

Bank of America[®]



Investor Fact Book

Second Quarter 1999

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Bank of America Today

As of June 30, 1999

	<u>(\$ in Billions)</u>
Assets	\$ 614
Loans and Leases, net	364
Total Securities	77
Deposits	339
Shareholders' Equity	46
Risk-based: Tier 1 Capital	38
Total Capital	57
Market Capitalization	126
Operating Earnings (2nd Quarter 1999 in millions)	2,060
Operating Cash Basis Earnings (2nd Quarter 1999 in millions)	2,285
Employees (FTE)	161,919
Banking Centers	4,531
ATMs	14,051

Industry Rankings

TOP 10 U.S. BANKING CO.'s
(IN ASSETS @ 6/30/99)
\$ in Billions

1. Citigroup (\$690)
- 2. Bank of America (\$614)**
3. Chase Manhattan (\$357)
4. JP Morgan (\$269)
5. Bank One (\$256)
6. First Union (\$230)
7. Wells Fargo (\$205)
8. Fleet (\$107)
9. SunTrust (\$93)
10. National City (\$84)

TOP 10 U.S. BANKING CO.'s
(IN 2Q99 EARNINGS*)
\$ in Millions

1. Citigroup (\$2,448)
- 2. Bank of America (\$2,060)**
3. Chase Manhattan (\$1,393)
4. Bank One (\$1,112)
5. Wells Fargo (\$931)
6. First Union (\$873)
7. JP Morgan (\$504)
8. Fleet (\$450)
9. US Bancorp (\$384)
10. National City (\$355)

TOP 10 U.S. BANKING CO.'s
(IN MARKET CAP. @ 6/30/99)
\$ in Billions

1. Citigroup (\$161)
- 2. Bank of America (\$126)**
3. Chase Manhattan (\$72)
4. Wells Fargo (\$71)
5. Bank One (\$70)
6. First Union (\$45)
7. Bank of New York (\$28)
8. JP Morgan (\$28)
9. Fleet (\$25)
10. U.S. Bancorp (\$24)

TOP 10 FINANCIAL SERVICES
COMPANIES WORLDWIDE
(IN MARKET CAP @ 6/30/99)
\$ in Billions

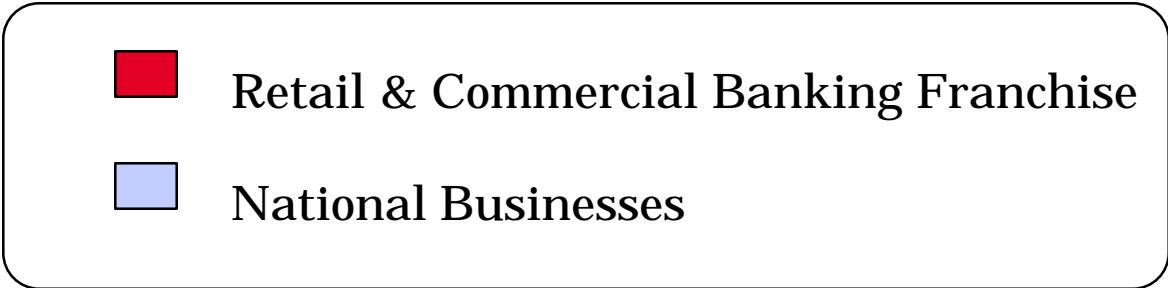
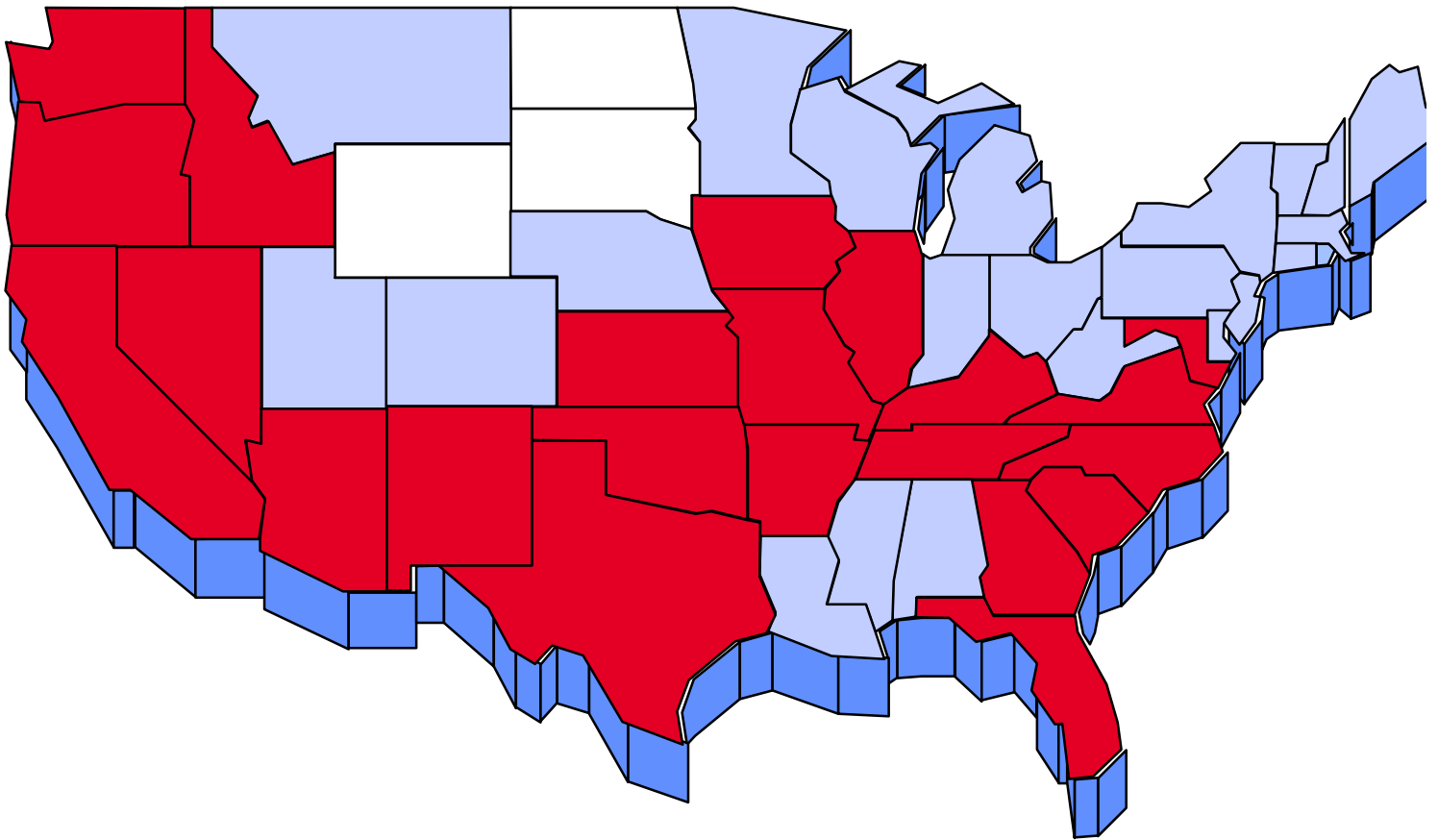
1. Citigroup (\$161)
2. American Int'l Group (\$145)
- 3. Bank of America (\$126)**
4. Berkshire Hathaway (\$104)
5. HSBC Holdings (\$95)
6. Lloyds TSB Group (\$75)
7. Chase Manhattan (\$72)
8. Wells Fargo (\$71)
9. Bank One (\$70)
10. Fannie Mae (\$70)

TOP 10 CORPORATIONS
WORLDWIDE
(IN MARKET CAP @ 6/30/99)
\$ in Billions

1. Microsoft (\$460)
2. General Electric (\$370)
3. IBM (\$310)
4. Wal-Mart Stores (\$215)
5. Cisco Systems (\$208)
6. Lucent Tech. (\$205)
7. Royal Dutch/Shell (\$200)
8. Intel (\$197)
9. Exxon (\$187)
10. NTT (\$183)
- 22. Bank of America (\$126)**

* Based on net income before merger-related charges

Domestic Franchise



Global Reach



Argentina

Australia

Bahamas

Belgium

Brazil

Canada

Cayman Islands

Chile

China

Colombia

France

Germany

Greece

India

Indonesia

Ireland

Italy

Japan

Malaysia

Mexico

Netherlands

Pakistan

Philippines

Poland Russia

Singapore

South Africa

South Korea

Spain

Switzerland

Taiwan

Thailand

United Arab Emirates

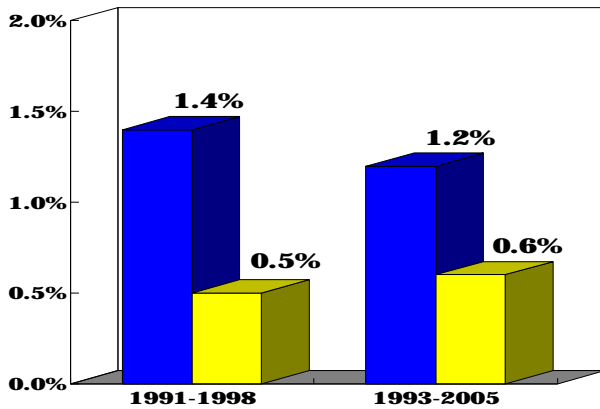
United Kingdom

Venezuela

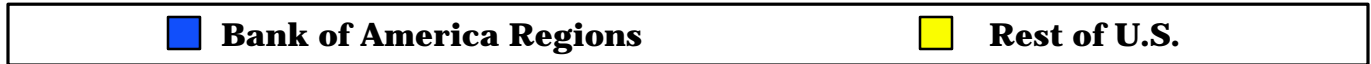
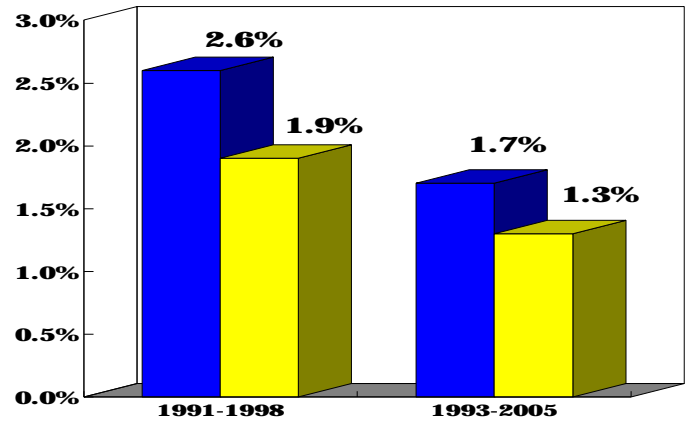
Vietnam

Demographic Trends

Population Growth



Nonfarm Payroll Employment Growth



Population Growth

Rank	State	5-Year Projected Growth	Bank of America Market Share Ranking
1	Texas	1648	#1
2	California	1615	#1
3	Florida	1080	#1
4	Georgia	694	#1
5	Arizona	616	#2
6	North Carolina	564	#1
7	Washington	470	#1
8	Colorado	402	-
9	Tennessee	345	#5
10	Virginia	340	#2

#1 market share in 6 of the Top 10 states in terms of 5 year projected population growth including #1 position in the Top 4.

Projected population growth in states where we have a presence is nearly 8 million during the next 5 years which accounts for 80% of the U.S. expected population growth

Financial Overview

Second Quarter 1999 Initiatives

- **Interactive Banking**

- Bank of America leads the industry with 1.5 million online banking customers - adding approximately 80 thousand online banking customers monthly
- Internet trading, a service within our Asset Management business segment, has shown significant growth and currently represents 10% of monthly trade volume

- **Asset Management**

- The Money Manager product has grown nearly 60% since the end of 1998
- Smart Money magazine named the Money Manager account the best asset management account in its July 1999 issue.

- **Loan sales**

- Sold \$3.7 billion in residential mortgages
- Sold \$1.2 billion small business commercial mortgages

- **Securitization activity**

- Securitized \$870 million in home equity loans
- Securitized \$500 million in bank card loans

- **Foreign exposure risk**

- Reduced risk in Asia and Latin America \$1.5 billion, or 5%, from 1Q99.

- **Capital management**

- Announced a common share repurchase program June 23, 1999 to repurchase up to 130 million shares over the next 18 - 24 months.
- Repurchased 25 million shares late in the second quarter

Transition Update

Second Quarter 1999

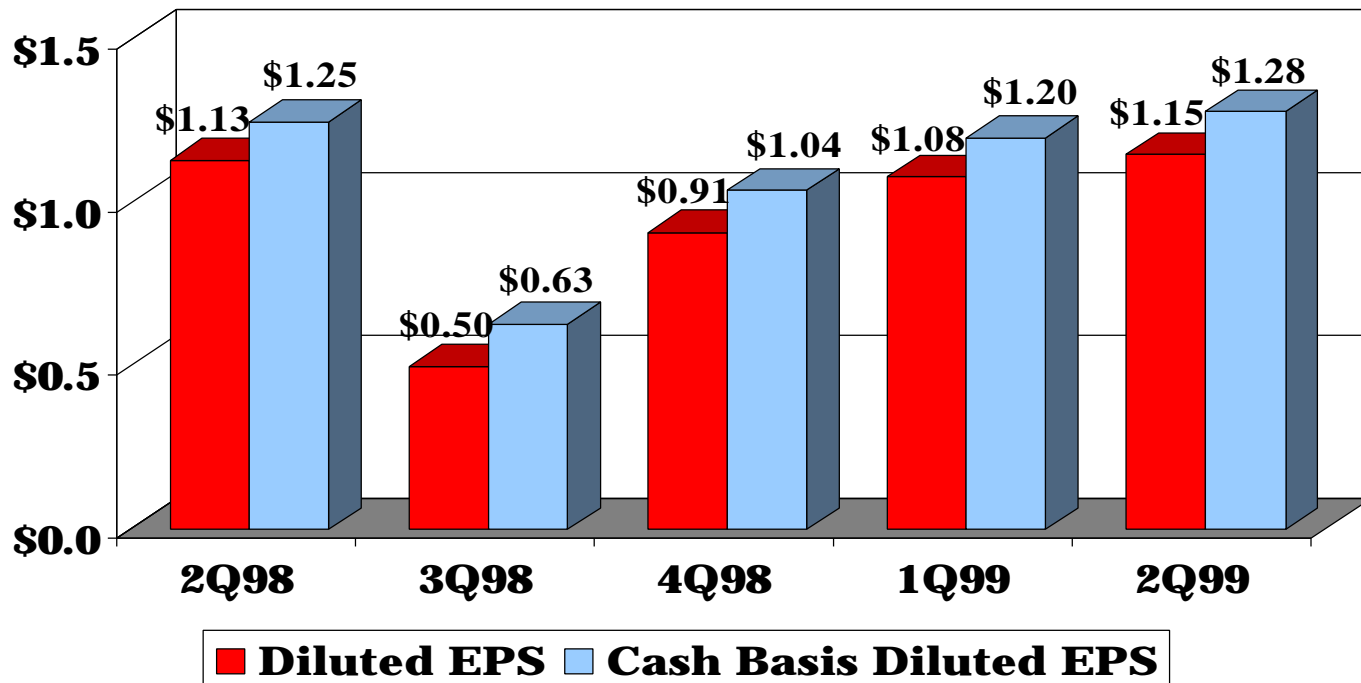
- Texas and New Mexico brand and model bank conversions completed
- Mortgage consolidation completed
- Military banking, associate banking, and student banking consolidations completed
- Global corporate & investment banking, mortgage and card services branded
- Two new direct bank customer call centers opened in Las Vegas and Rio Rancho
- Continued consolidation of processes and systems in staff support areas

Third Quarter 1999 and Beyond

- Arizona and Nevada brand and model bank conversions completed on July 23rd
- Introduction of nationwide banking occurred on July 23rd as customers are able to perform banking transactions at any branch across the franchise.
- Rolled out the brand in the Carolinas in early July
- Midwest and northwest region brand conversions scheduled for later in 1999
- California and Florida markets brand conversions will begin in 2000
- Beginning work on rollout of model bank in California

