Bank of America First Quarter 2009 Results

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Important Presentation Format Information

- Certain prior period amounts have been reclassified to conform to current period presentation
- This information is preliminary and based on company data available at the time of the presentation



Summary

- 1Q09 net income of \$4.2 billion
- Diluted EPS of \$0.44 after preferred dividends
- Record revenue and pre-tax pre-provision earnings of \$36.1 billion and \$19.1 billion on a fully taxableequivalent basis
- First quarter results include Merrill Lynch
- Global Markets reported record results including the absorption of \$1.7 billion in capital markets disruption charges
- Mortgage banking income of \$3.3 billion driven by Countrywide and favorable interest rate environment
 - Home loan production of \$89 billion increased 79% from 4Q08 and 131% from 1Q08
- 1Q09 included the following items, all recorded in our corporate treasury/other unit:
 - \$1.9 billion pre-tax gain on sale of partial ownership in China Construction Bank
 - \$2.2 billion pre-tax FVO positive adjustment on Merrill Lynch structured notes
 - \$1.5 billion pre-tax gain on sale of debt securities
- Given the credit losses resulting from the deteriorating economy the company strengthened reserves for loan losses by \$6.4 billion in the quarter, now covers 3% of loans
 - Allowance for credit losses, including reserve for unfunded lending commitments stands at \$30.4 billion
 - Net charge-offs of \$6.9 billion and provision expense of \$13.4 billion
- Global Markets balance sheet reduced \$149 billion or 21% in 1Q09 from proforma levels at the end of December
- Retail deposits showed strong growth momentum at the end of the quarter
- Credit extended in the quarter totaled \$183 billion
- Tangible common equity ratio improved to 3.13% and a strong Tier 1 ratio at 10.1%
- · Liquidity was enhanced as deposit levels were steady and cash and cash equivalents increased to end the quarter at \$173 billion
- Company continues to successfully operate in a tough economic environment
- Addition of market sensitive businesses helping to weather the current environment of America



Consolidated Highlights - 1Q09

(\$ in millions)		Increase (decrease) over					
	 1Q09		1Q08		4Q08		
Net interest income (FTE)	\$ 12,819	9	2,528	\$	(587)		
Noninterest income	23,261		16,181		20,687		
Total revenue, net of interest expense (FTE)	36,080		18,709		20,100		
Provision for credit losses	13,380	1	7,370		4,845		
Noninterest expense	17,002		7,739		6,055		
Pre-tax income	 5,698		3,600		9,200		
Income tax expense (FTE)	1,451		563		3,164		
Net income	\$ 4,247		3,037	\$	6,036		
Preferred stock dividends	1,433		1,243		830		
Net income applicable to common shareholders	\$ 2,814	_ 9	1,794	\$	5,206		
Diluted EPS	\$ 0.44	9	0.21	\$	0.92		
After tax effect of merger charge	604		497		398		
Return on common equity	7.10	%	N/M		N/M		
Tangible return on equity	12.41		N/M		N/M		

- 1Q09 reflects \$19.1 billion in pre-tax pre-provision earnings
- 1Q09 results include \$10.0 billion in revenue and \$4.7 billion in expense from the addition of Merrill Lynch
- Global Markets reported record results including the absorption of \$1.7 billion in capital markets disruption charges
- Record mortgage banking income of \$3.3 billion driven by Countrywide and favorable interest rate environment
 - Home loan production of \$89 billion increased 79% from 4Q08 and 131% from 1Q08
- 1Q09 included the following items, all recorded in our corporate treasury/other unit:
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 - \$2.2 billion pre-tax FVO positive adjustment on Merrill Lynch structured notes
 - \$1.5 billion gain on sale of debt securities
- 1Q09 provision expense of \$13.4 billion includes \$6.4 billion reserve build
 - \$4.8 billion increase in provision expense over 4Q08 result of \$1.4 billion increase in charge-offs and \$3.4 billion increase in reserve build

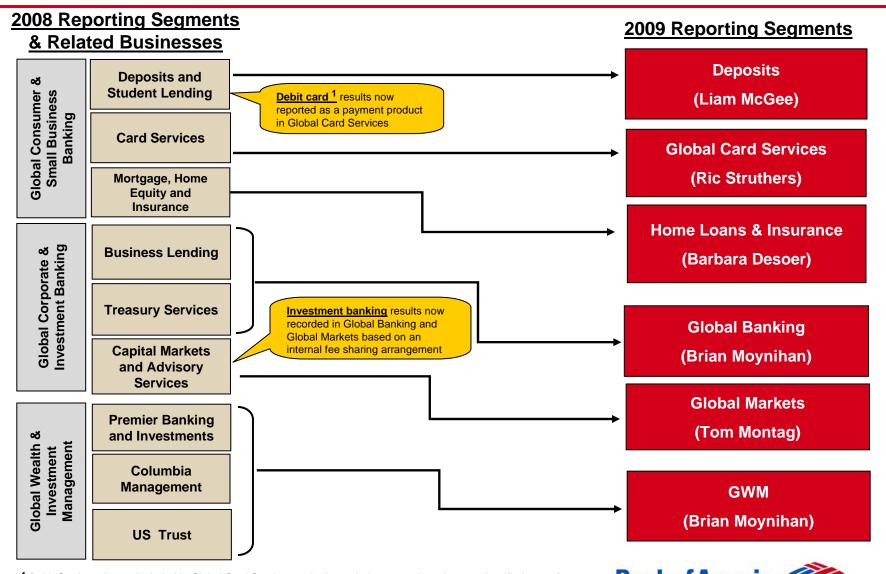


Bank of America Addressing Economic Issues

- Remain committed to customers and clients during the economic stress
- Continue to support government efforts in stabilization
 - Credit markets
 - Home ownership
 - Consumer financial health
 - Commercial business stability
- Examples include:
 - Loan modification program projected to modify \$100 billion or more home loans over 3 years and keep 630,000 borrowers in homes
 - Currently have 6,400 associates working in home retention
 - During 1Q09 Bank of America completed nearly 119,000 modifications
- Lending is our business and we are extending credit
 - \$183 billion of credit extensions, including renewals, during the quarter:
 - \$ 85 billion first mortgages
 - \$ 71 billion commercial non-real estate
 - \$ 11 billion commercial real estate
 - \$ 16 billion other consumer and small business loans



2009 Segment Reporting Changes



Debit Card results are included in Global Card Services and prior period amounts have been reclassified to conform to the current period presentation.



