Quarterly Banking Profile First Quarter 2008

INSURED INSTITUTION PERFORMANCE

- ***Industry Earnings Decline 46 Percent from Year-Earlier Level***
- ***Loss Provisions Absorb a Higher Share of Revenue***
- ***Troubled Loans Accumulate in Real Estate Portfolios***
- ***Lending Growth Slows***
- ***Fourth Quarter 2007 Earnings Are Revised Below $1 Billion***

Real Estate Troubles Hold Down Earnings

Deteriorating asset quality concentrated in real estate loan portfolios continued to take a toll on the earnings performance of many insured institutions in first quarter 2008. Higher loss provisions were the primary reason that industry earnings for the quarter totaled only $19.3 billion, compared to $35.6 billion a year earlier. FDIC-insured commercial banks and savings institutions set aside $37.1 billion in loan-loss provisions during the quarter, more than four times the $9.2 billion set aside in first quarter 2007. Provisions absorbed 24 percent of the industry's net operating revenue (net interest income plus total noninterest income) in the quarter, compared to only 6 percent in the first quarter of 2007. The average return on assets (ROA) was 0.59 percent, falling from 1.20 percent in first quarter 2007. The first quarter's ROA is the second-lowest since fourth quarter 1991. The downward trend in profitability was relatively broad: slightly more than half of all insured institutions (50.4 percent) reported year-over-year declines in quarterly earnings. However, the brunt of the earnings decline was borne by larger institutions. Almost two out of every three institutions with more than $10 billion in assets (62.4 percent) reported lower net income in the first quarter, and four large institutions accounted for more than half of the $16.3-billion decline in industry net income.

Restatements Shrink Fourth Quarter 2007 Profits Substantially

Industry earnings for the fourth quarter of 2007 were previously reported as $5.8 billion, but sizable restatements by a few institutions caused fourth quarter net income to decline to $646 million. This is the lowest quarterly net income for the industry since insured institutions posted an aggregate net loss in the fourth quarter of 1990. After the restatements, the fourth quarter 2007 industry ROA was reduced to 0.02 percent. Most of the restatements stemmed from increased charges for goodwill impairment. The writedowns of goodwill reduced the industry's equity capital, based on Generally Accepted Accounting Principles (GAAP), by approximately $4.7 billion (0.3 percent) from the amount originally reported, but they had no effect on regulatory capital levels, since goodwill is not included in capital for regulatory purposes.

Market-Sensitive Revenues Remain Weak at Large Institutions

In addition to the sharp increase in loan-loss provisions, lower noninterest income also contributed to the decline in industry earnings in the first quarter. Noninterest revenues fell on a year-over-year basis for a second consecutive quarter, declining by $1.7 billion (2.8 percent). Income

Chart 1

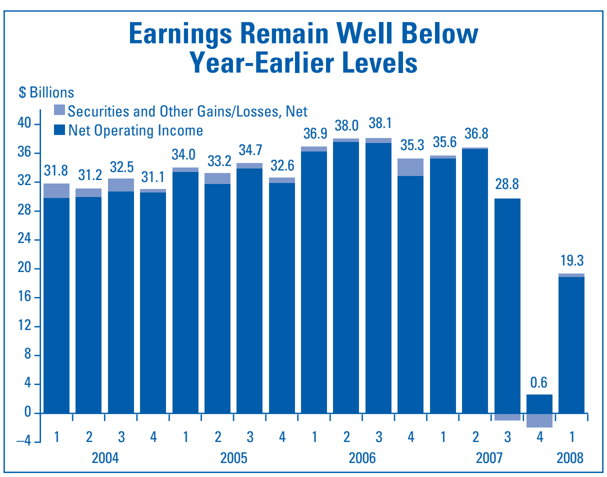
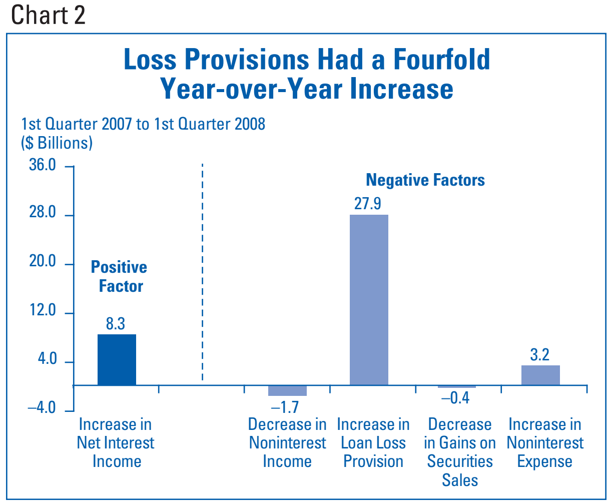


Chart 2



from trading was $4.8 billion (67.8 percent) lower than in first quarter 2007, while sales of loans yielded $1.7 billion in losses compared to $2.0 billion in gains a year earlier. Sales of real estate acquired through foreclosure (OREO), which produced $3 million in gains a year ago, resulted in losses of $310 million in the first quarter. Other market-related sources of noninterest income, such as investment banking fees and venture capital revenue, were also lower than a year ago. In contrast, noninterest revenues that were based on transactional activities registered gains. Income from fiduciary activities was up by $867 million (12.7 percent), while income from service charges on deposit accounts rose by $862 million (9.4 percent). Revaluations of certain assets and liabilities under recently adopted fair value accounting[1] reduced first quarter noninterest income by $1.2 billion. Fewer than one in three institutions reported year-over-year declines in noninterest income because the weakness in market-sensitive revenues primarily affected large institutions. Noninterest expense growth was relatively benign; total noninterest expense rose by $3.2 billion (3.7 percent) year-over-year. Net interest income was $8.3 billion (9.6 percent) above the level of a year earlier, as interest-earning asset growth remained relatively strong and net interest margins improved slightly at large institutions.

