# BANK OF AMERICA

**Bank of America Reports Q3-23 Net Income of $7.8 Billion; EPS of $0.90, up 11% YoY**
**Revenue Improved YoY to $25.2 Billion[1] led by Net Interest Income, up 4%, to $14.4 Billion**
**CET1 Ratio of 11.9%; Book Value Per Share of $32.65 Grew 9% YoY**

## Q3-23 Financial Highlights[2(A)]

- Net income rose 10% to $7.8 billion, or $0.90 per diluted share, compared to $7.1 billion, or $0.81 per diluted share for Q3-22
- Revenue, net of interest expense, increased 3% to $25.2 billion
  - Net interest income (NII) up $614 million, or 4%, to $14.4 billion ($14.5 billion FTE)[(B)], driven primarily by benefits from higher interest rates and loan growth
  - Noninterest income of $10.8 billion increased $51 million, as higher sales and trading revenue and asset management fees more than offset lower other income
- Provision for credit losses of $1.2 billion increased $336 million
  - Net reserve build of $303 million vs. net reserve build of $378 million in Q3-22[(C)]
  - Net charge-offs of $931 million increased compared to the prior year and remained below Q4-19 pre-pandemic levels
- Noninterest expense of $15.8 billion increased 3% driven by increased investments in the franchise across people and technology, as well as higher FDIC expense from the increased assessment on banks announced in 2022; efficiency ratio of 63%
- Average deposit balances up approximately $1 billion from Q2-23 to $1.9 trillion; declined $87 billion, or 4%, from Q3-22
- Average loan and lease balances up $12 billion, or 1%, to $1.0 trillion led by higher credit card balances
- Average Global Liquidity Sources of $859 billion[(D)]
- Common equity tier 1 (CET1) ratio of 11.9% (Standardized) increased 29 bps from Q2-23[(E)] and was 240 basis points above regulatory minimum, effective October 1, 2023; returned $2.9 billion to shareholders through common stock dividends and share repurchases[5]
- Book value per common share rose 9% to $32.65; tangible book value per common share rose 12% to $23.79[7]
- Return on average common shareholders' equity ratio of 11.2%; return on average tangible common shareholders' equity ratio of 15.5%[7]

**From Chair and CEO Brian Moynihan:**

"Our teammates delivered another strong quarter. We generated $7.8 billion in earnings, up 10 percent from the third quarter a year ago. We added clients and accounts across all lines of business. We did this in a healthy but slowing economy that saw US consumer spending still ahead of last year but continuing to slow. Our growth in revenue and earnings allowed us to continue our investments in our people and technology to drive an enhanced client experience."

## Q3-23 Business Segment Highlights[2,3(A)]

### Consumer Banking

- **Net income of $2.9 billion**
- Revenue of $10.5 billion, up 6%
- Average deposits of $980 billion, down 8%; 36% above pre-pandemic levels
- Average loans and leases of $311 billion increased $16 billion, or 5%
- Combined credit / debit card spend of $225 billion, up 3%
- **Client Activity**
  - Added over 200,000 net new Consumer checking accounts in Q3-23; 19th consecutive quarter of growth
  - Record 36.6 million consumer checking accounts with 92% being primary[4]
  - Record Small Business checking accounts of 3.9 million, up 4%
  - Record consumer investment assets of $387 billion grew 28%; accounts grew 10% with record client flows of $51 billion since Q3-22
  - Digital logins exceeded 3 billion, up 10%; digital sales represented 46% of total sales

### Global Wealth and Investment Management

- **Net income of $1.0 billion**
- Client balances of $3.6 trillion, up 9%, driven by higher market valuations and positive net client flows
- $44 billion of AUM flows since Q3-22
- **Client Activity**
  - Added nearly 7,000 net new relationships across Merrill and Private Bank in Q3-23, up 20% from Q3-22
  - AUM balances of $1.5 trillion, up $167 billion; $14 billion of AUM flows in Q3-23
  - Opened over 39,000 bank accounts, up 6%

### Global Banking

- **Net income of $2.6 billion**
- Total investment banking fees (excl. self-led) of $1.2 billion, up 2%
- No. 3 in investment banking fees[6]
- **Client Activity**
  - Average deposits of $504 billion increased $9 billion, or 2%
  - Added more than 1,900 new clients YTD, August 2023, while deepening relationships with existing clients

### Global Markets

- **Net income of $1.2 billion**
- Sales and trading revenue up 8% to $4.4 billion, including net debit valuation adjustment (DVA) losses of $16 million; Fixed Income, Currencies and Commodities (FICC) revenue up 6% to $2.7 billion, and Equities revenue up 10% to $1.7 billion
- Excluding net DVA[(F)], sales and trading revenue up 8% to $4.4 billion; FICC revenue up 6% to $2.7 billion; Equities revenue up 10% to $1.7 billion
- Zero days of trading losses in Q3-23

See page 10 for endnotes. Amounts may not total due to rounding.

[1] Revenue, net of interest expense.
[2] Financial Highlights and Business Segment Highlights are compared to the year-ago quarter unless noted. Loan and deposit balances are shown on an average basis unless noted.
[3] The Corporation reports the results of operations of its four business segments and All Other on a fully taxable-equivalent (FTE) basis.
[4] Represents the percentage of consumer checking accounts that are estimated to be the customer's primary account based on multiple relationship factors (e.g., linked to their direct deposit).
[5] Includes repurchases to offset shares awarded under equity-based compensation plans.
[6] Source: Dealogic as of September 30, 2023.
[7] Tangible book value per common share and return on average tangible common shareholders' equity ratio represent non-GAAP financial measures. For more information, see page 19.

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**From Chief Financial Officer Alastair Borthwick:**

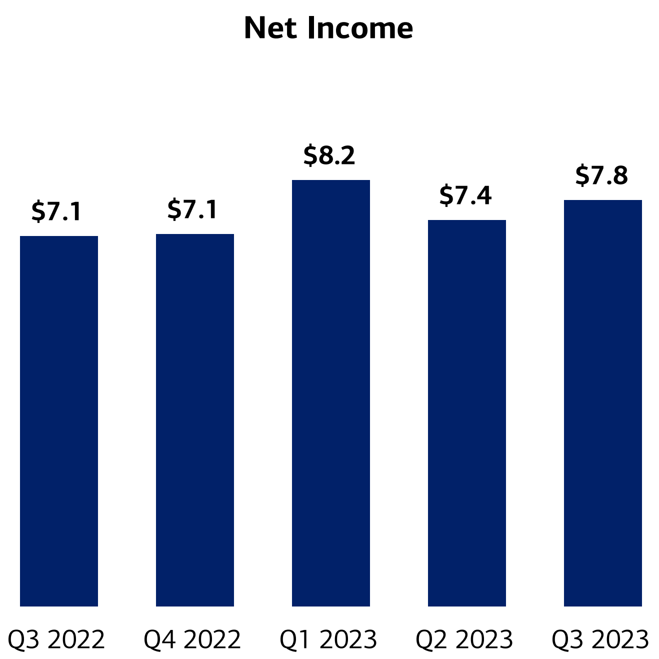
"We grew revenue and net income from the third quarter of 2022, as we continued to execute on our Responsible Growth strategy. We remained disciplined and decreased expenses for the second consecutive quarter while continuing to invest in our franchise. Our organic earnings generation allowed us to build our capital ratio to 11.9%, leaving us well above our 9.5% October 1st minimum requirement, and we returned $2.9 billion to shareholders in common stock dividends and share repurchases."