Deposits Highlights - 1Q09

(\$ in millions)		Increase (decrease) over					
	1Q09	1	Q08	4Q08			
Net interest income (FTE)	\$ 1,962	\$	(610)	\$ (1,087)			
Noninterest income	1,502		(76)	(184)			
Total revenue, net of interest expense (FTE)	3,464		(686)	(1,271)			
Noninterest expense	2,363		147	110			
Pre-tax pre-provision for credit loss income	\$ 1,101	\$	(833)	\$ (1,381)			
Provision for credit losses	\$ 311	\$	65	\$ 76			
Net income (loss)	\$ 493	\$	(567)	\$ (1,015)			

Key Stats		
Total retail households	55	million
Online banking customers	30	million
Banking stores	6,145	
ATMs (branded)	18,532	
States in footprint	32	
Ending retail deposits ¹	\$ 669	billion

- Deposits net income was down \$1.0 billion from 4Q08
- Lower net interest income was primarily a result of allocations driven by interest rate risk and liquidity actions related to our ALM activities, and to a smaller extent, spread compression on money market deposits
- Continuing to drive deposit growth
 - New sales initiatives like "Go America Save" and others driving growth
 - Affinity sales represent 37% of checking sales in 1Q
- Noninterest income includes lower service charges from prior periods due to both seasonality and changes in consumer spending behavior



Retail Deposits Growth Remains Steady

Bank of America Retail Deposits 1

									1Q09) vs
Average (\$in billions)	1Q08	2	2Q08	3	3Q08	4	4Q08	1Q09	1Q08	4Q08
Retail										
Legacy Bank of America	\$ 521.8	\$	529.4	\$	537.4	\$	556.2	\$ 554.5	6%	0%
Legacy Merrill Lynch								81.2		
Legacy Countrywide					38.7		31.6	26.1		-17%
Total Retail	\$ 521.8	\$	529.4	\$	576.1	\$	587.8	\$ 661.8	27%	13%

									_	1Q09	vs
End of Period (\$in billions)	•	1Q08	2	2Q08	5	3Q08	4	4Q08	1Q09	<u>1Q08</u>	4Q08
Retail											
Legacy Bank of America	\$	534.5	\$	529.9	\$	550.8	\$	559.7	\$ 562.8	5%	1%
Legacy Merrill Lynch									82.5		
Legacy Countrywide						35.4		28.6	23.6		-17%
Total Retail	\$	534.5	\$	529.9	\$	586.2	\$	588.3	\$ 668.9	25%	14%

- Average retail deposits are up \$140 billion from 1Q08
- Legacy Bank of America deposits grew 6%
- Legacy Countrywide balances have been declining, as expected, as pricing strategies are being aligned with Legacy Bank of America
- Merrill Lynch retail deposits have increased \$4 billion since acquisition date
- Period end balances reflect strong momentum entering the second quarter



¹ Retail deposits include GWM deposits and certain deposits from Global Banking and All Other

Global Card Services Highlights - 1Q09

(\$ in millions)		Increase (decrease) over				
	1Q09		1Q08		4Q08	
Net interest income (FTE)	\$ 5,207	\$	680	\$	(30)	
Noninterest income	2,250		(1,091)		(458)	
Total revenue, net of interest expense (FTE)	7,457		(411)		(488)	
Noninterest expense	2,075		(124)		(103)	
Pre-tax pre-provision for credit loss income	\$ 5,382	\$	(287)	\$	(385)	
Provision for credit losses	\$ 8,221	\$	3,909	\$	2,498	
Net income (loss)	\$ (1,769)	\$	(2,636)	\$	(1,795)	

- Global Card Services recorded a net loss of \$1.8 billion driven by higher credit costs in credit card, consumer lending and small business and as well as lower spending levels
- Retail volume is down seasonally 9% from 4Q08 and 10% from 1Q08 from the economic effect of lower consumer spending levels
- Asset quality continued to deteriorate as unemployment levels rose
 - Managed losses were up \$759 million or 17% from 4Q08
 - Reserve build of \$2.9 billion in 1Q09 increased \$1.7 billion from 4Q08
- Ending loans of \$218 billion are down 5% from both periods. The linked quarter decline is driven by seasonality
- Unused commitments were reduced over \$200 billion or 26% in the quarter, principally on inactive accounts

Key Stats		
(\$ in Millions; Accounts in Thousands)		
Managed Credit Card Data	<u>1Q09</u>	<u>4Q08</u>
Gross interest yield	11.68%	11.87%
Risk adjusted margin	4.65%	6.47%
New account growth	1,226	1,432
Purchase volumes	48,056	56,585
Debit Card Data	- 4.400	
Debit purchase volumes	51,133	52,925



Home Loans & Insurance Highlights - 1Q09

(\$ in millions)		Increase (decrease) over				
	1Q09		1Q08			4Q08
Net interest income (FTE)	\$	1,180	\$	581	\$	161
Noninterest income		4,044		3,271		1,797
Total revenue, net of interest expense (FTE)		5,224		3,852		1,958
Noninterest expense		2,650		1,928		(84)
Pre-tax pre-provision for credit loss income	\$	2,574	\$	1,924	\$	2,042
Provision for credit losses (1)	\$	3,372	\$	1,560	\$	1,749
Net income (loss)	\$	(498)	\$	234	\$	189

Key Stats												
(\$ in billions)	1Q09	4Q08										
Total Corp Home Loan Originations												
First Mortgage	85.2	44.6										
Home Equity	4.0	5.3										
MCD Fading Palance	44.4	40.7										
MSR, Ending Balance	14.1	12.7										
Capitalized MSR, bps	83	77										
Serviced for Others, EOP	1,699	1,654										