Interest Rate Environment Squeezes Community Bank Margins

The industry's net interest margin in the first quarter was 3.33 percent, compared to 3.32 percent in both the fourth and first quarters of 2007. However, margins fell at most institutions, with 70 percent reporting declines from fourth-quarter 2007 levels and 61 percent reporting declines compared to first-quarter 2007 levels. The average margin at community banks—institutions with less than $1 billion in total assets—fell to 3.70 percent, the lowest level since fourth quarter 1988. Community banks' funding costs did not reprice downward as rapidly as larger institutions' when short-term interest rates declined, owing to the larger share of retail deposits in community banks' liabilities, the low level of interest rates, and the relative sharpness of the rate decline. Retail deposits typically reprice more slowly and their rates generally have a higher floor than other short-term liabilities. Margins improved at larger institutions because their short-term nondeposit borrowings repriced downward more quickly with the decline in market interest rates.

Charge-Off Rate Climbs to Five-Year High

Insured institutions charged off $19.6 billion (net) during the first quarter, an increase of $11.4 billion (139.1 percent) over the first quarter of 2007. This is the second consecutive quarter of very high net charge-offs—fourth-quarter charge-offs totaled $16.4 billion. The annualized net charge-off rate in the first quarter rose to 0.99 percent, more than double the 0.45 percent rate of a year earlier and the highest quarterly net charge-off rate since the fourth quarter of 2001. Loss rates were higher at larger institutions. The average net charge-off rate at institutions with more than $1 billion in assets was 1.09 percent, more than three and a half times the 0.29 percent average rate at institutions with assets less than $1 billion. Industry net charge-offs were higher year-over-year in all major loan categories, but the largest increases were in residential real estate loans and in real estate construction and development loans. Net charge-offs of home equity lines of credit were $2.0 billion (614.7 percent) higher than in the first quarter of 2007, while charge-offs of closed-end junior lien mortgages increased by $1.3 billion (1,019.1 percent), and first lien mortgage charge-offs were up by $2.3 billion (542.5 percent). Charge-offs of real estate construction and development loans increased by $1.6 billion (1,508.2 percent), and commercial and industrial (C&I) loan charge-offs rose by $1.4 billion

[1] See *Accounting Changes* in *Notes To Users.*

Chart 3

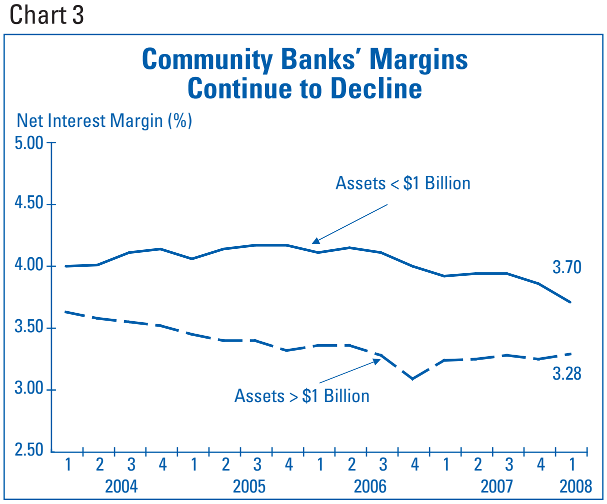
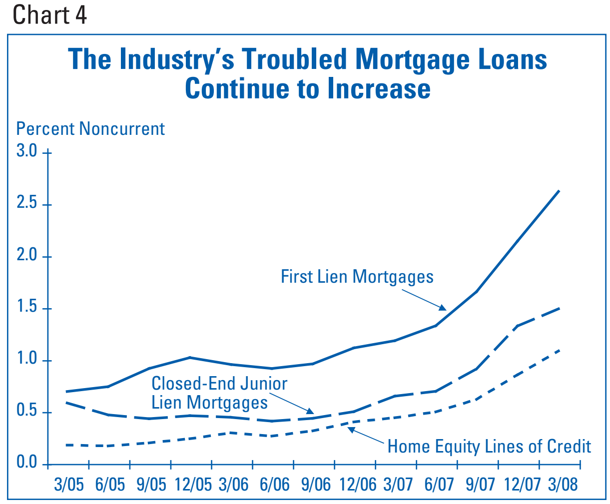


Chart 4



(130.7 percent). Charge-offs of credit card loans and other loans to individuals were higher as well (up $1.1 billion and $1.2 billion, respectively).