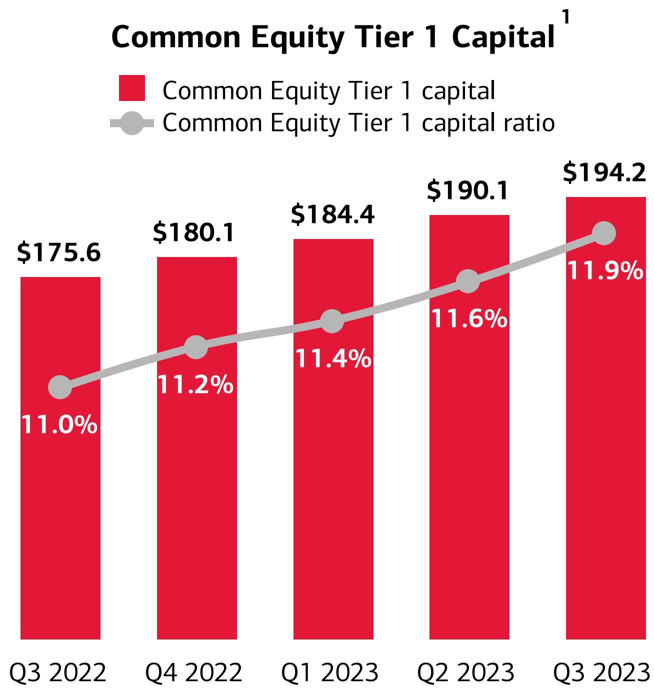
## Bank of America Financial Highlights

| | Three Months Ended | | |
|---|---|---|---|
| **($ in billions, except per share data)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue, net of interest expense | **$25.2** | $25.2 | $24.5 |
| Provision for credit losses | **1.2** | 1.1 | 0.9 |
| Noninterest expense | **15.8** | 16.0 | 15.3 |
| Pretax income | **8.1** | 8.0 | 8.3 |
| Pretax, pre-provision income[1](G) | **9.3** | 9.2 | 9.2 |
| Income tax expense | **0.3** | 0.6 | 1.2 |
| Net income | **7.8** | 7.4 | 7.1 |
| Diluted earnings per share | **$0.90** | $0.88 | $0.81 |

[1] Pretax, pre-provision income represents a non-GAAP financial measure. For more information, see page 19.

## Spotlight on Net Income and Common Equity Tier 1 Capital ($B)




[1] Common equity tier 1 capital ratio under the Standardized approach.

## Consumer Banking[1,2]

- Net income of $2.9 billion decreased 7%, as strong revenue growth was more than offset by higher provision for credit losses and noninterest expense
  - Pretax income of $3.8 billion decreased 6%
  - Pretax, pre-provision income[(G)] of $5.2 billion increased 9%
  - 10th consecutive quarter of operating leverage[(H)]; efficiency ratio improved to 50%
- Revenue of $10.5 billion improved 6%, driven by improved NII from higher interest rates and loan balances
- Provision for credit losses of $1.4 billion increased $659 million
  - Net reserve build of $486 million[(C)] in Q3-23, driven primarily by credit card
  - Net charge-offs of $911 million increased $399 million driven by credit card; remained below Q4-19 pre-pandemic level
- Noninterest expense of $5.3 billion increased $159 million, driven primarily by continued investments in the business and higher FDIC expense

### Business Highlights[1,4(A)]

- Average deposits of $980 billion decreased $89 billion, or 8%
  - 57% of deposits in checking accounts; 92% primary accounts[5]
- Average loans and leases of $311 billion increased $16 billion, or 5%
- Combined credit / debit card spend of $225 billion increased 3% from Q3-22
- Record consumer investment assets[3] of $387 billion grew $85 billion, or 28%, driven by record $51 billion of client flows from new and existing clients and higher market valuations
  - 3.8 million consumer investment accounts, up 10%
- 10.7 million Total clients[6] enrolled in Preferred Rewards, up 7%, with 99% annualized retention rate

### Strong Digital Usage Continued[1]

- 74% of overall households[7] actively using digital platforms
- 46 million active digital banking users, up 5% or 2.3 million
- ~1.5 million digital sales, down 19%
- Record 3.2 billion digital logins, up 10%
- New Zelle® records: 21 million active users, up 19% YoY, sent and received 323 million transactions, worth $97 billion, up 27% and 25% YoY, respectively
- Clients booked ~938,000 digital appointments

### Financial Results

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue[2] | **$10,472** | $10,524 | $9,904 |
| Provision for credit losses | **1,397** | 1,267 | 738 |
| Noninterest expense | **5,256** | 5,453 | 5,097 |
| Pretax income | **3,819** | 3,804 | 4,069 |
| Income tax expense | **955** | 951 | 997 |
| **Net income** | **$2,864** | $2,853 | $3,072 |

### Business Highlights[(A)]

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Average deposits | **$980.1** | $1,006.3 | $1,069.1 |
| Average loans and leases | **310.8** | 306.7 | 295.2 |
| Consumer investment assets (EOP)[3] | **387.5** | 386.8 | 302.4 |
| Active mobile banking users (MM) | **37.5** | 37.3 | 34.9 |
| Number of financial centers | **3,862** | 3,887 | 3,932 |
| Efficiency ratio | **50 %** | 52 % | 51 % |
| Return on average allocated capital | **27** | 27 | 30 |
| **Total Consumer Credit Card[4]** | | | |
| Average credit card outstanding balances | **$98.0** | $94.4 | $85.0 |
| Total credit / debit spend | **225.3** | 226.1 | 218.2 |
| Risk-adjusted margin | **7.7 %** | 7.8 % | 10.1 % |

1 Comparisons are to the year-ago quarter unless noted.
2 Revenue, net of interest expense.
3 Consumer investment assets includes client brokerage assets, deposit sweep balances, Bank of America, N.A. brokered CDs, and AUM in Consumer Banking.
4 The Consumer credit card portfolio includes Consumer Banking and GWIM.
5 Represents the percentage of consumer checking accounts that are estimated to be the customer's primary account based on multiple relationship factors (e.g., linked to their direct deposit).
6 As of August 2023. Includes clients in Consumer, Small Business and GWIM.
7 Household adoption represents households with consumer bank login activities in a 90-day period, as of August 2023.

### Continued Business Leadership

- No. 1 in estimated U.S. Retail Deposits[(a)]
- No. 1 Online Banking and Mobile Banking Functionality[(b)]
- No. 1 Small Business Lender[(c)]
- Best Bank in North America[(d)]
- Best Consumer Digital Bank in the U.S.[(e)]
- Best Bank in the U.S. for Small and Medium Enterprises[(f)]
- Certified by J.D. Power for Outstanding Client satisfaction with Customer Financial Health Support – Banking & Payments[(g)]
- No. 1 in Customer Satisfaction for U.S. Retail Banking Advice[(h)]

See page 11 for Business Leadership sources.

## Global Wealth and Investment Management[1,2]

- Net income of $1.0 billion decreased 13%
  - Pretax margin 26%
  - Strong organic client activity
- Revenue of $5.3 billion decreased 2%, driven by lower NII, partially offset by higher asset management fees due to higher market levels and client flows
- Noninterest expense of $4.0 billion increased 4%, driven by investments in the business, including strategic hiring

### Business Highlights[1(A)]

- Client balances of $3.6 trillion increased 9%, driven by higher market valuations and positive net client flows
  - AUM flows of $14 billion in Q3-23
  - Average deposits of $292 billion decreased $48 billion, or 14%
  - Average loans and leases of $219 billion decreased $5 billion, or 2%

### Merrill Wealth Management Highlights[1]

**Client Activity and Advisor Engagement**

- Client balances of $3.0 trillion[(A)]
- AUM balances of $1.2 trillion
- ~6,300 net new households in Q3-23, up 22%

**Strong Digital Usage Continued**

- 83% of Merrill households[3] digitally active across the enterprise
- Continued strength of advisor / client digital communications; ~407,000 households exchanged ~1.6 million secure messages
- Record 79% of households enrolled in eDelivery; ~319,000 planning reports generated, up 19%; 64% of clients received a planning report in the last 24 months, up from 43% a year ago
- 74% of eligible checks deposited through automated channels
- 70% of eligible Bank and Brokerage accounts opened through Digital Onboarding, up from 33% a year ago

