

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 18, 1999

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

Delaware
(State or other jurisdiction of incorporation or organization)

1-6523
(Commission File Number)

56-0906609
(IRS Employer Identification No.)

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

28255
(Zip Code)

(704) 386-5000
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS.

Release of Third Quarter Earnings. On October 18, 1999, Bank of America Corporation, the registrant (the "Registrant"), announced financial results for the third quarter of fiscal 1999, reporting earnings of \$2.15 billion and earnings per common share of \$1.25 (\$1.23 diluted). A copy of the press release announcing the results of the Registrant's fiscal quarter ended September 30, 1999 is filed as Exhibit 99.1 to this Current Report on Form 8-K.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibit is filed herewith:

| EXHIBIT NO. | DESCRIPTION OF EXHIBIT |
|-------------|--|
| 99.1 | Press Release dated October 18, 1999 with respect to the Registrant's financial results for the fiscal quarter ended September 30, 1999. |

SIGNATURE

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

BANK OF AMERICA CORPORATION

By: /s/ Marc D. Oken

Marc D. Oken
Executive Vice President and
Principal Financial Executive

Dated: October 22, 1999

EXHIBIT INDEX

| EXHIBIT NO. | DESCRIPTION OF EXHIBIT |
|-------------|--|
| 99.1 | Press Release dated October 18, 1999 with respect to the Registrant's financial results for the fiscal quarter ended September 30, 1999. |

EXHIBIT 99.1

FOR IMMEDIATE RELEASE
October 18, 1999

Contact: Investors Susan Carr (704-386-8059) or Kevin Stitt (704-386-5667)
Media Bob Stickler or Rick Beebe (704-386-8465)

BANK OF AMERICA REPORTS RECORD THIRD QUARTER EARNINGS

CHARLOTTE, NC, October 18, 1999 - Bank of America Corporation today reported record third quarter earnings of \$2.15 billion, or \$1.25 per share (\$1.23 diluted).

Results far surpassed the \$374 million, or \$.21 per share (\$.21 diluted), earnings of a year earlier that were impacted by global financial turbulence. Excluding a \$725 million pre-tax merger-related charge, operating earnings a year ago were \$893 million, or \$.51 per share (\$.50 diluted).

Diluted operating earnings per share were up 7 percent from the second quarter of this year.

The company's return on equity rose to 18.40 percent in the third quarter, and the return on assets increased to 1.40 percent.

Cash operating earnings - which exclude the amortization of intangibles and merger-related charges - were \$2.37 billion, or \$1.38 per share (\$1.35 diluted). The return on tangible equity was 29.48 percent. A year earlier, cash operating earnings were \$1.12 billion, or \$.64 per share (\$.63 diluted).

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Page 2

"Bank of America made solid progress during the third quarter," said Hugh L. McColl Jr., chairman and chief executive officer. "Our merger transition continues to go smoothly and remains on schedule. We are successfully building out our investment banking platform and delivering those services to our huge middle market customer base. And we are refocusing a number of our businesses to achieve greater value for customers and higher profitability for shareholders. We are accomplishing all of these initiatives while increasing earnings and improving returns."

For the first nine months of 1999, operating earnings were up 25 percent to \$6.13 billion, or \$3.53 per share (\$ 3.45 diluted) compared to \$4.89 billion, or \$2.81 per share (\$2.73 diluted) a year earlier. Net income was 49 percent higher at \$5.98 billion, or \$3.45 per share (\$3.37 diluted), compared to \$4.00 billion, or \$2.30 per share (\$2.24 diluted), a year earlier.

Third Quarter Earnings Highlights (compared to a year ago)

- -----
- o Revenue rose 21 percent, as noninterest income increased 55 percent and fully-taxable equivalent net interest income was up 3 percent.
- o Average managed consumer loans increased by 17 percent.
- o Fee-based income recorded strong improvement in almost all areas and rose to 45 percent of revenue.
- o The efficiency ratio improved to 54 percent.
- o Net charge-offs declined to .51 percent of loans.

Net Interest Income

- -----
Fully taxable-equivalent net interest income of \$4.60 billion was 3 percent higher than a year earlier due to solid loan growth, somewhat offset by the impact of securitizations, loan sales and the funding cost of share repurchases. The net interest yield on earning assets was 3.46 percent compared to 3.60 percent a year earlier.

Noninterest Income

- -----
Noninterest income increased 55 percent to \$3.73 billion due to widespread gains across the spectrum of Bank of America's fee-based businesses. The primary gains were recorded in credit card, trading, investment banking, mortgage banking and service charge income. Fee income rose to 45 percent of revenue.

Securities gains were \$44 million compared to \$280 million in the third quarter of 1998.

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Page 3

Efficiency

- -----
Noninterest expense declined 1 percent to \$4.53 billion, reflecting cost savings resulting from recent mergers offset by increased revenue-based incentives, accelerated spending on merger transition projects and continued expansion of the investment banking business. The efficiency ratio improved to 54 percent.

Credit Quality

- -----
The provision for credit losses in the third quarter was \$450 million, compared to \$1.4 billion a year earlier. Net charge-offs were \$460 million, well below \$902 million a year ago which included a \$372 million charge-off related to the D.E. Shaw relationship. Net charge-offs represented .51 percent of loans and leases in the latest period.

Nonperforming assets were \$3.04 billion, or .84 percent of loans, leases and foreclosed properties on September 30, 1999, compared to \$2.58 billion, or .73 percent a year earlier. The allowance for credit losses totaled \$7.08 billion on September 30, 1999, equal to 252 percent of nonperforming loans and 1.96 percent of loans and leases. The allowance was \$7.21 billion, or 315 percent of nonperforming loans and 2.05 percent of loans and leases, a year earlier.

Capital Strength

- -----
Shareholders' equity stood at \$45.9 billion at September 30, 1999. The Tier 1 capital ratio was 7.71 percent. The company's market capitalization was \$95 billion. On June 23, the company authorized the repurchase of up to 130 million common shares over 24 months, with an expectation to complete the program within 18 months. Through September 30, the company had purchased 43 million shares.

Business Segment Results

- -----
Consumer Banking, which serves individuals and small businesses, earned \$1.10 billion, while Commercial Banking, which serves companies with from \$10 million to \$500 million in revenue, earned \$216 million. Together, they represented 61 percent of the company's operating income. Global Corporate and Investment Banking, which serves large corporate customers, earned \$530 million, representing 25 percent of the company's earnings. Principal Investing and Asset Management, which encompasses the private bank, trust, investment management, mutual funds, retail brokerage and principal investing, earned \$244 million, representing 11 percent.

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Page 4

Bank of America, with \$621 billion in assets, is the largest bank in the United States. The company serves more than 30 million households and 2 million businesses across the country, offering customers the largest and most convenient delivery network from offices and ATMs to telephone and internet access. It also provides comprehensive international corporate financial services for clients doing business around the world. The company creates financial relationships featuring a wide array of financial services, from traditional banking products to investments and capital raising within the securities markets. Bank of America stock (ticker: BAC) is listed on the New York, Pacific and London stock exchanges and certain shares are listed on the Tokyo Stock Exchange. Further investor information can be found at www.bankofamerica.com/investor.

www.bankofamerica.com

<TABLE>
<CAPTION>

Bank of America Corporation

| Months | Three Months | | Nine |
|--------------|--------------------|--|-------|
| | Ended September 30 | | Ended |
| September 30 | | | |

| | ----- | | ----- |
|---|-----------|-----------|-----------|
| Financial Summary | 1999 | 1998 | 1999 |
| 1998 | | | |
| - - - - - | ----- | ----- | ----- |
| <S> | <C> | <C> | <C> |
| <C> | | | |
| (In millions, except per-share data) | | | |
| Operating net income | \$ 2,151 | \$ 893 | \$ 6,125 |
| \$ 4,887 | | | |
| Operating earnings per common share | 1.25 | .51 | 3.53 |
| 2.81 | | | |
| Diluted operating earnings per common share | 1.23 | .50 | 3.45 |
| 2.73 | | | |
| Cash basis earnings (1) | 2,373 | 1,117 | 6,794 |
| 5,566 | | | |
| Cash basis earnings per common share | 1.38 | .64 | 3.91 |
| 3.20 | | | |
| Cash basis diluted earnings per common share | 1.35 | .63 | 3.83 |
| 3.11 | | | |
| Dividends paid per common share | .45 | .38 | 1.35 |
| 1.14 | | | |
| Price per share of common stock at period end | 55.69 | 53.50 | 55.69 |
| 53.50 | | | |
| Average common shares | 1,722.307 | 1,740.092 | 1,734.401 |
| 1,732.297 | | | |
| Average diluted common shares | 1,755.146 | 1,784.418 | 1,773.692 |
| 1,782.106 | | | |

