer Lending |
| Net interest income (FTE basis) | $ 17,953 | $ 9,804 | $ 8,149 |
| Noninterest income: | | | |
| Card income | 3,716 | 6 | 3,710 |
| Service charges | 3,194 | 3,193 | 1 |
| All other income | 704 | 294 | 410 |
| Total noninterest income | 7,614 | 3,493 | 4,121 |
| Total revenue, net of interest expense (FTE basis) | 25,567 | 13,297 | 12,270 |
| Provision for credit losses | 2,639 | 148 | 2,491 |
| Noninterest expense | 13,286 | 7,708 | 5,578 |
| Income before income taxes (FTE basis) | 9,642 | 5,441 | 4,201 |
| Income tax expense (FTE basis) | 3,636 | 2,052 | 1,584 |
| **Net income** | $ 6,006 | $ 3,389 | $ 2,617 |
| Net interest yield (FTE basis) | 3.52% | 2.02% | 4.21% |
| Return on average allocated capital (1) | 22 | 38 | 14 |
| Efficiency ratio (FTE basis) | 51.96 | 57.97 | 45.46 |
| **Balance Sheet** | | | |
| **Average** | | | |
| Total loans and leases | $ 262,804 | $ 5,025 | $ 257,779 |
| Total earning assets (2) | 682,436 | 647,887 | 258,659 |
| Total assets (2) | 721,245 | 675,159 | 270,196 |
| Total deposits | 649,204 | 642,783 | 6,421 |
| Allocated capital (1) | 37,000 | 12,000 | 25,000 |

| | | | |
|---|---|---|---|
| **Period end** | | | |
| Total loans and leases | $ 272,360 | $ 5,060 | $ 267,300 |
| Total earning assets (2) | 703,277 | 667,733 | 268,354 |
| Total assets (2) | 742,513 | 695,403 | 279,920 |
| Total deposits | 669,647 | 662,781 | 6,866 |

For footnotes, see page 20.

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

## Bank of America Corporation and Subsidiaries

# Global Wealth & Investment Management Segment Results

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| Net interest income (FTE basis) | **$ 4,673** | $ 4,653 | **$ 1,536** | $ 1,543 | $ 1,594 | $ 1,520 | $ 1,496 |
| Noninterest income: | | | | | | | |
| Investment and brokerage services | **8,981** | 8,474 | **3,004** | 2,937 | 3,040 | 2,920 | 2,854 |
| All other income | **694** | 780 | **243** | 229 | 222 | 243 | 270 |
| Total noninterest income | **9,675** | 9,254 | **3,247** | 3,166 | 3,262 | 3,163 | 3,124 |
| Total revenue, net of interest expense (FTE basis) | **14,348** | 13,907 | **4,783** | 4,709 | 4,856 | 4,683 | 4,620 |
| Provision for credit losses | **63** | 50 | **13** | 12 | 38 | 6 | 16 |
| Noninterest expense | **10,235** | 10,085 | **3,414** | 3,395 | 3,426 | 3,470 | 3,369 |
| Income before income taxes (FTE basis) | **4,050** | 3,772 | **1,356** | 1,302 | 1,392 | 1,207 | 1,235 |
| Income tax expense (FTE basis) | **1,033** | 1,422 | **346** | 332 | 355 | 463 | 465 |
| **Net income** | **$ 3,017** | $ 2,350 | **$ 1,010** | $ 970 | $ 1,037 | $ 744 | $ 770 |
| Net interest yield (FTE basis) | **2.42 %** | 2.32 % | **2.38 %** | 2.43 % | 2.46 % | 2.32 % | 2.29 % |
| Return on average allocated capital[1] | **28** | 23 | **28** | 27 | 29 | 21 | 22 |
| Efficiency ratio (FTE basis) | **71.34** | 72.52 | **71.40** | 72.09 | 70.56 | 74.10 | 72.91 |
| **Balance Sheet** | | | | | | | |
| **Average** | | | | | | | |
| Total loans and leases | **$ 160,609** | $ 151,205 | **$ 161,869** | $ 160,833 | $ 159,095 | $ 157,063 | $ 154,333 |
| Total earning assets [2] | **258,044** | 267,732 | **256,285** | 255,145 | 262,775 | 259,550 | 259,564 |
| Total assets [2] | **275,182** | 283,324 | **273,581** | 272,316 | 279,716 | 276,153 | 275,570 |
| Total deposits | **239,176** | 247,389 | **238,291** | 236,214 | 243,077 | 240,126 | 239,647 |
| Allocated capital [1] | **14,500** | 14,000 | **14,500** | 14,500 | 14,500 | 14,000 | 14,000 |
| **Period end** | | | | | | | |
| Total loans and leases | **$ 162,191** | $ 155,871 | **$ 162,191** | $ 162,034 | $ 159,636 | $ 159,378 | $ 155,871 |
| Total earning assets [2] | **258,561** | 259,548 | **258,561** | 253,910 | 262,430 | 267,026 | 259,548 |
| Total assets [2] | **276,146** | 276,187 | **276,146** | 270,912 | 279,331 | 284,321 | 276,187 |
| Total deposits | **239,654** | 237,771 | **239,654** | 233,925 | 241,531 | 246,994 | 237,771 |

(1) Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

(2) Total earning assets and total assets include asset allocations to match liabilities (i.e., deposits) and allocated shareholders' equity.

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

**Bank of America Corporation and Subsidiaries**

## Global Wealth & Investment Management Key Indicators

(Dollars in millions, except as noted)

| | Nine months ended September 30 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **Third Quarter 2018** | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
| **Revenue by Business** | | | | | | | |
| Merrill Lynch Global Wealth Management | **$ 11,780** | $ 11,452 | **$ 3,924** | $ 3,860 | $ 3,996 | $ 3,836 | $ 3,796 |
| U.S. Trust | **2,567** | 2,450 | **859** | 848 | 860 | 845 | 822 |
| Other | **1** | 5 | **—** | 1 | — | 2 | 2 |
| **Total revenue, net of interest expense (FTE basis)** | **$ 14,348** | $ 13,907 | **$ 4,783** | $ 4,709 | $ 4,856 | $ 4,683 | $ 4,620 |
| **Client Balances by Business, at period end** | | | | | | | |
| Merrill Lynch Global Wealth Management | **$ 2,385,479** | $ 2,245,499 | **$ 2,385,479** | $ 2,311,598 | $ 2,284,803 | $ 2,305,664 | $ 2,245,499 |
| U.S. Trust | **455,894** | 430,684 | **455,894** | 442,608 | 440,683 | 446,199 | 430,684 |
| **Total client balances** | **$ 2,841,373** | $ 2,676,183 | **$ 2,841,373** | $ 2,754,206 | $ 2,725,486 | $ 2,751,863 | $ 2,676,183 |
| **Client Balances by Type, at period end** | | | | | | | |
| Assets under management[(1)] | **$ 1,144,375** | $ 1,036,048 | **$ 1,144,375** | $ 1,101,001 | $ 1,084,717 | $ 1,080,747 | $ 1,036,048 |
| Brokerage and other assets | **1,292,219** | 1,243,858 | **1,292,219** | 1,254,135 | 1,236,799 | 1,261,990 | 1,243,858 |
| Deposits | **239,654** | 237,771 | **239,654** | 233,925 | 241,531 | 246,994 | 237,771 |
| Loans and leases[(2)] | **165,125** | 158,506 | **165,125** | 165,145 | 162,439 | 162,132 | 158,506 |
| **Total client balances** | **$ 2,841,373** | $ 2,676,183 | **$ 2,841,373** | $ 2,754,206 | $ 2,725,486 | $ 2,751,863 | $ 2,676,183 |
| **Assets Under Management Rollforward** | | | | | | | |
| Assets under management, beginning balance | **$ 1,080,747** | $ 886,148 | **$ 1,101,001** | $ 1,084,717 | $ 1,080,747 | $ 1,036,048 | $ 990,709 |
| Net client flows | **42,587** | 77,479 | **7,572** | 10,775 | 24,240 | 18,228 | 20,749 |
| Market valuation/other | **21,041** | 72,421 | **35,802** | 5,509 | (20,270) | 26,471 | 24,590 |
| **Total assets under management, ending balance** | **$ 1,144,375** | $ 1,036,048 | **$ 1,144,375** | $ 1,101,001 | $ 1,084,717 | $ 1,080,747 | $ 1,036,048 |
| **Associates, at period end[(3)]** | | | | | | | |
| Number of financial advisors | **17,456** | 17,221 | **17,456** | 17,442 | 17,367 | 17,355 | 17,221 |
| Total wealth advisors, including financial advisors | **19,344** | 19,108 | **19,344** | 19,350 | 19,276 | 19,238 | 19,108 |
| Total primary sales professionals, including financial advisors and wealth advisors | **20,437** | 20,089 | **20,437** | 20,422 | 20,375 | 20,318 | 20,089 |
| **Merrill Lynch Global Wealth Management Metric** | | | | | | | |
| Financial advisor productivity[(4)] (in thousands) | **$ 1,030** | $ 1,009 | **$ 1,035** | $ 1,017 | $ 1,038 | $ 994 | $ 994 |
| **U.S. Trust Metric, at period end** | | | | | | | |
| Primary sales professionals | **1,711** | 1,696 | **1,711** | 1,723 | 1,737 | 1,714 | 1,696 |

(1) Defined as managed assets under advisory and/or discretion of *GWIM.*

(2) Includes margin receivables which are classified in customer and other receivables on the Consolidated Balance Sheet.

(3) Includes financial advisors in the *Consumer Banking* segment of 2,618, 2,622, 2,538, 2,402 and 2,267 at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively.

(4) Financial advisor productivity is defined as annualized Merrill Lynch Global Wealth Management total revenue, excluding the allocation of certain asset and liability management (ALM) activities, divided by the total average number of financial advisors (excluding financial advisors in the *Consumer Banking* segment).