Noncurrent Loan Growth Remains High

Even with the heightened level of charge-offs, the amount of loans and leases that were noncurrent (90 days or more past due or in nonaccrual status) rose by $26.0 billion (23.6 percent) in the first quarter, following a $27.0-billion increase in the fourth quarter of 2007. Loans secured by real estate accounted for close to 90 percent of the total increase, but almost all major loan categories registered higher noncurrent levels. The amount of real estate construction and development loans that were noncurrent increased by $9.5 billion (47.2 percent) during the quarter, while noncurrent loans secured by 1-4 family residential properties other than home equity lines of credit increased by $9.3 billion (20.2 percent). Noncurrent real estate loans secured by nonfarm nonresidential properties increased by $2.2 billion (28.5 percent), and noncurrent home equity lines of credit rose by $1.5 billion (29.5 percent). Noncurrent C&I loans increased by $2.4 billion (24.9 percent). During the quarter, the percentage of total loans and leases that were noncurrent rose from 1.39 percent to 1.71 percent, the highest noncurrent rate for the industry since the first quarter of 1994. At institutions with assets greater than $1 billion, the average noncurrent rate at the end of the quarter was 1.74 percent. At smaller institutions, the average rate was 1.52 percent. More than half of all insured institutions—52.2 percent—saw their noncurrent rates rise during the first quarter. Restructured loans and leases (which are current under modified terms) increased by $4.0 billion (57.6 percent) during the quarter, but almost half of the increase was caused by banks including restructured 1-4 family residential real estate loans for the first time. These restructured loans added $1.8 billion to the total amount of restructured loans at the end of the first quarter.

Reserve Coverage Loses Ground

Insured institutions continued to build their loan-loss reserves in the first quarter. They added $37.1 billion in loss provisions to their reserves, which was $17.5 billion more than was subtracted from reserves by charge-offs. The increased loss provisions were the main reason that reserves increased by $18.5 billion (18.1 percent) during the quarter, to $120.9 billion. The industry's ratio of loss reserves to total loans and leases increased from 1.30 percent to 1.52 percent, the highest level since the first quarter of 2004. However, the growth in loss reserves was outstripped by the rise in noncurrent loans, and the industry's "coverage ratio" fell for the eighth consecutive quarter, to 89 cents in reserves for every $1.00 of noncurrent loans from 93 cents at the end of 2007. This is the lowest level for the coverage ratio since the first quarter of 1993.

Institutions Cut Dividends to Preserve Capital

Capital levels benefited from a reduction in dividend payments by many institutions during the quarter. Of the 3,776 insured institutions that paid common stock dividends in the first quarter of 2007, almost half (48 percent) paid lower dividends in the first quarter of 2008, including 666 institutions that paid no dividends. Insured institutions paid $14.0 billion in total dividends in the first quarter, down $12.2 billion (46.5 percent) from a year earlier. Retained earnings (net income after dividends) totaled $5.3 billion, down $4.1 billion (43.6 percent) from a year earlier despite the lower dividend payments. Slightly more than half of all institutions (51.8 percent) reported year-over-year declines in retained earnings. Total regulatory capital increased by $25.5 billion (2.0 percent) in the first quarter, as tier 1 capital rose by $15.0 billion (1.5 percent) and tier 2 capital increased by $10.5 billion (4.1 percent). All of

Chart 5

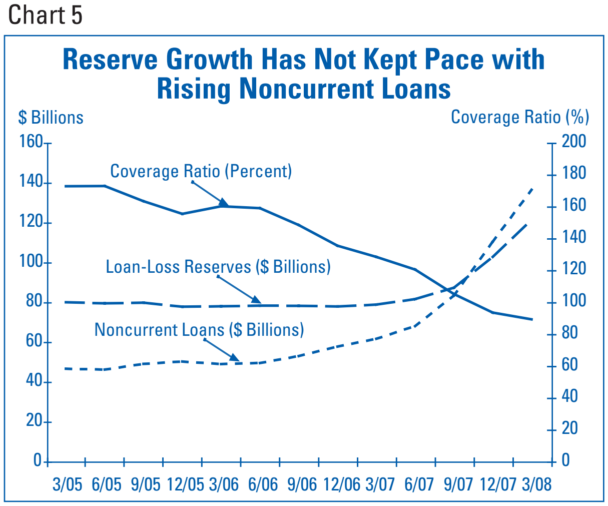
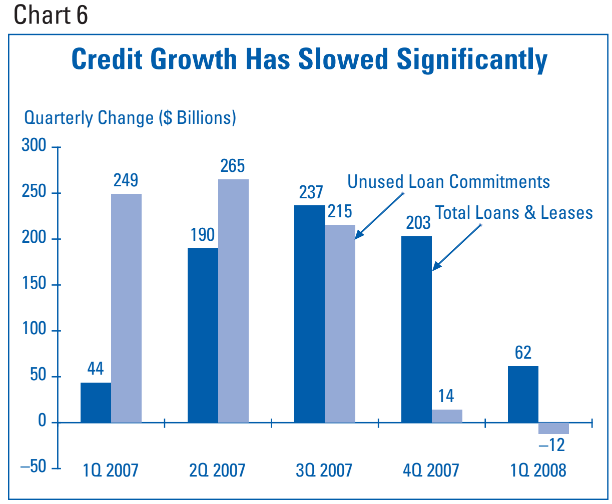


Chart 6



the increase in tier 2 capital consisted of higher loan-loss reserves. The industry's core capital (leverage) ratio declined from 7.97 percent to 7.87 percent during the quarter. The tier 1 risk-based capital ratio slipped slightly from 10.11 percent to 10.10 percent, while the total risk-based capital ratio increased from 12.78 percent to 12.83 percent. Ninety-nine percent of all insured institutions continued to meet or exceed the highest regulatory capital standards as of the end of the first quarter. Equity capital increased by $13.5 billion in the quarter. The relatively low level of retained earnings and a sharp increase in unrealized losses on available-for-sale securities were the chief reasons for the modest rise in equity. Other comprehensive income, which includes unrealized losses on securities, reduced equity capital by $12.1 billion in the first quarter.