- Home Loans & Insurance net income improved \$189 million to net loss of \$498 million, despite an increase in provision for credit losses of \$1.7 billion
 - Mortgage banking income increased \$1.8 billion
 - Production revenue increased \$946 million due to favorable volume and margins driven by the reduced interest rate environment
 - Servicing income increased \$854 million primarily due to favorable performance of MSRs
 - Provision expense of \$3.4 billion increased \$1.7 billion from 4Q08
 - Net charge-offs increased \$516 million from 4Q08
 - Reserve build of \$1.9 billion increased \$1.2 billion over 4Q08 including an increase in the allowance for impaired loans

¹ Provision expense in this segment only represents home equity provisioning as the majority of residential mortgages utilized by our treasury group in managing the interest rate risk of the company are included in All Other



Global Wealth Management Highlights - 1Q09

(\$ in millions) Increase (dec							
	1Q09	_	1	Q08	4Q08		
Net interest income (FTE)	\$ 1,65	3	\$	635	\$	310	
Noninterest income	2,70	8		1,784		2,066	
Total revenue, net of interest expense (FTE)	4,36	<u> </u>		2,419		2,376	
Noninterest expense	3,28	8		1,974		2,215	
Pre-tax pre-provision for credit loss income	\$ 1,07	3	\$	445	\$	161	
Provision for credit losses	\$ 25	4	\$	11	\$	102	
Net income	\$ 51	0	\$	268	\$	1	

- GWM reported net income of \$510 million as the impact of the acquisition of Merrill Lynch was offset by lower revenue and increased provision expense
 - Aside from adding Merrill Lynch revenues in the quarter, net interest income was pressured as a result
 of allocations driven by interest rate risk and liquidity actions related to our ALM activities, and to a
 lesser extent, spread compression on money market deposits
 - Investment and brokerage services adversely impacted by lower valuations in the equity markets
 - Assets under management began the quarter at \$769 billion, after adding \$246 billion from Merrill Lynch, but declined to \$697 billion during the quarter
 - 1Q09 experienced \$43 billion negative net flows and \$29 billion from market valuation decline
 - \$43 billion of negative flows was primarily cash as equity and fixed income flows were stable
 - Financial advisor headcount ended the quarter at just under 16,000 with the addition of Merrill Lynch
 - 95% of all high producers have been retained
 - During the quarter the headcount was reduced by roughly 2,000 associates driven by reductions in trainees and lower producing advisors
 - Support of cash funds of \$117 million in 1Q09 was \$109 million lower than 4Q08
 - Higher expenses driven primarily by the addition of Merrill Lynch
 - Provision expense driven by home equity reserve build and losses



Global Banking Highlights - 1Q09

(\$ in millions) Increase (decreas						
	1Q09	•	1Q08	4Q08		
Net interest income (FTE)	\$ 2,810	\$	512	\$	(279)	
Noninterest income	1,831		273		910	
Total revenue, net of interest expense (FTE)	4,641	'	785		631	
Noninterest expense	2,511		771		1,395	
Pre-tax pre-provision for credit loss income	\$ 2,130	\$	14	\$	(764)	
Provision for credit losses	\$ 1,848	\$	1,322	\$	446	
Net income (loss)	\$ 175	\$	(825)	\$	(866)	

- Global Banking net income of \$175 million decreased \$866 million compared to 4Q08
 - Revenue increase of \$631 million includes:
 - Addition of Merrill Lynch representing approximately \$800 million
 - Net interest income negatively impacted by the current rate environment
 - Expense increase of \$1.4 billion includes:
 - Addition of Merrill Lynch representing approximately \$425 million
 - Lower incentives in 4Q08
 - Provision increased \$446 million
 - Net charge-offs increased \$130 million
 - 1Q09 reserve build of \$726 million was up \$316 million from 4Q08 (primarily within commercial real estate and retail dealer related portfolios)
 - Average loans, after adjusting for loans to Merrill Lynch, were down modestly compared to 4Q08
 - Deposits, on average, were stable



Investment Banking Fees - 1Q09

Investment Banking and Global Markets Investment Banking Fees

(\$ in millions)			Reported		"Po	ooled" ¹	Increase (decrease) over			
	•	1Q09	4	Q08	4	4Q08	Rep	Reported		oled" ¹
Merger & Advisory fees	\$	290	\$	107	\$	375	\$	183	\$	(85)
Debt underwriting										
Investment grade		295		135		241		160		54
Leveraged finance		169		160		193		9		(24)
Other		180		134		220		46		(40)
Total Debt underwriting		644		429		654		215		(10)
Equity underwriting		167		224		545		(57)		(378)
Total Investment Banking Fees	\$	1,101	\$	760	\$	1,574	\$	341	\$	(473)

- Investment banking fees in 1Q09 were up \$341 million from 4Q08 as lower market fee pools were offset by the addition of Merrill Lynch
- From a "pooled view" versus 4Q08, fees were down primarily in equities as the IPO market and average deal size shrunk
- Bank of America Merrill Lynch was No. 2 in global and U.S. investment banking fees during 1Q09
- Bank of America Merrill Lynch was No. 1 based on volume in:
 - · U.S. equity capital markets
 - U.S. high yield debt, leveraged and syndicated loans
- A top-five advisor on mergers and acquisitions globally and in the U.S.
- Lead advisor and/or underwriter in many well known deals announced during the quarter

Source for rankings - Dealogic



¹ "Pooled" represents fees from the two legacy companies in 4Q08

Global Markets Highlights - 1Q09

(\$ in millions)		Incr	ease (de	creas	se) over
	1Q09	•	1Q08	4	4Q08
Net interest income (FTE)	\$ 1,787	\$	654	\$	259
Noninterest income	5,004		6,985		11,115
Total revenue, net of interest expense (FTE)	6,791		7,639		11,374
Noninterest expense	3,059		2,333		1,956
Pre-tax pre-provision for credit loss income	\$ 3,732	\$	5,306	\$	9,418
Provision for credit losses	\$ 51	\$	52	\$	38
Net income	\$ 2,365	\$	3,356	\$	6,034