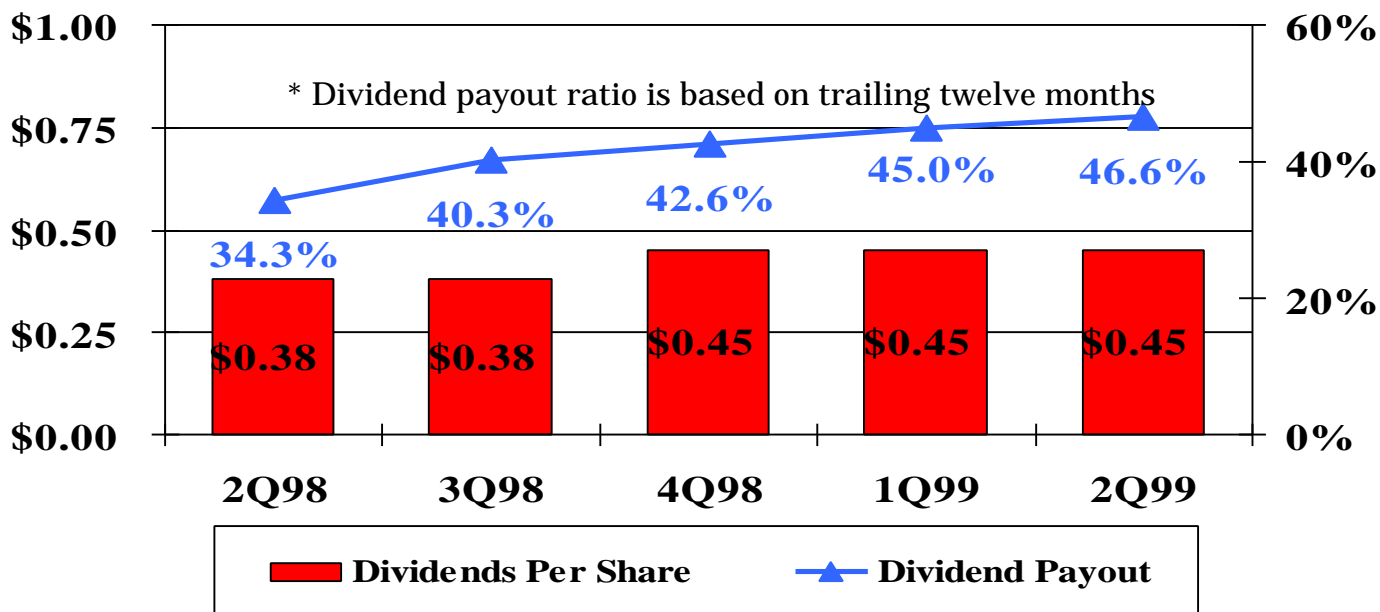
Operating Diluted Earnings & Cash Basis Diluted Earnings Per Share

Second Quarter 1998 - Second Quarter 1999



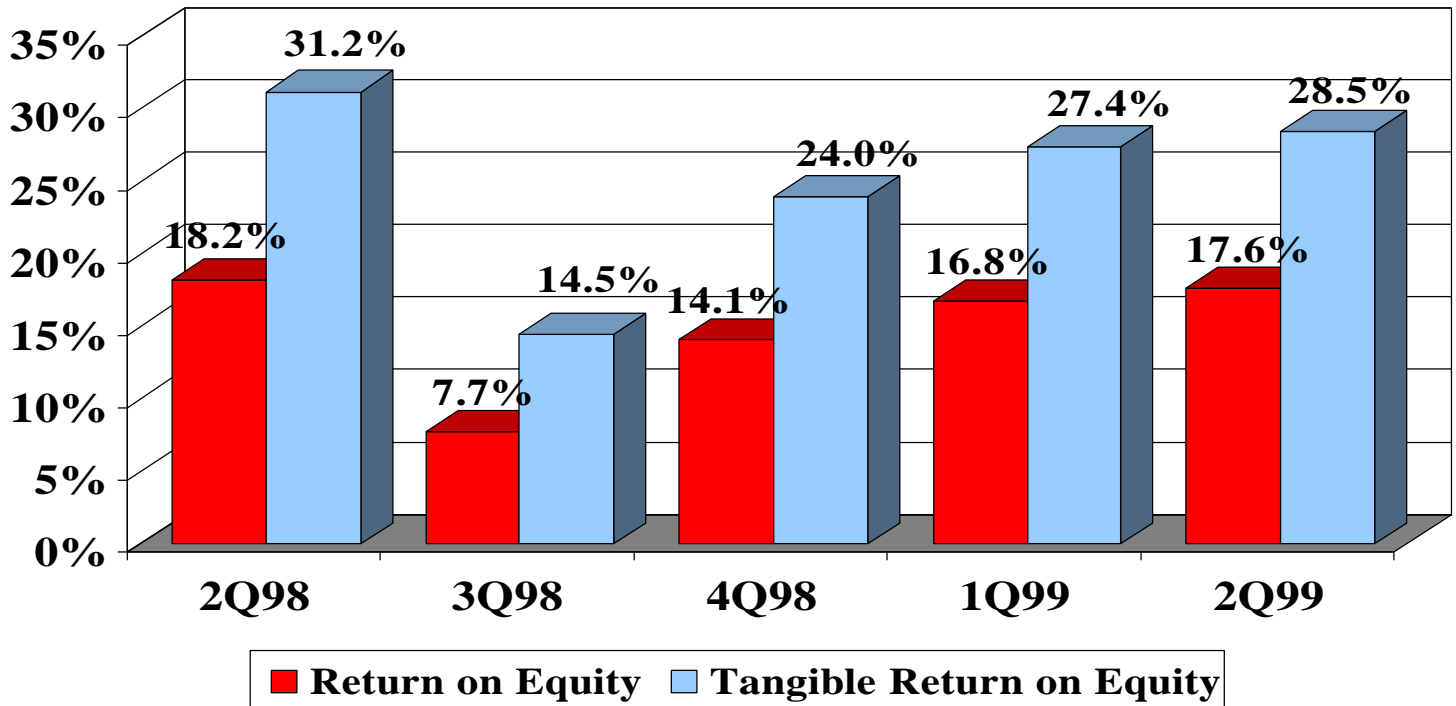
Dividends Per Share & Payout Ratio

Second Quarter 1998 - Second Quarter 1999



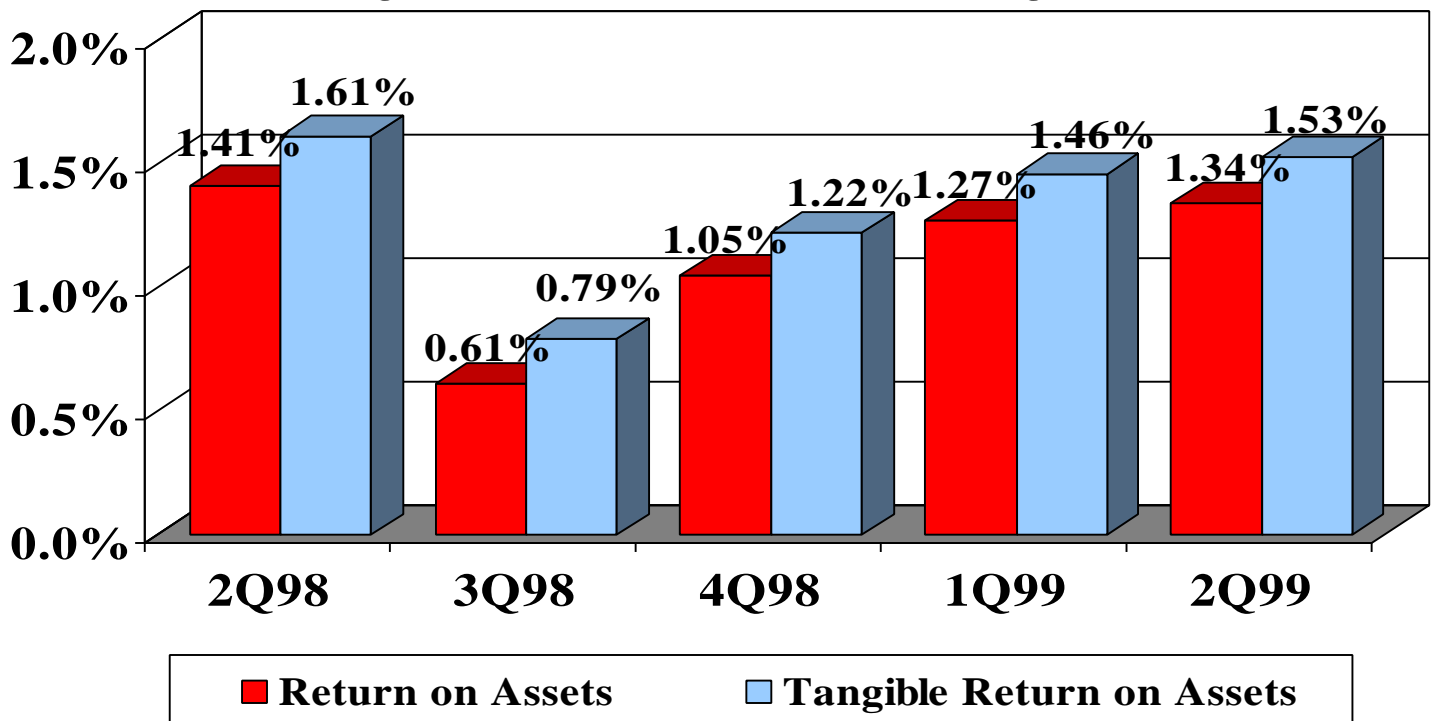
Return on Equity & Tangible Return on Equity

Second Quarter 1998 - Second Quarter 1999



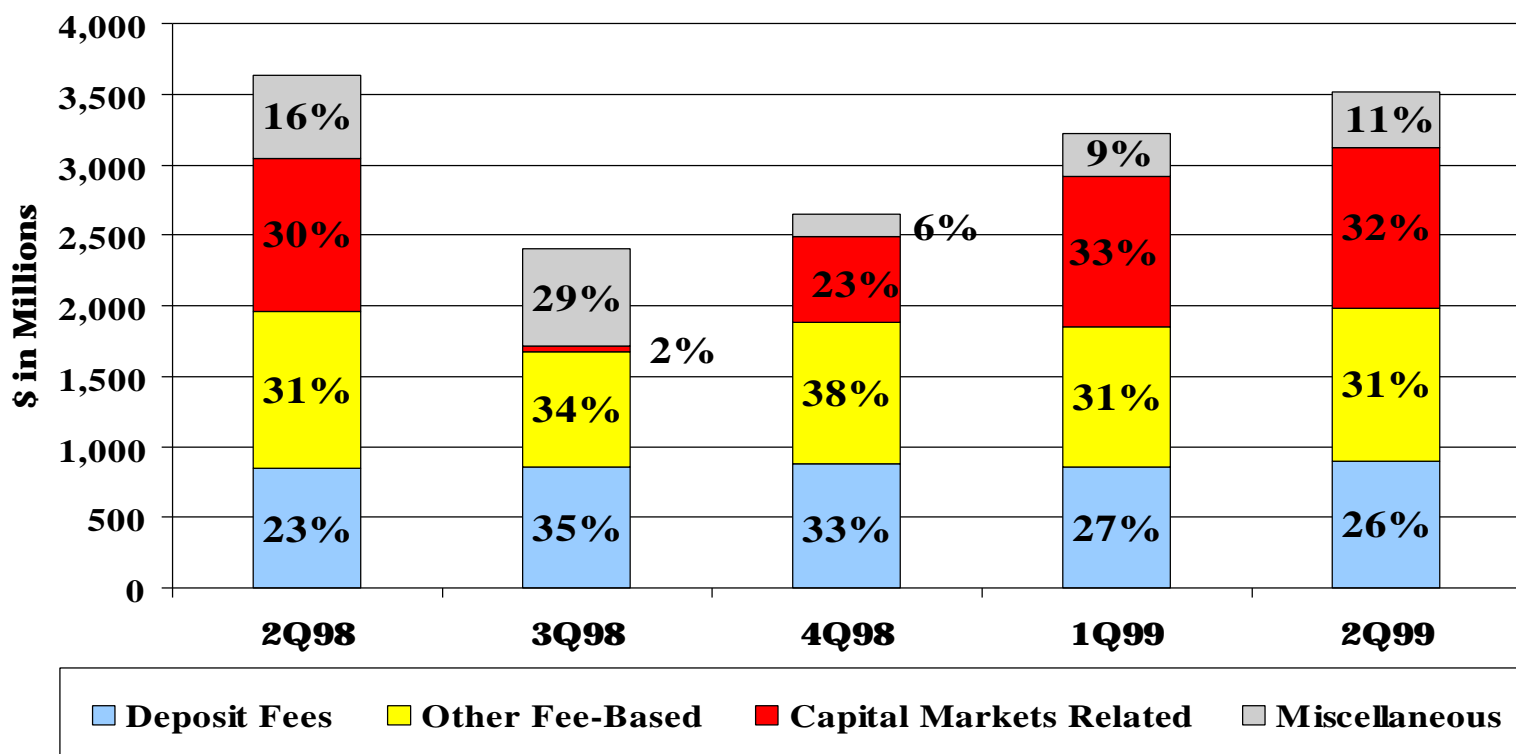
Return on Assets & Tangible Return on Assets

Second Quarter 1998 - Second Quarter 1999



Noninterest Income

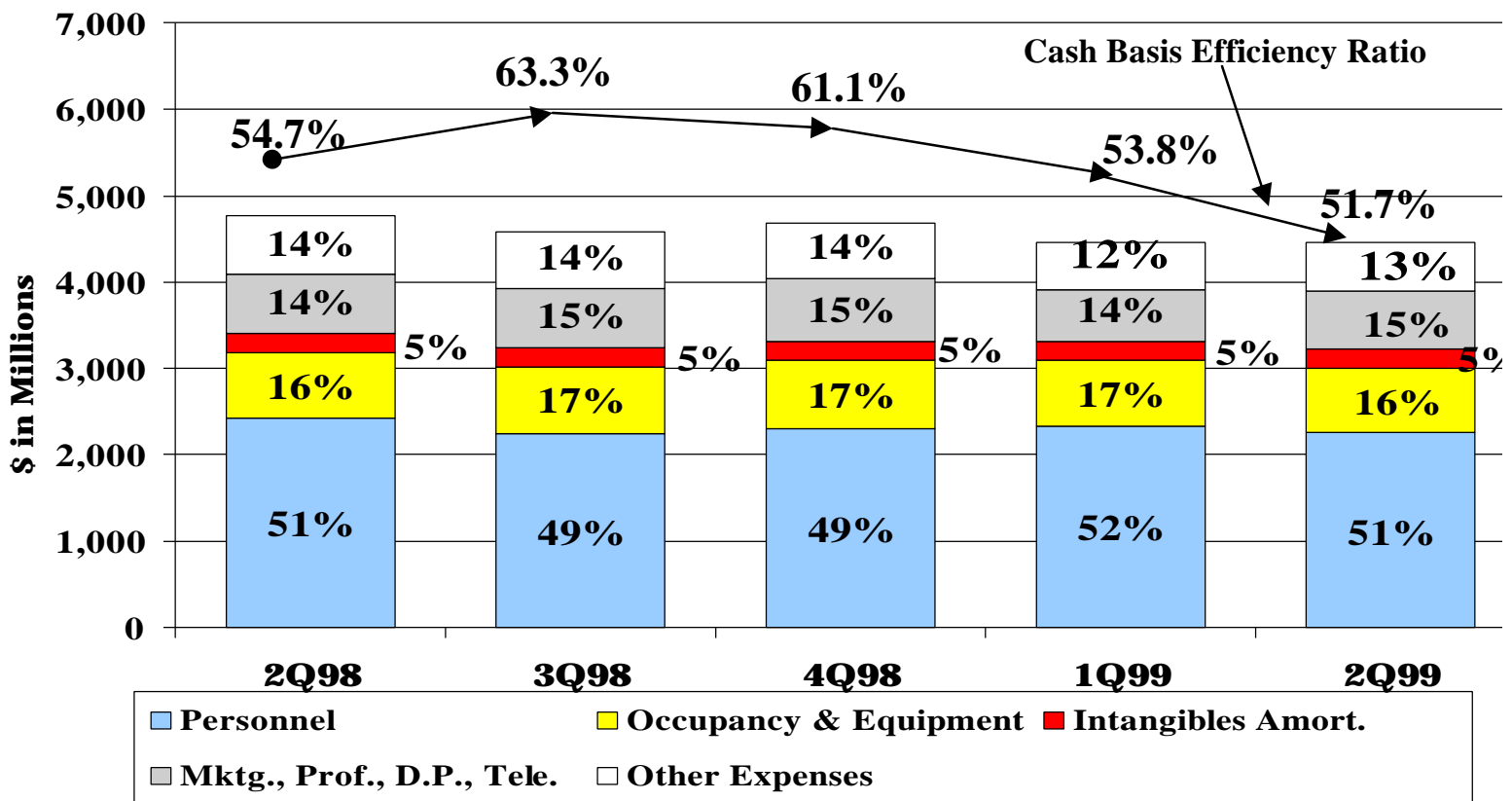
Second Quarter 1998 - Second Quarter 1999



	Quarters				
	<u>2Q98</u>	<u>3Q98</u>	<u>4Q98</u>	<u>1Q99</u>	<u>2Q99</u>
Deposit Fees	\$ 844	\$ 855	\$ 881	\$ 855	\$ 900
Mortgage	207	(93)	103	132	125
Credit Card	352	379	398	360	448
Asset Management	261	238	229	243	274
Non-deposit Service Fees	164	163	150	136	123
Misc. Fee-Based	136	130	121	123	114
Total Other Fee-Based	1,120	817	1,001	994	1,084
Investment Banking	664	376	356	388	555
Trading	232	(529)	96	500	395
Brokerage	188	198	162	184	192
Total Capital Markets Related	1,084	45	614	1,072	1,142
Misc. Noninterest Income	588	688	159	302	396
Total Noninterest Income	\$ 3,636	\$ 2,405	\$ 2,655	\$ 3,223	\$ 3,522