Growth in Credit Slows

Total assets increased by $335.4 billion (2.6 percent) in the first quarter, even as loan growth slowed. Trading assets increased by $135.2 billion (15.4 percent), with much of the growth occurring in foreign offices of large banks. Total loans and leases increased by just $61.4 billion (0.8 percent) during the quarter. Loans secured by real estate rose by $20.5 billion (0.4 percent), the smallest quarterly increase since the first quarter of 2003. Loans secured by 1-4 family residential properties declined for the first time since the fourth quarter of 2003, falling by $26.5 billion (1.2 percent). Real estate construction and development loans grew by $2.7 billion (0.4 percent), the smallest quarterly increase since the fourth quarter of 2002. C&I loan growth remained relatively strong; loans to C&I borrowers increased by $45.5 billion (3.2 percent) in the quarter. Unused loan commitments declined by $12.3 billion (0.1 percent) during the quarter, with commitments to fund real estate construction and commercial real estate loans declining by $18.8 billion (6.2 percent), and commitments to extend credit under home equity lines falling by $10.3 billion (1.4 percent).

Interest-Bearing Retail Deposits Post Strong Growth

Deposits at insured institutions increased by $150.4 billion (1.8 percent) during the quarter. Deposits in foreign offices declined for the first time in three and a half years, falling by $5.8 billion (0.4 percent). Domestic interest-bearing deposits other than time deposits (mostly savings deposits and interest-bearing checking deposits) accounted for more than three-quarters of the growth in total deposits, increasing by $116.7 billion (3.7 percent). Nondeposit liabilities increased by $171.6 billion (5.2 percent), led by securities sold under repurchase agreements (up $65.0 billion, or 12.6 percent) and trading liabilities (up $63.2 billion, or 18.5 percent).

"Problem List" Continues to Grow

The number of insured commercial banks and savings institutions reporting financial results declined from 8,534 to 8,494 during the first quarter. Thirty-eight new charters were added, while 77 charters were absorbed by mergers and 2 institutions failed. Eighty-two insured institutions with combined assets of $13.1 billion converted to Subchapter S corporations during the first quarter. At the end of March, almost 30 percent of all insured institutions were Subchapter S corporations. During the quarter, two mutually owned insured savings institutions with combined assets of $1.3 billion converted to stock ownership. The number of institutions on the FDIC's "Problem List" increased from 76 to 90 in the first quarter. Total assets of "problem" institutions rose from $22.2 billion to $26.3 billion. This is the sixth consecutive quarter that the number of "problem" institutions has increased, from a historic low of 47 institutions at the end of third quarter 2006. The current level represents the largest number of institutions on the list since third quarter 2004, when there were 95 "problem" institutions.

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Chart 7

Retail Deposit Growth Strengthened

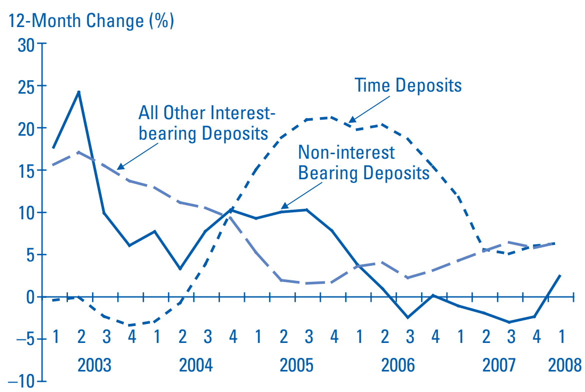
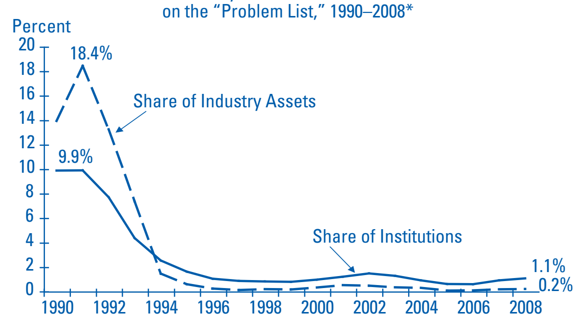


Chart 8

The "Problem List" Is Growing from Historic Lows

Shares of Industry Assets and Insured Institutions on the "Problem List," 1990–2008*



*For years prior to 2008, data are as of December 31. For 2008, data are as of March 31.

TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2008**	2007**	2007	2006	2005	2004	2003
Return on assets (%)	0.59	1.20	0.81	1.28	1.28	1.28	1.38
Return on equity (%)	5.72	11.33	7.76	12.30	12.43	13.20	15.05
Core capital (leverage) ratio (%)	7.87	8.24	7.97	8.22	8.25	8.11	7.88
Noncurrent assets plus other real estate owned to assets (%)	1.14	0.57	0.94	0.54	0.50	0.53	0.75
Net charge-offs to loans (%)	0.99	0.45	0.59	0.39	0.49	0.56	0.78
Asset growth rate (%)	11.58	6.89	9.89	9.04	7.64	11.36	7.58
Net interest margin (%)	3.33	3.32	3.29	3.31	3.47	3.52	3.73
Net operating income growth (%)	-46.31	-2.86	-27.49	8.53	11.39	4.02	16.39
Number of institutions reporting	8,494	8,649	8,534	8,680	8,833	8,976	9,181
Commercial banks	7,240	7,379	7,283	7,401	7,526	7,631	7,770
Savings institutions	1,254	1,270	1,251	1,279	1,307	1,345	1,411
Percentage of unprofitable institutions (%)	13.92	9.03	12.00	7.93	6.22	5.97	5.99
Number of problem institutions	90	53	76	50	52	80	116
Assets of problem institutions (in billions)	$26	$21	$22	$8	$7	$28	$30
Number of failed/assisted institutions	2	1	3	0	0	4	3

* Excludes insured branches of foreign banks (IBAs)
** Through March 31, ratios annualized where appropriate. Asset growth rates are for 12 months ending March 31.

TABLE II-A. Aggregate Condition and Income Data, All FDIC-Insured Institutions

(dollar figures in millions)	1st Quarter 2008	4th Quarter 2007	1st Quarter 2007	%Change 07:1-08:1
Number of institutions reporting	8,494	8,534	8,649	-1.8
Total employees (full-time equivalent)	2,212,766	2,214,965	2,223,383	-0.5
CONDITION DATA				
Total assets	$13,369,496	$13,034,074	$11,982,420	11.6
Loans secured by real estate	4,801,958	4,781,449	4,536,611	5.8
1-4 Family residential mortgages	2,214,941	2,241,472	2,185,504	1.3
Nonfarm nonresidential	988,732	968,754	905,478	9.2
Construction and development	631,818	629,152	582,253	8.5
Home equity lines	625,216	611,389	556,795	12.3
Commercial & industrial loans	1,485,856	1,440,369	1,250,196	18.8
Loans to individuals	1,048,411	1,058,468	946,249	10.8
Credit cards	386,854	421,818	354,163	9.2
Farm loans	53,886	56,786	52,874	1.9
Other loans & leases	580,232	571,756	494,049	17.4
Less: Unearned income	2,457	2,312	2,288	7.4
Total loans & leases	7,967,887	7,906,516	7,277,691	9.5
Less: Reserve for losses	120,908	102,400	78,439	54.1
Net loans and leases	7,846,980	7,804,116	7,199,252	9.0
Securities	1,953,078	1,954,183	1,972,366	-1.0
Other real estate owned	15,671	12,142	6,971	124.8
Goodwill and other intangibles	469,049	461,627	423,534	10.7
All other assets	3,084,718	2,801,979	2,380,296	29.6
Total liabilities and capital	13,369,496	13,034,074	11,982,420	11.6
Deposits	8,565,738	8,415,353	7,895,367	8.5
Domestic office deposits	7,069,007	6,912,778	6,695,092	5.6
Foreign office deposits	1,496,732	1,502,575	1,200,276	24.7
Other borrowed funds	2,587,215	2,517,409	2,174,409	19.0
Subordinated debt	185,583	185,393	165,328	12.3
All other liabilities	669,947	568,373	479,758	39.6
Equity capital	1,361,012	1,347,546	1,267,557	7.4
Loans and leases 30-89 days past due	111,029	107,920	70,520	57.4
Noncurrent loans and leases	136,037	110,030	61,293	121.9
Restructured loans and leases	10,899	6,914	2,862	280.8
Direct and indirect investments in real estate	956	1,097	1,033	-7.5
Mortgage-backed securities	1,281,306	1,236,040	1,226,924	4.4
Earning assets	11,475,127	11,305,681	10,515,851	9.1
FHLB Advances	841,532	808,941	607,579	38.5
Unused loan commitments	8,304,038	8,316,328	7,822,039	6.2
Trust assets	20,936,709	21,863,464	20,205,834	3.6
Assets securitized and sold***	1,724,123	1,784,676	1,669,276	3.3
Notional amount of derivatives***	181,599,195	166,120,761	145,070,582	25.2

INCOME DATA	Full Year 2007	Full Year 2006	%Change	1st Quarter 2008	1st Quarter 2007	%Change 07:1-08:1
Total interest income	$724,866	$643,488	12.7	$178,610	$176,213	1.4
Total interest expense	372,143	313,353	18.8	83,899	89,765	-6.5
Net interest income	352,723	330,136	6.8	94,711	86,448	9.6
Provision for loan and lease losses	69,034	29,545	133.7	37,120	9,191	303.9
Total noninterest income	233,069	240,431	-3.1	60,554	62,276	-2.8
Total noninterest expense	367,034	332,307	10.5	90,881	87,653	3.7
Securities gains (losses)	-1,362	1,969	N/M	1,222	1,585	-22.9
Applicable income taxes	46,490	68,081	-31.7	9,009	17,131	-47.4
Extraordinary gains, net	-1,735	2,669	N/M	-130	-689	81.1
Net income	100,137	145,273	-31.1	19,347	35,644	-45.7
Net charge-offs	44,111	27,016	63.3	19,604	8,200	139.1
Cash dividends	110,345	93,446	18.1	14,009	26,186	-46.5
Retained earnings	-10,208	51,826	N/M	5,338	9,458	-43.6
Net operating income	102,548	141,418	-27.5	18,922	35,243	-46.3