### Bank of America Private Bank Highlights[1]

**Client Engagement**

- Client balances of $573 billion[(A)]
- AUM balances of $340 billion
- ~600 net new relationships in Q3-23, up 8%

**Strong Digital Usage Continued**

- 92% of clients[4] digitally active across the enterprise
- 75% of eligible checks deposited through automated channels
- Clients continued leveraging the convenience and effectiveness of our digital capabilities:
  - Zelle® transactions up 38%
  - Digital wallet transactions up 40%

### Financial Results

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue[2] | **$5,321** | $5,242 | $5,429 |
| Provision for credit losses | **(6)** | 13 | 37 |
| Noninterest expense | **3,950** | 3,925 | 3,816 |
| Pretax income | **1,377** | 1,304 | 1,576 |
| Income tax expense | **344** | 326 | 386 |
| **Net income** | **$1,033** | $978 | $1,190 |

### Business Highlights[(A)]

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Average deposits | **$291.8** | $295.4 | $339.5 |
| Average loans and leases | **218.6** | 218.6 | 223.7 |
| Total client balances (EOP) | **3,550.9** | 3,635.2 | 3,248.8 |
| AUM flows | **14.2** | 14.3 | 4.1 |
| Pretax margin | **26 %** | 25 % | 29 % |
| Return on average allocated capital | **22** | 21 | 27 |

1 Comparisons are to the year-ago quarter unless noted.
2 Revenue, net of interest expense.
3 Percentage of digitally active Merrill primary households ($250K+ in investable assets within the enterprise). Excludes Stock Plan and Banking only households.
4 Percentage of digitally active Private Bank core relationships ($3MM+ in total Balances). Includes third-party activities and excludes Irrevocable Trust-only relationships, Institutional Philanthropic relationships, and exiting relationships.

### Continued Business Leadership

- No. 1 on Forbes' Best-in-State Wealth Advisors (2023), Top Women Wealth Advisors (2023), Top Women Wealth Advisors Best-in State (2023), Best-in-State Teams (2023), and Top Next Generation Advisors (2023)
- No. 1 on Barron's Top 100 Women Financial Advisors List (2023)
- No. 1 on Financial Planning's 'Top 40 Advisors Under 40' List (2023)
- Celent Model Wealth Manager award (2023)
- No. 1 in personal trust AUM[(i)]
- Best National Private Bank[(j)] and in North America[(k)]
- Best Broker-Dealer for Technology[(l)]
- Largest U.S. Outsourced Manager for Endowment and Foundation Assets[(m)]
- Best Private Bank Philanthropic Initiative in Americas[(n)]

See page 11 for Business Leadership sources.

## Global Banking[1,2,3]

- Net income of $2.6 billion increased 26%
  - Pretax income of $3.5 billion increased 27%
  - Pretax, pre-provision income[(G)] of $3.4 billion increased 16%
- Revenue of $6.2 billion increased 11%, driven primarily by higher NII and leasing revenue
- Provision for credit losses reflected a benefit of $119 million, driven primarily by net loan paydowns, and decreased $289 million from Q3-22, as the prior year included a reserve build[(C)]
- Noninterest expense of $2.8 billion increased 6%, driven by continued investments in the business and higher FDIC expense

### Business Highlights[1,2(A)]

- Total Corporation investment banking fees (excl. self-led) of $1.2 billion increased $21 million, or 2%
- Average deposits of $504 billion increased $9 billion, or 2%
- Average loans and leases of $376 billion decreased $8 billion, or 2%, reflecting paydowns and lower client demand

### Strong Digital Usage Continued[1]

- 75% digitally active clients across commercial, corporate, and business banking clients (CashPro® and BA360 platforms) (as of August 2023)
- Record quarterly CashPro App active users increased 14% and record number of sign-ins increased 41%
- Quarterly CashPro App Payment Approvals value of $192 billion increased 16%
- 40% of eligible credit monitoring documents uploaded digitally (as of August 2023)

### Financial Results

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue[2,3] | **$6,203** | $6,462 | $5,591 |
| Provision for credit losses | **(119)** | 9 | 170 |
| Noninterest expense | **2,804** | 2,819 | 2,651 |
| Pretax income | **3,518** | 3,634 | 2,770 |
| Income tax expense | **950** | 981 | 734 |
| **Net income** | **$2,568** | $2,653 | $2,036 |

### Business Highlights[2(A)]

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Average deposits | **$504.4** | $497.5 | $495.2 |
| Average loans and leases | **376.2** | 383.1 | 384.3 |
| Total Corp. IB fees (excl. self-led) | **1.2** | 1.2 | 1.2 |
| Global Banking IB fees | **0.7** | 0.7 | 0.7 |
| Business Lending revenue | **2.6** | 2.7 | 2.1 |
| Global Transaction Services revenue | **2.8** | 2.9 | 2.8 |
| Efficiency ratio | **45 %** | 44 % | 47 % |
| Return on average allocated capital | **21** | 22 | 18 |

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

### Continued Business Leadership

- World's Most Innovative Bank – 2023, Most Innovative Bank in North America[(o)]
- World's Best Digital Bank, World's Best Bank for Financing, North America's Best Digital Bank, North America's Best Bank for Small to Medium-sized Enterprises, North America's Best Bank for Sustainable Finance[(p)]
- Best Bank for Payments & Collections in North America[(q)]
- Model Bank award for Product Innovation in Cash Management – 2023, for CashPro Mobile, CashPro Forecasting, and CashPro API[(r)]
- Best Transaction Bank in North America[(s)]
- 2022 Quality, Share and Excellence Awards for U.S. Large Corporate Banking and Cash Management[(t)]
- Relationships with 74% of the Global Fortune 500; 95% of the U.S. Fortune 1,000 (2023)

See page 11 for Business Leadership sources.

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## Global Markets[1,2,3,6]

- Net income of $1.2 billion increased $183 million, or 17%
  - Excluding net DVA, net income of $1.3 billion increased 17%[4]
- Revenue of $4.9 billion increased 10%, driven primarily by higher sales and trading revenue
- Noninterest expense of $3.2 billion increased 7%, driven by investments in the business, including people and technology
- Average VaR of $69 million[5]

### Business Highlights[1,2,6(A)]

- Sales and trading revenue of $4.4 billion increased 8%; excluding net DVA, up 8%[(F)]
  - Fixed income, currencies, and commodities (FICC) revenue increased 6%, (ex. DVA, up 6%)[(F)] to $2.7 billion, driven by improved trading in credit and mortgage products, partially offset by weaker trading in currencies and rates
  - Equities revenue increased 10%, (ex. DVA, up 10%)[(F)] to $1.7 billion, driven primarily by an increase in client financing activities

### Additional Highlights

- 680+ research analysts covering over 3,500 companies; 1,250+ corporate bond issuers across 55+ economies and 25 industries

### Financial Results

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue[2,3] | **$4,942** | $4,871 | $4,483 |
| Net DVA[4] | **(16)** | (102) | (14) |
| **Total revenue (excl. net DVA)[2,3,4]** | **$4,958** | $4,973 | $4,497 |
| Provision for credit losses | **(14)** | (4) | 11 |
| Noninterest expense | **3,235** | 3,349 | 3,023 |
| Pretax income | **1,721** | 1,526 | 1,449 |
| Income tax expense | **473** | 420 | 384 |
| **Net income** | **$1,248** | $1,106 | $1,065 |
| **Net income (excl. net DVA)[4]** | **$1,260** | $1,184 | $1,076 |

### Business Highlights[2(A)]

| | Three months ended | | |
|---|---|---|---|
| **($ in billions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Average total assets | **$863.7** | $877.5 | $847.9 |
| Average trading-related assets | **609.7** | 621.1 | 592.4 |
| Average loans and leases | **131.3** | 128.5 | 120.4 |
| Sales and trading revenue | **4.4** | 4.3 | 4.1 |
| Sales and trading revenue (excl. net DVA)[4(F)] | **4.4** | 4.4 | 4.1 |
| Global Markets IB fees | **0.5** | 0.5 | 0.4 |
| Efficiency ratio | **65 %** | 69 % | 67 % |
| Return on average allocated capital | **11** | 10 | 10 |

1 Comparisons are to the year-ago quarter unless noted.
2 Global Banking and Global Markets share in certain deal economics from investment banking, loan origination activities, and sales and trading activities.
3 Revenue, net of interest expense.
4 Revenue and net income, excluding net DVA, are non-GAAP financial measures. See endnote F on page 10 for more information.
5 VaR model uses a historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level. Average VaR was $69MM, $76MM and $117MM for Q3-23, Q2-23 and Q3-22, respectively.
6 The explanations for current period-over-period changes for Global Markets are the same for amounts including and excluding net DVA.