Noninterest Expense

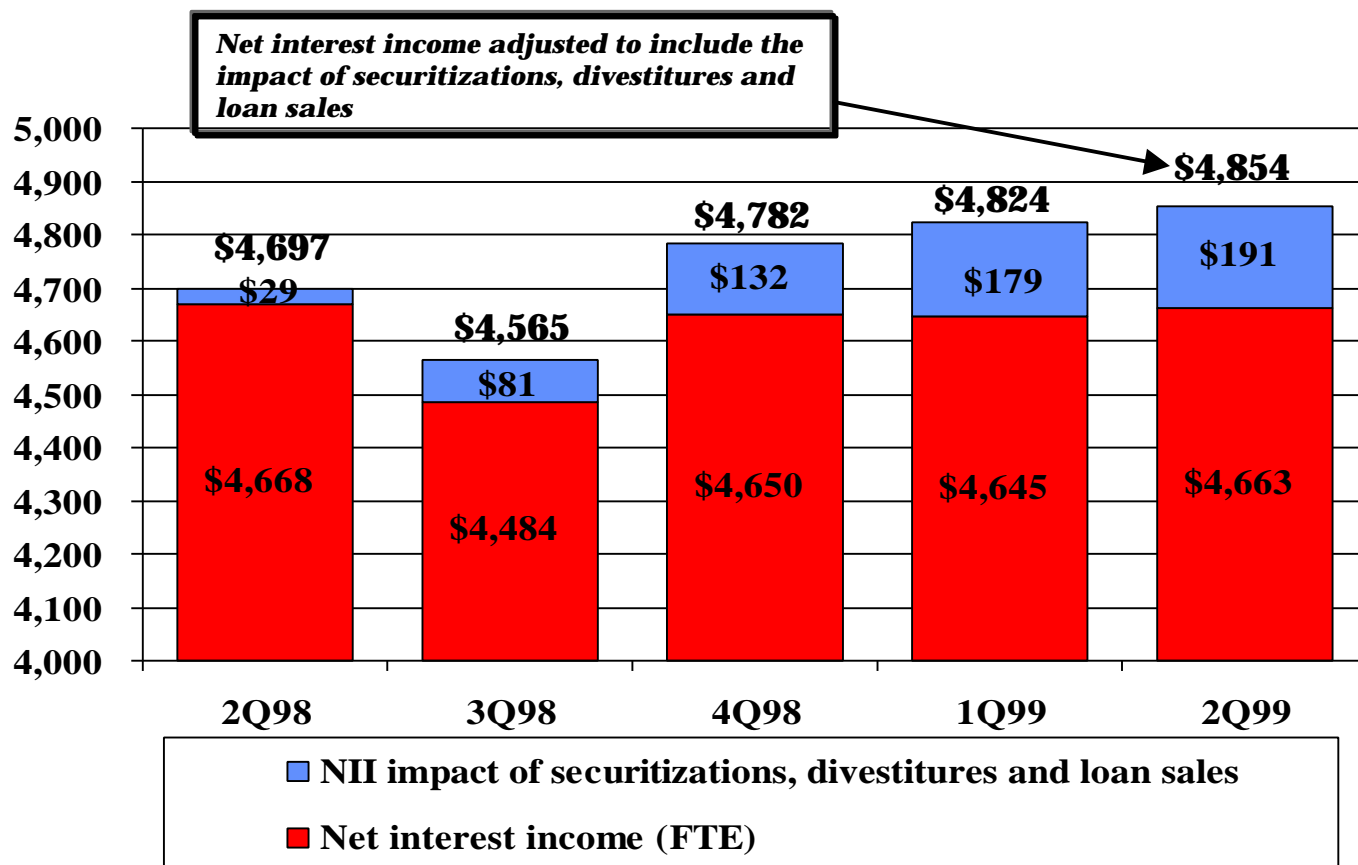
Second Quarter 1998 - Second Quarter 1999



	Quarters				
	2Q98	3Q98	4Q98	1Q99	2Q99
Personnel	\$ 2,425	\$ 2,246	\$ 2,301	\$ 2,333	\$ 2,261
Occupancy	421	427	413	396	395
Equipment	334	346	384	358	339
Total Occup. & Equip.	755	773	797	754	734
Intangibles Amort.	227	224	223	222	225
Marketing	145	143	135	147	147
Professional Fees	209	206	233	126	166
Data Processing	186	195	205	190	214
Telecommunications	138	142	152	136	140
Total Mktg., Prof. D.P., & Telecommunications	678	686	725	599	667
Other Operating Expense	682	654	641	545	570
Total Operating Expense	\$ 4,767	\$ 4,583	\$ 4,687	\$ 4,453	\$ 4,457

Net Interest Income & Net Interest Yield

Second Quarter 1998 - Second Quarter 1999



Balance Sheet Ratios Based on Quarterly Average Balances

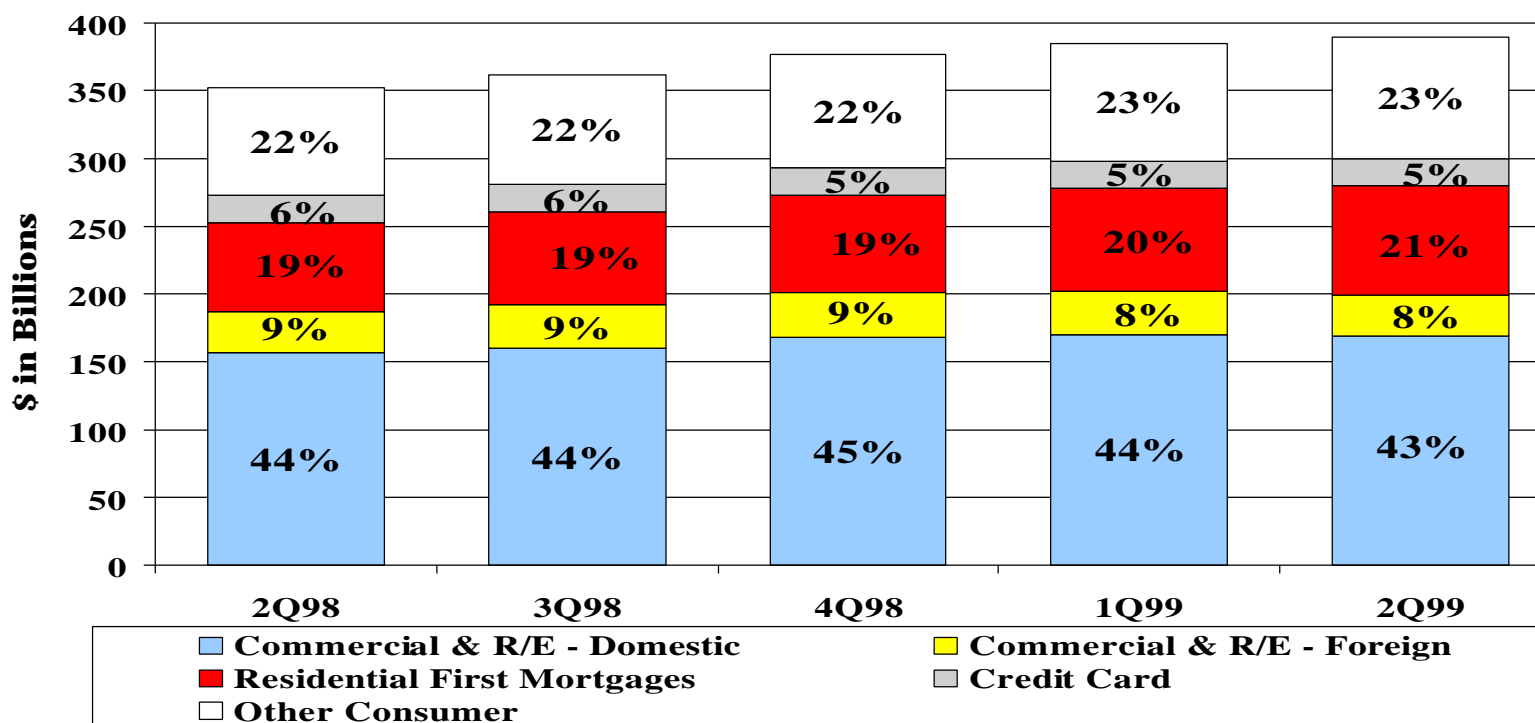
Liquidity Ratios

	<u>2Q98</u>	<u>3Q98</u>	<u>4Q98</u>	<u>1Q99</u>	<u>2Q99</u>
Loans & leases / deposits	100%	100%	102%	104%	107%
Loans & leases / earning assets	70%	70%	69%	69%	69%
Total securities / earning assets	13%	13%	14%	14%	15%

Interest Yields

	<u>2Q98</u>	<u>3Q98</u>	<u>4Q98</u>	<u>1Q99</u>	<u>2Q99</u>
Loan & lease yield	8.34%	8.09%	7.84%	7.62%	7.56%
Securities yield	6.96%	6.83%	6.66%	6.33%	6.00%
Earning assets yield	7.89%	7.79%	7.44%	7.13%	7.00%
Interest-bearing deposit rate	4.18%	4.25%	3.91%	3.62%	3.42%
Interest-bearing liabilities rate	4.90%	4.94%	4.60%	4.26%	4.16%
Net interest yield	3.80%	3.60%	3.58%	3.58%	3.53%

Average Managed Loans & Leases



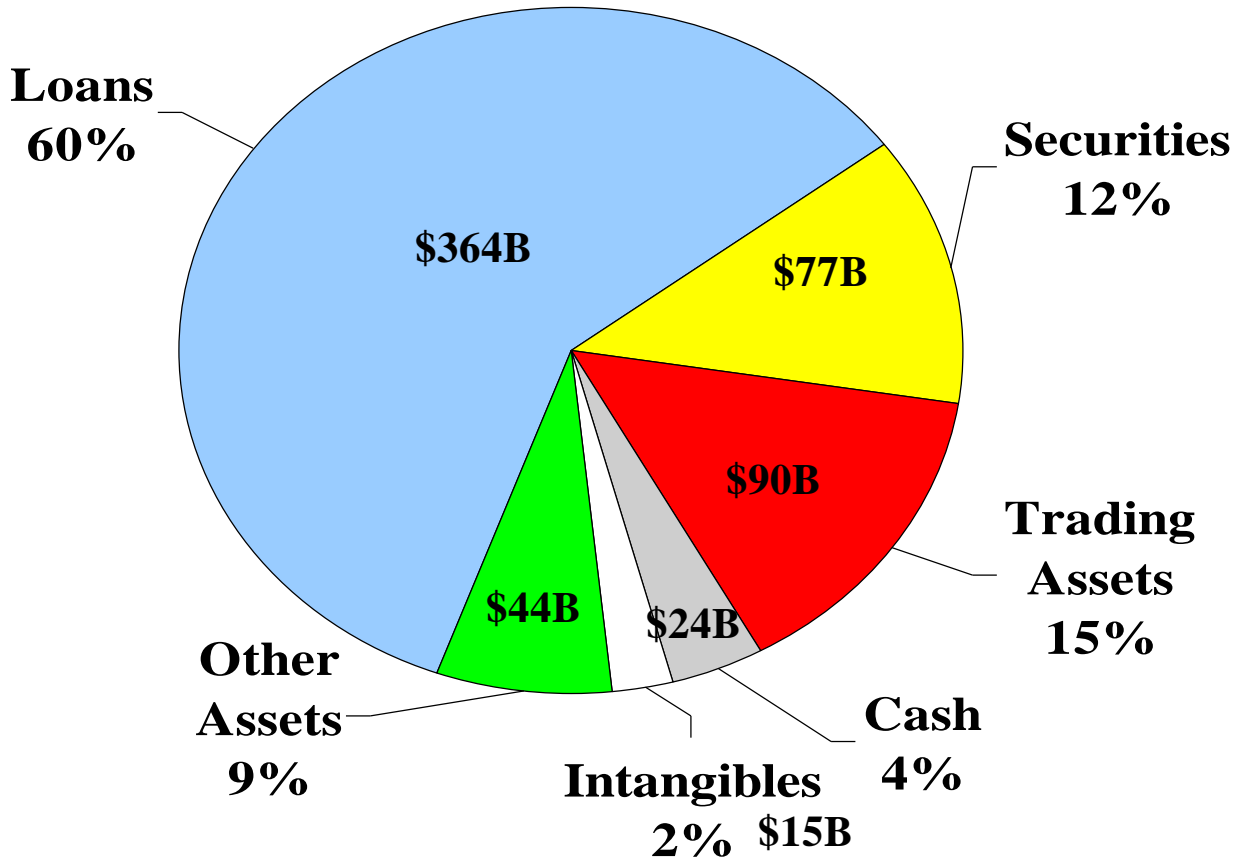
	<u>2Q98</u>	<u>3Q98</u>	<u>4Q98</u>	<u>1Q99</u>	<u>2Q99</u>
Commercial - Domestic	\$ 132.0	\$ 135.4	\$ 141.7	\$ 143.3	\$ 142.6
Commercial - Foreign	30.1	31.3	32.9	31.8	30.2
Commercial R/E - Domestic	24.8	25.0	26.4	26.2	25.9
Commercial R/E - Foreign	0.3	0.3	0.3	0.3	0.3
Total Commerical	187.2	192.0	201.3	201.6	199.1
Residential Mortgages	65.2	67.8	71.0	76.1	81.0
Home Equity Lines	16.2	16.0	15.8	15.5	15.9
Credit Card	20.5	20.8	20.6	20.0	19.2
Consumer Direct/Indirect	38.5	39.7	41.7	43.1	43.7
Consumer Finance	20.4	21.3	22.6	24.8	26.9
Consumer Foreign	3.4	3.5	3.6	3.6	3.7
Total Consumer	164.1	169.1	175.3	183.2	190.3
Total Managed Loans & Leases	\$ 351.3	\$ 361.1	\$ 376.5	\$ 384.8	\$ 389.4

Annualized Growth Rate from Previous Quarter

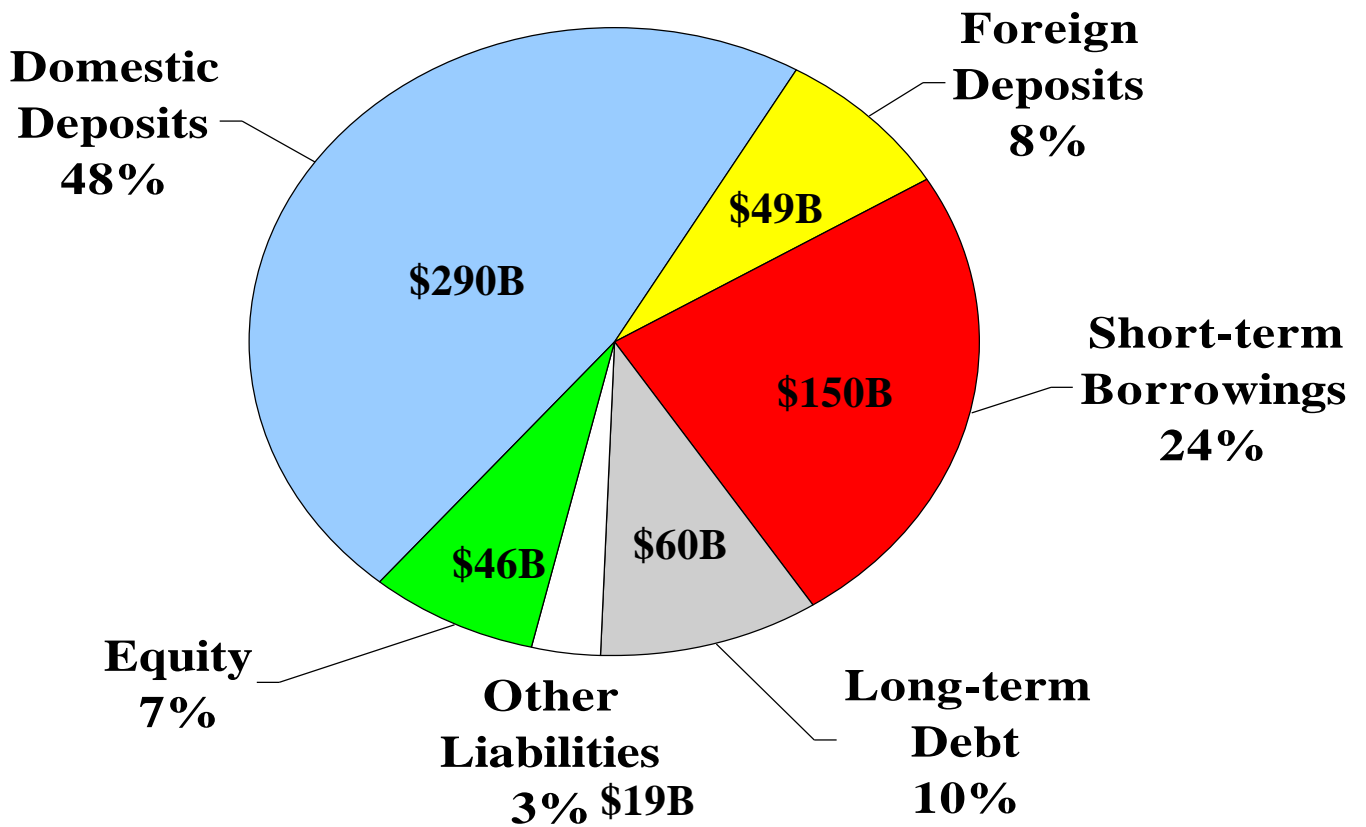
Total Managed Loans	5%	11%	17%	9%	5%
Total Commercial Loans	5%	10%	19%	1%	-5%
Total Consumer Loans	4%	12%	14%	18%	16%

Prior Periods are restated for comparison (e.g. acquisitions, divestitures and securitizations)