*** Call Report filers only.
N/M - Not Meaningful

TABLE III-A. First Quarter 2008, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FIRST QUARTER (The way it is...)	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	8,494	26	6	1,550	4,749	807	102	364	838	52
Commercial banks	7,240	23	6	1,545	4,251	195	78	331	770	41
Savings institutions	1,254	3	0	5	498	612	24	33	68	11
Total assets (in billions)	$13,369.5	$448.5	$3,085.6	$158.0	$5,271.1	$1,363.3	$66.4	$39.1	$113.0	$2,824.5
Commercial banks	11,494.7	431.0	3,085.6	157.5	4,717.1	212.6	28.6	33.7	96.5	2,732.3
Savings institutions	1,874.7	17.6	0.0	0.4	554.0	1,150.8	37.8	5.5	16.5	92.2
Total deposits (in billions)	8,565.7	155.3	1,868.4	127.8	3,668.2	781.7	54.5	28.9	92.7	1,788.3
Commercial banks	7,433.4	151.0	1,868.4	127.4	3,338.2	83.9	21.9	25.0	79.6	1,737.9
Savings institutions	1,132.4	4.2	0.0	0.4	330.0	697.7	32.6	3.9	13.1	50.4
Net income (in millions)	19,347	5,189	2,600	466	10,197	-720	211	209	284	911
Commercial banks	19,302	5,049	2,600	466	9,324	480	117	141	272	855
Savings institutions	45	140	0	1	873	-1,200	95	68	13	56
Performance Ratios (%)										
Yield on earning assets	6.28	12.22	5.74	6.71	6.50	6.25	7.49	5.19	6.29	5.47
Cost of funding earning assets	2.95	3.58	2.91	2.87	2.83	3.52	2.58	2.12	2.68	2.86
Net interest margin	3.33	8.64	2.83	3.84	3.67	2.73	4.90	3.07	3.61	2.61
Noninterest income to assets	1.84	11.06	1.83	0.66	1.58	1.22	2.19	10.29	0.92	1.12
Noninterest expense to assets	2.76	6.29	2.71	2.61	2.88	2.30	3.25	9.68	2.93	2.11
Loan and lease loss provision to assets	1.13	5.14	0.95	0.17	0.85	1.89	1.87	0.11	0.14	0.89
Net operating income to assets	0.57	4.16	0.37	1.17	0.73	-0.26	1.15	2.13	0.97	0.25
Pretax return on assets	0.86	7.18	0.47	1.42	1.15	-0.39	1.97	3.29	1.23	0.21
Return on assets	0.59	4.60	0.35	1.20	0.78	-0.21	1.30	2.18	1.02	0.13
Return on equity	5.72	20.59	4.44	10.66	6.87	-2.57	14.31	10.74	9.00	1.36
Net charge-offs to loans and leases	0.99	4.97	1.13	0.14	0.70	1.15	1.78	0.23	0.17	0.64
Loan and lease loss provision to net charge-offs	189.35	138.90	202.29	184.24	172.68	231.27	121.83	187.06	143.45	262.33
Efficiency ratio	56.73	32.15	64.01	62.03	57.75	60.86	47.23	73.91	68.72	61.82
% of unprofitable institutions	13.92	7.69	16.67	3.42	17.46	16.98	9.80	26.10	5.73	13.46
% of institutions with earnings gains	48.23	53.85	66.67	60.52	42.91	50.06	52.94	43.96	55.25	42.31
Condition Ratios (%)										
Earning assets to total assets	85.83	78.88	81.90	91.80	87.79	91.61	94.58	89.48	91.92	83.95
Loss allowance to:										
Loans and leases	1.52	4.95	1.75	1.31	1.36	1.31	1.75	1.37	1.19	1.13
Noncurrent loans and leases	88.88	222.70	112.56	103.49	77.12	54.97	209.06	146.56	114.53	90.28
Noncurrent assets plus other real estate owned to assets	1.14	1.61	0.68	0.98	1.41	1.97	0.73	0.28	0.74	0.70
Equity capital ratio	10.18	22.86	7.57	11.22	11.36	8.09	9.01	19.97	11.33	9.61
Core capital (leverage) ratio	7.87	15.33	6.07	10.17	8.82	7.92	8.89	18.01	10.78	6.55
Tier 1 risk-based capital ratio	10.10	14.89	8.49	13.68	10.18	12.98	10.49	39.32	17.66	8.77
Total risk-based capital ratio	12.83	17.65	12.37	14.74	12.42	14.95	12.56	40.31	18.77	11.81
Net loans and leases to deposits	91.61	199.86	65.82	79.75	99.63	123.11	100.60	32.27	67.14	81.73
Net loans to total assets	58.69	69.18	39.86	64.49	69.33	70.59	82.64	23.82	55.10	51.75
Domestic deposits to total assets	52.87	32.42	25.93	80.86	66.25	57.28	80.80	71.01	82.08	54.82
Structural Changes										
New Charters	38	0	0	0	10	1	0	27	0	0
Institutions absorbed by mergers	77	0	0	12	52	6	0	1	5	1
Failed Institutions	2	0	0	1	1	0	0	0	0	0
PRIOR FIRST QUARTERS (The way it was...)										
Number of institutions 2007	8,649	26	4	1,617	4,719	798	115	403	906	61
2005	8,931	28	5	1,698	4,489	971	134	459	1,079	68
2003	9,313	41	5	1,800	4,100	1,072	172	500	1,524	99
Total assets (in billions) 2007	$11,982.4	$407.2	$2,435.7	$149.0	$4,757.5	$1,507.4	$99.4	$45.7	$119.5	$2,461.0
2005	10,286.4	363.7	1,875.5	135.1	3,466.7	1,582.0	110.9	54.5	137.0	2,561.0
2003	8,605.7	289.3	1,275.2	121.7	3,054.1	1,418.3	366.0	59.1	201.9	1,820.2
Return on assets (%) 2007	1.20	3.84	0.93	1.19	1.15	0.91	1.77	2.03	0.99	1.25
2005	1.34	3.22	0.92	1.28	1.32	1.20	1.52	1.52	1.17	1.48
2003	1.39	3.59	1.08	1.23	1.32	1.53	1.57	1.23	1.13	1.25
Net charge-offs to loans & leases (%) 2007	0.45	3.86	0.57	0.14	0.23	0.21	1.43	0.18	0.17	0.31
2005	0.47	4.39	0.76	0.13	0.22	0.10	1.49	0.22	0.21	0.18
2003	0.81	5.49	1.51	0.15	0.55	0.18	0.90	0.36	0.25	0.61
Noncurrent assets plus OREO to assets (%) 2007	0.57	1.32	0.41	0.78	0.62	0.67	0.55	0.18	0.59	0.45
2005	0.50	1.26	0.54	0.71	0.49	0.41	0.52	0.30	0.56	0.42
2003	0.86	1.54	1.10	0.97	0.86	0.68	0.81	0.63	0.72	0.76
Equity capital ratio (%) 2007	10.58	24.50	7.67	10.87	11.33	10.15	10.25	20.27	11.26	9.75
2005	10.26	21.96	8.17	10.78	9.95	10.83	11.10	17.09	10.79	9.97
2003	9.20	16.59	7.20	10.78	9.36	9.01	8.45	16.06	10.57	8.97

