

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 Billion¹ 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 20 bps from Q3-22^(E) and was

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 primary⁴
 - 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%

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)

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 accounts⁵

Financial Results

(\$ in millions)	Three months ended		
	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)

(\$ in billions)	Three months ended		
	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 Card⁴

Average credit card	\$98.0	\$94.4	\$85.0
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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 Highlights¹

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 households³ digitally active across

Financial Results

(\$ in millions)	Three months ended		
	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)

(\$ in billions)	Three months ended		
	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

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 Continued¹

- 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

Financial Results

(\$ in millions)	Three months ended		
	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)}

(\$ in billions)	Three months ended		
	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.

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 million⁵

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

(\$ in millions)	Three months ended		
	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)}

(\$ in billions)	Three months ended		
	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	4.4	4.4	4.1

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

(\$ in millions)	Three months ended		
	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.

Credit Quality¹

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 ratio² 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 leases³
 - 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

Highlights

(\$ in millions)	Three months ended		
	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 %

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.

(Dollars in millions)	Three months ended		
	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 adjustment¹			
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.

Business Leadership Sources

- (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 CertificationSM 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.

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.

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

Bank of America Corporation and Subsidiaries

Selected Financial Data

(In millions, except per share data)

	Nine Months Ended September 30		Third Quarter 2023	Second Quarter 2023	Third Quarter 2022
	2023	2022			
Summary Income Statement					
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

Bank of America Corporation and Subsidiaries

Selected Financial Data (continued)

(Dollars in millions)

Capital Management

Regulatory capital metrics ⁽⁴⁾:

	September 30 2023	June 30 2023	September 30 2022
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)

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.

Bank of America Corporation and Subsidiaries

Supplemental Financial Data

(Dollars in millions)

	Nine Months Ended September 30		Third Quarter 2023	Second Quarter 2023	Third Quarter 2022
	2023	2022			
FTE basis data ⁽¹⁾					
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
			September 30 2023	June 30 2023	September 30 2022
Other Data					
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 2023	Second Quarter 2023	Third Quarter 2022
	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)