### Continued Business Leadership

- World's Best Bank for Markets[(p)]
- North America's Best Bank for Sustainable Finance[(p)]
- Americas Derivatives House of the Year and Americas House of the Year for Equity Derivatives, FX Derivatives, Commodities Derivatives and Research & Strategy House[(u)]
- Commodity Derivatives House and Americas ESG Financing House[(v)]
- Best CLO Arranger of the Year, Best Loan Secondary Trading Desk of the Year, Best CLO Tranche Trading Desk of the Year, Best CLO Research House[(w)]
- No. 1 All-America Sales Team in Equities Idea Generation[(x)]
- No. 1 Municipal Bonds Underwriter[(y)]
- No. 1 Market Share in US Registered Equity Block Trade Fees[(z)]

See page 11 for Business Leadership sources.

## All Other[1,2]

- Net income of $89 million increased $370 million vs. Q3-22, driven primarily by a higher income tax benefit and lower litigation expense
- Total corporate effective tax rate (ETR) for the quarter was 4%
  - Excluding discrete tax benefits and recurring ESG tax credit benefits, the ETR would have been approximately 25%
  - Full-year 2023 ETR, excluding FDIC special assessment and other discrete items, is expected to be between 9-10%

**Financial Results**

| | Three months ended | | |
|---|---|---|---|
| **($ in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| Total revenue[2] | **$(1,618)** | $(1,767) | $(799) |
| Provision for credit losses | **(24)** | (160) | (58) |
| Noninterest expense | **593** | 492 | 716 |
| Pretax loss | **(2,187)** | (2,099) | (1,457) |
| Income tax expense (benefit) | **(2,276)** | (1,917) | (1,176) |
| **Net income (loss)** | **$89** | $(182) | $(281) |

[1] Comparisons are to the year-ago quarter unless noted.
[2] Revenue, net of interest expense.

Note: All Other primarily consists of asset and liability management (ALM) activities, liquidating businesses and certain expenses not otherwise allocated to a business segment. ALM activities encompass interest rate and foreign currency risk management activities for which substantially all of the results are allocated to our business segments.

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## Credit Quality[1]

### Charge-offs

- Total net charge-offs of $931 million increased $62 million from Q2-23
  - Consumer net charge-offs of $804 million increased $84 million from Q2-23, driven primarily by higher credit card losses
    - Credit card loss rate of 2.72% in Q3-23 vs. 2.60% in Q2-23, and remained below Q4-19 pre-pandemic loss rate of 3.03%
  - Commercial net charge-offs of $127 million decreased $22 million from Q2-23, driven by lower losses in Commercial Real Estate
- Net charge-off ratio[2] of 0.35% increased 2 bps from Q2-23 and remained below Q4-19 pre-pandemic levels

### Provision for credit losses

- Provision for credit losses of $1.2 billion
  - Net reserve build of $303 million in Q3-23[(C)], driven primarily by credit card

### Allowance for credit losses

- Allowance for loan and lease losses of $13.3 billion represented 1.27% of total loans and leases[3]
  - Total allowance of $14.6 billion included $1.4 billion for unfunded commitments
- Nonperforming loans of $4.8 billion increased $707 million from Q2-23, driven primarily by Commercial Real Estate
  - 59% of Consumer nonperforming loans are contractually current
- Commercial reservable criticized utilized exposure of $23.7 billion increased $2.3 billion from Q2-23, driven primarily by Commercial Real Estate

### Highlights

| | Three months ended | | |
|---|---|---|---|
| ($ in millions) | 9/30/2023 | 6/30/2023 | 9/30/2022 |
| Provision for credit losses | **$1,234** | $1,125 | $898 |
| Net charge-offs | **931** | 869 | 520 |
| Net charge-off ratio[2] | **0.35 %** | 0.33 % | 0.20 % |
| **At period-end** | | | |
| Nonperforming loans and leases | **$4,833** | $4,126 | $3,983 |
| Nonperforming loans and leases ratio | **0.46 %** | 0.39 % | 0.39 % |
| Allowance for loan and lease losses | **$13,287** | $12,950 | $12,302 |
| Allowance for loan and lease losses ratio[3] | **1.27 %** | 1.24 % | 1.20 % |

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

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

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

| | Three months ended | | |
|---|---|---|---|
| | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| **Ending Balance Sheet** | | | |
| Total assets | **$3,153.1** | $3,123.2 | $3,073.0 |
| Total loans and leases | **1,049.1** | 1,051.2 | 1,032.5 |
| Total loans and leases in business segments (excluding All Other) | **1,039.9** | 1,041.7 | 1,022.1 |
| Total deposits | **1,884.6** | 1,877.2 | 1,938.1 |
| **Average Balance Sheet** | | | |
| Average total assets | **$3,128.5** | $3,175.4 | $3,105.5 |
| Average loans and leases | **1,046.3** | 1,046.6 | 1,034.3 |
| Average deposits | **1,876.2** | 1,875.4 | 1,962.8 |
| **Funding and Liquidity** | | | |
| Long-term debt | **$290.4** | $286.1 | $269.1 |
| Global Liquidity Sources, average[(D)] | **859** | 867 | 941 |
| **Equity** | | | |
| Common shareholders' equity | **$258.7** | $254.9 | $240.4 |
| Common equity ratio | **8.2 %** | 8.2 % | 7.8 % |
| Tangible common shareholders' equity[1] | **$188.5** | $184.8 | $170.2 |
| Tangible common equity ratio[1] | **6.1 %** | 6.1 % | 5.7 % |
| **Per Share Data** | | | |
| Common shares outstanding (in billions) | **7.92** | 7.95 | 8.02 |
| Book value per common share | **$32.65** | $32.05 | $29.96 |
| Tangible book value per common share[1] | **23.79** | 23.23 | 21.21 |
| **Regulatory Capital[(E)]** | | | |
| CET1 capital | **$194.2** | $190.1 | $175.6 |
| **Standardized approach** | | | |
| Risk-weighted assets | **$1,634** | $1,639 | $1,599 |
| CET1 ratio | **11.9 %** | 11.6 % | 11.0 % |
| **Advanced approaches** | | | |
| Risk-weighted assets | **$1,442** | $1,436 | $1,391 |
| CET1 ratio | **13.5 %** | 13.2 % | 12.6 % |
| **Supplementary leverage** | | | |
| Supplementary leverage ratio (SLR) | **6.2 %** | 6.0 % | 5.8 % |

[1] Represents a non-GAAP financial measure. For reconciliation, see page 19.

# Endnotes

A We present certain key financial and nonfinancial performance indicators (KPIs) that management uses when assessing consolidated and/or segment results. We believe this information is useful because it provides management and investors with information about underlying operational performance and trends. KPIs are presented in Consolidated and Business Segment Highlights on page 1, Balance Sheet, Liquidity, and Capital Highlights on page 9 and on the Segment pages for each segment.