Summary Income Statement (Operating Basis)

| - - - - - | | | |
|--|----------|----------|-----------|
| (Taxable-equivalent basis in millions) | | | |
| Net interest income | \$ 4,603 | \$ 4,484 | \$ 13,911 |
| \$ 13,811 | | | |
| Provision for credit losses | (450) | (1,405) | (1,470) |
| (2,410) | | | |
| Gains on sales of securities | 44 | 280 | 226 |
| 613 | | | |
| Noninterest income | 3,728 | 2,405 | 10,473 |
| 9,534 | | | |
| Other noninterest expense | (4,526) | (4,583) | (13,436) |
| (14,054) | | | |
| ----- | ----- | ----- | ----- |
| ----- | | | |

| | | | |
|---|----------|--------|----------|
| Income before income taxes | 3,399 | 1,181 | 9,704 |
| 7,494 | | | |
| Income taxes - including FTE adjustment | 1,248 | 288 | 3,579 |
| 2,607 | | | |
| ----- | ----- | ----- | ----- |
| Operating net income | \$ 2,151 | \$ 893 | \$ 6,125 |
| \$ 4,887 | | | |
| ===== | ===== | ===== | ===== |

Summary Balance Sheet

- -----
(Average balances in billions)

| | | | |
|------------------------------|-----------|------------|-----------|
| Loans and leases | \$361.400 | \$ 348.785 | \$362.302 |
| \$ 344.539 | | | |
| Managed loans and leases (2) | 387.580 | 356.396 | 387.305 |
| 353.394 | | | |
| Securities | 80.261 | 65.536 | 77.998 |
| 64.791 | | | |
| Earning assets | 528.564 | 495.911 | 527.450 |
| 493.900 | | | |
| Total assets | 611.448 | 578.353 | 612.152 |
| 577.055 | | | |
| Deposits | 336.998 | 347.783 | 341.693 |
| 343.369 | | | |
| Shareholders' equity | 46.439 | 45.756 | 46.537 |
| 44.755 | | | |
| Common shareholders' equity | 46.360 | 45.693 | 46.464 |
| 44.291 | | | |

Performance Indices (Operating Basis)

| | | | |
|--|---------|--------|----------|
| ----- | | | |
| Return on average common shareholders' equity | 18.40 % | 7.73 % | 17.61 % |
| 14.68 % | | | |
| Return on average tangible common shareholders' equity | 29.48 | 14.51 | 28.48 |
| 25.69 | | | |
| Return on average assets | 1.40 | .61 | 1.34 |
| 1.13 | | | |
| Return on average tangible assets | 1.58 | .79 | 1.52 |
| 1.33 | | | |
| Net interest yield | 3.46 | 3.60 | 3.52 |
| 3.74 | | | |
| Efficiency ratio | 54.34 | 66.55 | 55.10 |
| 60.20 | | | |
| Cash basis efficiency ratio | 51.67 | 63.28 | 52.36 |
| 57.29 | | | |
| Net charge-offs (in millions) | \$ 460 | \$ 902 | \$ 1,499 |
| \$ 1,923 | | | |
| % of average loans and leases | .51 % | 1.03 % | .55 % |
| .75 % | | | |
| Managed bankcard net charge-offs as a % of average | | | |
| managed bankcard receivables | 4.83 | 5.99 | 5.66 |
| 6.42 | | | |

Reported Results (Including Merger-Related Charges)

| | | | |
|---|----------|--------|----------|
| ----- | | | |
| (In millions, except per-share data) | | | |
| Net income | \$ 2,151 | \$ 374 | \$ 5,980 |
| \$ 4,003 | | | |
| Earnings per common share | 1.25 | .21 | 3.45 |
| 2.30 | | | |
| Diluted earnings per common share | 1.23 | .21 | 3.37 |
| 2.24 | | | |
| Return on average common shareholders' equity | 18.40 | 3.23 | 17.19 |
| 12.01 | | | |

- (1) Cash basis earnings equal operating net income excluding amortization of intangibles.
(2) Prior periods are restated for comparison (e.g. acquisitions, divestitures and securitizations).

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<CAPTION>

Bank of America Corporation

- Continued

September 30

| | | |
|--|-------|-------|
| | ----- | ----- |
| | 1999 | 1998 |
| | ----- | ----- |

Balance Sheet Highlights

- -----
(In billions, except per-share data)

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| | | |
|---|------------|------------|
| Loans and leases | \$ 360.236 | \$ 351.982 |
| Securities | 79.836 | 72.139 |
| Earning assets | 534.431 | 507.329 |
| Total assets | 620.652 | 594.673 |
| Deposits | 337.011 | 345.756 |
| Shareholders' equity | 45.889 | 47.307 |
| Common shareholders' equity | 45.811 | 47.245 |
| Per share | 26.79 | 27.12 |
| Total equity to assets ratio (period-end) | 7.39 % | 7.96 % |
| Risk-based capital | | |
| Tier 1 capital ratio | 7.71 | 7.29 |
| Total capital ratio | 11.39 | 11.25 |
| Leverage ratio | 6.59 | 6.64 |
| Common shares issued and outstanding (in millions) | 1,710.039 | 1,742.038 |
| Allowance for credit losses | \$ 7.076 | \$ 7.215 |
| Allowance for credit losses as a % of loans and leases | 1.96 % | 2.05 % |
| Allowance for credit losses as a % of nonperforming loans | 251.85 | 314.55 |
| Nonperforming loans | \$ 2.810 | \$ 2.294 |
| Nonperforming assets | 3.038 | 2.582 |
| Nonperforming assets as a % of: | | |
| Total assets | .49 % | .43 % |
| Loans, leases and foreclosed properties | .84 | .73 |
| Other Data | | |
| - ----- | | |
| Full-time equivalent headcount | 158,886 | 174,844 |
| Banking centers | 4,535 | 4,870 |
| ATMs | 14,042 | 14,333 |

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BUSINESS SEGMENT RESULTS - Three Months Ended September 30, 1999
(In millions)

| | Total Revenue | Operating Net Income | Average Loans and Leases | Return on Average Equity |
|--|---------------|-------------------------|-----------------------------|-----------------------------|
| | ----- | ----- | ----- | ----- |
| Consumer Banking | \$ 4,657 | \$ 1,097 | \$182,732 | 22% |
| Commercial Banking | 780 | 216 | 56,653 | 20 |
| Global Corporate and Investment Banking | 1,989 | 530 | 103,318 | 16 |
| Principal Investing and Asset Management | 802 | 244 | 19,061 | 31 |

</TABLE>

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Bank of America Corporation
Consolidated Financial Highlights
(Excludes Merger-Related Charges)