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

**Bank of America Corporation and Subsidiaries**

## Global Banking Segment Results

(Dollars in millions)

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | First Quarter | Fourth Quarter | Third Quarter |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **2018** | 2018 | 2018 | 2017 | 2017 |
| Net interest income (FTE basis) | **$ 8,057** | $ 7,786 | **$ 2,706** | $ 2,711 | $ 2,640 | $ 2,719 | $ 2,642 |
| Noninterest income: | | | | | | | |
| Service charges | **2,285** | 2,351 | **754** | 768 | 763 | 774 | 776 |
| Investment banking fees | **2,130** | 2,661 | **643** | 743 | 744 | 811 | 806 |
| All other income | **2,122** | 2,182 | **635** | 700 | 787 | 715 | 763 |
| Total noninterest income | **6,537** | 7,194 | **2,032** | 2,211 | 2,294 | 2,300 | 2,345 |
| Total revenue, net of interest expense (FTE basis) | **14,594** | 14,980 | **4,738** | 4,922 | 4,934 | 5,019 | 4,987 |
| Provision for credit losses | **(77)** | 80 | **(70)** | (23) | 16 | 132 | 48 |
| Noninterest expense | **6,471** | 6,435 | **2,120** | 2,156 | 2,195 | 2,161 | 2,119 |
| Income before income taxes (FTE basis) | **8,200** | 8,465 | **2,688** | 2,789 | 2,723 | 2,726 | 2,820 |
| Income tax expense (FTE basis) | **2,132** | 3,192 | **699** | 726 | 707 | 1,046 | 1,062 |
| **Net income** | **$ 6,068** | $ 5,273 | **$ 1,989** | $ 2,063 | $ 2,016 | $ 1,680 | $ 1,758 |
| Net interest yield (FTE basis) | **2.97%** | 2.91% | **2.96%** | 2.98% | 2.96% | 3.00% | 2.94% |
| Return on average allocated capital[1] | **20** | 18 | **19** | 20 | 20 | 17 | 17 |
| Efficiency ratio (FTE basis) | **44.34** | 42.97 | **44.79** | 43.78 | 44.47 | 43.02 | 42.52 |
| **Balance Sheet** | | | | | | | |
| **Average** | | | | | | | |
| Total loans and leases | **$ 353,167** | $ 344,683 | **$ 352,712** | $ 355,088 | $ 351,689 | $ 350,262 | $ 346,093 |
| Total earning assets [2] | **362,910** | 357,999 | **362,316** | 364,587 | 361,822 | 359,199 | 357,014 |
| Total assets [2] | **422,041** | 414,867 | **422,255** | 423,256 | 420,594 | 419,513 | 414,755 |
| Total deposits | **328,484** | 307,163 | **337,685** | 323,215 | 324,405 | 329,761 | 315,692 |
| Allocated capital [1] | **41,000** | 40,000 | **41,000** | 41,000 | 41,000 | 40,000 | 40,000 |
| **Period end** | | | | | | | |
| Total loans and leases | **$ 352,332** | $ 349,838 | **$ 352,332** | $ 355,473 | $ 355,165 | $ 350,668 | $ 349,838 |
| Total earning assets [2] | **369,555** | 364,591 | **369,555** | 364,428 | 365,895 | 365,560 | 364,591 |
| Total assets [2] | **430,846** | 423,185 | **430,846** | 424,971 | 424,134 | 424,533 | 423,185 |
| Total deposits | **350,748** | 319,545 | **350,748** | 326,029 | 331,238 | 329,273 | 319,545 |

(1) Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

(2) Total earning assets and total assets include asset allocations to match liabilities (i.e., deposits) and allocated shareholders' equity.

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

**Bank of America Corporation and Subsidiaries**

## Global Banking Key Indicators

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| **Investment Banking fees [1]** | | | | | | | |
| Advisory [2] | $ 782 | $ 1,177 | $ 237 | $ 269 | $ 276 | $ 381 | $ 321 |
| Debt issuance | 1,018 | 1,170 | 295 | 367 | 356 | 336 | 397 |
| Equity issuance | 330 | 314 | 111 | 107 | 112 | 94 | 88 |
| **Total Investment Banking fees [3]** | $ 2,130 | $ 2,661 | $ 643 | $ 743 | $ 744 | $ 811 | $ 806 |
| **Business Lending** | | | | | | | |
| Corporate | $ 3,103 | $ 3,322 | $ 960 | $ 1,093 | $ 1,050 | $ 1,065 | $ 1,127 |
| Commercial | 2,974 | 3,186 | 1,025 | 974 | 975 | 1,094 | 1,090 |
| Business Banking | 297 | 301 | 99 | 99 | 99 | 103 | 101 |
| **Total Business Lending revenue** | $ 6,374 | $ 6,809 | $ 2,084 | $ 2,166 | $ 2,124 | $ 2,262 | $ 2,318 |
| **Global Transaction Services** | | | | | | | |
| Corporate | $ 2,708 | $ 2,470 | $ 914 | $ 912 | $ 882 | $ 852 | $ 840 |
| Commercial | 2,441 | 2,217 | 814 | 811 | 816 | 800 | 758 |
| Business Banking | 713 | 625 | 244 | 237 | 232 | 224 | 217 |
| **Total Global Transaction Services revenue** | $ 5,862 | $ 5,312 | $ 1,972 | $ 1,960 | $ 1,930 | $ 1,876 | $ 1,815 |
| **Average deposit balances** | | | | | | | |
| Interest-bearing | $ 124,720 | $ 80,937 | $ 140,126 | $ 120,427 | $ 113,312 | $ 106,537 | $ 94,232 |
| Noninterest-bearing | 203,764 | 226,226 | 197,559 | 202,788 | 211,093 | 223,224 | 221,460 |
| **Total average deposits** | $ 328,484 | $ 307,163 | $ 337,685 | $ 323,215 | $ 324,405 | $ 329,761 | $ 315,692 |
| **Loan spread** | 1.52 % | 1.59 % | 1.48 % | 1.54 % | 1.53 % | 1.56 % | 1.56 % |
| **Provision for credit losses** | $ (77) | $ 80 | $ (70) | $ (23) | $ 16 | $ 132 | $ 48 |
| **Credit quality [4, 5]** | | | | | | | |
| Reservable criticized utilized exposure | $ 10,065 | $ 13,273 | $ 10,065 | $ 10,482 | $ 11,865 | $ 12,038 | $ 13,273 |
| | 2.68 % | 3.55 % | 2.68 % | 2.77 % | 3.13 % | 3.21 % | 3.55 % |
| Nonperforming loans, leases and foreclosed properties | $ 746 | $ 1,123 | $ 746 | $ 1,133 | $ 1,286 | $ 1,118 | $ 1,123 |
| | 0.21 % | 0.32 % | 0.21 % | 0.32 % | 0.36 % | 0.32 % | 0.32 % |
| **Average loans and leases by product** | | | | | | | |
| U.S. commercial | $ 201,661 | $ 199,010 | $ 201,372 | $ 202,879 | $ 200,726 | $ 201,432 | $ 197,841 |
| Non-U.S. commercial | 78,785 | 73,753 | 78,255 | 79,390 | 78,716 | 77,339 | 76,226 |
| Commercial real estate | 50,597 | 49,064 | 51,252 | 50,745 | 49,777 | 49,194 | 49,247 |
| Commercial lease financing | 22,121 | 22,853 | 21,831 | 22,069 | 22,469 | 22,297 | 22,778 |
| Other | 3 | 3 | 2 | 5 | 1 | — | 1 |
| **Total average loans and leases** | $ 353,167 | $ 344,683 | $ 352,712 | $ 355,088 | $ 351,689 | $ 350,262 | $ 346,093 |
| **Total Corporation Investment Banking fees** | | | | | | | |
| Advisory [2] | $ 861 | $ 1,262 | $ 262 | $ 303 | $ 296 | $ 429 | $ 374 |
| Debt issuance | 2,385 | 2,789 | 684 | 874 | 827 | 846 | 962 |
| Equity issuance | 911 | 736 | 307 | 290 | 314 | 204 | 193 |
| Total investment banking fees including self-led deals | 4,157 | 4,787 | 1,253 | 1,467 | 1,437 | 1,479 | 1,529 |
| Self-led deals | (178) | (194) | (49) | (45) | (84) | (61) | (52) |
| **Total Investment Banking fees** | $ 3,979 | $ 4,593 | $ 1,204 | $ 1,422 | $ 1,353 | $ 1,418 | $ 1,477 |

(1) Investment banking fees represent total investment banking fees for *Global Banking* inclusive of self-led deals and fees included within Business Lending.
(2) Advisory includes fees on debt and equity advisory and mergers and acquisitions.
(3) Investment banking fees represent only the fee component in *Global Banking* and do not include certain other items shared with the Investment Banking Group under internal revenue sharing agreements.
(4) Criticized exposure corresponds to the Special Mention, Substandard and Doubtful asset categories defined by regulatory authorities. The reservable criticized exposure is on an end-of-period basis and is also shown as a percentage of total commercial reservable criticized utilized exposure, including loans and leases, standby letters of credit, financial guarantees, commercial letters of credit and bankers' acceptances.
(5) Nonperforming loans, leases and foreclosed properties are on an end-of-period basis. The nonperforming ratio is nonperforming assets divided by loans, leases and foreclosed properties.