- Global Markets experienced a record quarter in earnings driven by the acquisition of Merrill Lynch
- Balance sheet reduced \$149 billion or 21% on a proforma basis
- Global Markets net income increased \$6.0 billion to \$2.4 billion in 1Q09 compared to a net loss of \$3.6 billion in 4Q08 due to favorable trading results and the acquisition of Merrill Lynch, including:
 - Liquid products benefited from increased market volatility during January and February
 - The Mortgage trading platform performed favorably as well as the Equity platforms
 - Decrease in market-based disruption charges, including CDO, CMBS and leveraged financerelated losses as 1Q09 capital market disruption charges were \$1.7 billion compared to \$4.6 billion in 4Q08



Global Markets Sales & Trading Revenue - 1Q09

(\$ in millions)	1Q09 & Trading	Increase (decrease) over 4Q08 1				
Rates and Currencies	\$ 3,555	\$	3,374			
Commodities	536		490			
Credit Products	890		3,079			
Structured Products	(400)		3,453			
Total Fixed Income	 4,581		10,396			
Equities	1,402		1,420			
Total ²	\$ 5,983	\$	11,816			



¹ Includes \$1.7 billion of market disruption charges in 1Q09 versus \$4.6 billion in 4Q08

² Excludes \$58 million and \$35 million margin from FVO loan book for 1Q09 and 4Q08

Key Capital Markets Risk Exposures – 1Q09

Leveraged Loans

- Funded commitments carried at \$4.4 billion or 52% of gross value
 - 1Q09 markdown of \$98 million
 - Pre-market disruption exposure carried at \$3.1 billion or 45% of gross value
 - On a "pooled basis" total Bank of America and Merrill Lynch exposure in June of 2007 was \$85 billion

Capital Markets Commercial Mortgage related

- Total commitments carried at \$7.3 billion with \$6.4 billion funded
 - 1Q09 markdown of \$174 million predominantly floating rate positions
 - Carrying approximately \$5.5 billion of acquisition related large floating rate loans at roughly 75% of gross value
 - 1Q09 markdown of \$150 million on equity positions on acquisition related exposures
 - Additionally, \$3.8 billion of loans associated with the Merrill Lynch acquisition were transferred to the accrual book at 82%



Key Capital Markets Risk Exposures – 1Q09

Super Senior CDO related

(\$ in millions)							-	Total
	Sı	ıbprime	etained esitions	Total Ibprime	Non	subprime	•	er Senior CDO
Hedged	\$	1,174	\$ -	\$ 1,174	\$	854	\$	2,028
Unhedged Total	\$	1,361 2,535	\$ 1,824 1,824	\$ 3,185 4,359	\$	1,950 2,804	\$	5,135 7,163

- 1Q09 markdown of \$525 million includes monoline insurance marks
- \$3.2 billion unhedged subprime exposure including retained bonds carried at 25%
- \$1.2 billion hedged subprime exposure carried at 15%
- \$1.95 billion unhedged non-subprime exposure carried at 65%

Credit Default Swaps with Monoline Financial Guarantors

(\$ in millions)	Sup	er Senior	Othe	er guaranteed
	(CDOs		Positions
Notional	\$	5,592	\$	55,898
Mark to market or guarantor receivable		4,199		14,731
Credit Valuation Adjustment		(2,513)		(6,003)
Net mark to market of receivable		1,686		8,728
Carry value %		60%		41%
1Q09 writedown		(259)		(960)

- Super senior CDO wrap notional of \$5.6 billion
 - \$4.2 billion receivable with a 60% reserve
 - 1Q09 markdown of \$259 million
- Other guaranteed exposure notional of \$56 billion
 - \$14.7 billion receivable with a 41% reserve
 - 1Q09 markdown of \$960 million



Asset Quality – Held Basis*

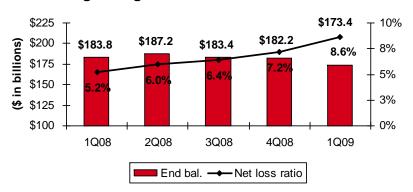
(\$ in millions)		1Q09		Increase from 4Q08 in						
	Net charge-offs	Reserve Build	Provision	Net charge-offs	Reserve Build	Provision				
Residential mortgage	\$ 785	\$ 1,134	\$ 1,919	\$ 319	\$ 1,120	\$ 1,439				
Home Equity	1,681	643	2,324	568	59	627				
Credit Card	1,612	1,542	3,154	206	986	1,192				
Consumer lending	921	775	1,696	176	320	496				
Countrywide impaired	-	853	853	-	103	103				
Other consumer	440	254	694	(12)	70	58				
Total Consumer	5,439	5,201	10,640	1,257	2,658	3,915				
Small business	633	675	1,308	71	479	550				
Commercial Real Estate	455	290	745	73	201	274				
Other Commercial	415	244	659	-	72	72				
Total Commercial	1,503	1,209	2,712	144	752	896				
Unfunded lending commitments	-	28	28	-	34	34				
Total	6,942	6,438	13,380	1,401	3,444	4,845				

- Credit quality deteriorated further during the quarter as the impacts of the recessionary environment worsened.
 Consumers continued to experience high levels of stress from depreciating home prices, rising unemployment and underemployment
- The commercial portfolio losses were impacted by small business and deterioration in the commercial real estate portfolio. Although losses did not increase outside of commercial real estate, the commercial portfolio did see an increase in criticized exposure and nonperforming loans from the widespread effects of the economy
- Held net charge-offs increased to 2.85%, up 49 basis points from 4Q08
- Managed net losses increased to 3.40%, up 56 basis points from 4Q08
- Allowance for loan losses covers 3% of loans and, including the reserve for unfunded commitments, is \$30.4 billion