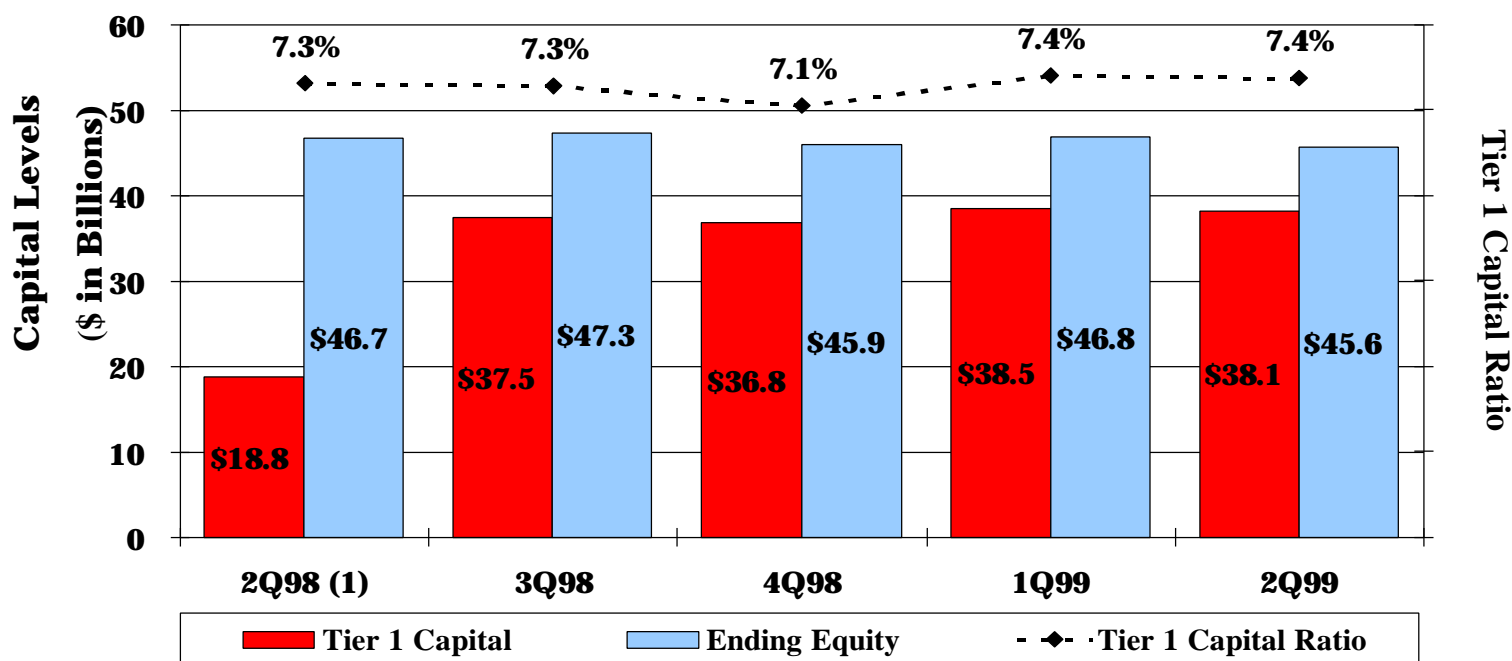
Assets - 6/30/99



Liabilities - 6/30/99



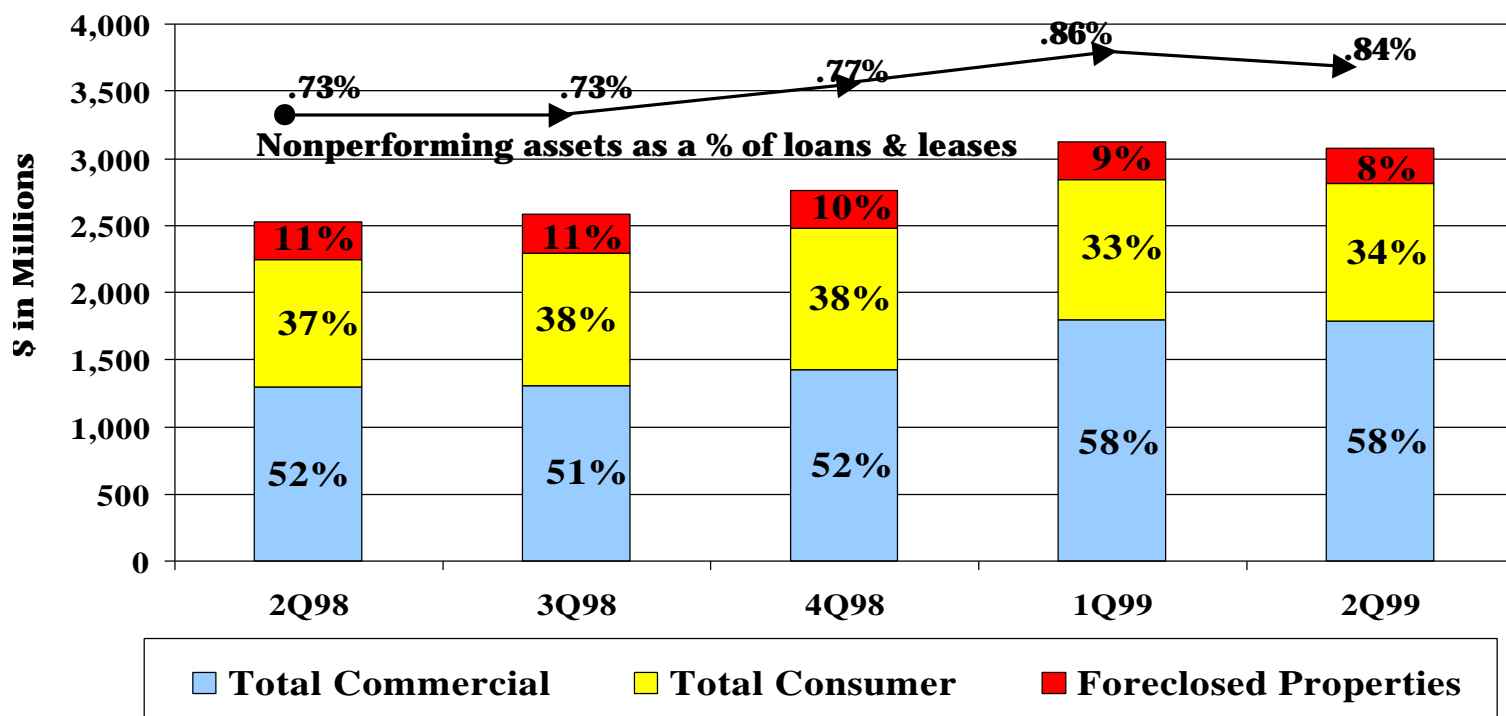
Capital Levels & Tier 1 Ratios



	<u>2Q98 (1)</u>	<u>3Q98</u>	<u>4Q98</u>	<u>1Q99</u>	<u>2Q99</u>
Ending Equity	\$ 46,709	\$ 47,307	\$ 45,938	\$ 46,831	\$ 45,631
Trust Preferred Securities	4,918	4,918	4,954	4,954	4,955
Ending Capital	51,627	52,225	50,892	51,785	50,586
Intangibles	15,321	14,882	14,708	14,593	14,616
Ending Tangible Capital	36,306	37,343	36,184	37,192	35,970
Ending Assets	571,890	594,673	617,679	614,245	614,102
Ending Tangible Assets	556,569	579,791	602,971	599,652	599,486
Tier 1 Capital	18,764	37,456	36,849	38,522	38,145
Capital / Assets	9.0%	8.8%	8.2%	8.4%	8.2%
Tier 1 Capital Ratio	7.3%	7.3%	7.1%	7.4%	7.4%
Tangible Capital / Tangible Assets	6.5%	6.4%	6.0%	6.2%	6.0%

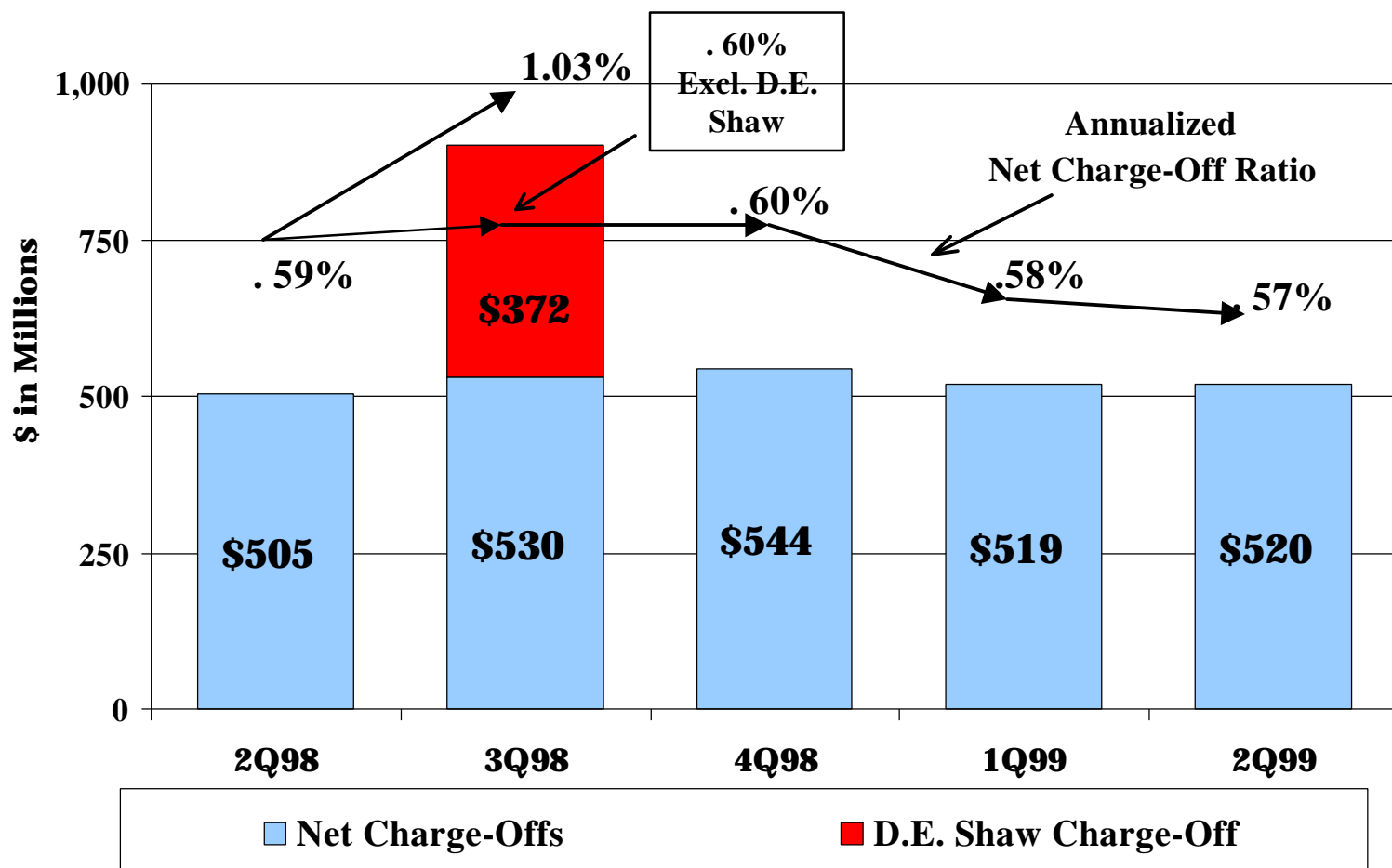
(1) Tier 1 Capital and ratios not restated for pooling acquisitions

Nonperforming Assets



	2Q98	3Q98	4Q98	1Q99	2Q99
Commercial - Domestic	\$ 646	\$ 717	\$ 812	\$ 1,085	\$ 1,085
Commercial - Foreign	347	288	314	434	492
Commercial Real Estate - Domestic	306	303	299	272	203
Commercial Real Estate - Foreign	3	3	4	3	3
Total Commercial	1,302	1,311	1,429	1,794	1,783
Residential Mortgages	669	690	722	634	565
Home Equity Lines	45	46	50	41	44
Consumer Direct / Indirect	33	38	21	20	17
Consumer Finance	187	209	246	332	382
Consumer Foreign	8	-	14	17	21
Total Consumer	942	983	1,053	1,044	1,029
Total Nonperforming Loans	2,244	2,294	2,482	2,838	2,812
Foreclosed Properties	282	288	282	282	258
Total Nonperforming Assets	\$ 2,526	\$ 2,582	\$ 2,764	\$ 3,120	\$ 3,070
Nonperforming Assets/Assets	0.44%	0.43%	0.45%	0.51%	0.50%
Nonperforming Assets/Loans	0.73%	0.73%	0.77%	0.86%	0.84%
Allowance for Loan Losses	\$ 6,731	\$ 7,215	\$ 7,122	\$ 7,123	\$ 7,096
Allowance / Loans	1.95%	2.05%	1.99%	1.96%	1.95%
Allowance / Nonperforming Loans	300%	315%	287%	251%	252%

Net Charge-Offs



Quarterly Trend

	2Q98	3Q98	4Q98	1Q99	2Q99
Commercial - Domestic	0.15%	1.27%	0.33%	0.53%	0.43%
Commercial - Foreign	0.68%	1.35%	0.78%	0.37%	1.12%
Commercial Real Estate - Domestic	0.09%	-	-	-	-
Total Commercial	0.23%	1.10%	0.36%	0.43%	0.46%
Residential Mortgages	0.03%	0.04%	0.04%	0.03%	0.04%
Home Equity Lines	0.11%	0.09%	0.07%	0.10%	0.09%
Credit Card	6.36%	5.42%	5.49%	5.63%	5.94%
Consumer Direct/Indirect	0.96%	0.89%	1.09%	0.93%	0.78%
Consumer Finance	2.59%	2.74%	2.11%	1.22%	0.94%
Consumer Foreign	0.28%	0.25%	0.42%	0.43%	0.65%
Total Consumer	1.02%	0.94%	0.91%	0.77%	0.70%
Total Net Charge-Offs	0.59%	1.03%	0.60%	0.58%	0.57%

Excluding DE Shaw charge-off, 3Q98 net charge-off ratio would be .60%.

Select Regional Binding Exposure

(\$ in Millions)

<u>Region /Country</u>	<u>Trade Finance (1)</u>	<u>Other Financing (2)</u>	<u>Derivatives & FX Products</u>	<u>Securities/ Other Investments</u>	<u>Total Binding Exposure 6/30/99</u>	<u>Change from 12/31/98</u>
Asia						
China	29	247	19	54	349	(100)
Hong Kong	157	4,578	21	170	4,926	(262)
India	51	2,094	54	361	2,560	42
Indonesia	3	487	22	66	578	(145)
Japan	69	1,397	1,488	610	3,564	(1,497)
Korea (south)	664	778	33	358	1,833	(46)
Malaysia	27	574	9	59	669	(59)
Pakistan	121	240	13	22	396	44
Phillipines	79	354	5	61	499	(84)
Singapore	8	1,485	19	234	1,746	(260)
Taiwan	15	1,878	13	109	2,015	(275)
Thailand	9	565	90	111	775	(175)
Other	21	134	-	5	160	7
	<u>1,253</u>	<u>14,811</u>	<u>1,786</u>	<u>2,220</u>	<u>20,070</u>	<u>(2,810)</u>
Central and Eastern Europe						
Russia Federation	-	27	-	6	33	(27)
Other	32	386	20	127	565	(139)
	<u>32</u>	<u>413</u>	<u>20</u>	<u>133</u>	<u>598</u>	<u>(166)</u>
Latin America						
Argentina	15	830	5	363	1,213	(54)
Brazil	836	1,138	1	928	2,903	(515)
Chile	29	1,190	13	52	1,284	(367)
Columbia	13	501	7	19	540	(258)
Mexico	309	2,466	74	1,326	4,175	(763)
Venezuela	71	207		231	509	(48)
Other	211	94	6	99	410	(20)
	<u>1,484</u>	<u>6,426</u>	<u>106</u>	<u>3,018</u>	<u>11,034</u>	<u>(2,025)</u>
Total Regions	<u>\$ 2,769</u>	<u>\$ 21,650</u>	<u>\$ 1,912</u>	<u>\$ 5,371</u>	<u>\$ 31,702</u>	<u>\$ (5,001)</u>

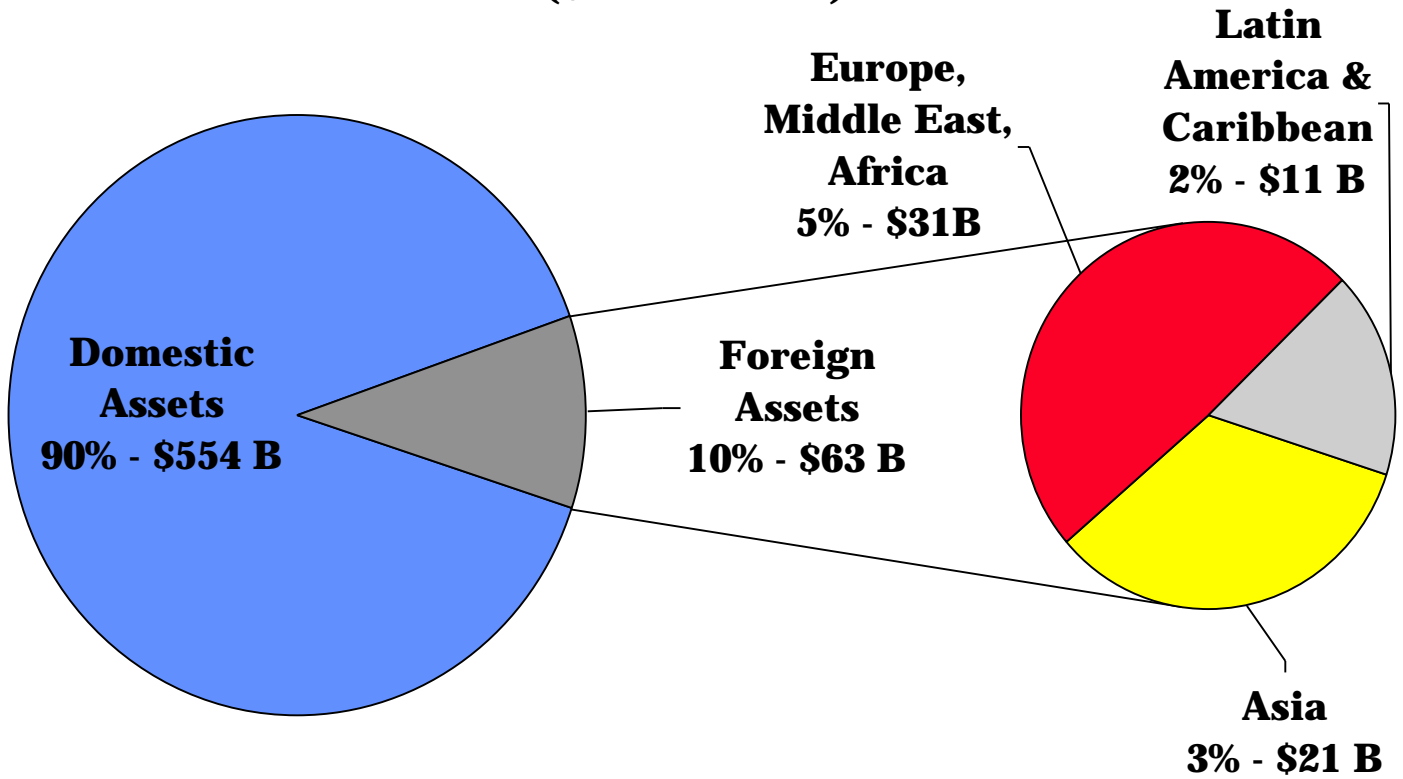
(1) Includes extensions of credit that are directly related to imports or exports and will be liquidated through the proceeds of international trade. Such extensions of credit may include acceptances, pre-export financing where there is a firm export sales order, commercial letters of credit, as well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

(2) This category includes time deposits placed and extensions of credit that do not meet the criteria for trade finance.