- -----

(Dollars in Millions Except Per-Share Information, Shares in Millions)

| | Third Quarter 1999 | Second Quarter 1999 | First Quarter 1999 | Fourth Quarter 1998 |
|--|--------------------------|---------------------------|--------------------------|---------------------------|
| | ----- | ----- | ----- | ----- |
| <S> | <C> | <C> | <C> | <C> |
| <C> | | | | |
| Net income | \$ 2,151 | \$ 2,060 | \$ 1,914 | \$ |
| 1,603 \$ 893 | | | | |
| Cash basis earnings | 2,373 | 2,285 | 2,136 | |
| 1,825 1,117 | | | | |
| Earnings per common share | 1.25 | 1.18 | 1.10 | .92 |
| .51 | | | | |
| Diluted earnings per common share | 1.23 | 1.15 | 1.08 | .91 |
| .50 | | | | |
| Cash basis earnings per common share | 1.38 | 1.31 | 1.23 | 1.05 |
| .64 | | | | |
| Cash basis diluted earnings per common share | 1.35 | 1.28 | 1.20 | 1.04 |
| .63 | | | | |
| Dividends per common share | .45 | .45 | .45 | .45 |
| .38 | | | | |
| Average common shares issued and outstanding | 1,722.307 | 1,743.503 | 1,737.562 | 1,731.314 |

| | | | | |
|--|------------|------------|------------|------------|
| 1,740.092 | | | | |
| Average diluted common shares issued and outstanding | 1,755.146 | 1,786.844 | 1,779.708 | 1,763.055 |
| 1,784.418 | | | | |
| Period-end common shares issued and outstanding | 1,710.039 | 1,722.931 | 1,740.872 | 1,724.484 |
| 1,742.038 | | | | |
| Period-end managed loans and leases* | \$ 387,001 | \$ 381,913 | \$ 376,529 | \$ 371,507 |
| \$ 361,158 | | | | |
| Average managed loans and leases* | 387,580 | 383,223 | 378,932 | 370,845 |
| 356,396 | | | | |

*Prior periods restated for comparison (e.g. acquisitions, divestitures and securitizations).

| | | | | |
|--|----------|----------|----------|----------|
| Performance ratios: | | | | |
| Return on average assets | 1.40 % | 1.34 % | 1.27 % | 1.05 |
| % .61 % | | | | |
| Return on average tangible assets | 1.58 | 1.53 | 1.46 | 1.22 |
| .79 | | | | |
| Return on average common shareholders' equity | 18.40 | 17.64 | 16.78 | 14.12 |
| 7.73 | | | | |
| Return on average tangible common shareholders' equity | 29.48 | 28.49 | 27.44 | 23.97 |
| 14.51 | | | | |
| Efficiency ratio | 54.34 | 54.44 | 56.59 | |
| 64.16 66.55 | | | | |
| Cash basis efficiency ratio | 51.67 | 51.70 | 53.76 | 61.12 |
| 63.28 | | | | |
| Net interest yield | 3.46 | 3.53 | 3.58 | |
| 3.58 3.60 | | | | |
| Book value per common share | \$ 26.79 | \$ 26.44 | \$ 26.86 | \$ 26.60 |
| \$ 27.12 | | | | |
| Market price per share of common stock: | | | | |
| High for the period | 76 3/8 | 76 1/8 | 74 1/2 | 66 5/8 |
| 88 7/16 | | | | |
| Low for the period | 53 1/4 | 61 1/2 | 59 1/2 | 44 |
| 47 7/8 | | | | |
| Closing price | 55 11/16 | 73 5/16 | 70 5/8 | 60 1/8 |
| 53 1/2 | | | | |
| Other data: | | | | |
| Number of banking centers | 4,535 | 4,531 | 4,676 | 4,708 |
| 4,870 | | | | |
| Number of ATMs | 14,042 | 14,051 | 14,229 | |
| 14,327 14,333 | | | | |
| Full-time equivalent employees | 158,886 | 161,919 | 166,422 | 170,975 |
| 174,844 | | | | |

Business Segment Results - Third Quarter 1999

| Return on average equity | Total revenue | | Net income | | Average loans and leases | |
|--|---------------|-----|------------|-----|-----------------------------|-----|
| | | | | | | |
| Consumer Banking | \$ 4,657 | 56% | \$ 1,097 | 51% | \$ 182,732 | 51% |
| 22% | | | | | | |
| Commercial Banking | 780 | 9 | 216 | 10 | 56,653 | 16 |
| 20 | | | | | | |
| Global Corporate and Investment Banking | 1,989 | 24 | 530 | 25 | 103,318 | 29 |
| 16 | | | | | | |
| Principal Investing and Asset Management | 802 | 10 | 244 | 11 | 19,061 | 5 |
| 31 | | | | | | |

<TABLE>
<CAPTION>
Bank of America Corporation
Consolidated Statement of Income
(Operating Results excluding Merger-Related Charges)

| (Dollars in Millions, Except Per-Share Information) | | Third | Second | First | |
|---|---------|---------|---------|---------|------|
| Fourth | Third | Quarter | Quarter | Quarter | |
| Quarter | Quarter | 1999 | 1999 | 1999 | 1998 |
| 1998 | | | | | |
| | | | | | |
| <S> | | <C> | <C> | <C> | <C> |
| <C> | | | | | |

| | | | | |
|---|----------|----------|----------|----|
| Interest income | | | | |
| Interest and fees on loans and leases | \$ 6,883 | \$ 6,853 | \$ 6,770 | \$ |
| 7,030 7,084 | | | | |
| Interest and dividends on securities | 1,208 | 1,143 | 1,175 | |
| 1,191 1,105 | | | | |
| Federal funds sold and securities | | | | |
| purchased under agreements to resell | 440 | 387 | 381 | |
| 486 492 | | | | |
| Trading account assets | 482 | 525 | 545 | |
| 612 584 | | | | |
| Other interest income | 281 | 298 | 330 | |
| 319 343 | | | | |
| ----- | | | | |
| Total interest income | 9,294 | 9,206 | 9,201 | |
| 9,638 9,608 | | | | |
| ----- | | | | |
| Interest expense | | | | |
| Deposits | 2,198 | 2,168 | 2,312 | |
| 2,598 2,830 | | | | |
| Short-term borrowings | 1,437 | 1,396 | 1,355 | |
| 1,422 1,278 | | | | |
| Trading account liabilities | 189 | 150 | 129 | |
| 165 194 | | | | |
| Long-term debt | 920 | 880 | 805 | |
| 844 862 | | | | |
| ----- | | | | |
| Total interest expense | 4,744 | 4,594 | 4,601 | |
| 5,029 5,164 | | | | |
| ----- | | | | |
| Net interest income | 4,550 | 4,612 | 4,600 | |
| 4,609 4,444 | | | | |
| Provision for credit losses | 450 | 510 | 510 | |
| 510 1,405 | | | | |
| ----- | | | | |
| Net interest income after provision for credit losses | 4,100 | 4,102 | 4,090 | |
| 4,099 3,039 | | | | |
| Gains on sales of securities | 44 | 52 | 130 | |
| 404 280 | | | | |
| Noninterest income | | | | |
| Service charges on deposit accounts | 942 | 900 | 855 | |
| 881 855 | | | | |
| Mortgage servicing income | 206 | 125 | 132 | |
| 103 (93) | | | | |
| Investment banking income | 702 | 555 | 388 | |
| 356 376 | | | | |
| Trading account profits and fees | 313 | 395 | 500 | |
| 96 (529) | | | | |
| Brokerage income | 168 | 192 | 184 | |
| 162 198 | | | | |
| Nondeposit-related service fees | 136 | 123 | 136 | |
| 150 163 | | | | |
| Asset management and fiduciary service fees | 250 | 274 | 243 | |
| 229 238 | | | | |
| Credit card income | 496 | 448 | 360 | |
| 398 379 | | | | |
| Other income | 515 | 510 | 425 | |
| 280 818 | | | | |
| ----- | | | | |
| Total noninterest income | 3,728 | 3,522 | 3,223 | |
| 2,655 2,405 | | | | |
| ----- | | | | |
| Other noninterest expense | | | | |
| Personnel | 2,336 | 2,261 | 2,333 | |
| 2,301 2,246 | | | | |
| Occupancy | 417 | 395 | 396 | |
| 413 427 | | | | |
| Equipment | 313 | 339 | 358 | |
| 384 346 | | | | |
| Marketing | 145 | 147 | 147 | |
| 135 143 | | | | |
| Professional fees | 160 | 166 | 126 | |
| 233 206 | | | | |
| Amortization of intangibles | 222 | 225 | 222 | |
| 223 224 | | | | |
| Data processing | 164 | 214 | 190 | |
| 205 195 | | | | |
| Telecommunications | 131 | 140 | 136 | |

