



October 13, 2017

### **BANK OF AMERICA CORPORATION FILED A FORM 8-K**

CHARLOTTE, N.C.– (BUSINESS WIRE) – October 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 October 13, 2017, announcing financial results for the third quarter ended September 30, 2017, reporting third quarter net income of \$5.6 billion, or \$0.48 per diluted share.

#### ***Q3-17 Financial Highlights (compare to the year-ago quarter unless noted)***

- Net income increased 13% to \$5.6 billion, and diluted EPS increased 17% to \$0.48
  - Year-to-date (YTD) net income increased 19% to \$15.7 billion
- Revenue, net of interest expense, increased 1% to \$21.8 billion from \$21.6 billion
  - Net interest income (NII) increased \$960 million, or 9%, to \$11.2 billion, reflecting benefits from higher interest rates, as well as loan and deposit growth
  - Noninterest income decreased \$756 million, or 7%, to \$10.7 billion, driven primarily by the lower mortgage banking income and lower sales and trading revenue, partially offset by higher asset management fees
- Credit quality remained strong. Provision for credit losses decreased 2% to \$834 million from \$850 million. Net charge-offs increased 1% to \$900 million from \$888 million; the net charge-off ratio declined to 0.39% from 0.40%
- Noninterest expense declined \$342 million, or 3%, to \$13.1 billion with reductions in both personnel and non-personnel expenses
  - Efficiency ratio improved to 60% from 62%
- Average loan balances in business segments rose \$46 billion, or 6%, to \$842 billion
- Total average deposit balances increased \$45 billion, or 4%, to \$1.27 trillion
- Return on average assets of 0.98%; return on average common equity of 8.1%; return on average tangible common equity of 11.3%
- Book value per share declined 1% to \$23.92; tangible book value per share rose 1% to \$17.23. Book value and tangible book value per share include an increase in common shares outstanding associated with the conversion of preferred shares held by Berkshire Hathaway into common stock
- Repurchased \$7.9 billion in common stock and paid \$2.8 billion in common dividends YTD

#### ***Q3-17 Business Segment Highlights (compare to the year-ago quarter unless noted)***

##### *Consumer Banking*

- Revenue rose 10% to \$8.8 billion
- Loans up 8%; deposits up 9%

- Merrill Edge brokerage assets up 21%
- Mobile banking active users increased 11% to 23.6 million
- Credit/debit spend up 7% to \$137 billion

#### *Global Wealth and Investment Management*

- Revenue rose 6% to \$4.6 billion
- Total client balances increased \$186 billion to a record of nearly \$2.7 trillion
- Loans increased 8%
- Record assets under management (AUM) balances of more than \$1 trillion

#### *Global Banking*

- Revenue rose 5% to \$5.0 billion
- Loans increased 4%
- Deposits increased 3%
- Firmwide investment banking fees up 1% to \$1.5 billion; best Q3 since the Merrill Lynch merger

#### *Global Markets*

- Sales and trading revenue of \$3.1 billion, including negative net debit valuation adjustment (DVA) of \$21 million
- Excluding net DVA, sales and trading revenue down 15% vs. strong Q3-16
  - FICC down 22%
  - Equities up 2%

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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