Geographic Diversity

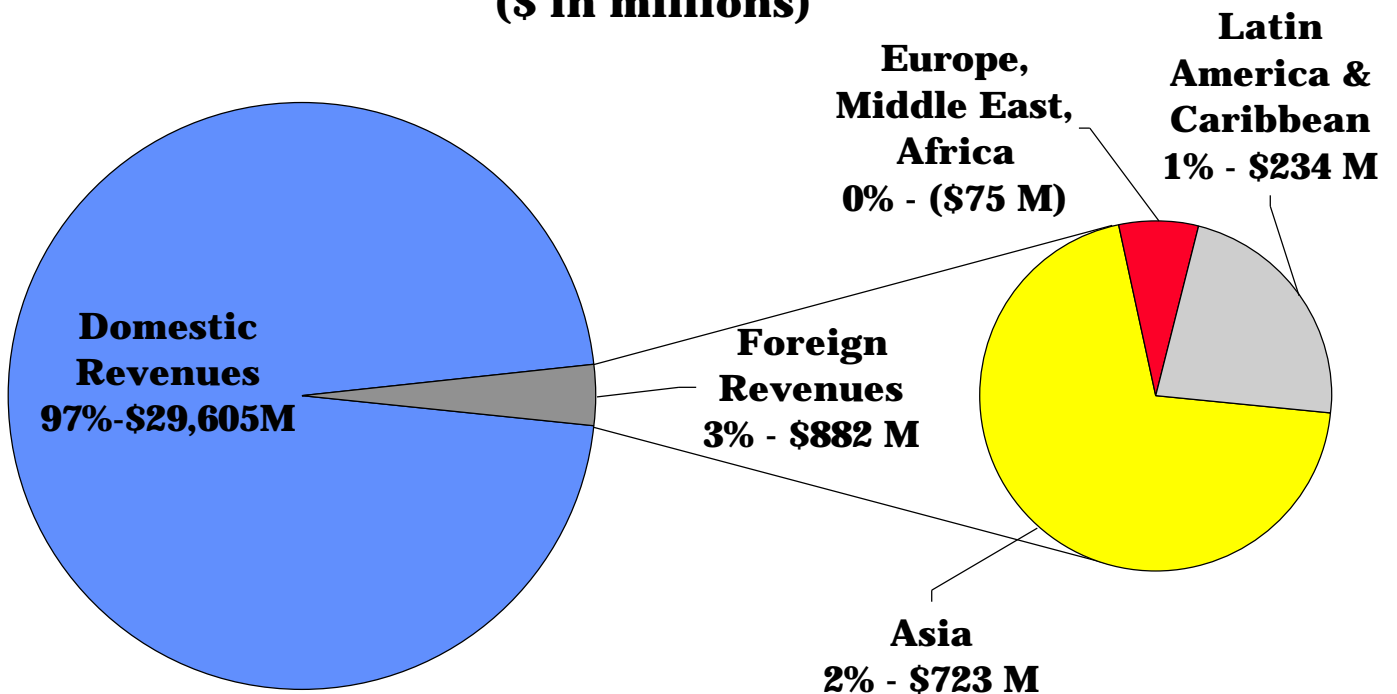
Assets as of 12/31/98

(\$ in billions)



1998 Revenues

(\$ in millions)



Bank of America

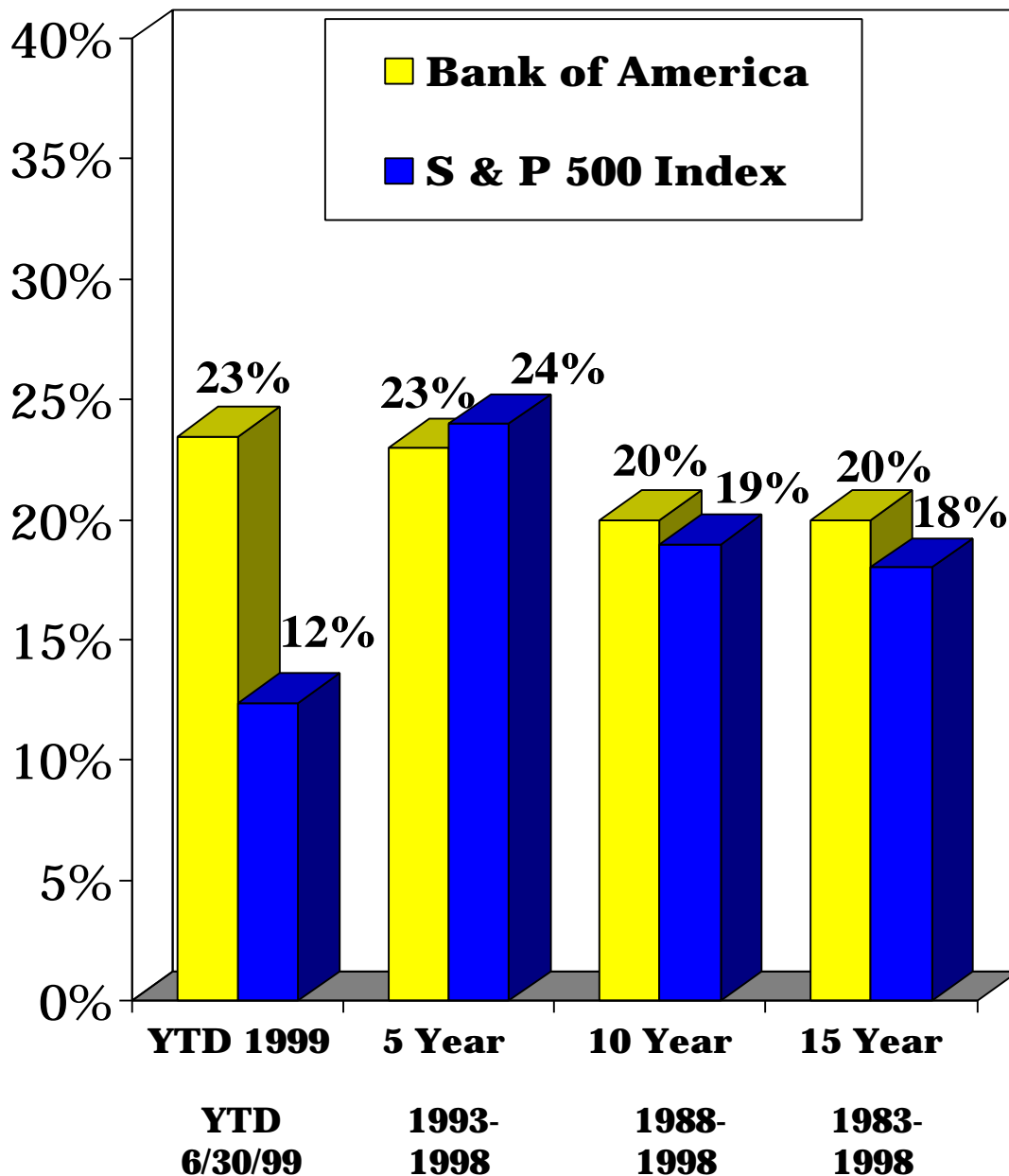
Historical Performance

(Compound Annual Growth Rates)

	<u>5 year</u> <u>1993-98</u>	<u>10 year</u> <u>1988-98</u>	<u>15 year</u> <u>1983-98</u>
Net income	34%	38%	33%
Common shares outstanding	26%	26%	21%
Earnings per share	5%	10%	10%
Dividends per share	14%	13%	13%
Book value per share	8%	11%	11%
Total assets	31%	35%	30%
Stock price	20%	16%	16%
Market capitalization	51%	46%	39%
Total return to shareholders	23%	20%	20%

Excludes merger restructuring charges and accounting changes
Growth rates are based on originally reported results

Total Return to Shareholders



Average annual total return to shareholders equals average annual growth rate of stock price plus dividends (reinvested quarterly for 5, 10, 15 year comparisons)

Debt Ratings

Bank of America common stock is listed on The New York Stock Exchange, Inc. and The Pacific Stock Exchange Incorporated under the symbol "BAC". The common stock is also listed on the London Stock Exchange, and certain shares of common stock are listed on the Tokyo Stock Exchange. The stock is typically listed as BANKAM in newspapers.

Bank of America and certain of its banking subsidiaries also have debt securities issued in the marketplace. The corporation and its banks' debt ratings are:

	<u>Corporate Rating</u>		<u>Bank Rating</u>	
	Senior	Commercial Paper	Long-Term	Short-Term
Standard & Poor's Upgraded 12/96	A+	A-1	AA-	A-1+
Moody's Investors Upgraded 9/98	Aa2	P-1	Aa1	P-1
Fitch IBCA Upgraded 9/98	AA-	F-1+	AA	F-1+
Duff & Phelps Upgraded 10/98	AA-	D-1+	AA	D-1+

ONLINE / INTERACTIVE BANKING

Online / Internet Customer Accounts

	Number of Online Customers		
	12/31/1998	03/31/1999	06/30/1999
<i>Bank of America</i>	979,000	1,200,000	1,500,000
Wells Fargo	700,000	860,000	1,000,000
First Union	391,088	638,000	700,000
Citigroup	440,000	525,000	685,000
Chase Manhattan	400,000	472,000	525,000
BankBoston	370,000	400,000	425,000
Bank One (a)	240,000	310,000	350,000
US Bancorp	N/A	200,000	210,000
SunTrust Banks	103,300	131,500	150,000
Wachovia	73,029	94,791	112,535
Fleet Financial (b)	24,000	51,000	95,000
KeyCorp	50,000	65,000	80,000
Firststar	50,000	60,000	70,000
Fifth Third	21,581	49,459	66,000
Mellon	22,000	22,000	22,000

Source: Recent Donaldson, Lufkin & Jenrette Report

Most figures include PC banking (Quicken, Managing Your Money) as well as true online banking customers.

(a) Online banking only; does not include First USA customer base, inclusion of which would more than double the totals.

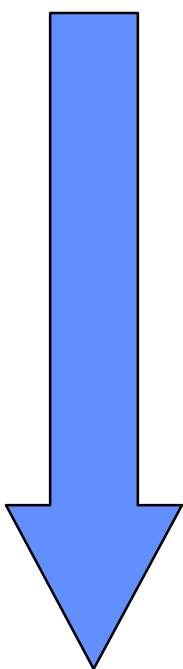
(b) Online banking only; does not include Quick & Reilly and Suretrade accounts, inclusion of which would materially increase the totals.

Consumer Product Offerings

- **Online banking with bill payment, with bill presentment currently in pilot**
- **Online access to deposit and credit accounts**
- **Online credit card and loan applications**
- **Online consumer loan applications**
- **Online application for checking and savings accounts**
- **Online application for investment accounts**
- **Online trading capabilities**
- **Insurance quotes and planning tools**
- **Small business accounts and loans**
- **Comprehensive financial planning tools and calculators**
- **E-mail customer service**

Commercial and Corporate Solutions through Global Treasury Services

**Cash
Management**



**Information
Management**

- **Bank of America is the leader in paper-based transaction services, providing critical mass to develop real-time network business solutions for customers**
- **Suite of imaging services helps customers bridge the gap from paper based to electronic transactions**
 - **Imaging of client collection and payment activity**
 - **Desktop connectivity for information reporting**
- **Currently piloting total electronic transactions**
 - **Internet and web-browser**
 - **Invoice presentment and payment**

Online & Interactive Banking Technology Initiatives

Bank of America continues to develop leading edge banking technology and form strategic alliances to help customers find solutions to fulfill their banking needs across our delivery channels

- Ken Lewis announced the realignment of a number of organizations under Jeanine Brown’s leadership of the Interactive Channel to more clearly operate this channel to move with greater agility and speed to meet customers needs. *(July 2, 1999)*
- Bank of America and 724 Solutions announced a strategic agreement to help turn wireless devices - such as mobile phones and handheld electronic organizers - into “portable banks”. *(July 14, 1999)*
- Identrus, the world’s leading provider of identity trust for business-to-business internet commerce, announced the deployment of a fully operational pilot of its worldwide business-to-business trust network. Bank of America is one of Identrus’ founding financial institutions and this technology enables trading partners around the world to identify one another over the internet in numerous e-commerce applications. *(July 12, 1999)*
- Microsoft Corp. announced agreements with four of the nation’s leading financial institutions - American Express, Bank of America, Charles Schwab and Citigroup to provide customized financial content on the leading personal finance web site MSN™ and Money Central™. *(July 7, 1999)*
- Bank of America and Yahoo! Announced a relationship to provide online account integration bringing account access to account information directly to desktops of Yahoo! Finance and My Yahoo!users in California. *(July 6, 1999)*
- Bank of America and Just in Time Solutions, Inc. announced that the bank has implemented Just in Time’s Billcast software as part of the bank’s comprehensive electronic bill presentment solution for corporate billers. *(June 16, 1999)*
- NationsCredit announced an agreement with FinancingSources.Com that allows NationsCredit to accept on-line commercial real estate loan applications through their CyberLoan 2000 system. *(June 14, 1999)*
- Bank of America announced the opening of a national call center in Las Vegas to employ up to 900 telephone banking representatives. *(June 8, 1999)*

**BUSINESS
SEGMENT
INFORMATION**

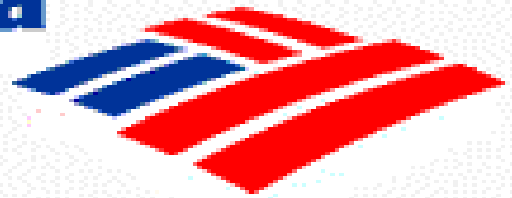
CONSUMER BANKING

- Retail Banking
- Small Business
- Financial Products
 - Mortgage
 - Card Services
 - Direct Banking
 - Insurance
 - Education Loans
 - Military Banking
- Consumer Finance
 - Consumer Finance Real Estate Group
 - Bank of America Auto Group
 - Distribution Finance & Specialty Lending

COMMERCIAL BANKING

- Commercial Banking
 - Growth Companies (\$10M-\$75M revenues)
 - Strategies Companies (\$75M-\$500M revenues)
- Specialized Finance
 - Factoring
 - Business Credit
- NationsCredit Commercial