B We also measure NII on an FTE basis, which is a non-GAAP financial measure. FTE basis is a performance measure used in operating the business that management believes provides investors with meaningful information on the interest margin for comparative purposes. We believe that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practice. NII on an FTE basis was $14.5 billion, $14.3 billion and $13.9 billion for the three months ended September 30, 2023, June 30, 2023 and September 30, 2022, respectively. The FTE adjustment was $153 million, $135 million and $106 million for the three months ended September 30, 2023, June 30, 2023 and September 30, 2022, respectively.

C Reserve Build (or Release) is calculated by subtracting net charge-offs for the period from the provision for credit losses recognized in that period. The period-end allowance, or reserve, for credit losses reflects the beginning of the period allowance adjusted for net charge-offs recorded in that period plus the provision for credit losses and other valuation accounts recognized in that period.

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

E Regulatory capital ratios at September 30, 2023 are preliminary. The Corporation reports regulatory capital ratios under both the Standardized and Advanced approaches. Capital adequacy is evaluated against the lower of the Standardized or Advanced approaches compared to their respective regulatory capital ratio requirements. The Corporation’s binding ratio was the Common equity tier 1 ratio under the Standardized approach for June 30, 2023 and September 30, 2022; and Total capital ratio under the Standardized approach for September 30, 2023.

F The below table includes Global Markets sales and trading revenue, excluding net DVA, which is a non-GAAP financial measure. We believe that the presentation of measures that exclude this item is useful because such measures provide additional information to assess the underlying operational performance and trends of our businesses and to allow better comparison of period-to-period operating performance.

| | Three months ended | | |
|---|---|---|---|
| **(Dollars in millions)** | **9/30/2023** | **6/30/2023** | **9/30/2022** |
| **Sales and trading revenue** | | | |
| Fixed-income, currencies and commodities | **$ 2,710** | $ 2,667 | $ 2,552 |
| Equities | **1,695** | 1,618 | 1,540 |
| **Total sales and trading revenue** | **$ 4,405** | $ 4,285 | $ 4,092 |
| | | | |
| **Sales and trading revenue, excluding net debit valuation adjustment[1]** | | | |
| Fixed-income, currencies and commodities | **$ 2,723** | $ 2,764 | $ 2,567 |
| Equities | **1,698** | 1,623 | 1,539 |
| **Total sales and trading revenue, excluding net debit valuation adjustment** | **$ 4,421** | $ 4,387 | $ 4,106 |

[1] For the three months ended September 30, 2023, June 30, 2023 and September 30, 2022, net DVA gains (losses) were $(16) million, $(102) million and $(14) million, FICC net DVA gains (losses) were $(13) million, $(97) million and $(15) million, and Equities net DVA gains (losses) were $(3) million, $(5) million and $1 million, respectively.

G Pretax, pre-provision income (PTPI) at the consolidated level, as well as at the segment level, is a non-GAAP financial measure calculated by adjusting the respective entity’s pretax income to add back provision for credit losses. Management believes that PTPI (both at the consolidated and segment level) is a useful financial measure as it enables an assessment of the Company’s ability to generate earnings to cover credit losses through a credit cycle and provides an additional basis for comparing the Company's results of operations between periods by isolating the impact of provision for credit losses, which can vary significantly between periods. For Reconciliations to GAAP financial measures, see page 19 for Total company and below for segments.

| (Dollars in millions) | | |
|---|---|---|
| | **Third Quarter 2023** | |
| | **Consumer Banking** | **Global Banking** |
| Pretax income | **$ 3,819** | **$ 3,518** |
| Provision for credit losses | **1,397** | **(119)** |
| **Pretax, pre-provision income** | **$ 5,216** | **$ 3,399** |
| | Second Quarter 2023 | |
| | Consumer Banking | Global Banking |
| Pretax income | $ 3,804 | $ 3,634 |
| Provision for credit losses | 1,267 | 9 |
| **Pretax, pre-provision income** | $ 5,071 | $ 3,643 |
| | Third Quarter 2022 | |
| | Consumer Banking | Global Banking |
| Pretax income | $ 4,069 | $ 2,770 |
| Provision for credit losses | 738 | 170 |
| **Pretax, pre-provision income** | $ 4,807 | $ 2,940 |

H Operating leverage is calculated as the year-over-year percentage change in revenue, net of interest expense, less the percentage change in noninterest expense.

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(a) Estimated U.S. retail deposits based on June 30, 2023 FDIC deposit data.

(b) Javelin 2023 Online and Mobile Banking Scorecards.

(c) FDIC, Q2-23.

(d) Global Finance, March 2023.

(e) Global Finance, August 2023.

(f) Global Finance, December 2022.

(g) J.D. Power 2023 Financial Health Support Certification℠ is based on exceeding customer experience benchmarks using client surveys and a best practices verification. For more information, visit jdpower.com/awards.*

(h) J.D. Power 2023 U.S. Retail Banking Advice Satisfaction Study. For more information, visit jdpower.com/awards.*

(i) Industry Q2-23 FDIC call reports.

(j) Family Wealth Report, 2023.

(k) Global Private Banking Innovation Award, 2023.

(l) Wealth Management Industry Awards, 2023.

(m) Pensions and Investments, 2023.

(n) WealthBriefing Wealth for Good Awards, 2023.

(o) Global Finance, 2023.

(p) Euromoney, 2023.

(q) Global Finance Treasury & Cash Management Awards, 2023.

(r) Celent, 2023.

(s) The Banker, 2023.

(t) Greenwich, 2023.

(u) GlobalCapital, 2023.

(v) IFR, 2022.

(w) DealCatalyst, 2022.

(x) Institutional Investor, 2022.

(y) Refinitiv, 2023 YTD.

(z) Dealogic, 2023 YTD.

* Website content is not incorporated by reference into this press release.

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## Contact Information and Investor Conference Call Invitation

**Investor Call Information**

Chief Executive Officer Brian Moynihan and Chief Financial Officer Alastair Borthwick will discuss third-quarter 2023 financial results in a conference call at **8:30 a.m. ET** today. The presentation and supporting materials can be accessed on the Bank of America Investor Relations website at https://investor.bankofamerica.com. *

For a listen-only connection to the conference call, dial 1.877.200.4456 (U.S.) or 1.785.424.1732 (international). The conference ID is 79795. Please dial in 10 minutes prior to the start of the call. Investors can access replays of the conference call by visiting the Investor Relations website or by calling 1.800.934.4850 (U.S.) or 1.402.220.1178 (international) from noon October 17 through 11:59 p.m. ET on October 27.


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Bank of America

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 69 million consumer and small business clients with approximately 3,900 retail financial centers, approximately 15,000 ATMs (automated teller machines) and award-winning digital banking with approximately 57 million verified digital users. Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 4 million small business households through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and more than 35 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange.