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

Bank of America Corporation and Subsidiaries

# Investment Banking Product Rankings

| | Nine Months Ended September 30, 2018 | | | |
|---|---|---|---|---|
| | Global | | U.S. | |
| | Product Ranking | Market Share | Product Ranking | Market Share |
| Net investment banking revenue | **4** | **5.5%** | **4** | **7.5%** |
| Announced mergers and acquisitions | **5** | **15.4** | **6** | **17.3** |
| Equity capital markets | **5** | **5.7** | **4** | **9.0** |
| Debt capital markets | **3** | **5.9** | **3** | **10.3** |
| High-yield corporate debt | **5** | **5.7** | **5** | **7.5** |
| Leveraged loans | **2** | **7.8** | **2** | **9.7** |
| Mortgage-backed securities | **3** | **8.9** | **5** | **10.8** |
| Asset-backed securities | **2** | **9.4** | **2** | **10.9** |
| Convertible debt | **4** | **8.7** | **2** | **16.0** |
| Common stock underwriting | **5** | **5.2** | **5** | **7.2** |
| Investment-grade corporate debt | **1** | **6.1** | **1** | **12.5** |
| Syndicated loans | **2** | **9.1** | **2** | **11.5** |

Source: Dealogic data as of October 1, 2018. Figures above include self-led transactions.
- Rankings based on deal volumes except for net investment banking revenue rankings which reflect fees.
- Debt capital markets excludes loans but includes agencies.
- Mergers and acquisitions fees included in net investment banking revenue reflect 10 percent fee credit at announcement and 90 percent fee credit at completion as per Dealogic.
- Mergers and acquisitions volume rankings are for announced transactions and provide credit to all investment banks advising either side of the transaction.
- Each advisor receives full credit for the deal amount unless advising a minority stakeholder.

## Highlights

***Global top 3 rankings in:***

| | |
|---|---|
| Leveraged loans | Investment-grade corporate debt |
| Mortgage-backed securities | Syndicated loans |
| Asset-backed securities | Debt capital markets |

***U.S. top 3 rankings in:***

| | |
|---|---|
| Leveraged loans | Investment-grade corporate debt |
| Asset-backed securities | Syndicated loans |
| Convertible debt | Debt capital markets |

***Top 3 rankings excluding self-led deals:***

Global: Leveraged loans, Asset-backed securities, Investment-grade corporate debt, Syndicated loans, Debt capital markets

U.S.: Leveraged loans, Asset-backed securities, Convertible debt, Investment-grade corporate debt, Syndicated loans, Debt capital markets

## Bank of America Corporation and Subsidiaries

# Global Markets Segment Results

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| Net interest income (FTE basis) | **$ 2,425** | $ 2,812 | **$ 754** | $ 801 | $ 870 | $ 932 | $ 899 |
| Noninterest income: | | | | | | | |
| Investment and brokerage services | **1,306** | 1,548 | **388** | 430 | 488 | 501 | 496 |
| Investment banking fees | **1,783** | 1,879 | **523** | 651 | 609 | 597 | 624 |
| Trading account profits | **6,614** | 5,634 | **1,727** | 2,184 | 2,703 | 1,075 | 1,714 |
| All other income | **722** | 682 | **451** | 155 | 116 | 291 | 168 |
| Total noninterest income | **10,425** | 9,743 | **3,089** | 3,420 | 3,916 | 2,464 | 3,002 |
| Total revenue, net of interest expense (FTE basis)[1] | **12,850** | 12,555 | **3,843** | 4,221 | 4,786 | 3,396 | 3,901 |
| | | | | | | | |
| Provision for credit losses | **(6)** | 2 | **(2)** | (1) | (3) | 162 | (6) |
| | | | | | | | |
| Noninterest expense | **8,145** | 8,117 | **2,612** | 2,715 | 2,818 | 2,614 | 2,711 |
| Income before income taxes (FTE basis) | **4,711** | 4,436 | **1,233** | 1,507 | 1,971 | 620 | 1,196 |
| Income tax expense (FTE basis) | **1,225** | 1,553 | **321** | 391 | 513 | 210 | 440 |
| **Net income** | **$ 3,486** | $ 2,883 | **$ 912** | $ 1,116 | $ 1,458 | $ 410 | $ 756 |
| | | | | | | | |
| Return on average allocated capital[2] | **13%** | 11% | **10%** | 13% | 17% | 5% | 9% |
| Efficiency ratio (FTE basis) | **63.39** | 64.64 | **67.99** | 64.32 | 58.87 | 77.01 | 69.48 |
| | | | | | | | |
| **Balance Sheet** | | | | | | | |
| **Average** | | | | | | | |
| Total trading-related assets[3] | **$ 465,514** | $ 439,142 | **$ 460,279** | $ 473,126 | $ 463,169 | $ 449,737 | $ 442,283 |
| Total loans and leases | **73,340** | 70,692 | **71,231** | 75,053 | 73,763 | 73,552 | 72,347 |
| Total earning assets[3] | **478,455** | 444,478 | **459,073** | 490,482 | 486,107 | 464,171 | 446,754 |
| Total assets | **669,688** | 631,684 | **652,481** | 678,500 | 678,367 | 659,412 | 642,428 |
| Total deposits | **31,253** | 32,397 | **30,721** | 30,736 | 32,320 | 34,250 | 32,125 |
| Allocated capital[2] | **35,000** | 35,000 | **35,000** | 35,000 | 35,000 | 35,000 | 35,000 |
| | | | | | | | |
| **Period end** | | | | | | | |
| Total trading-related assets[3] | **$ 456,643** | $ 426,371 | **$ 456,643** | $ 441,657 | $ 450,512 | $ 419,375 | $ 426,371 |
| Total loans and leases | **73,023** | 76,225 | **73,023** | 73,496 | 75,638 | 76,778 | 76,225 |
| Total earning assets[3] | **447,304** | 441,656 | **447,304** | 454,706 | 478,857 | 449,314 | 441,656 |
| Total assets | **646,359** | 629,222 | **646,359** | 637,110 | 648,605 | 629,013 | 629,222 |
| Total deposits | **41,102** | 33,382 | **41,102** | 31,450 | 32,301 | 34,029 | 33,382 |
| | | | | | | | |
| **Trading-related assets (average)** | | | | | | | |
| Trading account securities | **$ 211,668** | $ 214,190 | **$ 215,397** | $ 209,271 | $ 210,278 | $ 225,330 | $ 216,988 |
| Reverse repurchases | **127,019** | 99,998 | **124,842** | 132,257 | 123,948 | 107,125 | 101,556 |
| Securities borrowed | **80,073** | 83,770 | **74,648** | 83,282 | 82,376 | 77,580 | 81,950 |
| Derivative assets | **46,754** | 41,184 | **45,392** | 48,316 | 46,567 | 39,702 | 41,789 |
| **Total trading-related assets[3]** | **$ 465,514** | $ 439,142 | **$ 460,279** | $ 473,126 | $ 463,169 | $ 449,737 | $ 442,283 |

(1) Substantially all of *Global Markets* total revenue is sales and trading revenue and investment banking fees, with a small portion related to certain revenue sharing agreements with other business segments. For additional sales and trading revenue information, see page 28.

(2) Return on average allocated capital is calculated as net income, adjusted for cost of funds and earnings credits and certain expenses related to intangibles, divided by average allocated capital. Other companies may define or calculate these measures differently.

(3) Trading-related assets include derivative assets, which are considered non-earning assets.

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

**Bank of America Corporation and Subsidiaries**

## Global Markets Key Indicators

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| **Sales and trading revenue** [1] | | | | | | | |
| Fixed-income, currencies and commodities | **$ 6,702** | $ 7,068 | **$ 1,982** | $ 2,106 | $ 2,614 | $ 1,597 | $ 2,152 |
| Equities | **3,804** | 3,170 | **990** | 1,311 | 1,503 | 942 | 977 |
| **Total sales and trading revenue** | **$ 10,506** | $ 10,238 | **$ 2,972** | $ 3,417 | $ 4,117 | $ 2,539 | $ 3,129 |
| **Sales and trading revenue, excluding net debit valuation adjustment** [2] | | | | | | | |
| Fixed-income, currencies and commodities | **$ 6,888** | $ 7,350 | **$ 2,062** | $ 2,290 | $ 2,536 | $ 1,709 | $ 2,166 |
| Equities | **3,832** | 3,198 | **1,009** | 1,306 | 1,517 | 948 | 984 |
| **Total sales and trading revenue, excluding net debit valuation adjustment** | **$ 10,720** | $ 10,548 | **$ 3,071** | $ 3,596 | $ 4,053 | $ 2,657 | $ 3,150 |
| **Sales and trading revenue breakdown** | | | | | | | |
| Net interest income | **$ 2,052** | $ 2,455 | **$ 634** | $ 675 | $ 743 | $ 805 | $ 777 |
| Commissions | **1,274** | 1,525 | **378** | 420 | 476 | 492 | 487 |
| Trading | **6,612** | 5,631 | **1,727** | 2,183 | 2,702 | 1,075 | 1,712 |
| Other | **568** | 627 | **233** | 139 | 196 | 167 | 153 |
| **Total sales and trading revenue** | **$ 10,506** | $ 10,238 | **$ 2,972** | $ 3,417 | $ 4,117 | $ 2,539 | $ 3,129 |

(1) Includes *Global Banking* sales and trading revenue of $307 million and $175 million for the nine months ended September 30, 2018 and 2017; $66 million, $75 million and $166 million for the third, second and first quarters of 2018, and $61 million for both the fourth and third quarters of 2017, respectively.

(2) For this presentation, sales and trading revenue excludes net debit valuation adjustment (DVA) gains (losses) which include net DVA on derivatives, as well as amortization of own credit portion of purchase discount and realized DVA on structured liabilities. Sales and trading revenue excluding net DVA gains (losses) represents a non-GAAP financial measure. We believe the use of this non-GAAP financial measure provides additional useful information to assess the underlying performance of these businesses and to allow better comparison of period-to-period operating performance.