Bank of America



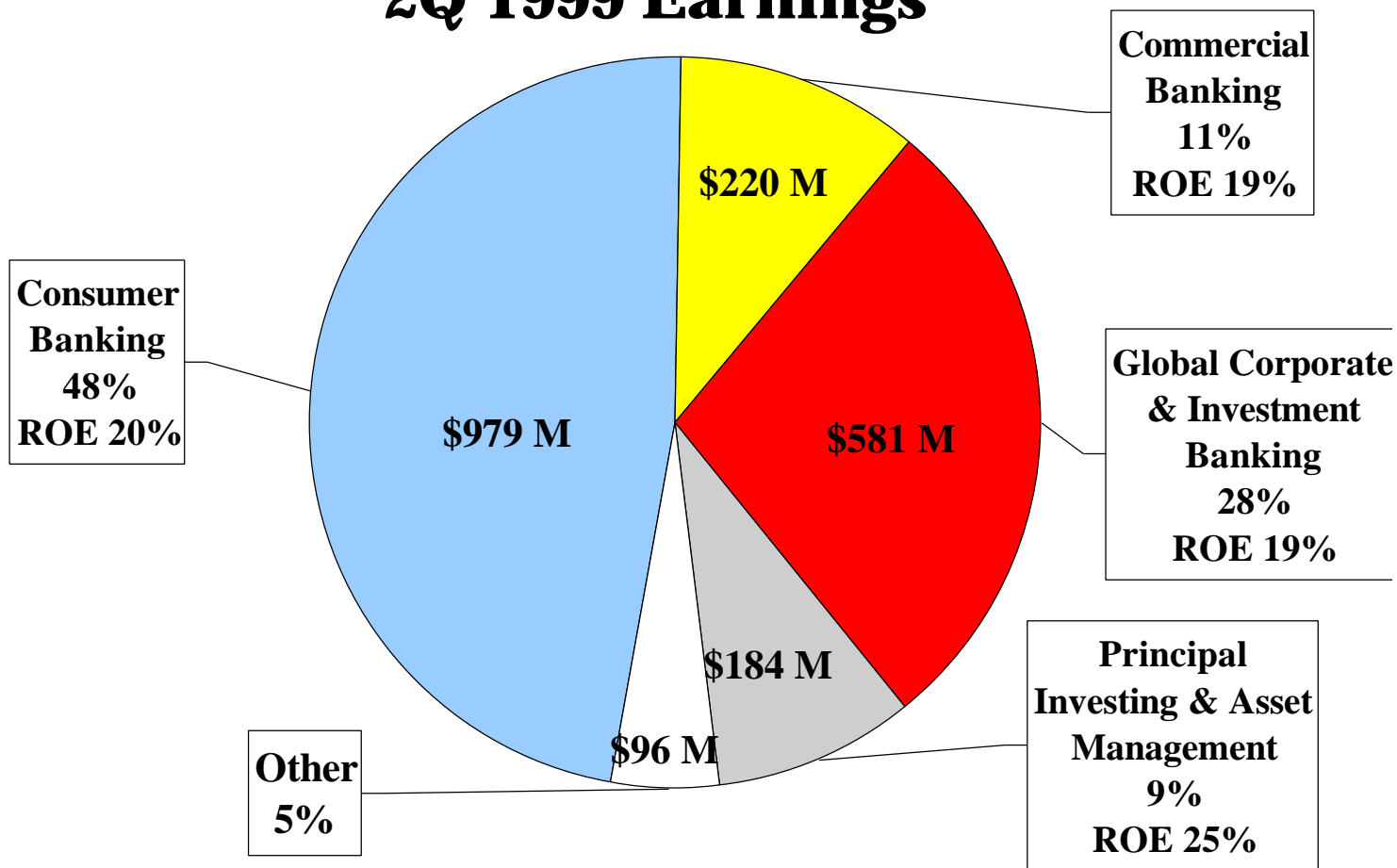
GLOBAL CORPORATE AND INVESTMENT BANKING

- Capital Raising & Advisory
- Global Markets
- Global Treasury Services

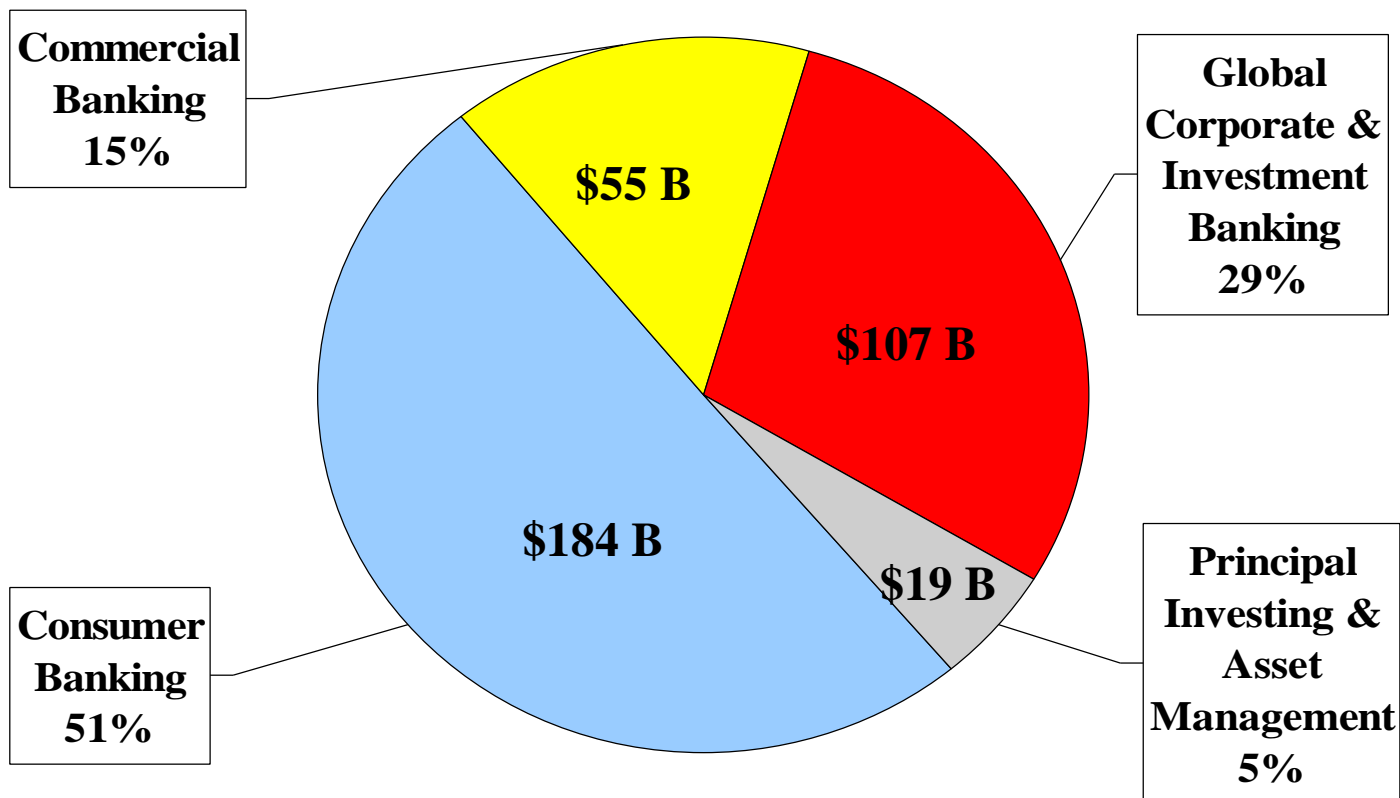
PRINCIPAL INVESTING AND ASSET MANAGEMENT

- Principal Investing
- Asset Management Group
 - Private Bank
 - Mutual Funds
 - Brokerage
 - Institutional Investment Management

Business Segment 2Q 1999 Earnings

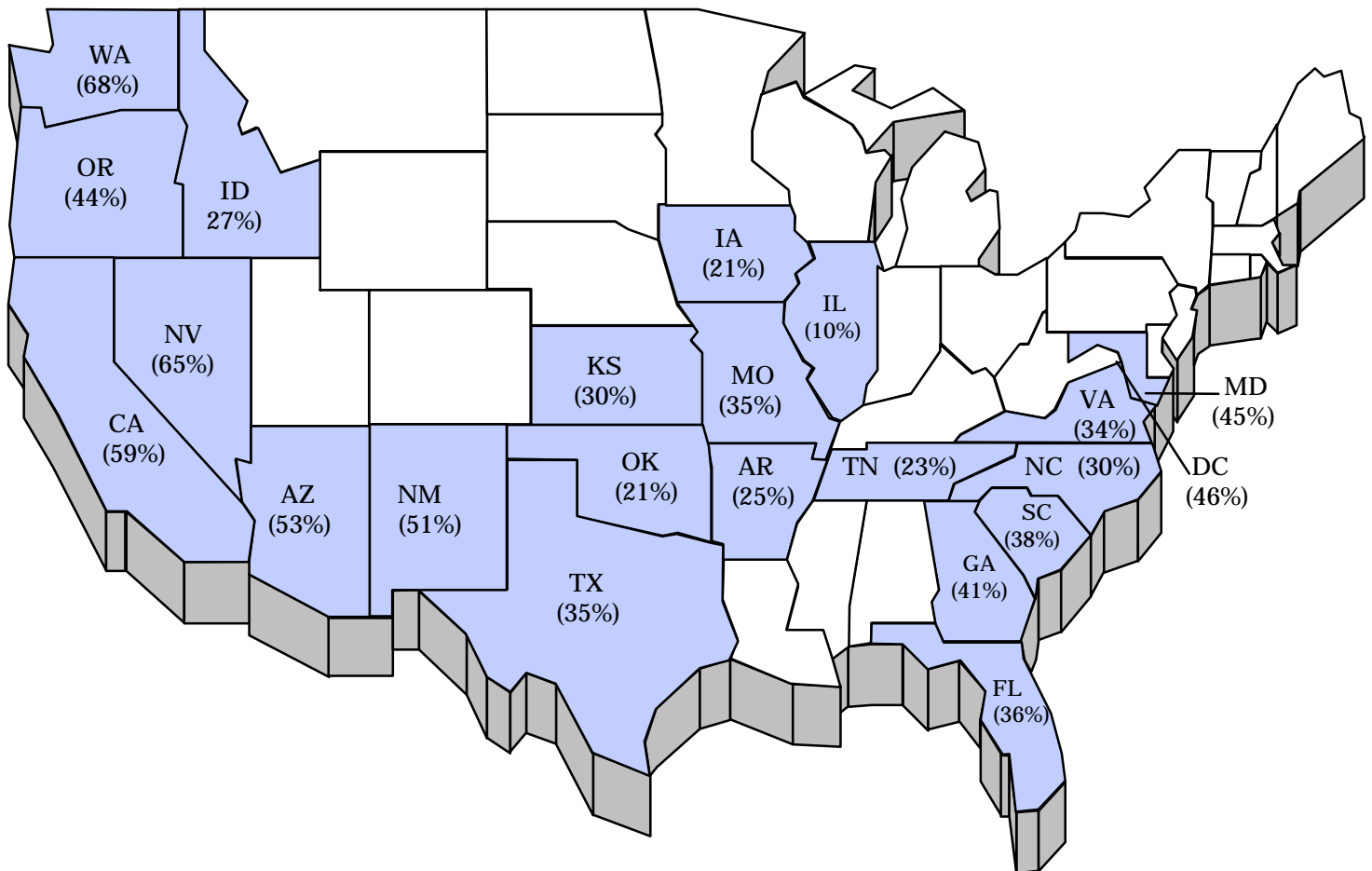


Business Segment Average Loans & Leases 2Q99



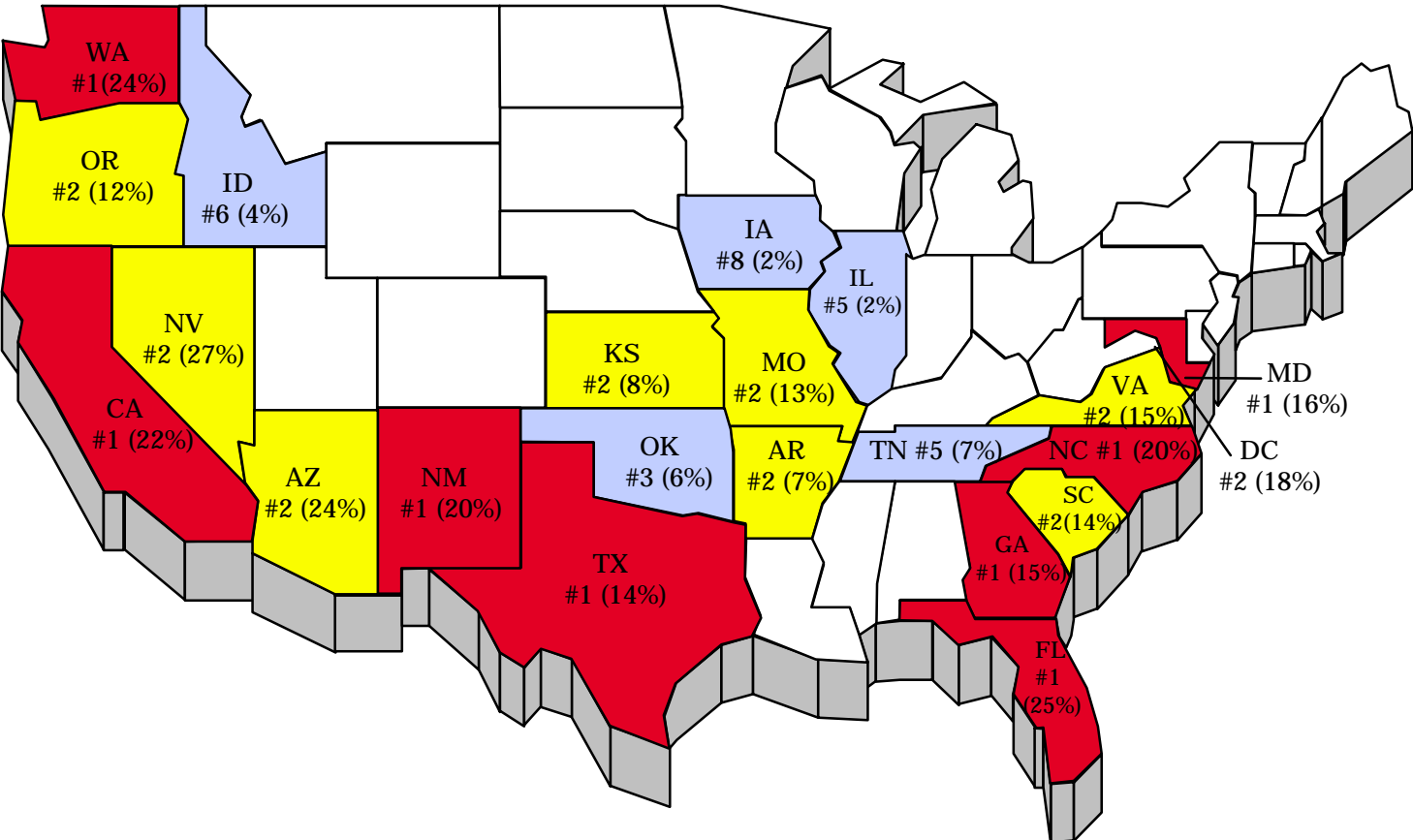
**CONSUMER
AND
COMMERCIAL
BANKING**

Consumer Market Penetration



Note: Market household numbers taken from 1997 US Census estimate. Bank of America consumer households are a composite of East/Central data from EDW, MCIF data from California and Hart-Hanks data for NW & SW states.

Deposit Market Share



Source: SNL Branch Migration Datasource. Deposits are as of June 1998

Customer Base

Consumer Households ¹ 40% of households in our franchise	30 Million
Middle Market and Small Business Relationships ²	1.7 Million
Largest provider of loans to small businesses ³	\$9.7 Billion
Online banking customers	1.5 Million

¹ US household data from 1997 census estimate Bank of America Consumer data from a composite of EDW (East/Central), MCIF (California), and Harte-Hanks (NW & SW states)

² Middle Market data from 1998 syndicated markets study as reported by D&B

³ Customer Information Management - Small Business Market Research (PSI/ADF)

Delivery Channels

Banking Centers **4,531**

ATMs **14,051**

<u>States:</u>	<u>Banking Centers:</u>	<u>ATM's</u>
California	957	4,109
Florida	817	1,614
Texas	480	1,398
Mid Atlantic	437	949
<i>Maryland</i>	<i>205</i>	<i>522</i>
<i>Virginia</i>	<i>201</i>	<i>355</i>
<i>Washington D.C.</i>	<i>31</i>	<i>72</i>
Georgia	297	579
Washington	240	868
North Carolina	221	417
Missouri	160	536
South Carolina	144	400
Arizona	138	568
Tennessee	109	276
Oregon	83	235
New Mexico	75	200
Nevada	78	774
Kansas	71	155
Arkansas	67	128
Oklahoma	65	265
Illinois	23	168
Idaho	21	59
Iowa	20	32
Other (+foreign)	28	321
	<u>4,531</u>	<u>14,051</u>

Small Business Lending

In the United States, 95 percent of all businesses are classified as “small business.” Bank of America meets the needs of these small business owners in a variety of ways:

- With nearly \$10 billion in small business loans, Bank of America is the largest small business lender in the United States. This group serves 1.7 million customers in 21 states and the District of Columbia.
- Bank of America, as part of its \$350 billion commitment to community development lending, has pledged to make at least \$180 billion in small business loans over the next 10 years.
- Bank of America has preferred lending status in the 21 states where it operates retail banks. That means the bank can process and approve SBA-guaranteed loans without prior credit review by the SBA, resulting in faster processing times for customers.

Mortgage

- Bank of America Mortgage generates fee income by offering innovative and competitive mortgage products to customers nationwide.
- Ranks #1 in mortgage servicing and #4 in total mortgage production
- Mortgage servicing portfolio was \$274 billion at June 30, 1999, servicing nearly 2.8 million households.
- Among the top five retail mortgage lenders meeting home ownership dreams of over 400,000 families annually.