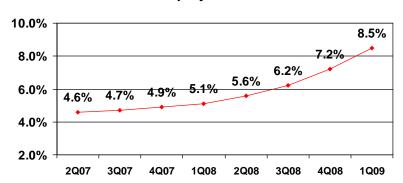


Consumer Credit Card Asset Quality

Ending Managed Balances and Net Loss Ratios



Unemployment Rates



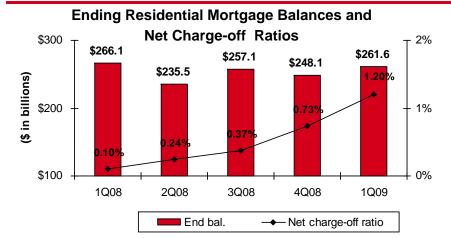
Consumer Credit Card – Managed Basis ¹

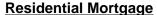
- Net losses increased \$531 million to \$3.8 billion as the loss ratio climbed 146 basis points to 8.62%
 - US credit card portfolio refreshed FICO of 681 while originated average FICO was 761 in 1Q09
 - California and Florida represent 24% of balances but 34% of managed losses
 - Losses impacted by unemployment and remain higher in geographies of housing stress
- 30+ delinquencies increased 117 basis points to 7.85% of loans
- 90+ delinquencies increased 83 basis point to 3.99% of loans
- Unused commitments were reduced over \$200 billion in 1Q09, principally on inactive accounts



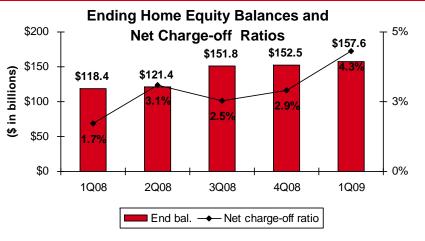
¹ Credit Card includes U.S. consumer, Europe and Canada credit card

Home Loan Asset Quality





- Net charge-offs increased \$319 million to \$785 million as the loss ratio climbed 47 basis points to 1.20%
 - Adjusted for the expected benefit of Resi Wrap protection, the loss rate would be 0.95%
 - CRA portfolio still drove a disproportionate share of losses (7% of loans with 4.4% loss rate)
 - Loans with >90% RLTV represented 25% of the portfolio reflecting home price deterioration
 - CA and FL represented 43% of the portfolio but 59% of losses
- Allowance covers 1.09% of loans
- Nonperforming loans increased \$3.8 billion from 4Q08 and now represents 4.13% of loans. The increase was driven by the performance of 2006/2007 vintages
- 30+ performing past dues were flat compared to 4Q08 but, with loan balance increases, the ratio declined 17 bps to 3.04% of loans

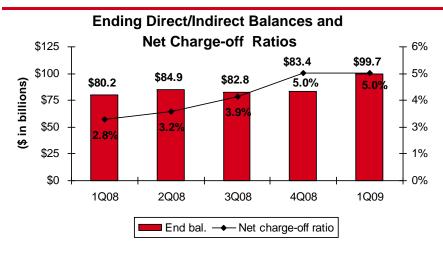


Home Equity

- Net charge-offs increased \$568 million to \$1.7 billion as the loss ratio climbed 138 basis points to 4.30%
 - Loans with >90% RCLTV represent 42% of portfolio reflecting home price deterioration
 - CA and FL represent 41% of the portfolio but 61% of losses
- Allowance covers 4.73% of loans
- Nonperforming loans increased \$928 million from 4Q08 and now represents 2.28% of loans
- 30+ performing past dues declined slightly 1Q09 compared to 4Q08 and the ratio to loans declined 7 bps to 1.68%

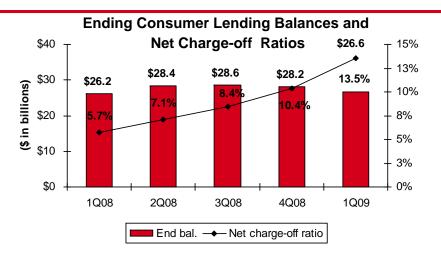


Direct/Indirect





- Ending loans included \$17 billion increase from adding Merrill Lynch securities based lending
- Net charge-offs increased \$195 million to \$1.2 billion as the loss ratio remained flat at 5.03% (up 100bps excluding Merrill Lynch)
 - Driven by Consumer Lending and Dealer Financial Services from both borrower and collateral stress
- Allowance was increased to cover 5.40% of loans
- Dealer Finance portfolio of \$40.1 billion had a 26 basis point increase in loss rate to 2.78%
 - The auto portfolio of \$26.7 billion had a 46bps increase in loss rate to 2.48%
 - Includes auto originations, auto purchased loan portfolios and marine/RV
- 30+ delinquencies decreased 61 basis points to
 4.16% of loans (up 24bps excluding Merrill Lynch)



Consumer Lending (part of Direct/Indirect)

- Consumer Lending portfolio of \$26.6 billion had a 316 basis point increase in loss rate to 13.53%
- Allowance was increased to cover 15.9% of loans



Consumer Asset Quality Key Indicators

		Residential Mortgage		Home Ed	quity	Discontinued Real Estate									
	1Q09	4	Q08	1Q09	4Q08	1Q09	4Q08								
	As As	the SOP 03-3 Portfolio 1 Reported	Excluding the SOP 03-3 Portfolio 1 Reporte	Excluding the SOP 03-3 ed Portfolio 1		Excluding the SOP As 03-3 ported Portfolio 1	Excluding the SOP As 03-3 Reported Portfolio 1								
Loans EOP Loans Avg	\$261,583 \$ 265,121	\$ 251,637 \$ 248,063 255,389 253,560	\$ 238,049 \$157,6 4 244,515 158,57			19,000 \$ 2,222 19,386 1,885	\$ 19,981 \$ 1,884 21,324 2,189								
Net losses % of avg loans ²	\$ 785 \$ 1.20 %	785 \$ 466 1.25 % 0.73	\$ 466 \$ 1,68 % 0.76 % 4.3	81 \$ 1,681 30 % 4.71 %	\$ 1,113 \$ 1,113 \$ 2.92 % 3.22 %	15 \$ 15 0.31 % 3.15 %	\$ 19 \$ 19 6 0.36 % 3.48 %								
Allowance for loan losses % of Loans	\$ 2,856 \$ 1.09 %	2,856 \$ 1,382 1.14 % 0.56	\$ 1,382 \$ 7,45 % 0.58 % 4.7	57 \$ 5,862 73 % 4.08 %	\$ 5,385 \$ 5,219 \$ 3.53 % 3.77	67 \$ 59 0.35 % 2.66 %	\$ 658 \$ 74 6 3.29 % 3.91								
Avg. refreshed (C)LTV ³		74	71	87	83	74	73								
90%+ refreshed (C)LTV ³		25 %	23 %	42 %	37 %	16 %	13 %								
Avg. refreshed FICO		726	729	716	717	687	697								
% below 620 FICO		10 %	8 %	11 %	10 %	25 %	17 %								