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

**Bank of America Corporation and Subsidiaries**

## All Other Results [1]

(Dollars in millions)

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| Net interest income (FTE basis) | **$ 435** | $ 675 | **$ 162** | $ 129 | $ 144 | $ 188 | $ 152 |
| Noninterest income (loss) | **(907)** | (94) | **(1)** | (429) | (477) | (1,554) | (355) |
| Total revenue, net of interest expense (FTE basis) | **(472)** | 581 | **161** | (300) | (333) | (1,366) | (203) |
| Provision for credit losses | **(352)** | (376) | **(95)** | (105) | (152) | (185) | (191) |
| Noninterest expense | **2,166** | 3,546 | **566** | 623 | 977 | 520 | 734 |
| Loss before income taxes (FTE basis) | **(2,286)** | (2,589) | **(310)** | (818) | (1,158) | (1,701) | (746) |
| Income tax expense (benefit) (FTE basis) | **(1,893)** | (1,944) | **(453)** | (569) | (871) | 964 | (800) |
| **Net income (loss)** | **$ (393)** | $ (645) | **$ 143** | $ (249) | $ (287) | $ (2,665) | $ 54 |
| **Balance Sheet** | | | | | | | |
| **Average** | | | | | | | |
| Total loans and leases | **$ 63,602** | $ 86,294 | **$ 59,930** | $ 63,155 | $ 67,811 | $ 71,197 | $ 76,546 |
| Total assets [2] | **199,709** | 206,373 | **209,847** | 188,624 | 200,554 | 208,854 | 207,274 |
| Total deposits | **22,635** | 25,629 | **22,118** | 22,682 | 23,115 | 23,899 | 25,273 |
| **Period end** | | | | | | | |
| Total loans and leases | **$ 54,978** | $ 72,823 | **$ 54,978** | $ 61,256 | $ 64,584 | $ 69,452 | $ 72,823 |
| Total assets [3] | **219,985** | 213,067 | **219,985** | 190,490 | 202,152 | 194,042 | 213,067 |
| Total deposits | **21,375** | 24,072 | **21,375** | 22,757 | 22,106 | 22,719 | 24,072 |

(1) *All Other* consists of ALM activities, equity investments, non-core mortgage loans and servicing activities, the net impact of periodic revisions to the MSR valuation model for core and non-core MSRs and the related economic hedge results, liquidating businesses and residual expense allocations. ALM activities encompass certain residential mortgages, debt securities, interest rate and foreign currency risk management activities, the impact of certain allocation methodologies and hedge ineffectiveness. The results of certain ALM activities are allocated to our business segments. Equity investments include our merchant services joint venture, as well as a portfolio of equity, real estate and other alternative investments.

(2) Includes elimination of segments' excess asset allocations to match liabilities (i.e., deposits) and allocated shareholders' equity of $516.8 billion and $517.9 billion for the nine months ended September 30, 2018 and 2017, and $516.3 billion, $519.6 billion, $514.6 billion, $508.6 billion and $510.1 billion for the third, second and first quarters of 2018, and the fourth and third quarters of 2017, respectively.

(3) Includes elimination of segments' excess asset allocations to match liabilities (i.e., deposits) and allocated shareholders' equity of $531.3 billion, $522.2 billion, $543.3 billion, $520.4 billion and $515.0 billion at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively.

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

**Bank of America Corporation and Subsidiaries**

## Outstanding Loans and Leases

(Dollars in millions)

| | September 30 2018 | June 30 2018 | September 30 2017 |
|---|---|---|---|
| **Consumer** | | | |
| Residential mortgage | **$ 208,186** | $ 207,564 | $ 199,446 |
| Home equity | **51,235** | 53,587 | 59,752 |
| U.S. credit card | **94,829** | 94,790 | 92,602 |
| Direct/Indirect consumer [1] | **91,338** | 92,621 | 95,652 |
| Other consumer [2] | **203** | 167 | 163 |
| Total consumer loans excluding loans accounted for under the fair value option | **445,791** | 448,729 | 447,615 |
| Consumer loans accounted for under the fair value option [3] | **755** | 848 | 978 |
| **Total consumer** | **446,546** | 449,577 | 448,593 |
| **Commercial** | | | |
| U.S. commercial | **285,662** | 289,741 | 282,677 |
| Non-U.S. commercial | **96,002** | 94,450 | 95,896 |
| Commercial real estate [4] | **60,835** | 61,073 | 59,628 |
| Commercial lease financing | **21,546** | 21,399 | 21,413 |
| | **464,045** | 466,663 | 459,614 |
| U.S. small business commercial [5] | **14,234** | 14,205 | 13,603 |
| Total commercial loans excluding loans accounted for under the fair value option | **478,279** | 480,868 | 473,217 |
| Commercial loans accounted for under the fair value option [3] | **4,976** | 5,379 | 5,307 |
| **Total commercial** | **483,255** | 486,247 | 478,524 |
| **Total loans and leases** | **$ 929,801** | $ 935,824 | $ 927,117 |

(1) Includes auto and specialty lending loans and leases of $50.1 billion, $50.2 billion and $52.3 billion, unsecured consumer lending loans of $392 million, $410 million and $484 million, U.S. securities-based lending loans of $37.4 billion, $38.4 billion and $39.3 billion, non-U.S. consumer loans of $2.7 billion, $2.8 billion and $2.9 billion and other consumer loans of $756 million, $769 million and $682 million at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(2) Substantially all of other consumer is consumer overdrafts.

(3) Consumer loans accounted for under the fair value option were residential mortgage loans of $407 million, $489 million and $615 million and home equity loans of $348 million, $359 million and $363 million at September 30, 2018, June 30, 2018 and September 30, 2017, respectively. Commercial loans accounted for under the fair value option were U.S. commercial loans of $3.6 billion, $3.5 billion and $2.8 billion and non-U.S. commercial loans of $1.4 billion, $1.9 billion and $2.5 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(4) Includes U.S. commercial real estate loans of $56.9 billion, $57.1 billion and $55.5 billion and non-U.S. commercial real estate loans of $3.9 billion, $4.0 billion and $4.2 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(5) Includes card-related products.

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

**Bank of America Corporation and Subsidiaries**

## Quarterly Average Loans and Leases by Business Segment and All Other

(Dollars in millions)

| | Third Quarter 2018 | | | | | |
|---|---|---|---|---|---|---|
| | **Total Corporation** | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| **Consumer** | | | | | | |
| Residential mortgage | **$ 209,460** | **$ 86,383** | **$ 74,806** | **$ 1** | **$ —** | **$ 48,270** |
| Home equity | **53,050** | **37,289** | **3,701** | **—** | **353** | **11,707** |
| U.S. credit card | **94,710** | **91,646** | **3,064** | **—** | **—** | **—** |
| Direct/Indirect and other consumer | **91,828** | **50,528** | **41,296** | **1** | **—** | **3** |
| **Total consumer** | **449,048** | **265,846** | **122,867** | **2** | **353** | **59,980** |
| **Commercial** | | | | | | |
| U.S. commercial | **303,680** | **19,134** | **35,392** | **201,372** | **47,288** | **494** |
| Non-U.S. commercial | **96,019** | **—** | **24** | **78,255** | **17,696** | **44** |
| Commercial real estate | **60,754** | **14** | **3,583** | **51,252** | **5,894** | **11** |
| Commercial lease financing | **21,235** | **—** | **3** | **21,831** | **—** | **(599)** |
| **Total commercial** | **481,688** | **19,148** | **39,002** | **352,710** | **70,878** | **(50)** |
| **Total loans and leases** | **$ 930,736** | **$ 284,994** | **$ 161,869** | **$ 352,712** | **$ 71,231** | **$ 59,930** |

| | Second Quarter 2018 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| **Consumer** | | | | | | |
| Residential mortgage | $ 206,083 | $ 81,402 | $ 73,663 | $ 4 | $ — | $ 51,014 |
| Home equity | 54,863 | 38,239 | 3,829 | — | 365 | 12,430 |
| U.S. credit card | 93,531 | 90,481 | 3,050 | — | — | — |
| Direct/Indirect and other consumer | 93,620 | 51,602 | 42,011 | 1 | — | 6 |
| **Total consumer** | 448,097 | 261,724 | 122,553 | 5 | 365 | 63,450 |
| **Commercial** | | | | | | |
| U.S. commercial | 305,372 | 18,950 | 34,440 | 202,879 | 48,827 | 276 |
| Non-U.S. commercial | 99,255 | — | 24 | 79,390 | 19,800 | 41 |
| Commercial real estate | 60,653 | 15 | 3,813 | 50,745 | 6,061 | 19 |
| Commercial lease financing | 21,441 | — | 3 | 22,069 | — | (631) |
| **Total commercial** | 486,721 | 18,965 | 38,280 | 355,083 | 74,688 | (295) |
| **Total loans and leases** | $ 934,818 | $ 280,689 | $ 160,833 | $ 355,088 | $ 75,053 | $ 63,155 |

| | Third Quarter 2017 | | | | | |
|---|---|---|---|---|---|---|
| | Total Corporation | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| **Consumer** | | | | | | |
| Residential mortgage | $ 199,240 | $ 68,167 | $ 69,518 | $ — | $ — | $ 61,555 |
| Home equity | 61,225 | 41,585 | 4,395 | — | 364 | 14,881 |
| U.S. credit card | 91,602 | 88,614 | 2,988 | — | — | — |
| Direct/Indirect and other consumer | 96,272 | 52,416 | 42,994 | 1 | — | 861 |
| **Total consumer** | 448,339 | 250,782 | 119,895 | 1 | 364 | 77,297 |
| **Commercial** | | | | | | |
| U.S. commercial | 293,203 | 18,007 | 30,999 | 197,841 | 46,112 | 244 |
| Non-U.S. commercial | 95,725 | 1 | 24 | 76,226 | 19,437 | 37 |
| Commercial real estate | 59,044 | 20 | 3,412 | 49,247 | 6,328 | 37 |
| Commercial lease financing | 21,818 | — | 3 | 22,778 | 106 | (1,069) |
| **Total commercial** | 469,790 | 18,028 | 34,438 | 346,092 | 71,983 | (751) |
| **Total loans and leases** | $ 918,129 | $ 268,810 | $ 154,333 | $ 346,093 | $ 72,347 | $ 76,546 |