| | | | | |
|-----------|---|-----------|-----------|-----------|
| 152 | 142 | | | |
| | Other general operating | 498 | 446 | 420 |
| 493 | 510 | | | |
| | General administrative and other | 140 | 124 | 125 |
| 148 | 144 | | | |
| ----- | | | | |
| | Total other noninterest expense | 4,526 | 4,457 | 4,453 |
| 4,687 | 4,583 | | | |
| ----- | | | | |
| | Income before income taxes | 3,346 | 3,219 | 2,990 |
| 2,471 | 1,141 | | | |
| | Income tax expense | 1,195 | 1,159 | 1,076 |
| 868 | 248 | | | |
| ----- | | | | |
| | Net income | \$ 2,151 | \$ 2,060 | \$ 1,914 |
| 1,603 | \$ 893 | | | \$ |
| ----- | | | | |
| | Net income available to common shareholders | \$ 2,149 | \$ 2,059 | \$ 1,912 |
| 1,602 | \$ 891 | | | \$ |
| ----- | | | | |
| | Per-share information | | | |
| | Earnings per common share | \$1.25 | \$1.18 | \$1.10 |
| .92 | \$.51 | | | \$ |
| ----- | | | | |
| | Diluted earnings per common share | \$1.23 | \$1.15 | \$1.08 |
| .91 | \$.50 | | | \$ |
| ----- | | | | |
| | Dividends per common share | \$.45 | \$.45 | \$.45 |
| .45 | \$.38 | | | \$ |
| ----- | | | | |
| | Average common shares issued and outstanding (in thousands) | 1,722,307 | 1,743,503 | 1,737,562 |
| 1,731,314 | 1,740,092 | | | |
| ----- | | | | |
| | Average diluted common shares issued and outstanding (in thousands) | 1,755,146 | 1,786,844 | 1,779,708 |
| 1,763,055 | 1,784,418 | | | |
| ----- | | | | |

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

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Bank of America Corporation

Consolidated Balance Sheet

| | | | |
|--|--------------|----------|--------------|
| | September 30 | June 30 | September 30 |
| (Dollars in Millions) | 1999 | 1999 | 1998 |
| ----- | | | |
| <S> | <C> | <C> | <C> |
| Assets | | | |
| Cash and cash equivalents | \$25,414 | \$24,197 | \$24,715 |
| Time deposits placed and other short-term investments | 4,846 | 5,350 | 6,692 |
| Federal funds sold and securities purchased under agreements to resell | 40,369 | 35,907 | 30,725 |
| Trading account assets | 38,651 | 35,427 | 34,509 |
| Securities: | | | |
| Available for sale | 78,353 | 75,012 | 67,959 |
| Held for investment | 1,483 | 1,499 | 4,180 |
| ----- | | | |
| Total securities | 79,836 | 76,511 | 72,139 |
| ----- | | | |
| Loans and leases | 360,236 | 363,581 | 351,982 |
| Allowance for credit losses | (7,076) | (7,096) | (7,215) |
| ----- | | | |
| Loans and leases, net of allowance for credit losses | 353,160 | 356,485 | 344,767 |
| ----- | | | |
| Premises and equipment, net | 6,728 | 7,012 | 7,249 |

| | | | |
|---|-----------|-----------|-----------|
| Customers' acceptance liability | 2,066 | 1,908 | 3,917 |
| Derivative-dealer assets | 18,103 | 13,808 | 17,141 |
| Interest receivable | 3,838 | 3,478 | 3,838 |
| Mortgage servicing rights | 3,845 | 3,538 | 2,155 |
| Goodwill | 12,414 | 12,741 | 12,802 |
| Core deposit and other intangibles | 1,800 | 1,875 | 2,080 |
| Other assets | 29,582 | 35,865 | 31,944 |
| <hr/> | | | |
| Total assets | \$620,652 | \$614,102 | \$594,673 |
| <hr/> | | | |
| <hr/> | | | |
| Liabilities | | | |
| Deposits in domestic offices: | | | |
| Noninterest-bearing | \$87,292 | \$88,611 | \$83,508 |
| Interest-bearing | 202,037 | 201,018 | 198,790 |
| Deposits in foreign offices: | | | |
| Noninterest-bearing | 1,981 | 1,775 | 1,651 |
| Interest-bearing | 45,701 | 47,641 | 61,807 |
| <hr/> | | | |
| Total deposits | 337,011 | 339,045 | 345,756 |
| <hr/> | | | |
| Federal funds purchased and securities sold under agreements to repurchase | 79,739 | 78,317 | 65,625 |
| Trading account liabilities | 18,239 | 16,394 | 17,775 |
| Derivative-dealer liabilities | 18,689 | 13,506 | 16,024 |
| Commercial paper | 7,826 | 7,604 | 5,579 |
| Other short-term borrowings | 32,893 | 34,045 | 22,793 |
| Acceptances outstanding | 2,066 | 1,908 | 3,916 |
| Accrued expenses and other liabilities | 18,993 | 17,638 | 17,428 |
| Long-term debt | 54,352 | 55,059 | 47,552 |
| Trust preferred securities | 4,955 | 4,955 | 4,918 |
| <hr/> | | | |
| Total liabilities | 574,763 | 568,471 | 547,366 |
| <hr/> | | | |
| Shareholders' equity | | | |
| Preferred stock, \$0.01 par value; authorized - 100,000,000 shares; issued and outstanding 1,828,702; 1,871,753 and 1,967,245 shares | 78 | 80 | 84 |
| Common stock, \$0.01 par value; authorized - 5,000,000,000 shares; issued and outstanding 1,710,039,286; 1,722,930,646 and 1,742,037,974 shares | 13,538 | 14,433 | 15,939 |
| Retained earnings | 34,631 | 33,256 | 30,615 |
| Accumulated other comprehensive income | (1,929) | (1,595) | 784 |
| Other | (429) | (543) | (115) |
| <hr/> | | | |
| Total shareholders' equity | 45,889 | 45,631 | 47,307 |
| <hr/> | | | |
| Total liabilities and shareholders' equity | \$620,652 | \$614,102 | \$594,673 |

</TABLE>

<TABLE>

<CAPTION>

Bank of America Corporation
Quarterly Taxable-Equivalent Data

(Dollars in Millions)

| | Third Quarter 1999 | | | Second Quarter 1999 | | |
|--|--------------------|-------------------------|------------|---------------------|-------------------------|------------|
| | Average Balance | Interest Income/Expense | Yield/Rate | Average Balance | Interest Income/Expense | Yield/Rate |
| <S> | <C> | <C> | <C> | <C> | <C> | <C> |
| Earning assets: | | | | | | |
| Time deposits placed and other short-term investments | \$ 5,018 | \$ 69 | 5.50 % | \$5,159 | \$65 | 5.03 % |
| Federal funds sold and securities purchased under agreements to resell | 33,074 | 440 | 5.30 | 29,521 | 387 | 5.25 |
| Trading account assets | 37,453 | 483 | 5.14 | 39,837 | 528 | 5.31 |
| Securities: | | | | | | |
| Available for sale (1) | 78,779 | 1,208 | 6.12 | 76,373 | 1,139 | 5.97 |
| Held for investment | 1,482 | 26 | 7.02 | 1,482 | 28 | 7.61 |
| <hr/> | | | | | | |
| Total securities | 80,261 | 1,234 | 6.13 | 77,855 | 1,167 | 6.00 |