¹ Represents the SOP 03-3 portfolio acquired from Countrywide

³ Loan to value (LTV) calculations applied to the residential mortgage and discontinued real estate portfolio. Combined loan to value (CLTV) calculations apply to the home equity portfolio



² Adjusting for the benefit of Resi Wrap protection, the residential mortgage as reported loss rate would be 0.95% in 1Q09 and 0.62% in 4Q08

Consumer Asset Quality Key Indicators (cont'd)

	Credit Card								c	the	r ¹			Total Managed Consumer						
		Held			Managed								_						-	
	1Q09		4Q08		1Q09		4Q08	_	1Q09	_		4Q08	_		1Q09	_		4Q08	_	
Loans EOP	\$ 67,9	io :	\$ 81,274	\$	173,352	\$	182,234	\$	102,992		\$	86,878		\$7	14,572		\$6	889,639		
Loans Avg	75,8	8	82,117		178,490		181,233		104,148			86,875		7	25,720		6	94,935		
Net losses	\$ 1,6°	2	\$ 1,406	\$	3,794	\$	3,263	\$	1,346		\$	1,178		\$	7,621		\$	6,039		
% of avg loans	8.	2 %	6.82	%	8.62	%	7.16	%	5.24	%		5.39	%		4.26	%		3.46	%	
Allowance for loan losses	\$ 5,4	3 3	\$ 4,689					\$	5,583		\$	4,544		\$	21,426		\$	16,658		
% of Loans	8.	4 %	5.77	%					5.42	%		5.23	%		3.52	%		2.83	%	



The average refreshed FICO for the U.S. Credit Card portfolio was 684 at 4Q08 compared to 681 at 1Q09; the percentage below 620 FICO was 17% at 4Q08 compared to 19% at 1Q09

¹ Other primarily consists of the following portfolios of loans: Consumer Lending and Dealer Financial Services

Consumer Asset Quality Key Indicators – SOP 03-3 Countrywide Portfolio 1

	Reside Morto			Home	Equity	/	Di	scontinued	Real	l Estate		
	 1Q09 4Q08			1Q09 4Q08			1Q09		4Q08			
Loans EOP	\$ 9,946	\$	10,014	\$ 13,891	\$	14,099	\$	16,778	\$	18,097		
Net losses	264		202	890		722		936		719		

- The net losses shown on this table are not included in the net losses reported by the company as these loans were considered impaired and written down to fair value at acquisition in accordance with SOP 03-3
- 1Q09 includes an increase in the valuation allowance through provision of \$853 million compared to \$750 million in 4Q08
- The carrying value at 03/31/09 of the impaired loan portfolio is 74% of the outstanding principal balance

¹ The table presents outstandings net of purchase accounting adjustments, valuation allowances and net losses



Commercial Asset Quality Key Indicators ¹

(\$ in millions)																												
						Commo	erci	al I	Real								C	omme	rci	al L	.ease							
		Com	mer	cial ²		E	sta	te				Small	Bu	sin	ess			Fin	and	cing	3			Total C	om	me	rcial	
		1Q09		4Q08		1Q09	_	4	4Q08			1Q09	_		4Q08		1	Q09	_		4Q08	_		1Q09	_		4Q08	_
Loans EOP	\$2	44,413		\$231,108	}	\$ 75,270		\$	64,701		\$	18,772		\$	19,145		\$	22,017		\$	22,400		\$3	860,472		\$3	337,354	
Loans Avg		50,411		234,393	3	72,022			64,335			19,042			19,329			22,056			22,069			63,531			340,126	
Net charge-offs	\$	348		\$ 384	ļ	\$ 455		\$	382		\$	633		\$	562		\$	67		\$	31		\$	1,503		\$	1,359	
% of avg loans		0.56	%	0.65	%	2.56			2.36	%	•	13.47	%		11.55	%		1.22	%		0.57	%		1.68			1.59	
90+ Performing DPD	\$	505		\$ 388	}	\$ 86		\$	52		\$	797		\$	640		\$	26		\$	23		\$	1,414		\$	1,103	i
% of Loans		0.20	%	0.16	%	0.11	%		0.08	%		4.24	%		3.34	%		0.12	%		0.10	%		0.39	%		0.33	%
Nonperforming loans	\$	3,322		\$ 2,330)	\$ 5,662		\$	3,906		\$	224		\$	205		\$	104		\$	56		\$	9,312		\$	6,497	,
% of Loans		1.36	%	1.01	%	7.52	%		6.04	%		1.19	%		1.07	%		0.47	%		0.25	%		2.58	%		1.93	%
Allowance for loan losses	\$	2,561		\$ 2,333	}	\$ 1,756		\$	1,465		\$	3,067		\$	2,392		\$	238		\$	223		\$	7,622		\$	6,413	i
% of Loans		1.05	%	1.01	%	2.33	%		2.26	%		16.34	%		12.49	%		1.08	%		1.00	%		2.11	%		1.90	%
Reservable Criticized																												
Utilized Exposure 3	\$	28,100		\$ 20,422	<u> </u>	\$ 17,553		\$	13,830		\$	1,533		\$	1,334		\$	1,474		\$	1,352		\$	48,660		\$	36,937	
% of Total Exposure		8.90	%	6.73	%	21.81	%		19.73	%		8.14	%		6.94	%		6.70	%		6.03	%		11.13	%		8.90	%



¹ Does not include certain commercial loans measured at fair value in accordance with SFAS 159