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

## Bank of America Corporation and Subsidiaries

# Commercial Credit Exposure by Industry (1, 2, 3, 4)

(Dollars in millions)

| | Commercial Utilized | | | Total Commercial Committed | | |
|---|---|---|---|---|---|---|
| | **September 30 2018** | June 30 2018 | September 30 2017 | **September 30 2018** | June 30 2018 | September 30 2017 |
| Asset managers and funds | **$ 68,733** | $ 67,210 | $ 57,231 | **$ 103,066** | $ 103,136 | $ 87,442 |
| Real estate (5) | **64,460** | 64,899 | 64,030 | **90,664** | 89,400 | 85,351 |
| Capital goods | **40,327** | 39,876 | 35,919 | **74,720** | 75,092 | 67,385 |
| Government and public education | **44,436** | 45,827 | 46,537 | **55,296** | 55,565 | 56,494 |
| Healthcare equipment and services | **34,943** | 35,299 | 38,201 | **54,889** | 57,893 | 57,425 |
| Finance companies | **33,549** | 34,173 | 34,857 | **53,375** | 54,010 | 53,406 |
| Materials | **25,727** | 26,261 | 24,463 | **49,461** | 50,435 | 47,546 |
| Retailing | **25,714** | 25,689 | 27,136 | **47,823** | 45,591 | 48,847 |
| Food, beverage and tobacco | **23,199** | 24,226 | 23,471 | **45,166** | 43,803 | 42,650 |
| Consumer services | **24,975** | 26,285 | 27,446 | **42,276** | 43,913 | 42,410 |
| Commercial services and supplies | **21,861** | 22,265 | 22,137 | **37,644** | 36,834 | 35,448 |
| Energy | **16,319** | 16,181 | 16,251 | **34,462** | 35,163 | 36,629 |
| Transportation | **21,887** | 21,425 | 21,781 | **30,694** | 30,054 | 30,124 |
| Media | **10,581** | 12,205 | 13,400 | **28,523** | 31,296 | 25,998 |
| Global commercial banks | **25,471** | 26,464 | 26,962 | **27,752** | 28,465 | 29,222 |
| Utilities | **11,496** | 10,881 | 12,078 | **27,495** | 26,884 | 27,281 |
| Individuals and trusts | **18,706** | 18,507 | 18,860 | **25,332** | 24,487 | 24,728 |
| Technology hardware and equipment | **10,054** | 9,827 | 10,824 | **21,759** | 20,933 | 23,777 |
| Pharmaceuticals and biotechnology | **7,430** | 7,595 | 7,568 | **19,396** | 19,448 | 20,231 |
| Vehicle dealers | **15,930** | 16,400 | 15,924 | **19,128** | 19,732 | 19,818 |
| Consumer durables and apparel | **9,432** | 9,201 | 8,878 | **18,129** | 18,568 | 17,207 |
| Software and services | **7,489** | 7,686 | 9,256 | **16,558** | 17,494 | 18,440 |
| Automobiles and components | **6,990** | 7,192 | 5,710 | **14,271** | 14,338 | 12,687 |
| Insurance | **5,818** | 6,215 | 6,731 | **13,785** | 12,778 | 13,021 |
| Telecommunication services | **6,837** | 7,386 | 5,870 | **12,786** | 13,206 | 12,935 |
| Food and staples retailing | **4,840** | 5,222 | 5,006 | **10,100** | 11,259 | 9,367 |
| Religious and social organizations | **3,705** | 3,807 | 4,196 | **5,586** | 5,587 | 6,133 |
| Financial markets infrastructure (clearinghouses) | **1,111** | 1,372 | 649 | **2,906** | 3,164 | 2,446 |
| Other | **7,885** | 5,482 | 5,049 | **7,878** | 5,521 | 5,044 |
| **Total commercial credit exposure by industry** | **$ 599,905** | $ 605,058 | $ 596,421 | **$ 990,920** | $ 994,049 | $ 959,492 |

(1) Includes loans and leases, standby letters of credit and financial guarantees, derivative assets, assets held-for-sale, commercial letters of credit, bankers' acceptances, securitized assets, foreclosed properties and other collateral acquired. Derivative assets are carried at fair value, reflect the effects of legally enforceable master netting agreements and have been reduced by cash collateral of $32.0 billion, $33.3 billion and $35.6 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively. Not reflected in utilized and committed exposure is additional non-cash derivative collateral held of $31.2 billion, $36.1 billion and $22.3 billion, which consists primarily of other marketable securities, at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(2) Total utilized and total committed exposure includes loans of $5.0 billion, $5.4 billion and $5.3 billion and issued letters of credit with a notional amount of $55 million, $167 million and $234 million accounted for under the fair value option at September 30, 2018, June 30, 2018 and September 30, 2017, respectively. In addition, total committed exposure includes unfunded loan commitments accounted for under the fair value option with a notional amount of $3.1 billion, $3.2 billion and $4.7 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(3) Includes U.S. small business commercial exposure.

(4) Includes the notional amount of unfunded legally binding lending commitments net of amounts distributed (e.g., syndicated or participated) to other financial institutions.

(5) Industries are viewed from a variety of perspectives to best isolate the perceived risks. For purposes of this table, the real estate industry is defined based on the primary business activity of the borrowers or the counterparties using operating cash flows and primary source of repayment as key factors.

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

## Bank of America Corporation and Subsidiaries

# Top 20 Non-U.S. Countries Exposure

(Dollars in millions)

| | Funded Loans and Loan Equivalents [1] | Unfunded Loan Commitments | Net Counterparty Exposure | Securities/ Other Investments [2] | Country Exposure at September 30 2018 | Hedges and Credit Default Protection [3] | **Net Country Exposure at September 30 2018** [4] | Increase (Decrease) from June 30 2018 |
|---|---|---|---|---|---|---|---|---|
| United Kingdom | $ 39,114 | $ 15,034 | $ 5,601 | $ 1,111 | $ 60,860 | $ (3,757) | **$ 57,103** | $ 11,178 |
| Germany | 26,417 | 6,278 | 2,428 | 789 | 35,912 | (3,499) | **32,413** | 8,889 |
| Japan | 17,109 | 2,280 | 1,397 | 2,781 | 23,567 | (1,418) | **22,149** | 6,608 |
| Canada | 7,515 | 6,944 | 1,669 | 2,682 | 18,810 | (462) | **18,348** | (751) |
| France | 6,654 | 5,590 | 2,935 | 3,347 | 18,526 | (3,429) | **15,097** | 1,005 |
| China | 12,307 | 377 | 1,096 | 866 | 14,646 | (292) | **14,354** | (592) |
| Netherlands | 7,220 | 2,044 | 817 | 1,306 | 11,387 | (922) | **10,465** | 553 |
| Australia | 5,188 | 3,524 | 589 | 1,550 | 10,851 | (612) | **10,239** | 363 |
| Brazil | 6,779 | 811 | 326 | 2,323 | 10,239 | (391) | **9,848** | (526) |
| India | 6,656 | 513 | 343 | 2,205 | 9,717 | (104) | **9,613** | (278) |
| South Korea | 5,561 | 613 | 684 | 1,554 | 8,412 | (284) | **8,128** | (178) |
| Hong Kong | 6,144 | 216 | 475 | 1,289 | 8,124 | (34) | **8,090** | (355) |
| Switzerland | 4,752 | 3,128 | 331 | 199 | 8,410 | (1,030) | **7,380** | 495 |
| Singapore | 3,305 | 142 | 602 | 1,739 | 5,788 | (71) | **5,717** | (523) |
| Mexico | 3,349 | 1,450 | 99 | 684 | 5,582 | (151) | **5,431** | (441) |
| Belgium | 3,444 | 1,029 | 124 | 407 | 5,004 | (509) | **4,495** | 546 |
| United Arab Emirates | 2,895 | 154 | 142 | 107 | 3,298 | (17) | **3,281** | (26) |
| Spain | 2,470 | 990 | 144 | 860 | 4,464 | (1,379) | **3,085** | (174) |
| Taiwan | 1,741 | 13 | 405 | 597 | 2,756 | — | **2,756** | 124 |
| Italy | 2,256 | 1,007 | 615 | 527 | 4,405 | (1,679) | **2,726** | (1,138) |
| **Total top 20 non-U.S. countries exposure** | $ 170,876 | $ 52,137 | $ 20,822 | $ 26,923 | $ 270,758 | $ (20,040) | **$ 250,718** | $ 24,779 |

[1] Includes loans, leases, and other extensions of credit and funds, including letters of credit and due from placements, which have not been reduced by collateral, hedges or credit default protection. Funded loans and loan equivalents are reported net of charge-offs but prior to any allowance for loan and lease losses.
[2] Long securities exposures are netted on a single-name basis to, but not below, zero by short exposures and net credit default swaps purchased, consisting of single-name and net indexed and tranched credit default swaps.
[3] Represents credit default protection purchased, net of credit default protection sold, which is used to mitigate the Corporation's risk to country exposures as listed, consisting of net single-name and net indexed and tranched credit default swaps. Amounts are calculated based on the credit default swaps notional amount assuming a zero recovery rate less any fair value receivable or payable.
[4] Represents country exposure less hedges and credit default protection purchased, net of credit default protection sold.