Loans and leases (2):

| | | | | | | |
|---|-----------|---------|--------|-----------|---------|--------|
| Commercial - domestic | 136,149 | 2,488 | 7.25 | 138,257 | 2,473 | 7.17 |
| Commercial - foreign | 28,348 | 494 | 6.93 | 30,209 | 456 | 6.05 |
| Commercial real estate - domestic | 25,056 | 517 | 8.19 | 25,938 | 533 | 8.25 |
| Commercial real estate - foreign | 295 | 7 | 8.80 | 289 | 6 | 8.48 |
| -- | | | | | | |
| Total commercial | 189,848 | 3,506 | 7.33 | 194,693 | 3,468 | 7.14 |
| -- | | | | | | |
| Residential mortgage | 80,015 | 1,431 | 7.14 | 80,151 | 1,430 | 7.14 |
| Home equity lines | 16,316 | 321 | 7.79 | 15,857 | 304 | 7.68 |
| Direct/Indirect consumer | 42,740 | 875 | 8.13 | 42,240 | 859 | 8.15 |
| Consumer finance | 19,923 | 433 | 8.62 | 17,794 | 424 | 9.56 |
| Bankcard | 8,923 | 256 | 11.38 | 10,365 | 306 | 11.83 |
| Foreign consumer | 3,635 | 86 | 9.36 | 3,653 | 87 | 9.55 |
| -- | | | | | | |
| Total consumer | 171,552 | 3,402 | 7.89 | 170,060 | 3,410 | 8.03 |
| -- | | | | | | |
| Total loans and leases | 361,400 | 6,908 | 7.59 | 364,753 | 6,878 | 7.56 |
| -- | | | | | | |
| Other earning assets | 11,358 | 213 | 7.40 | 12,924 | 232 | 7.23 |
| -- | | | | | | |
| Total earning assets (3) | 528,564 | 9,347 | 7.03 | 530,049 | 9,257 | 7.00 |
| -- | | | | | | |
| Cash and cash equivalents | 25,905 | | | 25,868 | | |
| Other assets, less allowance for credit losses | 56,979 | | | 59,447 | | |
| -- | | | | | | |
| Total assets | \$611,448 | | | \$615,364 | | |
| -- | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Domestic interest-bearing deposits: | | | | | | |
| Savings | \$ 26,037 | 82 | 1.25 | \$ 21,799 | 67 | 1.24 |
| NOW and money market deposit accounts | 96,402 | 579 | 2.38 | 100,897 | 581 | 2.31 |
| Consumer CDs and IRAs | 73,429 | 898 | 4.85 | 73,601 | 847 | 4.61 |
| Negotiated CDs, public funds and other time deposits | 6,609 | 94 | 5.66 | 6,238 | 80 | 5.14 |
| -- | | | | | | |
| Total domestic interest-bearing deposits | 202,477 | 1,653 | 3.24 | 202,535 | 1,575 | 3.12 |
| -- | | | | | | |
| Foreign interest-bearing deposits (4): | | | | | | |
| Banks located in foreign countries | 13,668 | 160 | 4.65 | 16,947 | 196 | 4.62 |
| Governments and official institutions | 7,185 | 90 | 4.99 | 8,089 | 98 | 4.81 |
| Time, savings and other | 25,500 | 295 | 4.57 | 26,354 | 299 | 4.56 |
| -- | | | | | | |
| Total foreign interest-bearing deposits | 46,353 | 545 | 4.66 | 51,390 | 593 | 4.62 |
| -- | | | | | | |
| Total interest-bearing deposits | 248,830 | 2,198 | 3.50 | 253,925 | 2,168 | 3.42 |
| -- | | | | | | |
| Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings | 114,934 | 1,437 | 4.96 | 116,339 | 1,396 | 4.82 |
| Trading account liabilities | 15,677 | 189 | 4.78 | 14,178 | 150 | 4.25 |
| Long-term debt (5) | 59,283 | 920 | 6.21 | 58,302 | 880 | 6.03 |
| -- | | | | | | |
| Total interest-bearing liabilities (6) | 438,724 | 4,744 | 4.30 | 442,744 | 4,594 | 4.16 |
| -- | | | | | | |
| Noninterest-bearing sources: | | | | | | |
| Noninterest-bearing deposits | 88,168 | | | 88,324 | | |
| Other liabilities | 38,117 | | | 37,405 | | |
| Shareholders' equity | 46,439 | | | 46,891 | | |
| -- | | | | | | |
| Total liabilities and shareholders' equity | \$611,448 | | | \$615,364 | | |
| -- | | | | | | |
| Net interest spread | | | 2.73 | | | 2.84 |
| Impact of noninterest-bearing sources | | | .73 | | | .69 |
| -- | | | | | | |
| Net interest income/yield on earning assets | | \$4,603 | 3.46 % | | \$4,663 | 3.53 % |
| -- | | | | | | |

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

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

(3) Interest income includes taxable-equivalent adjustments of \$53, \$51 and \$45 in the third, second and first quarters of 1999 and \$41 and \$40 in the fourth and third quarters of 1998, respectively. Interest income also includes the impact of risk management interest rate contracts, which increased interest income on the underlying linked assets \$103, \$83 and \$63 in the third, second and first quarters of 1999 and \$70 and \$46 in the fourth and third quarters of 1998, respectively.

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

(5) Long-term debt includes trust preferred securities.

(6) Interest expense includes the impact of risk management interest rate contracts, which decreased interest expense on the underlying linked liabilities \$6, \$52 and \$60 in the third, second and first quarters of 1999 and \$27 and \$9 in the fourth and third quarters of 1998, respectively.

<CAPTION>

| First Quarter 1999 | | | Fourth Quarter 1998 | | | Third Quarter 1998 | | |
|--------------------|-------------------------|------------|---------------------|-------------------------|------------|--------------------|-------------------------|------------|
| Average Balance | Interest Income/Expense | Yield/Rate | Average Balance | Interest Income/Expense | Yield/Rate | Average Balance | Interest Income/Expense | Yield/Rate |
| <S> | <C> | <C> | <C> | <C> | <C> | <C> | <C> | <C> |
| \$ 6,408 | \$ 88 | 5.58 % | \$ 6,702 | \$ 111 | 6.56 % | \$ 7,483 | \$ 138 | 7.31 % |
| 26,561 | 381 | 5.80 | 29,564 | 486 | 6.53 | 27,646 | 492 | 7.06 |
| 41,129 | 547 | 5.36 | 39,391 | 613 | 6.19 | 35,487 | 587 | 6.59 |
| 73,925 | 1,161 | 6.31 | 69,354 | 1,162 | 6.68 | 61,250 | 1,046 | 6.82 |
| 1,905 | 33 | 6.84 | 2,948 | 44 | 6.09 | 4,286 | 76 | 6.99 |
| 75,830 | 1,194 | 6.33 | 72,302 | 1,206 | 6.66 | 65,536 | 1,122 | 6.83 |
| 138,272 | 2,444 | 7.16 | 136,629 | 2,542 | 7.39 | 132,537 | 2,538 | 7.59 |
| 31,568 | 494 | 6.35 | 32,893 | 569 | 6.86 | 31,245 | 578 | 7.35 |
| 26,827 | 559 | 8.45 | 28,427 | 601 | 8.38 | 28,027 | 610 | 8.64 |
| 286 | 6 | 8.79 | 319 | 8 | 9.39 | 338 | 8 | 10.51 |
| 196,953 | 3,503 | 7.21 | 198,268 | 3,720 | 7.45 | 192,147 | 3,734 | 7.71 |
| 75,789 | 1,356 | 7.18 | 73,033 | 1,336 | 7.30 | 70,619 | 1,155 | 6.53 |
| 15,537 | 298 | 7.79 | 15,781 | 326 | 8.17 | 16,024 | 485 | 12.03 |
| 41,652 | 847 | 8.24 | 40,557 | 876 | 8.57 | 39,582 | 854 | 8.56 |
| 15,880 | 373 | 9.53 | 14,368 | 338 | 9.33 | 14,197 | 385 | 10.76 |
| 11,287 | 327 | 11.76 | 12,078 | 366 | 12.01 | 12,751 | 399 | 12.43 |
| 3,648 | 89 | 9.90 | 3,551 | 94 | 10.47 | 3,465 | 93 | 10.57 |
| 163,793 | 3,290 | 8.11 | 159,368 | 3,336 | 8.32 | 156,638 | 3,371 | 8.56 |
| 360,746 | 6,793 | 7.62 | 357,636 | 7,056 | 7.84 | 348,785 | 7,105 | 8.09 |
| 13,008 | 243 | 7.53 | 11,471 | 207 | 7.19 | 10,974 | 204 | 7.42 |
| 523,682 | 9,246 | 7.13 | 517,066 | 9,679 | 7.44 | 495,911 | 9,648 | 7.73 |
| 25,826 | | | 25,834 | | | 24,160 | | |
| 60,116 | | | 63,641 | | | 58,282 | | |
| \$609,624 | | | \$606,541 | | | \$578,353 | | |
| \$ 21,637 | 71 | 1.33 | \$ 21,702 | 91 | 1.67 | \$ 22,775 | 107 | 1.87 |
| 99,864 | 575 | 2.33 | 97,589 | 622 | 2.53 | 95,276 | 634 | 2.64 |
| 74,362 | 857 | 4.68 | 74,923 | 956 | 5.06 | 74,313 | 984 | 5.25 |
| 6,914 | 89 | 5.20 | 7,388 | 96 | 5.16 | 8,696 | 120 | 5.45 |
| 202,777 | 1,592 | 3.18 | 201,602 | 1,765 | 3.47 | 201,060 | 1,845 | 3.64 |
| 20,379 | 268 | 5.34 | 24,938 | 325 | 5.17 | 27,892 | 418 | 5.95 |
| 9,172 | 113 | 5.02 | 10,278 | 143 | 5.54 | 11,084 | 156 | 5.59 |
| 26,980 | 339 | 5.10 | 26,868 | 365 | 5.39 | 24,086 | 411 | 6.77 |
| 56,531 | 720 | 5.17 | 62,084 | 833 | 5.32 | 63,062 | 985 | 6.20 |