- Loan origination volumes:

	<u>1998</u>	<u>YTD 1999</u>
Retail volume:	\$30.1 billion	\$ 14.3 billion
Correspondent volume:	11.1 billion	6.0 billion
Wholesale volume:	<u>23.9 billion</u>	<u>10.3 billion</u>
Total volume:	\$65.1 billion	\$ 30.6 billion

- With 1,600 account executives in 471 locations, Bank of America mortgage serves 31 retail states in the East, Southeast, Midwest, Southwest and West.
- Correspondent operation covers 50 states and the District of Columbia.
- Wholesale operation covers Eastern, Midwest, and Western markets.
- Customers can apply for a Bank of America mortgage at any mortgage branch or by calling the Bank of America telemortgage center, which serves 50 states and the District of Columbia.

Bank of America Card Services

- Bank of America Card Services is organized around customers in four major lines of business:
 - Consumer Credit Card
 - Commercial and Government Card
 - ATM/Debit and Smart Card
 - Merchant Services.
- Bank of America is a nationwide issuer of VISA and MasterCard platinum, gold, classic, and co-branded cards..
- #1 debit card issuer in the U.S. with 14 million cards outstanding.
- #3 bank credit card issuer in the U.S. as measured by purchase volume. As of 12/31/98, annual purchase volume was \$51 billion.
- #5 bank credit card issuer in the U.S. as measured by managed receivables. As of 6/30/99, managed credit card receivables were \$20 billion.
- #1 purchase card issuer to local and state governments
- #5 merchant services acquirer and processor in the U.S. as measured by sales processed. During 1998, \$41.5 billion in sales were processed for 187,000 merchant locations.
- Co-branded card programs include US Airways, America West, Southern Living, Alaska Air, REI and Sunoco.
- Recognized industry leader in service quality and technology
- Definitive leader in the development of multiapplication smart card technology to solve customer needs.

Insurance Services Group

- Consists of two captive life insurance companies and a number of agencies offering a variety of personal and commercial insurance products. The agencies are licensed in 42 states for life and health coverage and 41 states for property and casualty
- Products offered include traditional credit life coverage, unemployment, accident insurance, life products, auto & homeowners coverage, flood insurance, surety bonds and a variety of products for small businesses including health and property & casualty coverage
- Products are offered through a variety of national carriers, including, but not limited to, Balboa Life & Casualty, Central States Indemnity, CIGNA, CNA, Empire General, Federal Kemper, First Colony, The Hartford, Liberty Life, Midland Life, Minnesota Mutual, Monumental Life, Provident Life, and US Life
- Pre-tax income annualized approximates \$150 million

Consumer Finance Group

- Largest bank-owned finance company in the United States with \$65 billion in managed loans and leases as of 6/30/99 doing business in 46 states.
- The group is comprised of three distinct business lines:
 1. Consumer Finance Real Estate Group
 2. Bank of America Auto Group
 3. Distribution Finance and Specialty Lending

Consumer Finance Real Estate Group

- Managed loans totaled \$29 billion for the Real Estate Group as of June 30, 1999 including \$10 billion for Manufactured Housing.
 - NationsCredit Consumer Corporation provides first and second mortgages and home equity loans through centralized lending operations in 156 branches and 32 states.
 - EquiCredit Corporation specializes in originating, securitizing, selling and servicing fixed- and adjustable-rate loans secured by first and second mortgages through 131 branches in 41 states. It is comprised of the following business units:
 1. Full Service Broker
 2. Bulk/Acquisition Portfolio
 3. Special Market Area Production (SMAP)

Bank of America Auto Group

- Largest bank provider of commercial and retail financing for the automotive industry in the United States with \$31 billion in managed loans and leases as of June 30, 1999.
- Supports an array of financial services to over 12,000 new-car franchises in 50 states with 1,600 associates.
- Currently purchases retail contracts from 11 Credit Centers in U.S.
- Processes over 125,000 retail applications per month resulting in over \$1 billion in monthly purchases.
- Average turnaround time for an application at our peak period is less than 30 minutes

Consumer Finance Group (cont.)

Distribution Finance and Specialty Lending

- Largest provider of commercial and retail financing for recreational vehicles and ranks among the top three for marine products with \$6 billion in outstanding loans
- The company has 570 associates with offices in the U.S. and Canada
- In March, completed the purchase of Fleetwood Credit Corporation, the \$2 billion asset financing arm of the world's largest recreational vehicle maker

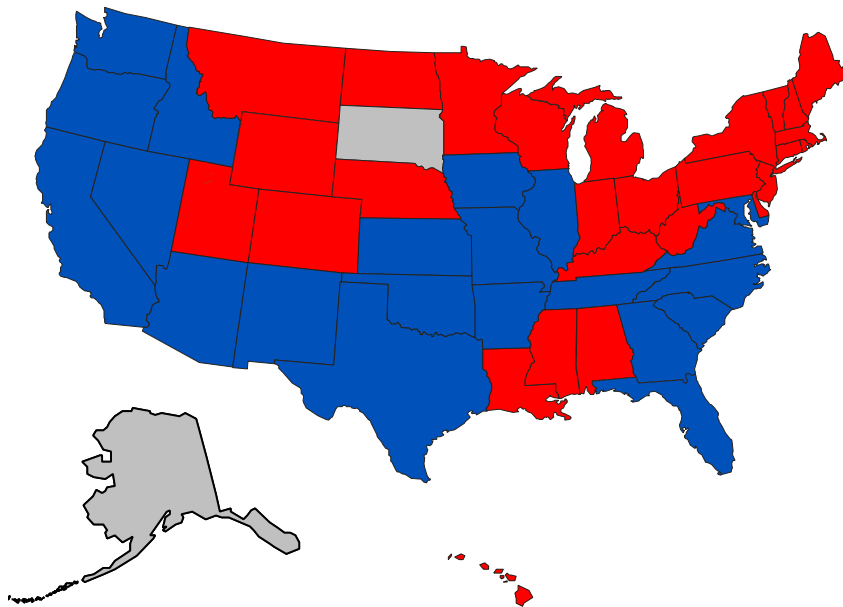
Commercial Banking

WHO WE ARE

Bank of America is the leading bank in the United States serving middle market companies with annual revenues between \$10 million and \$500 million. With \$45 billion in loans and more than \$20 billion in deposits, Bank of America is the country’s largest commercial lender and treasury management provider to the middle markets.

Through more than 3,000 associates exclusively dedicated to serving this client segment, Bank of America provides mid-sized public and private businesses, municipalities and nonprofit institutions world-class expertise in credit products, treasury management, trade finance, capital markets, investment bank and advisory services, and personal wealth management.

Across our 21-state franchise (including the District of Columbia), Bank of America has banking relationships with more than 30,000 clients – or three out of every 10 middle market companies. Of those clients, we are the lead bank for two out of every three.



- U.S. Consumer & Commercial Banking
- Other U.S. Offices & Subsidiaries

State	Rank
Florida	1
Georgia	1
E Tennessee	3
A District of Columbia	1
S Maryland	1
T Virginia	1
North Carolina	1
South Carolina	1
Texas	1
C Oklahoma	2
E Arizona	2
N Kansas	1
T Iowa	6
R Missouri	1
A New Mexico	1
L Nevada	1
W California	1
E Washington	1
S Oregon	2
T Idaho	5

*Source: syndicated study. Marketshare figures do not include Illinois and Arkansas; “Rank” refers to our ranking in terms of the number of middle market clients served.

Commercial Banking (cont.)

WHO WE SERVE

Our commercial banking associates serve a well-diversified portfolio of companies that span a number of industries. In our markets, we are recognized as a leader serving a number of industries.

Commercial Banking Credit Portfolio (binding commitments)

■ Food and Agriculture

■ Consumer

■ Industrial

■ Media

■ Natural Resources

■ Healthcare

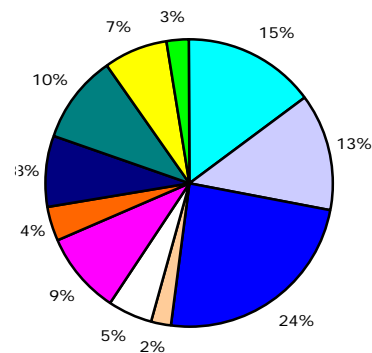
■ Financial Services

■ Business Services

■ Real Estate

■ Government

■ Non Profit



OUR RESULTS

Commercial banking has achieved strong growth rates, and is projecting to continue that trend. Treasury management deposits and service revenues are particularly strong resulting from our nationwide franchise and our state-of-the-art product set.

The commercial banking client has become more sophisticated and more aware of the financial tools available to help its business succeed. Due to this increased awareness and understanding by our clients, Bank of America has seen its revenue mix for commercial banking change over the last five years.

Commercial Banking (cont.)

Credit revenue represents 40 percent of our total commercial banking revenue. This is a slight decline from 5 years ago as we now derive more revenue from treasury management services.

During the same period, the percentage of our total revenue attributed to treasury management services and capital markets has been growing. Revenues from treasury management now comprise approximately 45 percent of our overall revenues, up from 38 percent in 1995. In the last five years, we have seen the percentage of our revenues that come from capital market services increase to approximately 15 percent.

MIDDLE MARKET LEADERSHIP

Bank of America holds the following leadership positions among financial institutions serving the middle market.

- #1 in middle market banking relationships¹
- #1 in investment banking¹
- #1 in syndications²
- #1 in unsecured credit¹
- #1 in secured credit¹
- #1 in international services¹
- #1 in short term investments¹
- #1 in asset-based lending³
- #2 in factoring³
- Top 10 underwriter of municipal bonds on a competitive and negotiated basis⁴

¹ Syndicated study

² Loan Pricing Corporation

³ RS Carmichael, Inc.

⁴ Securities Data Co.

Specialized Finance

Factoring/Global Accounts Receivable Management:

- NationsBanc Commercial Corporation (NCC) provides its clients with various accounts receivable management and financial services which include:
 - working capital financing
 - bookkeeping
 - collection
 - credit protection
 - data processing
 - international letters of credit
 - term loans
- Offers fully integrated accounts receivable management service and trade finance solutions to companies with annual sales of \$50,000 and greater. Currently operates with a staff of 468 employees.
- For the six months ended June 30, 1999, NCC factored clients' sales totaling \$4.1 billion.
- NCC is the third largest U.S. Factor with an 11% market share.
- NCC purchased 3.3 million invoices averaging \$1,239 each and processed 478 thousand checks.
- Headquartered in Atlanta, NCC serves 796 clients in 33 states and 37 countries. 65% of clients are linked electronically into NCC's factoring data processing system.
- For the past five years, NCC has been selected by the International Factoring Community as one of the top international factors in the world. NCC is also a preeminent U.S. Member of Factors Chain International (FCI), a global network of 130 correspondents in 48 countries.

Specialized Finance

(cont.)

Business Credit:

- Bank of America Business Credit provides a wide array of financial products including senior secured, monitored financing products. Bank of America Business Credit now services the U.S., Canada and the United Kingdom. Asset based lending provides sufficient working capital to implement business turnarounds (e.g. Debtor-in-possession and emergent financing), leveraged buyout or recapitalization, and to support growth demands.
- Largest bank-owned commercial finance company in the world managing a portfolio of \$14 billion with loans outstanding of \$5 billion. BABC underwrites and manages transactions from \$15 million with no upside limit (largest underwriting has been \$750 million) with hold positions up to \$75 million.
- Business Credit's financial products also include specialization in retail, healthcare, structured finance, rediscounting of consumer finance loans, government contractors and agricultural businesses.
- Full service offices are located in Atlanta, New York, Chicago, Dallas, Pasadena and Baltimore and are supported through affiliates in Canada and the United Kingdom.

Specialized Finance

(cont.)

NationsCredit Commercial:

NationsCredit Commercial, based in Wilton, Connecticut, is a commercial finance company focusing on niche lending markets not generally served by commercial banks. As of June 30, 1999, the company's managed receivables totaled \$3.5 billion. Commercial operations are divided into several divisions:

- Corporate finance provides "one-stop" senior, mezzanine, and equity financing to middle-market companies with annual sales of \$5 million to \$150 million for leveraged buyouts, acquisitions, growth and recapitalization. The primary underwriting focus is on cash flow rather than hard assets. Size and term parameters range from \$5 million to \$50 million and 5 - 8 years, respectively.
- Healthcare Capital provides financing to middle market and emerging healthcare companies for acquisitions, consolidations, buyouts and recapitalizations.
- Greyrock Business Credit provides working capital, term financing, and bridge loans to venture stage and technology companies throughout the U.S. Facilities range in size from \$1 million to \$50 million.
- Commercial Funding provides asset-based financing to highly leveraged middle market companies. Focus is on turnarounds, debt restructuring, distressed company acquisition financing, and debtor-in-possession financing.
- Commercial Real Estate serves income property investors and developers, providing conventional and tax-exempt financing for development and acquisition of a wide range of property types. Transaction sizes range from \$2 million to \$50 million.
- Golf and Recreation Finance provides senior debt, mezzanine, and equity financing to investors/developers in daily fee, private and semi-private golf facilities. Transactions range in size from \$2 million to \$30 million.
- Transportation & Structured Finance provides select debt, equity, single-investor and leveraged lease financing of larger ticket transactions involving commercial aircraft, shipping, transportation and manufacturing equipment, energy projects, affordable housing and other specialized assets.

**PRINCIPAL INVESTING
AND
ASSET MANAGEMENT**

Principal Investing

Banc of America Equity Partners is the exclusive provider of private equity and related investment capital for Bank of America, and one of the largest private equity groups in the banking industry with more than 30 years of successful investing. With a current portfolio in excess of \$4.8 billion, the group invests in both direct and indirect equity investments in a wide variety of transactions. We aim to assist companies over the long term, not just during a specific round or stage of investment, and strive to be a strategic partner in the business, sharing the vision and providing the resources to achieve it.

Direct investments are made in high-potential companies where the group plays an active role in each organization's strategic direction (typically through board representation or visitation rights). Indirect investments are made through passive limited partnership stakes in funds managed by experienced third party investors.

The business groups that make up Banc of America Equity Partners are structured in a partnership fashion, which allows each business group to retain an entrepreneurial feel. They can tailor deals for each of their portfolio investments, and have the financial backing of the largest bank in the United States. Banc of America Equity Partners is divided into three distinct business lines : **Domestic Private Equity, International Private Equity** and **Funds Management**. Each member of these partnerships invests in every transaction, aligning their individual objectives with those of their investment partners.

Domestic Private Equity

From early stage seed capital to mezzanine financing, late-stage and buyout investments are made through:

- **Bank of America Capital Investors** sources investments entirely from referrals within the Bank of America franchise. This group provides equity capital and subordinated debt for growth financing, buyouts, recapitalizations and generational transfers; investments can be done as co-investors with financial sponsors or stand-alone equity investments
- **Bank of America Ventures** is a classic venture capital company that invests in all stages of development from early to late stage; focuses on three industries: information technology, healthcare (biotechnology and medical devices) and services
- **CIVC** derives investments primarily from proprietary referrals, including third-party intermediaries not directly tied to the Bank of America franchise

Principal Investing (cont.)

International Private Equity

- Invests in established businesses in Asia, Europe, and Latin America delivering strategic and financial guidance, broad business experience and access to our global resources.
- Focuses on established companies with above average growth prospects (such as locally listed public companies with a need for additional capital), privately owned companies with good prospects for accessing the public markets, and government-owned companies undergoing privatization
- Joint ventures between local companies and foreign companies where international equity investments can serve as a catalyst

Funds Management

- Banc of America Equity Partners manages a portfolio of nearly \$3.5 billion of investments in more than 400 funds, as well as the Fund of Funds, a diversified portfolio of private equity partnerships in which third party investors may participate
- Invests in the following types of funds: large and middle market buyout, venture capital, and special situations (typically real estate and international).

Asset Management Group

Total Assets Under Discretionary Management:	\$234 Billion at June 30, 1999 \$234 Billion at December 31, 1998
Private Bank Loans:	\$19 Billion at June 30, 1999 \$17 Billion at December 31, 1998
Total Revenues:	\$545 Million in 2Q99 \$502 Million in 1Q99

Primary Areas

Private Bank: provides customized asset management, banking, credit and trust services for high net worth individuals and private foundations.

- Serves over 100,000 relationships in 24 states and the District of Columbia
- Assets under management total approximately \$125 billion
- Ranked the #1 manager of high net worth assets for 1997 and 1998 by *Private Asset Management*, an *Institutional Investor* affiliate
- Provides estate and tax planning services
- Largest fiduciary manager of oil and gas properties in the U.S.
- Largest agricultural land management organization in the U.S. providing management services for farms, ranches, timberland, and other properties.

Asset Management Group (cont.)

Mutual Funds: Nations Funds, Pacific Horizon, and World Horizon families of mutual funds spanning the risk/reward spectrum and providing investors with the ability to pursue a wide range of investment objectives.