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

## Bank of America Corporation and Subsidiaries

# Nonperforming Loans, Leases and Foreclosed Properties

(Dollars in millions)

| | September 30 2018 | June 30 2018 | March 31 2018 | December 31 2017 | September 30 2017 |
|---|---|---|---|---|---|
| Residential mortgage | **$ 2,034** | $ 2,140 | $ 2,262 | $ 2,476 | $ 2,518 |
| Home equity | **2,226** | 2,452 | 2,598 | 2,644 | 2,691 |
| Direct/Indirect consumer | **46** | 47 | 46 | 46 | 43 |
| Total consumer | **4,306** | 4,639 | 4,906 | 5,166 | 5,252 |
| U.S. commercial | **699** | 881 | 1,059 | 814 | 863 |
| Non-U.S. commercial | **31** | 170 | 255 | 299 | 244 |
| Commercial real estate | **46** | 117 | 73 | 112 | 130 |
| Commercial lease financing | **14** | 34 | 27 | 24 | 26 |
| | **790** | 1,202 | 1,414 | 1,249 | 1,263 |
| U.S. small business commercial | **58** | 56 | 58 | 55 | 55 |
| Total commercial | **848** | 1,258 | 1,472 | 1,304 | 1,318 |
| Total nonperforming loans and leases | **5,154** | 5,897 | 6,378 | 6,470 | 6,570 |
| Foreclosed properties [(1)] | **295** | 284 | 316 | 288 | 299 |
| **Total nonperforming loans, leases and foreclosed properties [(2, 3, 4)]** | **$ 5,449** | $ 6,181 | $ 6,694 | $ 6,758 | $ 6,869 |
| | | | | | |
| Fully-insured home loans past due 30 days or more and still accruing | **$ 3,183** | $ 3,454 | $ 3,915 | $ 4,466 | $ 4,721 |
| Consumer credit card past due 30 days or more and still accruing | **1,805** | 1,695 | 1,795 | 1,847 | 1,657 |
| Other loans past due 30 days or more and still accruing | **3,255** | 3,682 | 3,684 | 3,845 | 3,885 |
| **Total loans past due 30 days or more and still accruing [(3, 5, 6)]** | **$ 8,243** | $ 8,831 | $ 9,394 | $ 10,158 | $ 10,263 |
| | | | | | |
| Fully-insured home loans past due 90 days or more and still accruing | **$ 2,161** | $ 2,483 | $ 2,885 | $ 3,230 | $ 3,372 |
| Consumer credit card past due 90 days or more and still accruing | **872** | 865 | 925 | 900 | 810 |
| Other loans past due 90 days or more and still accruing | **256** | 341 | 234 | 285 | 220 |
| **Total loans past due 90 days or more and still accruing [(3, 5, 6)]** | **$ 3,289** | $ 3,689 | $ 4,044 | $ 4,415 | $ 4,402 |
| | | | | | |
| Nonperforming loans, leases and foreclosed properties/Total assets [(7)] | **0.23 %** | 0.27 % | 0.29 % | 0.30 % | 0.30 % |
| Nonperforming loans, leases and foreclosed properties/Total loans, leases and foreclosed properties [(7)] | **0.59** | 0.66 | 0.72 | 0.73 | 0.75 |
| Nonperforming loans and leases/Total loans and leases [(7)] | **0.56** | 0.63 | 0.69 | 0.69 | 0.71 |
| | | | | | |
| Commercial reservable criticized utilized exposure [(8)] | **$ 11,597** | $ 12,357 | $ 13,366 | $ 13,563 | $ 14,824 |
| Commercial reservable criticized utilized exposure/Commercial reservable utilized exposure [(8)] | **2.26 %** | 2.40 % | 2.58 % | 2.65 % | 2.91 % |
| Total commercial criticized utilized exposure/Commercial utilized exposure [(8)] | **2.16** | 2.34 | 2.45 | 2.60 | 2.93 |

(1) Foreclosed property balances do not include properties insured by certain government-guaranteed loans, principally loans insured by the Federal Housing Administration (FHA), that entered foreclosure of $500 million, $573 million, $680 million, $801 million and $879 million at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively.

(2) Balances do not include past due consumer credit card, consumer loans secured by real estate where repayments are insured by the FHA and individually insured long-term stand-by agreements (fully-insured home loans), and in general, other consumer and commercial loans not secured by real estate.

(3) Balances do not include purchased credit-impaired loans even though the customer may be contractually past due. Purchased credit-impaired loans were recorded at fair value upon acquisition and accrete interest income over the remaining life of the loan.

| (4) Balances do not include the following: | September 30 2018 | June 30 2018 | March 31 2018 | December 31 2017 | September 30 2017 |
|---|---|---|---|---|---|
| Nonperforming loans held-for-sale | **$ 177** | $ 220 | $ 233 | $ 341 | $ 325 |
| Nonperforming loans accounted for under the fair value option | **16** | 46 | 37 | 69 | 62 |
| Nonaccruing troubled debt restructured loans removed from the purchased credit-impaired portfolio prior to January 1, 2010 | **16** | 17 | 24 | 26 | 24 |

(5) Balances do not include loans held-for-sale past due 30 days or more and still accruing of $30 million, $28 million, $83 million, $8 million and $42 million at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively, and loans held-for-sale past due 90 days or more and still accruing of $8 million, $11 million, $8 million, $0 and $6 million at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively. At September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, there were $21 million, $24 million, $27 million, $32 million and $40 million, respectively, of loans accounted for under the fair value option past due 30 days or more and still accruing interest.

(6) These balances are excluded from total nonperforming loans, leases and foreclosed properties.

(7) Total assets and total loans and leases do not include loans accounted for under the fair value option of $5.7 billion, $6.2 billion, $6.0 billion, $5.7 billion and $6.3 billion at September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017, respectively.

(8) Criticized exposure corresponds to the Special Mention, Substandard and Doubtful asset categories defined by regulatory authorities. The reservable criticized exposure excludes loans held-for-sale, exposure accounted for under the fair value option and other nonreservable exposure.

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

Bank of America Corporation and Subsidiaries

# Nonperforming Loans, Leases and Foreclosed Properties Activity (1)

(Dollars in millions)

| | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|
| **Nonperforming Consumer Loans and Leases:** | | | | | |
| **Balance, beginning of period** | **$ 4,639** | $ 4,906 | $ 5,166 | $ 5,252 | $ 5,282 |
| Additions | **484** | 599 | 812 | 755 | 999 |
| Reductions: | | | | | |
| Paydowns and payoffs | **(238)** | (261) | (245) | (241) | (253) |
| Sales | **(145)** | (117) | (269) | (88) | (162) |
| Returns to performing status(2) | **(309)** | (336) | (364) | (337) | (347) |
| Charge-offs (3) | **(89)** | (114) | (147) | (125) | (210) |
| Transfers to foreclosed properties | **(36)** | (38) | (45) | (50) | (57) |
| Transfers to loans held-for-sale | **—** | — | (2) | — | — |
| Total net reductions to nonperforming loans and leases | **(333)** | (267) | (260) | (86) | (30) |
| **Total nonperforming consumer loans and leases, end of period** | **4,306** | 4,639 | 4,906 | 5,166 | 5,252 |
| Foreclosed properties | **265** | 263 | 264 | 236 | 259 |
| **Nonperforming consumer loans, leases and foreclosed properties, end of period** | **$ 4,571** | $ 4,902 | $ 5,170 | $ 5,402 | $ 5,511 |
| **Nonperforming Commercial Loans and Leases (4):** | | | | | |
| **Balance, beginning of period** | **$ 1,258** | $ 1,472 | $ 1,304 | $ 1,318 | $ 1,520 |
| Additions | **235** | 244 | 436 | 444 | 412 |
| Reductions: | | | | | |
| Paydowns | **(287)** | (193) | (169) | (127) | (270) |
| Sales | **(130)** | (50) | (24) | (20) | (61) |
| Return to performing status(5) | **(95)** | (91) | (27) | (40) | (100) |
| Charge-offs | **(116)** | (112) | (48) | (143) | (145) |
| Transfers to foreclosed properties | **(12)** | — | — | (13) | — |
| Transfers to loans held-for-sale | **(5)** | (12) | — | (115) | (38) |
| Total net additions (reductions) to nonperforming loans and leases | **(410)** | (214) | 168 | (14) | (202) |
| **Total nonperforming commercial loans and leases, end of period** | **848** | 1,258 | 1,472 | 1,304 | 1,318 |
| Foreclosed properties | **30** | 21 | 52 | 52 | 40 |
| **Nonperforming commercial loans, leases and foreclosed properties, end of period** | **$ 878** | $ 1,279 | $ 1,524 | $ 1,356 | $ 1,358 |

(1) For amounts excluded from nonperforming loans, leases and foreclosed properties, see footnotes to *Nonperforming Loans, Leases and Foreclosed Properties* table on page 34.

(2) Consumer loans and leases may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, or when the loan otherwise becomes well-secured and is in the process of collection. Certain troubled debt restructurings are classified as nonperforming at the time of restructuring and may only be returned to performing status after considering the borrower's sustained repayment performance for a reasonable period, generally six months.

(3) Our policy is not to classify consumer credit card and non-bankruptcy related consumer loans not secured by real estate as nonperforming; therefore, the charge-offs on these loans have no impact on nonperforming activity and, accordingly, are excluded from this table.

(4) Includes U.S. small business commercial activity. Small business card loans are excluded as they are not classified as nonperforming.

(5) Commercial loans and leases may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, or when the loan otherwise becomes well-secured and is in the process of collection. Troubled debt restructurings are generally classified as performing after a sustained period of demonstrated payment performance.