| | | | | | | | | |
|-----------|--------|------|-----------|--------|------|-----------|--------|------|
| 259,308 | 2,312 | 3.62 | 263,686 | 2,598 | 3.91 | 264,122 | 2,830 | 4.25 |
| 112,384 | 1,355 | 4.88 | 104,416 | 1,422 | 5.40 | 84,283 | 1,278 | 6.02 |
| 12,679 | 129 | 4.13 | 14,194 | 165 | 4.62 | 15,454 | 194 | 4.97 |
| 52,642 | 805 | 6.12 | 51,779 | 844 | 6.52 | 51,365 | 862 | 6.71 |
| 437,013 | 4,601 | 4.26 | 434,075 | 5,029 | 4.60 | 415,224 | 5,164 | 4.94 |
| 86,623 | | | 88,080 | | | 83,661 | | |
| 39,709 | | | 39,335 | | | 33,712 | | |
| 46,279 | | | 45,051 | | | 45,756 | | |
| \$609,624 | | | \$606,541 | | | \$578,353 | | |
| | | 2.87 | | | 2.84 | | | 2.79 |
| | | .71 | | | .74 | | | .81 |
| \$4,645 | 3.58 % | | \$4,650 | 3.58 % | | \$4,484 | 3.60 % | |

</TABLE>

| | | | | |
|--|---------------|----------|-----------|----------|
| <TABLE> <CAPTION> Bank of America Corporation Credit Quality - Nonperforming Assets | | | | |
| (Dollars in Millions) | | | | |
| 31, September 30, | September 30, | June 30, | March 31, | December |
| 1998 | 1999 | 1999 | 1999 | 1998 |
| <S> | <C> | <C> | <C> | <C> |
| <C> | | | | |
| Nonperforming loans: | | | | |
| Commercial - domestic | \$1,026 | \$1,085 | \$1,085 | \$ 812 |
| \$ 717 | | | | |
| Commercial - foreign | 477 | 492 | 434 | 314 |
| 288 | | | | |
| Commercial real estate - domestic | 174 | 203 | 272 | 299 |
| 303 | | | | |
| Commercial real estate - foreign | 3 | 3 | 3 | 4 |
| 3 | | | | |
| Residential mortgage | 542 | 565 | 634 | 722 |
| 690 | | | | |
| Home equity lines | 44 | 44 | 41 | 50 |
| 46 | | | | |
| Direct/Indirect consumer | 16 | 17 | 20 | 21 |
| 38 | | | | |
| Consumer finance | 519 | 382 | 332 | 246 |
| 209 | | | | |
| Foreign consumer | 9 | 21 | 17 | 14 |
| - | | | | |
| Total nonperforming loans | 2,810 | 2,812 | 2,838 | 2,482 |
| 2,294 | | | | |
| Foreclosed properties | 228 | 258 | 282 | 282 |
| 288 | | | | |
| Total nonperforming assets | \$3,038 | \$3,070 | \$3,120 | \$2,764 |
| \$2,582 | | | | |
| Loans past due 90 days or more and not classified as nonperforming | \$ 466 | \$ 631 | \$ 571 | \$ 611 |
| \$ 540 | | | | |
| Nonperforming assets as a percentage of: | | | | |
| Total assets | .49 % | .50 % | .51 % | .45 % |
| .43 % | | | | |
| Loans, leases and foreclosed properties | .84 | .84 | .86 | .77 |
| .73 | | | | |

Total Nonperforming Assets by Business Segment:

| | | | | |
|--|---------|---------|---------|---------|
| Consumer Banking | \$1,399 | \$1,383 | \$1,347 | \$1,314 |
| \$1,262 | | | | |
| Commercial Banking | 510 | 580 | 605 | 469 |
| 464 | | | | |
| Global Corporate Investment Banking | 1,086 | 1,066 | 1,099 | 937 |
| 826 | | | | |
| Principal Investing and Asset Management | 42 | 39 | 66 | 40 |
| 28 | | | | |
| Other | 1 | 2 | 3 | 4 |
| 2 | | | | |
| ----- | | | | |
| Total nonperforming assets | \$3,038 | \$3,070 | \$3,120 | \$2,764 |
| \$2,582 | | | | |
| ----- | | | | |

</TABLE>

<TABLE>

<CAPTION>

Bank of America Corporation
Credit Quality - Loan Losses

(Dollars in Millions)

| Quarter | Third Quarter 1999 | Second Quarter 1999 | First Quarter 1999 | Fourth Quarter 1998 | Third |
|-----------------------------------|-----------------------|------------------------|-----------------------|------------------------|--------|
| 1998 | | | | | |
| ----- | | | | | |
| <S> | <C> | <C> | <C> | <C> | <C> |
| Gross charge-offs: | | | | | |
| Commercial - domestic | \$ 213 | \$ 178 | \$ 206 | \$ 137 | \$ 450 |
| Commercial - foreign | 14 | 88 | 30 | 66 | 107 |
| Commercial real estate - domestic | 6 | 5 | 2 | 3 | |
| 5 | | | | | |
| Commercial real estate - foreign | - | 1 | - | - | |
| - | | | | | |
| Residential mortgage | 11 | 8 | 7 | 9 | |
| 8 | | | | | |
| Home equity lines | 4 | 7 | 6 | 6 | |
| 6 | | | | | |
| Bankcard | 120 | 167 | 172 | 185 | |
| 192 | | | | | |
| Direct/Indirect consumer | 125 | 127 | 140 | 153 | 125 |
| Consumer finance | 101 | 84 | 98 | 116 | 147 |
| Other consumer domestic | (1) | - | - | (1) | |
| 1 | | | | | |
| Foreign consumer | 7 | 7 | 5 | 5 | |
| 2 | | | | | |
| ----- | | | | | |
| Total | \$ 600 | \$ 672 | \$ 666 | \$ 679 | \$ |
| 1,043 | | | | | |
| ----- | | | | | |