Forward-Looking Statements

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

* Website content is not incorporated by reference into this press release.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed under Item 1A. Risk Factors of the Corporation’s 2022 Annual Report on Form 10-K and in any of the Corporation’s subsequent Securities and Exchange Commission filings: the Corporation’s potential judgments, orders, settlements, penalties, fines and reputational damage resulting from pending or future litigation and regulatory investigations, proceedings and enforcement actions, including as a result of our participation in and execution of government programs related to the Coronavirus Disease 2019 (COVID-19) pandemic, such as the processing of unemployment benefits for California and certain other states; the possibility that the Corporation's future liabilities may be in excess of its recorded liability and estimated range of possible loss for litigation, and regulatory and government actions; the possibility that the Corporation could face increased claims from one or more parties involved in mortgage securitizations; the Corporation’s ability to resolve representations and warranties repurchase and related claims; the risks related to the discontinuation of reference rates, including increased expenses and litigation and the effectiveness of hedging strategies; uncertainties about the financial stability and growth rates of non-U.S. jurisdictions, the risk that those jurisdictions may face difficulties servicing their sovereign debt, and related stresses on financial markets, currencies and trade, and the Corporation’s exposures to such risks, including direct, indirect and operational; the impact of U.S. and global interest rates, inflation, currency exchange rates, economic conditions, trade policies and tensions, including tariffs, and potential geopolitical instability; the impact of the interest rate, inflationary, macroeconomic, banking and regulatory environment on the Corporation’s assets, business, financial condition and results of operations; the impact of adverse developments affecting the U.S. or global banking industry, including bank failures and liquidity concerns, resulting in worsening economic and market volatility, and regulatory responses thereto; the possibility that future credit losses may be higher than currently expected due to changes in economic assumptions, customer behavior, adverse developments with respect to U.S. or global economic conditions and other uncertainties, including the impact of supply chain disruptions, inflationary pressures and labor shortages on economic conditions and our business; potential losses related to the Corporation’s concentration of credit risk; the Corporation's ability to achieve its expense targets and expectations regarding revenue, net interest income, provision for credit losses, net charge-offs, effective tax rate, loan growth or other projections; adverse changes to the Corporation’s credit ratings from the major credit rating agencies; an inability to access capital markets or maintain deposits or borrowing costs; estimates of the fair value and other accounting values, subject to impairment assessments, of certain of the Corporation’s assets and liabilities; the estimated or actual impact of changes in accounting standards or assumptions in applying those standards; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements; the impact of adverse changes to total loss-absorbing capacity requirements, stress capital buffer requirements and/or global systemically important bank surcharges; the potential impact of actions of the Board of Governors of the Federal Reserve System on the Corporation’s capital plans; the effect of changes in or interpretations of income tax laws and regulations; the impact of implementation and compliance with U.S. and international laws, regulations and regulatory interpretations, including, but not limited to, recovery and resolution planning requirements, Federal Deposit Insurance Corporation assessments, the Volcker Rule, fiduciary standards, derivatives regulations and potential changes to loss allocations between financial institutions and customers, including for losses incurred from the use of our products and services, including Zelle, that were authorized by the customer but induced by fraud; the impact of failures or disruptions in or breaches of the Corporation’s operational or security systems, data or infrastructure, or those of third parties, including as a result of cyberattacks or campaigns; the risks related to the transition and physical impacts of climate change; our ability to achieve environmental, social and governance goals and commitments or the impact of any changes in the Corporation's sustainability strategy or commitments generally; the impact of any future federal government shutdown and uncertainty regarding the federal government’s debt limit or changes in fiscal, monetary or regulatory policy; the emergence or continuation of widespread health emergencies or pandemics; the impact of natural disasters, extreme weather events, military conflict (including the Russia/Ukraine conflict, the conflict in Israel and surrounding areas, the possible expansion of such conflicts and potential geopolitical consequences), terrorism or other geopolitical events; and other matters.

Forward-looking statements speak only as of the date they are made, and the Corporation undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.



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

www.bankofamerica.com *

* Website content is not incorporated by reference into this press release.

## Bank of America Corporation and Subsidiaries
# Selected Financial Data

(In millions, except per share data)

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | Third Quarter |
|---|---|---|---|---|---|
| **Summary Income Statement** | **2023** | 2022 | **2023** | 2023 | 2022 |
| Net interest income | **$ 42,985** | $ 37,781 | **$ 14,379** | $ 14,158 | $ 13,765 |
| Noninterest income | **33,637** | 32,637 | **10,788** | 11,039 | 10,737 |
| Total revenue, net of interest expense | **76,622** | 70,418 | **25,167** | 25,197 | 24,502 |
| Provision for credit losses | **3,290** | 1,451 | **1,234** | 1,125 | 898 |
| Noninterest expense | **48,114** | 45,895 | **15,838** | 16,038 | 15,303 |
| Income before income taxes | **25,218** | 23,072 | **8,095** | 8,034 | 8,301 |
| Income tax expense | **1,847** | 2,676 | **293** | 626 | 1,219 |
| Net income | **$ 23,371** | $ 20,396 | **$ 7,802** | $ 7,408 | $ 7,082 |
| Preferred stock dividends | **1,343** | 1,285 | **532** | 306 | 503 |
| Net income applicable to common shareholders | **$ 22,028** | $ 19,111 | **$ 7,270** | $ 7,102 | $ 6,579 |
| | | | | | |
| Average common shares issued and outstanding | **8,041.3** | 8,122.2 | **8,017.1** | 8,040.9 | 8,107.7 |
| Average diluted common shares issued and outstanding | **8,153.4** | 8,173.3 | **8,075.9** | 8,080.7 | 8,160.8 |
| | | | | | |
| **Summary Average Balance Sheet** | | | | | |
| Total cash and cash equivalents | **$ 332,070** | $ 230,409 | **$ 378,955** | $ 385,140 | $ 211,513 |
| Total debt securities | **791,339** | 940,808 | **752,569** | 771,355 | 901,654 |
| Total loans and leases | **1,044,756** | 1,009,211 | **1,046,254** | 1,046,608 | 1,034,334 |
| Total earning assets | **2,727,935** | 2,718,770 | **2,738,699** | 2,772,943 | 2,670,578 |
| Total assets | **3,133,415** | 3,156,657 | **3,128,466** | 3,175,358 | 3,105,546 |
| Total deposits | **1,881,655** | 2,006,584 | **1,876,153** | 1,875,353 | 1,962,775 |
| Common shareholders' equity | **253,182** | 241,420 | **256,578** | 254,028 | 241,882 |
| Total shareholders' equity | **281,579** | 269,514 | **284,975** | 282,425 | 271,017 |
| | | | | | |
| **Performance Ratios** | | | | | |
| Return on average assets | **1.00 %** | 0.86 % | **0.99 %** | 0.94 % | 0.90 % |
| Return on average common shareholders' equity | **11.63** | 10.58 | **11.24** | 11.21 | 10.79 |
| Return on average tangible common shareholders' equity [(1)] | **16.09** | 14.93 | **15.47** | 15.49 | 15.21 |
| | | | | | |
| **Per Common Share Information** | | | | | |
| Earnings | **$ 2.74** | $ 2.35 | **$ 0.91** | $ 0.88 | $ 0.81 |
| Diluted earnings | **2.72** | 2.34 | **0.90** | 0.88 | 0.81 |
| Dividends paid | **0.68** | 0.64 | **0.24** | 0.22 | 0.22 |
| Book value | **32.65** | 29.96 | **32.65** | 32.05 | 29.96 |
| Tangible book value [(1)] | **23.79** | 21.21 | **23.79** | 23.23 | 21.21 |

| **Summary Period-End Balance Sheet** | **September 30 2023** | June 30 2023 | September 30 2022 |
|---|---|---|---|
| Total cash and cash equivalents | **$ 351,726** | $ 373,553 | $ 204,976 |
| Total debt securities | **778,873** | 756,158 | 879,958 |
| Total loans and leases | **1,049,149** | 1,051,224 | 1,032,466 |
| Total earning assets | **2,761,184** | 2,724,196 | 2,639,450 |
| Total assets | **3,153,090** | 3,123,198 | 3,072,953 |
| Total deposits | **1,884,601** | 1,877,209 | 1,938,097 |
| Common shareholders' equity | **258,667** | 254,922 | 240,390 |
| Total shareholders' equity | **287,064** | 283,319 | 269,524 |
| Common shares issued and outstanding | **7,923.4** | 7,953.6 | 8,024.5 |

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | Third Quarter |
|---|---|---|---|---|---|
| **Credit Quality** | **2023** | 2022 | **2023** | 2023 | 2022 |
| Total net charge-offs | **$ 2,607** | $ 1,483 | **$ 931** | $ 869 | $ 520 |
| Net charge-offs as a percentage of average loans and leases outstanding [(2)] | **0.34 %** | 0.20 % | **0.35 %** | 0.33 % | 0.20 % |
| Provision for credit losses | **$ 3,290** | $ 1,451 | **$ 1,234** | $ 1,125 | $ 898 |

| | **September 30 2023** | June 30 2023 | September 30 2022 |
|---|---|---|---|
| Total nonperforming loans, leases and foreclosed properties [(3)] | **$ 4,993** | $ 4,274 | $ 4,156 |
| Nonperforming loans, leases and foreclosed properties as a percentage of total loans, leases and foreclosed properties [(3)] | **0.48 %** | 0.41 % | 0.40 % |
| Allowance for loan and lease losses | **$ 13,287** | $ 12,950 | $ 12,302 |
| Allowance for loan and lease losses as a percentage of total loans and leases outstanding [(2)] | **1.27 %** | 1.24 % | 1.20 % |

For footnotes, see page 15.