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

**Bank of America Corporation and Subsidiaries**

## Quarterly Net Charge-offs and Net Charge-off Ratios (1, 2)

(Dollars in millions)

| | Third Quarter 2018 Amount | Third Quarter 2018 Percent | Second Quarter 2018 Amount | Second Quarter 2018 Percent | First Quarter 2018 Amount | First Quarter 2018 Percent | Fourth Quarter 2017 Amount | Fourth Quarter 2017 Percent | Third Quarter 2017 Amount | Third Quarter 2017 Percent |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net Charge-offs** | | | | | | | | | | |
| Residential mortgage (3) | **$ 12** | **0.02 %** | $ 7 | 0.01 % | $ (6) | (0.01)% | $ (16) | (0.03)% | $ (82) | (0.16)% |
| Home equity | **(20)** | **(0.15)** | — | — | 33 | 0.23 | 16 | 0.11 | 83 | 0.54 |
| U.S. credit card | **698** | **2.92** | 739 | 3.17 | 701 | 3.01 | 655 | 2.78 | 612 | 2.65 |
| Direct/Indirect consumer | **42** | **0.18** | 41 | 0.18 | 59 | 0.25 | 65 | 0.27 | 68 | 0.28 |
| Other consumer | **44** | **n/m** | 43 | n/m | 43 | n/m | 49 | n/m | 50 | n/m |
| **Total consumer** | **776** | **0.69** | 830 | 0.74 | 830 | 0.75 | 769 | 0.68 | 731 | 0.65 |
| U.S. commercial | **70** | **0.10** | 78 | 0.11 | 24 | 0.03 | 56 | 0.08 | 80 | 0.11 |
| Non-U.S. commercial | **25** | **0.10** | 19 | 0.08 | 4 | 0.02 | 346 | 1.43 | 33 | 0.14 |
| Commercial real estate | **2** | **0.02** | 4 | 0.03 | (3) | (0.02) | 6 | 0.04 | 2 | 0.02 |
| Commercial lease financing | **—** | **—** | 1 | 0.01 | (1) | (0.01) | 5 | 0.09 | (1) | (0.02) |
| | **97** | **0.08** | 102 | 0.09 | 24 | 0.02 | 413 | 0.36 | 114 | 0.10 |
| U.S. small business commercial | **59** | **1.67** | 64 | 1.82 | 57 | 1.67 | 55 | 1.58 | 55 | 1.61 |
| **Total commercial** | **156** | **0.13** | 166 | 0.14 | 81 | 0.07 | 468 | 0.39 | 169 | 0.14 |
| **Total net charge-offs** | **$ 932** | **0.40** | $ 996 | 0.43 | $ 911 | 0.40 | $ 1,237 | 0.53 | $ 900 | 0.39 |
| **By Business Segment and All Other** | | | | | | | | | | |
| Consumer Banking | **$ 853** | **1.19 %** | $ 896 | 1.28 % | $ 877 | 1.27 % | $ 839 | 1.21 % | $ 800 | 1.18 % |
| Global Wealth & Investment Management | **13** | **0.03** | 15 | 0.04 | 25 | 0.06 | 4 | 0.01 | 11 | 0.03 |
| Global Banking | **85** | **0.10** | 86 | 0.10 | 19 | 0.02 | 264 | 0.30 | 106 | 0.12 |
| Global Markets | **3** | **0.02** | 14 | 0.08 | 6 | 0.03 | 146 | 0.83 | 23 | 0.13 |
| All Other | **(22)** | **(0.15)** | (15) | (0.10) | (16) | (0.10) | (16) | (0.09) | (40) | (0.21) |
| **Total net charge-offs** | **$ 932** | **0.40** | $ 996 | 0.43 | $ 911 | 0.40 | $ 1,237 | 0.53 | $ 900 | 0.39 |

(1) Net charge-off ratios are calculated as annualized net charge-offs divided by average outstanding loans and leases excluding loans accounted for under the fair value option during the period for each loan and lease category.
(2) Excludes write-offs of purchased credit-impaired loans of $95 million, $36 million and $35 million for the third, second and first quarters of 2018, and $46 million and $73 million for the fourth and third quarters of 2017, respectively.
(3) Includes loan sales charge-offs (recoveries) of $6 million, $(5) million and $(18) million for the third, second and first quarters of 2018, and $(3) million and $(88) million for the fourth and third quarters of 2017, respectively.
n/m = not meaningful

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

**Bank of America Corporation and Subsidiaries**

## Year-to-Date Net Charge-offs and Net Charge-off Ratios (1, 2)

(Dollars in millions)

| | Nine Months Ended September 30 | | | |
|---|---|---|---|---|
| | 2018 | | 2017 | |
| | Amount | Percent | Amount | Percent |
| **Net Charge-offs** | | | | |
| Residential mortgage (3) | $ 13 | 0.01 % | $ (84) | (0.06)% |
| Home equity | 13 | 0.03 | 197 | 0.42 |
| U.S. credit card | 2,138 | 3.03 | 1,858 | 2.75 |
| Non-U.S. credit card (4) | — | — | 75 | 1.91 |
| Direct/Indirect consumer | 142 | 0.20 | 149 | 0.21 |
| Other consumer | 130 | n/m | 114 | n/m |
| **Total consumer** | 2,436 | 0.73 | 2,309 | 0.69 |
| U.S. commercial | 172 | 0.08 | 176 | 0.09 |
| Non-U.S. commercial | 48 | 0.07 | 94 | 0.14 |
| Commercial real estate | 3 | 0.01 | 3 | 0.01 |
| | 223 | 0.06 | 273 | 0.08 |
| U.S. small business commercial | 180 | 1.72 | 160 | 1.60 |
| **Total commercial** | 403 | 0.11 | 433 | 0.13 |
| **Total net charge-offs** | $ 2,839 | 0.41 | $ 2,742 | 0.40 |
| **By Business Segment and All Other** | | | | |
| Consumer Banking | $ 2,626 | 1.25 % | $ 2,363 | 1.20 % |
| Global Wealth & Investment Management | 53 | 0.04 | 40 | 0.04 |
| Global Banking | 190 | 0.07 | 255 | 0.10 |
| Global Markets | 23 | 0.04 | 24 | 0.05 |
| All Other (4) | (53) | (0.11) | 60 | 0.09 |
| **Total net charge-offs** | $ 2,839 | 0.41 | $ 2,742 | 0.40 |

(1) Net charge-off ratios are calculated as annualized net charge-offs divided by average outstanding loans and leases excluding loans accounted for under the fair value option during the period for each loan and lease category.
(2) Excludes write-offs of purchased credit-impaired loans of $166 million and $161 million for the nine months ended September 30, 2018 and 2017.
(3) Includes loan sales recoveries of $17 million and $102 million for the nine months ended September 30, 2018 and 2017.
(4) 2017 amount includes net charge-offs recorded in *All Other* related to the non-U.S. credit card loan portfolio, which was sold during the second quarter of 2017.
n/m = not meaningful

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

## Bank of America Corporation and Subsidiaries

# Allocation of the Allowance for Credit Losses by Product Type

(Dollars in millions)

| | **September 30, 2018** | | | June 30, 2018 | | | September 30, 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Amount** | **Percent of Total** | **Percent of Loans and Leases Outstanding (1, 2)** | Amount | Percent of Total | Percent of Loans and Leases Outstanding (1, 2) | Amount | Percent of Total | Percent of Loans and Leases Outstanding (1, 2) |
| **Allowance for loan and lease losses** | | | | | | | | | |
| Residential mortgage | **$ 500** | **5.14 %** | **0.24 %** | $ 553 | 5.50 % | 0.27 % | $ 813 | 7.60 % | 0.41 % |
| Home equity | **658** | **6.76** | **1.28** | 813 | 8.09 | 1.52 | 1,219 | 11.40 | 2.04 |
| U.S. credit card | **3,530** | **36.26** | **3.72** | 3,477 | 34.60 | 3.67 | 3,263 | 30.52 | 3.52 |
| Direct/Indirect consumer | **262** | **2.69** | **0.29** | 269 | 2.68 | 0.29 | 258 | 2.41 | 0.27 |
| Other consumer | **30** | **0.31** | **n/m** | 28 | 0.28 | n/m | 29 | 0.27 | n/m |
| **Total consumer** | **4,980** | **51.16** | **1.12** | 5,140 | 51.15 | 1.15 | 5,582 | 52.20 | 1.25 |
| U.S. commercial (3) | **2,974** | **30.55** | **0.99** | 3,045 | 30.30 | 1.00 | 3,199 | 29.92 | 1.08 |
| Non-U.S.commercial | **687** | **7.06** | **0.72** | 751 | 7.47 | 0.79 | 812 | 7.59 | 0.85 |
| Commercial real estate | **946** | **9.72** | **1.56** | 952 | 9.47 | 1.56 | 956 | 8.94 | 1.60 |
| Commercial lease financing | **147** | **1.51** | **0.68** | 162 | 1.61 | 0.76 | 144 | 1.35 | 0.67 |
| **Total commercial** | **4,754** | **48.84** | **0.99** | 4,910 | 48.85 | 1.02 | 5,111 | 47.80 | 1.08 |
| **Allowance for loan and lease losses** | **9,734** | **100.00 %** | **1.05** | 10,050 | 100.00 % | 1.08 | 10,693 | 100.00 % | 1.16 |
| **Reserve for unfunded lending commitments** | **792** | | | 787 | | | 762 | | |
| **Allowance for credit losses** | **$ 10,526** | | | $ 10,837 | | | $ 11,455 | | |

**Asset Quality Indicators**

| | September 30, 2018 | June 30, 2018 | September 30, 2017 |
|---|---|---|---|
| Allowance for loan and lease losses/Total loans and leases (2) | **1.05 %** | 1.08 % | 1.16 % |
| Allowance for loan and lease losses/Total nonperforming loans and leases (4) | **189** | 170 | 163 |
| Ratio of the allowance for loan and lease losses/Annualized net charge-offs | **2.63** | 2.52 | 3.00 |

(1) Ratios are calculated as allowance for loan and lease losses as a percentage of loans and leases outstanding excluding loans accounted for under the fair value option. Consumer loans accounted for under the fair value option include residential mortgage loans of $407 million, $489 million and $615 million and home equity loans of $348 million, $359 million and $363 million at September 30, 2018, June 30, 2018 and September 30, 2017, respectively. Commercial loans accounted for under the fair value option include U.S. commercial loans of $3.6 billion, $3.5 billion and $2.8 billion and non-U.S. commercial loans of $1.4 billion, $1.9 billion and $2.5 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(2) Total loans and leases do not include loans accounted for under the fair value option of $5.7 billion, $6.2 billion and $6.3 billion at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(3) Includes allowance for loan and lease losses for U.S. small business commercial loans of $472 million, $465 million and $422 million at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