² Includes Commercial – Domestic and Commercial – Foreign

³ Excludes utilized exposure which is marked to market including Derivatives, Foreclosed Property, Assets Held for Sale and FVO loans

Commercial Real Estate

Homebuilders

- Homebuilder utilized balances at 1Q09, included in commercial real estate, decreased \$294 million to \$11.4 billion compared to 4Q08. These utilized balances are included in total exposure of \$15.2 billion
 - Reservable criticized utilized exposure increased \$103 million to \$7.7 billion (44% of reservable criticized utilized commercial real estate exposure)
 - NPAs rose \$687 million to \$3.7 billion (62% of commercial real estate NPAs)
 - 1Q09 charge-offs were \$301 million compared to \$355 million in 4Q08
- Homebuilder construction and land development utilized balances at 1Q09 decreased \$512 million to \$8.8 billion compared to 4Q08
 - Reservable criticized utilized exposure increased \$251 million to \$6.9 billion
 - NPAs rose \$615 million to \$3.2 billion



Net Interest Income

	1Q09		4Q08		\$ Change
Reported net interest income (FTE)	\$ 12,819		13,406	;	\$ (587)
Impact of securitizations	2,749		2,257		492
Managed net interest income (FTE)	 15,568		15,663	_	(95)
Market-based NII	(1,895)		(1,566)	(329)
Core NII – Managed Basis	\$ 13,673		14,097	_	\$ (424)
Average earning assets	\$ 1,912,483	9	1,616,673		\$ 295,810
Impact of securitizations	91,567		93,189		(1,622)
Market-based earning assets	488,411		311,777	•	176,634
Reported net interest yield	2.70	%	3.31	%	(61) bps
Managed net interest yield	3.13		3.65	5	(52)
Core net interest yield – Managed Basis	3.63		4.02	<u> </u>	(39)

- Merrill Lynch added approximately \$750 million to net interest income but negatively impacted the net interest yield by 27 bps from the addition of low margin assets
 - \$375 million to core (11 bps impact on core yield) and \$375 million market based
- · Higher levels of long term debt cost \$200 million and approximately 6 bps in yield
- Lower levels of assets from deleveraging cost \$350 million in net interest income
- 2 less days cost \$200 million in net interest income and 6 bps in yield
- Sold \$51 billion of debt securities to manage prepayment risk resulting in \$1.5 billion in gains in 1Q09
- Given the low rate environment the balance sheet position continues to be asset sensitive

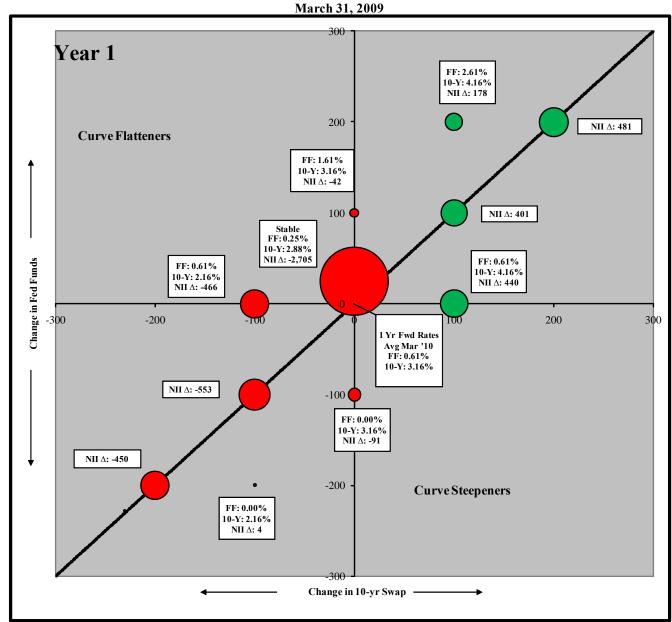


Net Interest Income – Managed Sensitivity

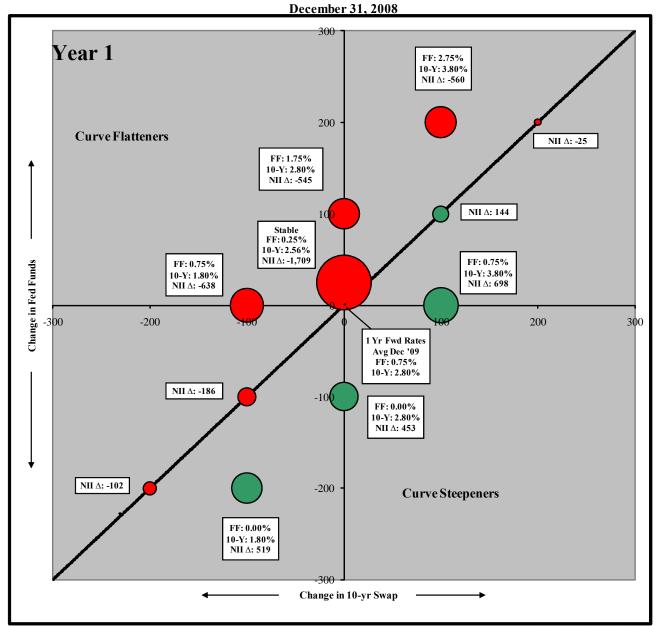
(\$ in millions)	Managed net interest income impact for next 12 months										
	@ ;	3/31/09	@ 12/31/08								
Forward curve interest rate scenarios											
+100 bp parallel shift	\$	401	\$	144							
- 100 bp parallel shift		(553)		(186)							
Flattening scenario from forward curve											
+ 100 bp flattening on short end		(42)		(545)							
- 100 bp flattening on long end		(466)		(638)							
Steepening scenario from forward curve											
+ 100 bp steepening on long end		440		698							
- 100 bp steepening on short end		(91)		453							



Bank of America NII Sensitivity on a Managed Basis First Rolling 12 Months March 31, 2009



Bank of America NII Sensitivity on a Managed Basis First Rolling 12 Months



Capital Strengthened

- Tier 1 Capital Ratio ended the quarter at 10.1%
 - Tier 1 common as % of RWA ended at 4.49%
- Tangible common equity ratio ended at 3.13%
 - Tangible common equity as percent of RWA is 4.11%

