



January 13, 2017

## **BANK OF AMERICA CORPORATION FILED TWO FORMS 8-K**

CHARLOTTE, N.C.– (BUSINESS WIRE) – January 13, 2017 – Bank of America Company (the "Corporation") informed its securities holders that it has filed a Current Report on Form 8-K with the U.S. Securities and Exchange Commission ("SEC") on January 13, 2017, announcing financial results for the fourth quarter and year ended December 31, 2016, reporting fourth quarter net income of \$4.7 billion, or \$0.40 per diluted share, and net income for the year of \$17.9 billion, or \$1.50 per diluted share.

### ***Q4-16 Financial Highlights***

- Revenue, net of interest expense, increased 2% to \$20.0 billion from \$19.6 billion
  - Net interest income (NII) increased 6% to \$10.3 billion, reflecting benefits from higher interest rates as well as growth in loans and deposits, partially offset by \$0.2 billion in market-related debt hedge ineffectiveness
  - Excluding adjustments for certain trust preferred securities in Q4-15, NII was relatively flat
  - Noninterest income decreased 2% to \$9.7 billion from \$9.9 billion
- Provision for credit losses declined to \$774 million from \$810 million. Net charge-offs declined to \$880 million from \$1.1 billion; net charge-off ratio improved to a historic low of 0.39%
- Noninterest expense declined 6%, or \$849 million, to \$13.2 billion
- Pretax earnings up 27% to \$6.1 billion
- Net income increased 43% to \$4.7 billion, and EPS increased 48% to \$0.40, compared to \$3.3 billion and \$0.27, respectively
- Loan balances increased \$19 billion to \$915.9 billion. Deposit balances increased \$64 billion to \$1.26 trillion
- Deposit balances up \$71 billion, or 6%, to \$1.23 trillion
- Return on average assets 0.85%; return on average common equity 7.0%; return on average tangible common equity 9.9%
- Book value per share rose 7% to \$24.04; tangible book value per share rose 9% to \$16.95
- Repurchased \$5.1 billion in common stock and paid \$2.6 billion in common stock dividends in 2016

### ***Q4-16 Business Segment Highlights***

*Consumer Banking*

- Loans up \$20.1 billion; deposits up \$55 billion
- Brokerage assets increased 18%
- Mobile banking active users increased 16% to 21.6 million
- Total credit/debit card spending up 6%

#### *Global Wealth and Investment Management*

- Total client balances increased \$50.5 billion to more than \$2.5 trillion
- Loans up \$9.1 billion
- Pretax margin improved to 23%
- Long-term assets under management (AUM) flows of \$18.9 billion

#### *Global Banking*

- Loans up \$15.6 billion; deposits up \$10.3 billion
- Total Corporation investment banking fees of \$1.2 billion
- Return on average allocated capital (ROAAC) increased to 17%

#### *Global Markets*

- Sales and trading revenues of \$2.8 billion including negative net debit valuation adjustment (DVA) of \$101 million
- Excluding net DVA, sales and trading revenue up 11%
  - Fixed income up 12%
  - Equities up 7%

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On the same day, the Corporation also informed its securities holders that it has filed a Current Report on Form 8-K with the SEC on January 13, 2017, to incorporate by reference the exhibits listed below into the Corporation's shelf registration statement on Form S-3 (File No. 333-202354)(as amended, the "Registration Statement"):

- Distribution Agreement dated January 13, 2017 between Bank of America Corporation and Merrill Lynch, Pierce, Fenner & Smith Incorporated with respect to the offering of the Medium-Term Notes, Series M
- Seventh Supplemental Indenture dated as of January 13, 2017 between Bank of America Corporation and The Bank of New York Mellon Trust Company, N.A. (successor to The Bank of New York), supplementing the Indenture dated as of January 1, 1995 for senior debt securities, as supplemented
- Form of Global Senior Medium-Term Note, Series M
- Form of Master Global Senior Medium-Term Note, Series M
- Form of Global Subordinated Medium-Term Note, Series M
- Opinion of McGuireWoods LLP as to the legality of the Notes
- Consent of McGuireWoods LLP

Bank of America Corporation makes available all of its SEC filings on its website: <http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-irhome>.

The SEC maintains a website that contains reports, proxy statements and other information regarding issuers that file electronically with the SEC. These materials may be obtained electronically by accessing the SEC's website at <http://www.sec.gov>. A copy of the document will also be available on the National Storage Mechanism's website at: <http://www.morningstar.co.uk/uk/NSM>.

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