(4) Allowance for loan and lease losses includes $4.0 billion, $4.0 billion and $3.9 billion allocated to products (primarily the Consumer Lending portfolios within *Consumer Banking* and purchased credit-impaired loans) that are excluded from nonperforming loans and leases at September 30, 2018, June 30, 2018 and September 30, 2017. Excluding these amounts, allowance for loan and lease losses as a percentage of total nonperforming loans and leases was 111 percent, 102 percent and 104 percent at September 30, 2018, June 30, 2018 and September 30, 2017, respectively.

n/m = not meaningful

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

## Exhibit A: Non-GAAP Reconciliations

### Bank of America Corporation and Subsidiaries

# Reconciliations to GAAP Financial Measures

(Dollars in millions)

The Corporation evaluates its business based on a fully taxable-equivalent basis, a non-GAAP financial measure. Total revenue, net of interest expense, on a fully taxable-equivalent basis includes net interest income on a fully taxable-equivalent basis and noninterest income. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. The Corporation presents related ratios and analyses (i.e., efficiency ratios and net interest yield) on a fully taxable-equivalent basis. To derive the fully taxable-equivalent basis, net interest income is adjusted to reflect tax-exempt income on an equivalent before-tax basis with a corresponding increase in income tax expense. For purposes of this calculation, the Corporation uses the federal statutory tax rate of 21 percent for the 2018 periods and 35 percent for all prior periods. The efficiency ratio measures the costs expended to generate a dollar of revenue, and net interest yield measures the basis points the Corporation earns over the cost of funds.

The Corporation also evaluates its business based on the following ratios that utilize tangible equity, a non-GAAP financial measure. Tangible equity represents an adjusted shareholders' equity or common shareholders' equity amount which has been reduced by goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Return on average tangible common shareholders' equity measures the Corporation's earnings contribution as a percentage of adjusted average common shareholders' equity. The tangible common equity ratio represents adjusted ending common shareholders' equity divided by total assets less goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Return on average tangible shareholders' equity measures the Corporation's earnings contribution as a percentage of adjusted average total shareholders' equity. The tangible equity ratio represents adjusted ending shareholders' equity divided by total assets less goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities. Tangible book value per common share represents adjusted ending common shareholders' equity divided by ending common shares outstanding. These measures are used to evaluate the Corporation's use of equity. In addition, profitability, relationship and investment models all use return on average tangible shareholders' equity as key measures to support our overall growth goals.

See the tables below and on page 40 for reconciliations of these non-GAAP financial measures to financial measures defined by GAAP for the nine months ended September 30, 2018 and 2017 and the three months ended September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017 and September 30, 2017. The Corporation believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. Other companies may define or calculate supplemental financial data differently.

| | Nine Months Ended September 30 2018 | Nine Months Ended September 30 2017 | Third Quarter 2018 | Second Quarter 2018 | First Quarter 2018 | Fourth Quarter 2017 | Third Quarter 2017 |
|---|---|---|---|---|---|---|---|
| **Reconciliation of net interest income to net interest income on a fully taxable-equivalent basis** | | | | | | | |
| Net interest income | $ 35,128 | $ 33,205 | $ 11,870 | $ 11,650 | $ 11,608 | $ 11,462 | $ 11,161 |
| Fully taxable-equivalent adjustment | 455 | 674 | 151 | 154 | 150 | 251 | 240 |
| **Net interest income on a fully taxable-equivalent basis** | $ 35,583 | $ 33,879 | $ 12,021 | $ 11,804 | $ 11,758 | $ 11,713 | $ 11,401 |
| **Reconciliation of total revenue, net of interest expense, to total revenue, net of interest expense, on a fully taxable-equivalent basis** | | | | | | | |
| Total revenue, net of interest expense | $ 68,511 | $ 66,916 | $ 22,777 | $ 22,609 | $ 23,125 | $ 20,436 | $ 21,839 |
| Fully taxable-equivalent adjustment | 455 | 674 | 151 | 154 | 150 | 251 | 240 |
| **Total revenue, net of interest expense, on a fully taxable-equivalent basis** | $ 68,966 | $ 67,590 | $ 22,928 | $ 22,763 | $ 23,275 | $ 20,687 | $ 22,079 |
| **Reconciliation of income tax expense to income tax expense on a fully taxable-equivalent basis** | | | | | | | |
| Income tax expense | $ 5,017 | $ 7,185 | $ 1,827 | $ 1,714 | $ 1,476 | $ 3,796 | $ 2,187 |
| Fully taxable-equivalent adjustment | 455 | 674 | 151 | 154 | 150 | 251 | 240 |
| **Income tax expense on a fully taxable-equivalent basis** | $ 5,472 | $ 7,859 | $ 1,978 | $ 1,868 | $ 1,626 | $ 4,047 | $ 2,427 |
| **Reconciliation of average common shareholders' equity to average tangible common shareholders' equity** | | | | | | | |
| Common shareholders' equity | $ 241,943 | $ 245,841 | $ 241,812 | $ 241,313 | $ 242,713 | $ 250,838 | $ 249,214 |
| Goodwill | (68,951) | (69,398) | (68,951) | (68,951) | (68,951) | (68,954) | (68,969) |
| Intangible assets (excluding mortgage servicing rights) | (2,125) | (2,737) | (1,992) | (2,126) | (2,261) | (2,399) | (2,549) |
| Related deferred tax liabilities | 917 | 1,503 | 896 | 916 | 939 | 1,344 | 1,465 |
| **Tangible common shareholders' equity** | $ 171,784 | $ 175,209 | $ 171,765 | $ 171,152 | $ 172,440 | $ 180,829 | $ 179,161 |
| **Reconciliation of average shareholders' equity to average tangible shareholders' equity** | | | | | | | |
| Shareholders' equity | $ 265,102 | $ 270,658 | $ 264,653 | $ 265,181 | $ 265,480 | $ 273,162 | $ 273,238 |
| Goodwill | (68,951) | (69,398) | (68,951) | (68,951) | (68,951) | (68,954) | (68,969) |
| Intangible assets (excluding mortgage servicing rights) | (2,125) | (2,737) | (1,992) | (2,126) | (2,261) | (2,399) | (2,549) |
| Related deferred tax liabilities | 917 | 1,503 | 896 | 916 | 939 | 1,344 | 1,465 |
| **Tangible shareholders' equity** | $ 194,943 | $ 200,026 | $ 194,606 | $ 195,020 | $ 195,207 | $ 203,153 | $ 203,185 |

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

### Exhibit A: Non-GAAP Reconciliations (continued)

### Bank of America Corporation and Subsidiaries

## Reconciliations to GAAP Financial Measures

(In millions, except per share information)

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | First Quarter | Fourth Quarter | Third Quarter |
|---|---|---|---|---|---|---|---|
| | **2018** | 2017 | **2018** | 2018 | 2018 | 2017 | 2017 |
| **Reconciliation of period-end common shareholders' equity to period-end tangible common shareholders' equity** | | | | | | | |
| Common shareholders' equity | **$ 239,832** | $ 249,646 | **$ 239,832** | $ 241,035 | $ 241,552 | $ 244,823 | $ 249,646 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,951) | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,177) | (2,312) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 920 | 943 | 1,435 |
| **Tangible common shareholders' equity** | **$ 169,851** | $ 179,654 | **$ 169,851** | $ 170,941 | $ 171,344 | $ 174,503 | $ 179,654 |
| **Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity** | | | | | | | |
| Shareholders' equity | **$ 262,158** | $ 271,969 | **$ 262,158** | $ 264,216 | $ 266,224 | $ 267,146 | $ 271,969 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,951) | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,177) | (2,312) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 920 | 943 | 1,435 |
| **Tangible shareholders' equity** | **$ 192,177** | $ 201,977 | **$ 192,177** | $ 194,122 | $ 196,016 | $ 196,826 | $ 201,977 |
| **Reconciliation of period-end assets to period-end tangible assets** | | | | | | | |
| Assets | **$ 2,338,833** | $ 2,284,174 | **$ 2,338,833** | $ 2,291,670 | $ 2,328,478 | $ 2,281,234 | $ 2,284,174 |
| Goodwill | **(68,951)** | (68,968) | **(68,951)** | (68,951) | (68,951) | (68,951) | (68,968) |
| Intangible assets (excluding mortgage servicing rights) | **(1,908)** | (2,459) | **(1,908)** | (2,043) | (2,177) | (2,312) | (2,459) |
| Related deferred tax liabilities | **878** | 1,435 | **878** | 900 | 920 | 943 | 1,435 |
| **Tangible assets** | **$ 2,268,852** | $ 2,214,182 | **$ 2,268,852** | $ 2,221,576 | $ 2,258,270 | $ 2,210,914 | $ 2,214,182 |
| **Book value per share of common stock** | | | | | | | |
| Common shareholders' equity | **$ 239,832** | $ 249,646 | **$ 239,832** | $ 241,035 | $ 241,552 | $ 244,823 | $ 249,646 |
| Ending common shares issued and outstanding | **9,858.3** | 10,457.5 | **9,858.3** | 10,012.7 | 10,175.9 | 10,287.3 | 10,457.5 |
| **Book value per share of common stock** | **$ 24.33** | $ 23.87 | **$ 24.33** | $ 24.07 | $ 23.74 | $ 23.80 | $ 23.87 |
| **Tangible book value per share of common stock** | | | | | | | |
| Tangible common shareholders' equity | **$ 169,851** | $ 179,654 | **$ 169,851** | $ 170,941 | $ 171,344 | $ 174,503 | $ 179,654 |
| Ending common shares issued and outstanding | **9,858.3** | 10,457.5 | **9,858.3** | 10,012.7 | 10,175.9 | 10,287.3 | 10,457.5 |
| **Tangible book value per share of common stock** | **$ 17.23** | $ 17.18 | **$ 17.23** | $ 17.07 | $ 16.84 | $ 16.96 | $ 17.18 |

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