* See Table IV-A (page 8) for explanations.

TABLE III-A. First Quarter 2008, All FDIC-Insured Institutions

FIRST QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,494	3,347	4,481	549	117	1,035	1,223	1,752	1,969	1,731	784
Commercial banks	7,240	2,975	3,761	419	85	539	1,078	1,446	1,861	1,604	712
Savings institutions	1,254	372	720	130	32	496	145	306	108	127	72
Total assets (in billions)	$13,369.5	$178.0	$1,334.3	$1,438.2	$10,419.0	$2,477.4	$3,423.6	$2,963.1	$1,001.6	$749.0	$2,754.8
Commercial banks	11,494.7	159.0	1,085.2	1,111.3	9,139.2	1,788.4	3,155.2	2,815.2	958.5	623.7	2,153.7
Savings institutions	1,874.7	19.0	249.1	326.9	1,279.7	689.0	268.3	147.8	43.2	125.4	601.1
Total deposits (in billions)	8,565.7	144.7	1,055.8	1,012.4	6,352.9	1,539.1	2,205.7	1,880.2	713.7	548.2	1,678.8
Commercial banks	7,433.4	130.3	870.6	782.4	5,650.0	1,079.4	2,039.3	1,775.4	683.5	475.5	1,380.3
Savings institutions	1,132.4	14.4	185.2	230.0	702.8	459.7	166.5	104.8	30.2	72.7	298.5
Net income (in millions)	19,347	323	2,635	2,710	13,679	6,370	2,702	5,425	3,485	1,721	-356
Commercial banks	19,302	262	2,378	2,503	14,159	5,430	3,104	5,262	3,473	1,593	439
Savings institutions	45	61	257	207	-480	940	-402	162	12	129	-795
Performance Ratios (annualized, %)											
Yield on earning assets	6.28	6.63	6.67	6.58	6.17	6.48	5.99	5.69	6.82	6.49	6.81
Cost of funding earning assets	2.95	2.75	3.00	2.96	2.94	2.99	3.00	2.86	2.65	2.80	3.08
Net interest margin	3.33	3.88	3.67	3.62	3.23	3.49	2.98	2.83	4.16	3.69	3.73
Noninterest income to assets	1.84	1.57	1.02	1.52	1.99	2.32	1.52	2.08	3.20	1.45	1.14
Noninterest expense to assets	2.76	3.97	3.07	2.92	2.67	2.85	2.45	2.48	3.71	3.09	2.90
Loan and lease loss provision to assets	1.13	0.24	0.33	0.76	1.29	0.99	1.08	1.02	1.15	0.57	1.56
Net operating income to assets	0.57	0.68	0.76	0.73	0.53	0.98	0.38	0.68	1.30	0.84	0.00
Pretax return on assets	0.86	0.98	1.04	1.19	0.79	1.58	0.49	1.11	2.11	1.23	-0.14
Return on assets	0.59	0.74	0.80	0.76	0.53	1.04	0.32	0.75	1.40	0.94	-0.05
Return on equity	5.72	5.29	7.61	6.86	5.30	8.64	3.09	8.18	14.36	9.46	-0.52
Net charge-offs to loans and leases	0.99	0.20	0.30	0.68	1.16	1.14	0.76	0.84	1.12	0.45	1.38
Loan and lease loss provision to net charge-offs	189.35	191.73	155.03	159.54	193.65	152.69	230.76	226.59	147.22	188.80	179.41
Efficiency ratio	56.73	77.17	69.24	57.31	54.78	51.07	58.38	53.74	52.83	63.81	64.41
% of unprofitable institutions	13.92	20.11	9.64	9.29	22.22	17.87	25.10	11.59	7.01	8.84	25.00
% of institutions with earnings gains	48.23	47.09	49.48	47.72	35.90	48.21	29.76	52.57	57.75	51.36	36.61
Condition Ratios (%)											
Earning assets to total assets	85.83	91.95	91.92	90.70	84.27	85.41	84.97	85.48	86.82	90.13	86.12
Loss Allowance to:											
Loans and leases	1.52	1.30	1.20	1.39	1.59	1.68	1.34	1.56	1.50	1.25	1.65