Net charge-offs:

| | | | | | |
|-----------------------------------|--------|--------|--------|--------|--------|
| Commercial - domestic | \$ 192 | \$ 147 | \$ 181 | \$ 113 | \$ 427 |
| Commercial - foreign | 9 | 84 | 29 | 65 | |
| 106 | | | | | |
| Commercial real estate - domestic | 1 | (6) | (2) | - | |
| (1) | | | | | |
| Commercial real estate - foreign | - | 1 | - | - | |
| - | | | | | |
| Residential mortgage | 10 | 7 | 5 | 8 | |
| 8 | | | | | |
| Home equity lines | 1 | 3 | 4 | 3 | |
| 3 | | | | | |
| Bankcard | 93 | 153 | 155 | 164 | |
| 170 | | | | | |
| Direct/Indirect consumer | 82 | 83 | 95 | 113 | 87 |
| Consumer finance | 67 | 42 | 48 | 76 | 98 |
| Other consumer domestic | (1) | - | - | (1) | |
| 1 | | | | | |
| Foreign consumer | 6 | 6 | 4 | 3 | |
| 3 | | | | | |
| ----- | | | | | |
| Total | \$ 460 | \$ 520 | \$ 519 | \$ 544 | \$ |
| 902 | | | | | |

| | | | | | |
|-----------------------------------|-------|-------|-------|-------|------|
| Loss ratios: | | | | | |
| Commercial - domestic | .56 % | .43 % | .53 % | .33 % | 1.27 |
| Commercial - foreign | .13 | 1.12 | .37 | .78 | 1.35 |
| Commercial real estate - domestic | .03 | (.11) | (.02) | - | |
| Commercial real estate - foreign | .40 | .10 | - | - | |
| Residential mortgage | .05 | .04 | .03 | .04 | .04 |
| Home equity lines | .01 | .09 | .10 | .07 | |
| Bankcard** | 4.11 | 5.94 | 5.63 | 5.49 | |
| Direct/Indirect consumer | .77 | .78 | .93 | 1.09 | .89 |
| Consumer finance | 1.35 | .94 | 1.22 | 2.11 | 2.74 |
| Other consumer domestic | - | - | - | - | |
| Foreign consumer | .67 | .65 | .43 | .42 | .25 |
| Total | .51 | .57 | .58 | .60 | |

Loss Ratios by Business Segment:

| | | | | | |
|--|-------|-------|--------|--------|------|
| Consumer Banking | .64 % | .70 % | .76 % | 1.01 % | .92 |
| Commercial Banking | .29 | .26 | .17 | .40 | .07 |
| Global Corporate and Investment Banking | .32 | .56 | .55 | .35 | 1.82 |
| Principal Investing and Asset Management | .89 | .35 | .24 | .01 | .02 |
| Other | .76 | 1.30 | (1.51) | 56.99 | |

| | | | | | |
|-----------------------------|------------|------------|------------|------------|----|
| Allowance for credit losses | \$ (7,076) | \$ (7,096) | \$ (7,123) | \$ (7,122) | \$ |
|-----------------------------|------------|------------|------------|------------|----|

| | | | | | |
|---|--------|--------|--------|--------|------|
| Allowance for credit losses as a percentage of loans and leases | 1.96 % | 1.95 % | 1.96 % | 1.99 % | 2.05 |
|---|--------|--------|--------|--------|------|

| | | | | | |
|---|----------|----------|----------|----------|----------|
| * Managed Bankcard receivable net charge-offs | \$ 233 | \$ 294 | \$ 294 | \$ 301 | \$ 312 |
| ** Managed Bankcard portfolio loss ratios | 4.83 % | 6.13 % | 6.01 % | 5.83 % | 5.99 |
| Average managed Bankcard receivables | \$19,162 | \$19,204 | \$19,814 | \$20,526 | \$20,657 |

<TABLE>
<CAPTION>
Bank of America Corporation
Capital

| | | | | |
|--|--------------------|---------------------|--------------------|---------------------|
| (Dollars in Millions) | | | | |
| Third Quarter 1998 | Third Quarter 1999 | Second Quarter 1999 | First Quarter 1999 | Fourth Quarter 1998 |
| Beginning common equity \$ 46,646 | \$ 45,551 | \$ 46,761 | \$ 45,866 | \$ 47,245 |
| Net income | 2,151 | 1,915 | 1,914 | 1,162 |
| Dividends | (776) | (787) | (784) | (778) |
| Common stock issued | 329 | 330 | 350 | 19 |
| Common stock repurchased | (1,182) | (1,722) | - | (1,151) |
| Change in FAS 115 adjustment-net unrealized gains (losses) | (337) | (1,007) | (703) | (625) |
| Foreign currency translation adjustment and other | 75 | 61 | 118 | (6) |
| Ending common equity 47,245 | 45,811 | 45,551 | 46,761 | 45,866 |

| | | | | | |
|--|------------|------------|-----------|-----------|----|
| Preferred equity 62 | 78 | 80 | 70 | 72 | |
| Total shareholders' equity 47,307 | \$ 45,889 | \$ 45,631 | \$ 46,831 | \$ 45,938 | \$ |
| FAS 115 adjustment - end of period \$ 928 | \$ (1,744) | \$ (1,407) | \$ (400) | \$ 303 | |
| Total equity as a percentage of total assets 7.96 % | 7.39 % | 7.43 % | 7.62 % | 7.44 % | |
| Common equity as a percentage of total assets 7.94 | 7.38 | 7.42 | 7.61 | 7.43 | |
| Risk-based capital ratios: | | | | | |
| Tier 1 capital \$37,456 | \$39,380 | \$38,145 | \$38,522 | \$36,849 | |
| Tier 1 capital ratio 7.29 % | 7.71 % | 7.38 % | 7.40 % | 7.06 % | |
| Total capital \$57,758 | \$58,167 | \$57,365 | \$58,132 | \$57,055 | |
| Total capital ratio 11.25 % | 11.39 % | 11.09 % | 11.17 % | 10.94 % | |
| Leverage ratio 6.64 | 6.59 | 6.34 | 6.47 | 6.22 | |
| Risk-weighted assets, net \$513,544 | \$510,866 | \$517,130 | \$520,396 | \$521,637 | |

<TABLE>
<CAPTION>
Bank of America Corporation
Consolidated Statement of Income
(Operating Results including Merger-Related Charges)

| (Dollars in Millions, Except Per-Share Information) | | Third | Second | First | |
|--|----------|----------|----------|----------|------|
| Fourth | Third | Quarter | Quarter | Quarter | |
| Quarter | Quarter | 1999 | 1999 | 1999 | 1998 |
| 1998 | | | | | |
| <S> | | <C> | <C> | <C> | <C> |
| <C> | | | | | |
| Interest income | | | | | |
| Interest and fees on loans and leases 7,030 | \$ 7,084 | \$ 6,883 | \$ 6,853 | \$ 6,770 | \$ |
| Interest and dividends on securities 1,191 | 1,105 | 1,208 | 1,143 | 1,175 | |
| Federal funds sold and securities purchased under agreements to resell 486 | 492 | 440 | 387 | 381 | |
| Trading account assets 612 | 584 | 482 | 525 | 545 | |
| Other interest income 319 | 343 | 281 | 298 | 330 | |
| Total interest income 9,638 | 9,608 | 9,294 | 9,206 | 9,201 | |
| Interest expense | | | | | |
| Deposits 2,598 | 2,830 | 2,198 | 2,168 | 2,312 | |
| Short-term borrowings 1,422 | 1,278 | 1,437 | 1,396 | 1,355 | |
| Trading account liabilities 165 | 194 | 189 | 150 | 129 | |
| Long-term debt 844 | 862 | 920 | 880 | 805 | |