- Mutual fund assets total approximately \$69 billion, ranking Bank of America third among the top 4 bank-owned mutual fund managers
- Bank of America ranks 21st among all mutual fund complexes
- 25 mutual funds rated 4 or 5 stars by Morningstar as of 6/30/99
- 36 mutual funds ranked in the top half of their respective Lipper category, for the 1 year period ending 6/30/99
- 22 mutual funds ranked in the top quarter of their respective Lipper category, for the 1 year period ending 6/30/99
- Nations International Value Fund ranked 10th out of 570 funds (2nd percentile) in its Lipper category for the year ending 6/30/99
- Nations Funds was recognized by DALBAR with key honors awards for 1997 and 1998. Key honors awards serve to designate those firms who demonstrate their commitment to the shareholder/intermediary by providing consistently solid service

Brokerage: provide full-service brokerage via a face-to-face consultative sales force throughout the Bank of America franchise and discount brokerage services including a variety of investment choices and informational tools to help independent investors meet their investment goals

- Over 715 investment consultants in over 340 locations
- Over 889,000 active customer accounts
- Market value of client assets exceeds \$68 billion
- Access to over 1,000 mutual funds including 350 no-load mutual funds through “Fund Solutions”
- Launched on-line brokerage web site giving customers access to investment information and enabling them to buy and sell stocks, options, and mutual funds on-line

Institutional Investment Management: provides research, investment policy, asset allocation, and portfolio decision-making for individual and institutional clients

- One of America’s oldest and largest money managers, having managed the assets of individuals, corporations, state and local municipalities, foundations and universities, as well as public and private institutions since 1874
- These services are delivered through TradeStreet Investment Associates, Chicago Equity Partners, Gartmore Global Partners, Sovran Capital Management and Boatmen’s Capital Management

**GLOBAL CORPORATE
AND
INVESTMENT BANKING**

Overview

Bank of America is a premier global financial services organization, providing tailored financial solutions to leading corporations, institutions and government clients across the nation and around the world.

Vision

To be recognized and rewarded as the leading provider of creative, value-added financial ideas and solutions to targeted issuers and investors where Bank of America can realize superior returns.

Mission

- Leverage the strengths of a powerful banking company with the intellectual capital of our banking and product specialists
- Differentiate through the knowledge, ideas and solutions our teams create and deliver to targeted clients – both issuers and investors
- Create a new kind of organization to redefine excellence in corporate and investment banking

Target Market

Our focus is U.S.-based and offshore multinational corporations with revenues in excess of \$500 million, who benefit from the full range of services, expertise and reach that our global delivery network provides. We also provide a full range of services and solutions to middle-market companies with annual revenues between \$10 million - \$500 million.

Client Solutions

With one of the most significant corporate franchises of any U.S. bank – ranking #1 for the most primary relationships among large U.S. corporations* we offer our clients a comprehensive range of global capabilities, including:

- Capital raising and advisory
- Private equity
- Global markets
- Global treasury and trade services

With revenues of \$2.1 billion in the second quarter 1999 and operations in 37 countries, Global Corporate & Investment Banking is a powerful financial services partner that clients rely on to meet business objectives through each stage of a company's life cycle. We are committed to service excellence, superior execution and seamless delivery of our institutional strengths to each client. Total revenues for the first half of 1999 were more than \$4.3 billion.

* *Ranking by independent research company.*

Overview

Our economic model is structured to support success in meeting our clients' global challenges and growth opportunities. Building on our strong corporate franchise and distribution network, we consistently strive for optimal balance in:

- Creating talented client teams
- Building strong client relationships
- Delivering a comprehensive range of world-class financial solutions
- Generating solid financial performance

Industry Focus

One of the most important factors in corporate banking today is the ability to understand each client's business, anticipate their needs, and tailor financial solutions. Integral to this effort are our specialized client teams—organized by industry, led by a client manager, supported by bankers, product specialists and analysts globally. This allows us to deepen client relationships through cross-sell opportunities and deliver the customized capabilities clients require to achieve financial success.

Financial Discipline

To improve effectiveness and profitability in the franchise, we evaluate each relationship, product and business on an ongoing basis. This fundamental financial discipline of sound capital and risk management creates the necessary conditions for profitable growth and driving shareholder value.

Second Quarter 1999

Deal Highlights:

- **Irvine Company:** M&A advisor, sole underwriter and arranger for a REIT buyback. There is no recent history of a public REIT being taken private.
- **Dura:** concurrent US\$300MM and Euro 100MM denominated high yield bond offerings.
- **Bergen Brunswig:** broad use of multiple products in the acquisition of **PharMerica** (M&A, Commercial Paper, TOPrs (Trust Originated Preferred)). We advised on financing alternatives and capital structure.
- **Alestra, Mexican Telecom Co.:** joint-led \$570MM Senior Reserve Notes. This deal was particularly noteworthy since it was the first Mexican corporate debt issue to come to market since last summer. Further, it was the largest new issue managed to date.
- **Hercules:** led/ sole managed a mix of debt and equity offerings related to the acquisition of **BetzDearborn**.

Industry Focus & Market Insight

Bank of America's client teams understand each client's business needs and tailor creative financial solutions to address specific opportunities and goals. Supported by bankers, product specialists, and analysts throughout our global network, our client teams provide distinct expertise in major industries:

- Aerospace & Defense
- Automotive & Transportation
- Business Services
- Chemical
- Consumer Products & Services
- Energy
- Engineering & Construction
- Entertainment & Publishing
- Finance Companies
- Financial Institutions
- Financial Services
- Food & Agribusiness
- Forest Products
- Gaming
- Healthcare
- Industrial Growth
- Insurance & Money Managers
- Leasing & Rental Companies
- Lodging
- Media & Telecommunications
- Natural Resources
- Real Estate
- Restaurants
- Retail
- Securities & Commodities
- Sports
- Technology
- Textile & Apparel
- Utilities

Capital Raising & Advisory

Capital Raising

Bank of America and Banc of America Securities LLC have successfully introduced thousands of clients of all sizes to public and private capital market, completing \$500 billion of debt, equity, and advisory transactions in the first half of 1999, including some of the most forward-thinking structures in the market today.

Advisory

Bank of America, through Banc of America Securities, provides a full spectrum of industry-focused advisory services – from mergers and acquisitions to management-led buyouts, joint ventures, strategic partnering, fairness opinions and valuations. Along with advice, we provide complete financing solutions – no matter how complex the transaction.

A Broad Range of Services

Our broad range of global debt and equity capital raising and advisory services include:

- Asset-backed securitization
- Commercial paper
- Convertible securities
- Debt and equity bridge financing
- Equity derivatives
- Equity underwriting
- Financial sponsors
- High grade securities
- High yield securities
- Leasing
- Liability management
- Mergers & acquisitions (advisory and financing)
- Medium-term notes
- Municipal securities
- Primary dealer in treasury, agency, and mortgage-backed securities
- Private placements (debt and equity)
- Project finance
- Short-term asset sales/bid loans
- Structured trade finance
- Syndicated finance

Note: Investment banking and securities products provided through Banc of America Securities LLC

Capital Raising & Advisory

Asset-Backed Securitization

- Executes public and private securitizations across a broad range of asset classes, including autos, equipment, other consumer, CLOs/CBOs, monetization and future flows, credit cards, trade and lease receivables, and royalty streams
- Lead-managed more than \$9.1 billion in public and 144-A asset-backed securities in the first half of 1999 (*Securities Data Company*)

Commercial Paper

- #1 commercial bank-affiliated dealer based on number of programs (285); #4 among all dealers, with more than \$55 billion outstandings (*Moody's Global Short-Term Market Record, July 1999*)

Convertible Securities

- Origination, sales and trading of convertible securities, including trust convertible preferred securities, combination debt/common stock transactions, special warrants and convertible exchangeable preferred stock

Equity Derivatives

- Derivatives strategies for corporations, institutional investors and high net worth individuals for risk management, single equity diversification, yield enhancement, stock repurchases and financing tool

Equity Research

- One of the largest on Wall Street with 73 research analysts focused on the growth sectors of the global economy covering approximately 1,000 companies with a total market capitalization exceeding \$9.2 trillion (*Banc of America Securities*)
- 11 research analysts named "All-Stars" in the 1998 *Wall Street Journal* Analyst Survey

Equity Underwriting

- A leading investment bank for companies of all sizes, financial institutions and government agencies raising public and private equity
- Led- or co-managed 1,060 transactions raising \$116.2 billion in capital, and lead-managed 431 transactions raising \$26.7 billion in capital since 1990 (*Securities Data Company*)

Financial Sponsors

- Includes fund investing, bridge finance, one-stop financing and investment ideas critical for success and mandate for lead in financing
- #1 in agent-only sponsored LPC League Tables by number of transactions (54) in first half of 1999 (*Loan Pricing Corp.*)
- #2 in agent-only dollar volume with \$13.3 billion for the first half of 1999 (*Loan Pricing Corp.*)

Capital Raising & Advisory

High Grade Fixed Income

- Top 10 lead manager in first half of 1999 of high-grade fixed-income products, including corporates, crossovers, medium term notes and asset-backed securities (*Securities Data Company*)
- Lead-managed more than \$138 billion for all fixed income products in first half 1999 with full credit to each manager (*Securities Data Company*)
- Dedicated staff nationwide of 86 associates

High Grade Securities

- #5 in lead-managed High Grade Corporates in the first half of 1999 with volume of \$26.6 billion (*Securities Data Company*)

High Yield Securities

- Top 10 in lead-managed transactions for first half 1999 (*Banc of America Securities*)
- Active market maker in more than 250 high yield issues, with average daily trading volume exceeding \$150 million (*Banc of America Securities*)
- Grew secondary trading volume from \$9.7 billion in 1996 to more than \$15 billion in 1998 (*Banc of America Securities*)
- Centralized trading of emerging markets instruments, including Brady bonds, local government securities, and forfaiting (trade finance product); centralized trading of various distressed loans and bonds

Institutional Brokerage

- Relationships with more than 1,700 institutional investors globally; particular strength with the nation's largest 200 institutions, which manage 80% of all institutional holdings (\$3.8 trillion) (*Banc of America Securities*)
- Sales of existing securities to institutional clients or our private client group
- 90 dedicated professionals in New York, San Francisco and Chicago provide custody, clearing, securities lending services, and operational support to professional money managers

Leasing

- Leasing and Capital Group provides equipment financing services worldwide, with more than \$40 billion in total original asset cost owned or managed for other investors
- More than 500 associates, including originators, managers, specialists in cross-border financing, equity and debt arrangers, attorneys, accountants, and contract and credit underwriters
- Works with a network of over 300 institutional investors
- Arranges end-customer leasing programs for equipment vendors, manufacturers and distributors; also offer vehicle fleet financing and management programs
- Trades in secondary market acquisitions and sales

Capital Raising & Advisory

Liability Management

- Develops, markets, and executes liability management transactions for corporate clients, including tender offers, consent solicitations, exchange offers and liability management swaps.
- Provides strategic advice on liability management to address risks related to corporate reorganizations, including leveraged buyouts, acquisitions/divestitures/spin-offs, debt refinancing, capital restructuring, tax, accounting, and NPV driven refinancings, and covenant modifications to improve operating and financial flexibility.
- Successfully executed tender offers and consent solicitations for more than \$10 billion in debt securities over the past two years (*Banc of America Securities*)

Mergers & Acquisitions Advisory

- A team of more than 60 professionals organized by industry sector provides a full range of advisory services, including buy-side/sell-side advisory, fairness opinions, corporate valuations, leveraged and management-led buyouts and recapitalizations, joint ventures, restructuring, cross-border transactions, and strategic partnering
- Advised on 40 transactions in total value of more than \$8 billion in the first half of 1999

Municipal Finance

- Ranked #10 nationally for first half of 1999 as senior managing underwriter of municipal bonds and notes with 130 issues and volume of \$2.6 billion (*Securities Data Company.*)

Private Placements

- A leading provider of a full range of debt and equity private placement products
- Debt capital raising includes a comprehensive array of senior notes, master note programs, private medium term note programs, senior secured notes, subordinated notes, collateralized bond obligations, and mezzanine (high yield) structures
- Equity capital raising has focused on later-stage private growth companies (12-24 months prior to public offering) with experience in achieving size and valuation objectives; extensive due diligence is conducted to support valuation of each private placement prior to offering to a broad group of value-added investors, including late-stage private equity investors, pension funds, insurance companies, high net worth individuals, strategic investors and crossover funds
- #1 placement agent in the issuance of straight corporate debt (including funds and trusts), with more than \$8.8 billion in volume and 198 transactions in 1998 (*Securities Data Company*)

Project Finance

- An internationally recognized leader in project finance for over 25 years, provides advisory, capital raising, and risk management products covering a wide range of markets and all levels of the capital structure with over 100 project finance specialists worldwide (*Project Finance International*)
- Debt portfolio of more than \$2 billion reflecting a range of industries worldwide, including oil and gas, power, process industries, telecommunications, environmental, and infrastructure projects
- #2 global lead arranger in with \$3.6 billion in underwritings and #6 in global advisory mandates for full-year 1998 (*Project Finance International*)

Capital Raising & Advisory

Real Estate Finance

- Largest and most diverse arranger and provider of real estate finance services
- Originates, structures, underwrites and arranges debt and equity securities, and intermediate first mortgage loans on commercial and residential property
- Includes commercial mortgage-backed securities and mortgage-backed trading
- Leading underwriter of REITs and of home-builder and manufactured housing companies

Syndicated Finance

- #1 lead arranger by number of deals (312) and #2 by volume with \$85 billion for the first half of 1999 (*Loan Pricing Corporation*)

U.S. Treasury Securities

- One of a select group of firms recognized as a primary dealer by the New York Federal Reserve
- Trades between \$5 billion-\$7 billion on average daily

Global Markets

Bank of America is a powerful market maker in global capital markets, combining exceptionally strong institutional sales and trading services in foreign exchange and derivatives – supported by extensive global research on behalf of clients worldwide. Our research, sales and trading teams are among the strongest in the industry.

Foreign Exchange

- Actively trades nearly 100 major and exotic currencies, 24 hours a day, through our network of 36 trading centers worldwide—providing unparalleled access to the world’s currency markets
- Currency trading volume, on an average day, exceeds \$80 billion (*Global Foreign Exchange*)
- #1 foreign exchange bank in top-tier relationships with U.S. corporations and institutional investors (*independent research company*)
- #1 in foreign exchange swaps and options with U.S. corporations (*independent research company*)

Risk Management

- To help issuers and investors meet their risk management, hedging, and exposure mitigation needs, we offer all principal derivative products, including swaps, options, and structured products and securities
- Our specialists devise risk management strategies suited to specific business needs, supported by customized derivatives and exchange-traded products
- Provides credit derivatives as single name and baskets of high-grade and high-yield names
- Offers currency derivatives in more than 20 currencies
- Provides commodity derivatives in the energy, soft commodity, and metal markets.
- Ranked #1 with U.S. corporations and institutions in interest rate products, which allow clients to change, reduce, or eliminate underlying credit risk, either permanently or temporarily (*independent research company*)
- #1 for financial advice and understanding clients needs among U.S. corporations (*Treasury & Risk Management Survey, July 1999*)
- #1 for integrated derivatives solutions among U.S. corporations (*Treasury & Risk Management Survey, July 1999*)
- Named #2 overall derivatives provider by leading U.S. corporations (*Treasury & Risk Management Survey, July 1999*)
- Ranked #3 in energy derivatives (*Risk, March 1999*)

Worldwide Capital Markets Research

- Our network of economists in trading rooms in London, New York, San Francisco, and Hong Kong provide analysis, commentary, and outlooks for monetary policy, interest rates, exchange rates, and political developments around the globe on behalf of clients worldwide
- Produces global market scenarios for economic, interest rate, and foreign exchange conditions for 40 countries
- Provides client-tailored research ranging from short-term hedging/trading strategies, to medium-term business plans, and investment analysis

Global Treasury Services

A recognized leader in treasury management and trade services^{*,?}, Bank of America provides the technology, strategies and integrated solutions to help public and private companies of all sizes, financial institutions and government agencies manage their operations and cash flows on a local, regional, national and global level. Our services enable client organizations to manage payables and receivables in a more timely and efficient manner.

Treasury Management

- Services include solutions and technology spanning electronic digital imaging (EDI), ACH clearing, funds collection and concentration, disbursements, investments, account reconciliation, internet solutions through Bank of America Direct™, information reporting and forecasting.
- Bank of America is the only major bank with a single computer system that links key international branches and subsidiaries worldwide
- Combined team of approximately 10,000 associates serving 11,000 large corporate clients
- Only bank to provide clients with east coast/midwest/west coast controlled disbursement points

Trade Services

- Offers complete array of products, including letters of credit, international collections, bankers acceptances, draft/document purchase programs, EXIM and OPIC financing assistance, and services for financial institutions including bank-to-bank reimbursements, export bills collections and full trade processing in-sourcing for correspondent banks
- Serves more than 5,000 clients including large multinational importers and exporters, 10,000 middle market and commercial banking customers, and start-up businesses, as well as financial institutions involved in international trade
- More than 3,000 correspondent banking relationships worldwide
- Approximately 1,100 associates in 58 locations, involved in operations, business development, and support of trade banking activities

Leadership

- Ranked #1 in market penetration for cash management services to large U.S. corporations and middle market companies*
- Ranked #1 in volume for wholesale lockbox, account reconciliation, ACH credit transactions, and corporate and correspondent check-clearing[?]
- Ranked #1 in domestic treasury management revenue*
- Named as “Ten Masters of Electronic Delivery” by *Future Banker 1999*
- A leading provider of pan-regional euro cash management to top investment banks, brokerages and leading corporations*
- Ranked among the top two U.S. banks for Fedwire transfers and controlled disbursement
- A leading trade services provider with more than \$36 billion in annual trade finance volume and 35% marketshare[?]
-

* Independent research company

? Ernst & Young Cash Management Sur