## Bank of America Corporation and Subsidiaries

# Selected Financial Data (continued)

(Dollars in millions)

| Capital Management | September 30 2023 | June 30 2023 | September 30 2022 |
|---|---|---|---|
| **Regulatory capital metrics** [(4)]**:** | | | |
| Common equity tier 1 capital | **$ 194,230** | $ 190,113 | $ 175,554 |
| Common equity tier 1 capital ratio - Standardized approach | **11.9 %** | 11.6 % | 11.0 % |
| Common equity tier 1 capital ratio - Advanced approaches | **13.5** | 13.2 | 12.6 |
| Tier 1 leverage ratio | **7.3** | 7.1 | 6.8 |
| Supplementary leverage ratio | **6.2** | 6.0 | 5.8 |
| | | | |
| Total ending equity to total ending assets ratio | **9.1** | 9.1 | 8.8 |
| Common equity ratio | **8.2** | 8.2 | 7.8 |
| Tangible equity ratio [(5)] | **7.0** | 7.0 | 6.6 |
| Tangible common equity ratio [(5)] | **6.1** | 6.1 | 5.7 |

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

(2) Ratios do not include loans accounted for under the fair value option. Charge-off ratios are annualized for the quarterly presentation.

(3) Balances do not include past due consumer credit card loans, consumer loans secured by real estate where repayments are insured by the Federal Housing Administration and individually insured long-term stand-by agreements (fully-insured home loans), and in general, other consumer and commercial loans not secured by real estate, and nonperforming loans held-for-sale or accounted for under the fair value option.

(4) Regulatory capital ratios at September 30, 2023 are preliminary. Bank of America Corporation reports regulatory capital ratios under both the Standardized and Advanced approaches. Capital adequacy is evaluated against the lower of the Standardized or Advanced approaches compared to their respective regulatory capital ratio requirements. The Corporation's binding ratio was the Common equity tier 1 ratio under the Standardized approach for June 30, 2023 and September 2022; and Total capital ratio under the Standardized approach for September 30, 2023.

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

## Bank of America Corporation and Subsidiaries
# Quarterly Results by Business Segment and All Other

(Dollars in millions)

| | Third Quarter 2023 | | | | |
|---|---|---|---|---|---|
| | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| Total revenue, net of interest expense | **$ 10,472** | **$ 5,321** | **$ 6,203** | **$ 4,942** | **$ (1,618)** |
| Provision for credit losses | **1,397** | **(6)** | **(119)** | **(14)** | **(24)** |
| Noninterest expense | **5,256** | **3,950** | **2,804** | **3,235** | **593** |
| Net income | **2,864** | **1,033** | **2,568** | **1,248** | **89** |
| Return on average allocated capital [(1)] | **27 %** | **22 %** | **21 %** | **11 %** | **n/m** |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | **$ 310,761** | **$ 218,569** | **$ 376,214** | **$ 131,298** | **$ 9,412** |
| Total deposits | **980,051** | **291,770** | **504,432** | **31,890** | **68,010** |
| Allocated capital [(1)] | **42,000** | **18,500** | **49,250** | **45,500** | **n/m** |
| **Quarter end** | | | | | |
| Total loans and leases | **$ 313,216** | **$ 218,913** | **$ 373,351** | **$ 134,386** | **$ 9,283** |
| Total deposits | **982,302** | **290,732** | **494,938** | **31,041** | **85,588** |

| | Second Quarter 2023 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense | $ 10,524 | $ 5,242 | $ 6,462 | $ 4,871 | $ (1,767) |
| Provision for credit losses | 1,267 | 13 | 9 | (4) | (160) |
| Noninterest expense | 5,453 | 3,925 | 2,819 | 3,349 | 492 |
| Net income (loss) | 2,853 | 978 | 2,653 | 1,106 | (182) |
| Return on average allocated capital [(1)] | 27 % | 21 % | 22 % | 10 % | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 306,662 | $ 218,604 | $ 383,058 | $ 128,539 | $ 9,745 |
| Total deposits | 1,006,337 | 295,380 | 497,533 | 33,222 | 42,881 |
| Allocated capital [(1)] | 42,000 | 18,500 | 49,250 | 45,500 | n/m |
| **Quarter end** | | | | | |
| Total loans and leases | $ 309,735 | $ 219,208 | $ 381,609 | $ 131,128 | $ 9,544 |
| Total deposits | 1,004,482 | 292,526 | 492,734 | 33,049 | 54,418 |

| | Third Quarter 2022 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense | $ 9,904 | $ 5,429 | $ 5,591 | $ 4,483 | $ (799) |
| Provision for credit losses | 738 | 37 | 170 | 11 | (58) |
| Noninterest expense | 5,097 | 3,816 | 2,651 | 3,023 | 716 |
| Net income | 3,072 | 1,190 | 2,036 | 1,065 | (281) |
| Return on average allocated capital [(1)] | 30 % | 27 % | 18 % | 10 % | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 295,231 | $ 223,734 | $ 384,305 | $ 120,435 | $ 10,629 |
| Total deposits | 1,069,093 | 339,487 | 495,154 | 38,820 | 20,221 |
| Allocated capital [(1)] | 40,000 | 17,500 | 44,500 | 42,500 | n/m |
| **Quarter end** | | | | | |
| Total loans and leases | $ 297,825 | $ 224,858 | $ 377,711 | $ 121,721 | $ 10,351 |
| Total deposits | 1,072,580 | 324,859 | 484,309 | 37,318 | 19,031 |

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

n/m = not meaningful

The Company reports the results of operations of its four business segments and All Other on a fully taxable-equivalent (FTE) basis.