Key Capital Ratios 1

	3/31/2009	12/31/2008	Inc (Dec)
Tier 1	10.1%	9.2%	94 bps
Tier 1 Common / RWA	4.5%	4.8%	(31) bps
Tangible Common Equity/ RWA	4.1%	3.8%	27 bps
Total Equity / Assets	10.3%	9.7%	58 bps
Common / Assets	7.2%	7.7%	(50) bps
Tangible Equity/Assets	6.4%	5.1%	131 bps
Tangible Common Equity/ Tang. Assets	3.1%	2.9%	20 bps

¹ Excludes the government agreement in principle to provide protection against unusually large losses on approximately \$118 billion of financial instruments



Liquidity Enhanced

- Liquidity position has been strengthened significantly during the quarter through balance sheet management actions as well as utilization of government funding facilities
 - Cash levels increased \$140 billion from 4Q08 level

	<u>1Q09</u>	4Q08	<u>Change</u>		
Cash and Cash Equivalents	\$ 173,460	\$	32,857	\$	140,603

- Time to required funding increased to top of target range at 27 months

	<u>1Q09</u>	<u>4Q08</u>	<u>Change</u>
Time to Required Funding	27 months	23 months	4 months

- Deposit levels increased

	<u>1Q09</u>	4Q08	<u>Change</u>		
Total Deposits	\$ 953,508	\$ 882,997	\$	70,511	



Conclusions

- Environment remains challenging
 - Credit costs reflect economic environment
- Earnings benefitting from business model changes
 - Market based business growth benefitting from Merrill Lynch platform
 - Interest rate environment aiding growth from adding Countrywide platform
- Integration of acquisitions is progressing well
- Actions taken during first quarter to strengthen balance sheet



Appendix



Bank of America/Merrill Lynch Consolidated Statement of Income – 1Q09

	Bank of America (excluding Merrill)		Consolidated Merrill Lynch & Co.		Intercompany Eliminations		Consolidated	
Net interest income	\$	11,752	\$	743	\$	2	\$	12,497
Noninterest income								
Investment and brokerage services		839		2,124		-		2,963
Investment banking income		457		606		(8)		1,055
Equity investment income (loss)		1,474		(272)		-		1,202
Trading account profits		1,490		3,783		(72)		5,201
Mortgage banking income		3,241		73		-		3,314
Other income		6,545		2,920		61		9,526
Total noninterest income		14,046		9,234		(19)		23,261
Total revenue, net of interest expense		25,798		9,977		(17)		35,758
Provision for credit losses		13,362		18		-		13,380
Noninterest expense								
Personnel		5,596		3,172		-		8,768
Other operating		6,717		1,534		(17)		8,234
Total noninterest expense		12,313		4,706		(17)		17,002
Income before income taxes		123		5,253		-		5,376
Income tax expense		(460) 2		1,589				1,129
Net income	\$	583	\$	3,664	\$	-	\$	4,247



Does not include certain merger related costs, revenue opportunities and cost savings which were realized in Bank of America legal entities

² Includes certain adjustments made in consolidation

Bank of America/Merrill Lynch Balance Sheet – March 31, 2009

	Bank of America			olidated		ompany			
(Dollars in billions)	(excludi)	(excluding Merrill)		Merrill Lynch & Co.		Eliminations		Consolidated	
Assets				2.1		(2)		450	
Cash	\$	141	\$	34	\$	(2)	\$	173	
Time deposits placed and other short-term investments		10		14				24	
Federal funds sold and securities purchased or borrowed	l								
under agreements to resell		81		103		(31)		153	
Trading account assets		118		86		(1)		203	
Derivative assets		54		83				137	
Securities		232		31				263	
Loans and leases		900		85		(8)		977	
Allowance for credit losses		29		-				29	
Loans and leases, net of allowance for credit losses		871		85		(8)		948	
Premises and equipment, net		14		2				16	
Mortgage servicing rights		14		-				14	
Goodwill		82		5				87	
Intangible assets		8		6				14	
Loans held for sale		29		11				40	
Other assets		175		109		(34)		250	
Total assets	\$	1,829	\$	569	\$	(76)	\$	2,322	
Liabilities									
Deposits	\$	858	\$	97		(2)	\$	953	
Federal funds purchased and securities sold under						. ,			
agreements to repurchase		183		95		(31)		247	
Trading account liabilities		35		18		, ,		53	
Derivative liabilities		20		56				76	
Commercial paper and other short-term borrowings		189		5		(8)		186	
Accrued expenses and other liabilities		33		93		(-)		126	
Long-term debt		276		165				441	
Total liabilities		1,594		529		(41)		2,082	
Total shareholders' equity		235		40_		(35)		240	
Total liabilities and shareholders' equity	\$	1,829	\$	569	\$	(76)	\$	2,322	



Merrill Lynch Preliminary Purchase Accounting ¹

(\$ in billions, except per share amounts)

Purchase price	
Total value of Bank of America's common stock and cash exchanged	\$19.4
Merrill Lynch preferred stock ²	8.6
Fair value of outstanding employee stock awards	1.1
Total purchase price	\$29.1
Preliminary allocation of the purchase price	
Merrill Lynch shareholders' equity	19.9
Less: Historical goodwill and intangibles	(2.6)
Pre-tax adjustments to reflect assets acquired and liabilities assumed at fair value:	
Loans	(6.4)
Securities and derivatives	(1.1)
Identified intangibles	5.7
Other assets	(1.4)
Debt	15.5
Pre-tax total adjustments	12.3
Deferred income taxes	(5.5)
After tax total adjustments	6.8
Fair value of net assets acquired	24.1
Preliminary goodwill resulting from the merger	\$5.0

² Represents Merrill Lynch preferred stock exchanged for Bank of America preferred stock having substantially identical terms.



¹ The value of shares of common stock exchanged with Merrill Lynch shareholders was based upon the closing price of Bank of America's common stock on December 31, 2008, the last trading day price prior to acquisition.

Bank of America ***