| | | | | | |
|---|--------|----------|----------|----------|----|
| Total interest expense | | 4,744 | 4,594 | 4,601 | |
| 5,029 | 5,164 | | | | |
| ----- | | | | | |
| Net interest income | | 4,550 | 4,612 | 4,600 | |
| 4,609 | 4,444 | | | | |
| Provision for credit losses | | 450 | 510 | 510 | |
| 510 | 1,405 | | | | |
| ----- | | | | | |
| Net interest income after provision for credit losses | | 4,100 | 4,102 | 4,090 | |
| 4,099 | 3,039 | | | | |
| Gains on sales of securities | | 44 | 52 | 130 | |
| 404 | 280 | | | | |
| Noninterest income | | | | | |
| Service charges on deposit accounts | | 942 | 900 | 855 | |
| 881 | 855 | | | | |
| Mortgage servicing income | | 206 | 125 | 132 | |
| 103 | (93) | | | | |
| Investment banking income | | 702 | 555 | 388 | |
| 356 | 376 | | | | |
| Trading account profits and fees | | 313 | 395 | 500 | |
| 96 | (529) | | | | |
| Brokerage income | | 168 | 192 | 184 | |
| 162 | 198 | | | | |
| Nondeposit-related service fees | | 136 | 123 | 136 | |
| 150 | 163 | | | | |
| Asset management and fiduciary service fees | | 250 | 274 | 243 | |
| 229 | 238 | | | | |
| Credit card income | | 496 | 448 | 360 | |
| 398 | 379 | | | | |
| Other income | | 515 | 510 | 425 | |
| 280 | 818 | | | | |
| ----- | | | | | |
| Total noninterest income | | 3,728 | 3,522 | 3,223 | |
| 2,655 | 2,405 | | | | |
| ----- | | | | | |
| Merger-related charges | | - | 200 | - | |
| 600 | 725 | | | | |
| Other noninterest expense | | | | | |
| Personnel | | 2,336 | 2,261 | 2,333 | |
| 2,301 | 2,246 | | | | |
| Occupancy | | 417 | 395 | 396 | |
| 413 | 427 | | | | |
| Equipment | | 313 | 339 | 358 | |
| 384 | 346 | | | | |
| Marketing | | 145 | 147 | 147 | |
| 135 | 143 | | | | |
| Professional fees | | 160 | 166 | 126 | |
| 233 | 206 | | | | |
| Amortization of intangibles | | 222 | 225 | 222 | |
| 223 | 224 | | | | |
| Data processing | | 164 | 214 | 190 | |
| 205 | 195 | | | | |
| Telecommunications | | 131 | 140 | 136 | |
| 152 | 142 | | | | |
| Other general operating | | 498 | 446 | 420 | |
| 493 | 510 | | | | |
| General administrative and other | | 140 | 124 | 125 | |
| 148 | 144 | | | | |
| ----- | | | | | |
| Total other noninterest expense | | 4,526 | 4,457 | 4,453 | |
| 4,687 | 4,583 | | | | |
| ----- | | | | | |
| Income before income taxes | | 3,346 | 3,019 | 2,990 | |
| 1,871 | 416 | | | | |
| Income tax expense | | 1,195 | 1,104 | 1,076 | |
| 709 | 42 | | | | |
| ----- | | | | | |
| Net income | | \$ 2,151 | \$ 1,915 | \$ 1,914 | \$ |
| 1,162 | \$ 374 | | | | |
| ----- | | | | | |
| Net income available to common shareholders | | \$ 2,149 | \$ 1,914 | \$ 1,912 | \$ |
| 1,161 | \$ 372 | | | | |
| ----- | | | | | |

| | | | | | |
|---|-----------|-----------|-----------|-----------|----|
| Per-share information | | | | | |
| Earnings per common share | | \$ 1.25 | \$ 1.10 | \$ 1.10 | \$ |
| .67 | \$.21 | | | | |
| ----- | | ----- | | | |
| Diluted earnings per common share | | \$ 1.23 | \$ 1.07 | \$ 1.08 | \$ |
| .66 | \$.21 | | | | |
| ----- | | ----- | | | |
| Dividends per common share | | \$.45 | \$.45 | \$.45 | \$ |
| .45 | \$.38 | | | | |
| ----- | | ----- | | | |
| Average common shares issued and outstanding (in thousands) | | 1,722,307 | 1,743,503 | 1,737,562 | |
| 1,731,314 | 1,740,092 | | | | |
| ----- | | ----- | | | |
| Average diluted common shares issued and outstanding (in thousands) | | 1,755,146 | 1,786,844 | 1,779,708 | |
| 1,763,055 | 1,784,418 | | | | |
| ----- | | ----- | | | |

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

</TABLE>

<TABLE>

<CAPTION>

Bank of America Corporation

Country Risk Reporting

| | | | | | | |
|--|-------------|---------------|-----------------|-------------|---------------|------------|
| ----- | | | | | | |
| ----- | | | | | | |
| Binding Exposure by Region, Country of Risk and Category | | | | | | |
| (Dollars in Millions) | | | | | | |
| Increase | | | | | Total | Increase |
| | | | Net Revaluation | | Binding | (Decrease) |
| (Decrease) | | | Gains on | Securities/ | Exposure | from |
| from | Trade | Other | Derivatives and | Other | September 30, | June 30, |
| December 31, | Finance (a) | Financing (b) | FX Products | Investments | 1999 | 1999 |
| Region/Country | | | | | | |
| 1997 | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| <S> | <C> | <C> | <C> | <C> | <C> | <C> |
| <C> | | | | | | |
| ----- | | | | | | |
| Asia | | | | | | |
| China | \$ 16 | \$ 250 | \$ 22 | \$ 58 | \$ 346 | \$ (3) |
| \$ (419) | | | | | | |
| Hong Kong | 177 | 4,099 | 42 | 224 | 4,542 | (384) |
| (1,089) | | | | | | |
| India | 50 | 1,821 | 35 | 336 | 2,242 | (318) |
| (257) | | | | | | |
| Indonesia | 2 | 408 | 22 | 79 | 511 | (67) |
| (999) | | | | | | |
| Japan | 52 | 1,268 | 405 | 1,700 | 3,425 | (139) |
| (3,545) | | | | | | |
| Korea (South) | 579 | 910 | 30 | 343 | 1,862 | 29 |
| (1,942) | | | | | | |
| Malaysia | 11 | 575 | 1 | 45 | 632 | (37) |
| (622) | | | | | | |
| Pakistan | 111 | 231 | 4 | 32 | 378 | (18) |
| (172) | | | | | | |
| Philippines | 40 | 350 | 44 | 55 | 489 | (10) |
| (274) | | | | | | |
| Singapore | 7 | 1,364 | 29 | 179 | 1,579 | (167) |
| (833) | | | | | | |
| Taiwan | 13 | 1,731 | 9 | 37 | 1,790 | (225) |
| (648) | | | | | | |
| Thailand | 8 | 511 | 127 | 79 | 725 | (50) |
| (1,232) | | | | | | |
| Other | 25 | 134 | - | 5 | 164 | 4 |
| (33) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Total | 1,091 | 13,652 | 770 | 3,172 | 18,685 | (1,385) |
| (12,065) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Central and Eastern Europe | | | | | | |
| Russian Federation | - | 19 | - | 5 | 24 | (9) |
| (423) | | | | | | |
| Other | 8 | 324 | 21 | 48 | 401 | (164) |

| | | | | | | |
|---------------|---------|----------|-------|---------|----------|------------|
| (297) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Total | 8 | 343 | 21 | 53 | 425 | (173) |
| (720) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Latin America | | | | | | |
| Argentina | 5 | 698 | 1 | 344 | 1,048 | (165) |
| (595) | | | | | | |
| Brazil | 667 | 1,154 | 1 | 789 | 2,611 | (292) |
| (1,019) | | | | | | |
| Chile | 12 | 1,200 | 11 | 32 | 1,255 | (29) |
| (425) | | | | | | |
| Colombia | 6 | 467 | 1 | 37 | 511 | (29) |
| (274) | | | | | | |
| Mexico | 269 | 2,379 | 85 | 1,425 | 4,158 | (17) |
| (1,954) | | | | | | |
| Venezuela | 70 | 210 | - | 187 | 467 | (42) |
| (156) | | | | | | |
| Other | 81 | 213 | 4 | 89 | 387 | (23) |
| (56) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Total | 1,110 | 6,321 | 103 | 2,903 | 10,437 | (597) |
| (4,479) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |
| Total | \$2,209 | \$20,316 | \$894 | \$6,128 | \$29,547 | \$ (2,155) |
| \$(17,264) | | | | | | |
| ----- | | | | | | |
| ----- | | | | | | |

(a) Includes extensions of credit with maturities of one year or less that are directly related to imports or exports and will be liquidated through the proceeds of international trade. Such extensions of credit may include acceptances, pre-export financing where there is a firm export sales order, commercial letters of credit, as well as other loans and advances directly related to international trade.

(b) This category includes time deposits placed and extensions of credit that do not meet the criteria for Trade Finance.

</TABLE>