**Bank of America Corporation and Subsidiaries**

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

(Dollars in millions)

| | Nine Months Ended September 30, 2023 | | | | |
|---|---|---|---|---|---|
| | **Consumer Banking** | **GWIM** | **Global Banking** | **Global Markets** | **All Other** |
| Total revenue, net of interest expense | **$ 31,702** | **$ 15,878** | **$ 18,868** | **$ 15,439** | **$ (4,843)** |
| Provision for credit losses | **3,753** | **32** | **(347)** | **(71)** | **(77)** |
| Noninterest expense | **16,182** | **11,942** | **8,563** | **9,935** | **1,492** |
| Net income (loss) | **8,825** | **2,928** | **7,776** | **4,042** | **(200)** |
| Return on average allocated capital [1] | **28 %** | **21 %** | **21 %** | **12 %** | **n/m** |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | **$ 307,091** | **$ 219,530** | **$ 380,076** | **$ 128,317** | **$ 9,742** |
| Total deposits | **1,004,041** | **300,308** | **498,224** | **33,725** | **45,357** |
| Allocated capital [1] | **42,000** | **18,500** | **49,250** | **45,500** | **n/m** |
| **Period end** | | | | | |
| Total loans and leases | **$ 313,216** | **$ 218,913** | **$ 373,351** | **$ 134,386** | **$ 9,283** |
| Total deposits | **982,302** | **290,732** | **494,938** | **31,041** | **85,588** |

| | Nine Months Ended September 30, 2022 | | | | |
|---|---|---|---|---|---|
| | Consumer Banking | GWIM | Global Banking | Global Markets | All Other |
| Total revenue, net of interest expense | $ 27,853 | $ 16,338 | $ 15,791 | $ 14,277 | $ (3,526) |
| Provision for credit losses | 1,036 | 29 | 492 | 24 | (130) |
| Noninterest expense | 14,977 | 11,706 | 8,133 | 9,249 | 1,830 |
| Net income | 8,939 | 3,475 | 5,267 | 3,678 | (963) |
| Return on average allocated capital [1] | 30 % | 27 % | 16 % | 12 % | n/m |
| **Balance Sheet** | | | | | |
| **Average** | | | | | |
| Total loans and leases | $ 289,672 | $ 218,030 | $ 373,547 | $ 114,505 | $ 13,457 |
| Total deposits | 1,067,785 | 362,611 | 514,612 | 41,448 | 20,128 |
| Allocated capital [1] | 40,000 | 17,500 | 44,500 | 42,500 | n/m |
| **Period end** | | | | | |
| Total loans and leases | $ 297,825 | $ 224,858 | $ 377,711 | $ 121,721 | $ 10,351 |
| Total deposits | 1,072,580 | 324,859 | 484,309 | 37,318 | 19,031 |

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

n/m = not meaningful

## Bank of America Corporation and Subsidiaries

# Supplemental Financial Data

(Dollars in millions)

| FTE basis data [1] | Nine Months Ended September 30 2023 | Nine Months Ended September 30 2022 | Third Quarter 2023 | Second Quarter 2023 | Third Quarter 2022 |
|---|---|---|---|---|---|
| Net interest income | **$ 43,407** | $ 38,096 | **$ 14,532** | $ 14,293 | $ 13,871 |
| Total revenue, net of interest expense | **77,044** | 70,733 | **25,320** | 25,332 | 24,608 |
| Net interest yield | **2.12 %** | 1.87 % | **2.11 %** | 2.06 % | 2.06 % |
| Efficiency ratio | **62.45** | 64.88 | **62.55** | 63.31 | 62.18 |

| Other Data | September 30 2023 | June 30 2023 | September 30 2022 |
|---|---|---|---|
| Number of financial centers - U.S. | **3,862** | 3,887 | 3,932 |
| Number of branded ATMs - U.S. | **15,253** | 15,335 | 15,572 |
| Headcount | **212,752** | 215,546 | 213,270 |

[1] FTE basis is a non-GAAP financial measure. FTE basis is a performance measure used by management in operating the business that management believes provides investors with meaningful information on the interest margin for comparative purposes. The Corporation believes that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. Net interest income includes FTE adjustments of $422 million and $315 million for the nine months ended September 30, 2023 and 2022, $153 million and $135 million for the third and second quarters of 2023, and $106 million for the third quarter of 2022.

**Bank of America Corporation and Subsidiaries**

# Reconciliations to GAAP Financial Measures

(Dollars in millions, except per share information)

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

See the tables below for reconciliations of these non-GAAP financial measures to the most closely related financial measures defined by GAAP for the nine months ended September 30, 2023 and 2022, and the three months ended September 30, 2023, June 30, 2023 and September 30, 2022. The Corporation believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. Other companies may define or calculate supplemental financial data differently.

| | Nine Months Ended September 30 | | Third Quarter | Second Quarter | Third Quarter |
|---|---|---|---|---|---|
| | **2023** | 2022 | **2023** | 2023 | 2022 |
| **Reconciliation of income before income taxes to pretax, pre-provision income** | | | | | |
| Income before income taxes | **$ 25,218** | $ 23,072 | **$ 8,095** | $ 8,034 | $ 8,301 |
| Provision for credit losses | **3,290** | 1,451 | **1,234** | 1,125 | 898 |
| **Pretax, pre-provision income** | **$ 28,508** | $ 24,523 | **$ 9,329** | $ 9,159 | $ 9,199 |
| **Reconciliation of average shareholders' equity to average tangible shareholders' equity and average tangible common shareholders' equity** | | | | | |
| Shareholders' equity | **$ 281,579** | $ 269,514 | **$ 284,975** | $ 282,425 | $ 271,017 |
| Goodwill | **(69,022)** | (69,022) | **(69,021)** | (69,022) | (69,022) |
| Intangible assets (excluding mortgage servicing rights) | **(2,049)** | (2,127) | **(2,029)** | (2,049) | (2,107) |
| Related deferred tax liabilities | **895** | 925 | **890** | 895 | 920 |
| **Tangible shareholders' equity** | **$ 211,403** | $ 199,290 | **$ 214,815** | $ 212,249 | $ 200,808 |
| Preferred stock | **(28,397)** | (28,094) | **(28,397)** | (28,397) | (29,134) |
| **Tangible common shareholders' equity** | **$ 183,006** | $ 171,196 | **$ 186,418** | $ 183,852 | $ 171,674 |
| **Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity and period-end tangible common shareholders' equity** | | | | | |
| Shareholders' equity | **$ 287,064** | $ 269,524 | **$ 287,064** | $ 283,319 | $ 269,524 |
| Goodwill | **(69,021)** | (69,022) | **(69,021)** | (69,021) | (69,022) |
| Intangible assets (excluding mortgage servicing rights) | **(2,016)** | (2,094) | **(2,016)** | (2,036) | (2,094) |
| Related deferred tax liabilities | **886** | 915 | **886** | 890 | 915 |
| **Tangible shareholders' equity** | **$ 216,913** | $ 199,323 | **$ 216,913** | $ 213,152 | $ 199,323 |
| Preferred stock | **(28,397)** | (29,134) | **(28,397)** | (28,397) | (29,134) |
| **Tangible common shareholders' equity** | **$ 188,516** | $ 170,189 | **$ 188,516** | $ 184,755 | $ 170,189 |
| **Reconciliation of period-end assets to period-end tangible assets** | | | | | |
| Assets | **$ 3,153,090** | $ 3,072,953 | **$ 3,153,090** | $ 3,123,198 | $ 3,072,953 |
| Goodwill | **(69,021)** | (69,022) | **(69,021)** | (69,021) | (69,022) |
| Intangible assets (excluding mortgage servicing rights) | **(2,016)** | (2,094) | **(2,016)** | (2,036) | (2,094) |
| Related deferred tax liabilities | **886** | 915 | **886** | 890 | 915 |
| **Tangible assets** | **$ 3,082,939** | $ 3,002,752 | **$ 3,082,939** | $ 3,053,031 | $ 3,002,752 |
| **Book value per share of common stock** | | | | | |
| Common shareholders' equity | **$ 258,667** | $ 240,390 | **$ 258,667** | $ 254,922 | $ 240,390 |
| Ending common shares issued and outstanding | **7,923.4** | 8,024.5 | **7,923.4** | 7,953.6 | 8,024.5 |
| **Book value per share of common stock** | **$ 32.65** | $ 29.96 | **$ 32.65** | $ 32.05 | $ 29.96 |
| **Tangible book value per share of common stock** | | | | | |
| Tangible common shareholders' equity | **$ 188,516** | $ 170,189 | **$ 188,516** | $ 184,755 | $ 170,189 |
| Ending common shares issued and outstanding | **7,923.4** | 8,024.5 | **7,923.4** | 7,953.6 | 8,024.5 |
| **Tangible book value per share of common stock** | **$ 23.79** | $ 21.21 | **$ 23.79** | $ 23.23 | $ 21.21 |