Noncurrent loans and leases	88.88	93.25	78.32	75.63	92.68	123.82	85.93	85.07	78.98	80.45	81.56
Noncurrent assets plus other real estate owned to assets	1.14	1.10	1.33	1.43	1.07	0.81	1.08	1.09	1.51	1.21	1.40
Equity capital ratio	10.18	13.79	10.52	11.14	9.94	12.10	10.20	9.06	9.73	9.88	9.88
Core capital (leverage) ratio	7.87	13.49	9.90	9.39	7.30	8.75	6.97	7.13	7.90	8.79	8.70
Tier 1 risk-based capital ratio	10.10	19.68	13.11	11.91	9.32	11.95	8.82	8.81	9.55	11.14	11.52
Total risk-based capital ratio	12.83	20.72	14.21	13.23	12.48	14.02	11.61	11.87	12.27	12.84	14.64
Net loans and leases to deposits	91.61	75.58	87.62	96.92	91.79	88.63	94.20	81.85	95.62	89.25	100.92
Net loans to total assets	58.69	61.45	69.33	68.22	55.97	55.06	60.69	51.94	68.13	65.32	61.50
Domestic deposits to total assets	52.87	81.29	79.01	69.69	46.72	53.26	58.07	49.55	64.41	72.37	40.15
Structural Changes											
New Charters	38	38	0	0	0	7	14	0	1	7	9
Institutions absorbed by mergers	77	31	33	11	2	10	16	10	22	17	2
Failed Institutions	2	2	0	0	0	0	0	0	2	0	0
PRIOR FIRST QUARTERS (The way it was...)											
Number of institutions 2007	8,649	3,597	4,397	536	119	1,087	1,222	1,818	2,007	1,742	773
2005	8,931	4,053	4,285	480	113	1,118	1,220	1,932	2,089	1,824	748
2003	9,313	4,613	4,135	456	109	1,201	1,243	2,046	2,159	1,892	772
Total assets (in billions) 2007	$11,982.4	$189.6	$1,298.2	$1,420.9	$9,073.7	$2,204.1	$2,948.8	$2,778.8	$863.4	$662.8	$2,524.5
2005	10,286.4	210.1	1,207.8	1,324.5	7,544.1	2,843.6	2,274.0	2,423.0	762.9	618.5	1,364.4
2003	8,605.7	235.8	1,138.2	1,292.0	5,939.7	2,938.4	1,749.1	1,608.2	437.1	591.7	1,281.3
Return on assets (%) 2007	1.20	0.85	1.08	1.14	1.23	1.13	1.22	1.07	1.75	1.11	1.20
2005	1.34	1.04	1.21	1.34	1.36	1.31	1.44	1.01	1.67	1.28	1.64
2003	1.39	1.02	1.19	1.33	1.45	1.26	1.36	1.40	1.53	1.39	1.64
Net charge-offs to loans & leases (%) 2007	0.45	0.15	0.13	0.25	0.55	0.81	0.22	0.31	0.63	0.19	0.57
2005	0.47	0.12	0.15	0.27	0.57	0.71	0.22	0.32	0.58	0.20	0.63
2003	0.81	0.19	0.27	0.49	1.03	1.24	0.62	0.63	1.04	0.37	0.65
Noncurrent assets plus OREO to assets (%) 2007	0.57	0.77	0.67	0.58	0.55	0.55	0.36	0.60	1.08	0.63	0.61
2005	0.50	0.74	0.54	0.48	0.49	0.52	0.32	0.51	0.78	0.59	0.52
2003	0.86	0.92	0.76	0.69	0.92	0.94	0.76	0.98	0.82	0.83	0.72
Equity capital ratio (%) 2007	10.58	13.24	10.50	11.24	10.43	12.73	10.04	9.13	10.57	10.60	10.92
2005	10.26	11.85	10.08	10.74	10.16	11.29	8.49	9.24	10.55	10.80	12.48
2003	9.20	11.35	10.02	10.09	8.76	8.88	9.22	8.60	10.61	9.60	9.97

* See Table IV-A (page 9) for explanations.

TABLE IV-A. Full Year 2007, All FDIC-Insured Institutions

		Asset Concentration Groups*								
	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	8,534	27	5	1,591	4,772	784	109	374	816	56
Commercial banks	7,283	23	5	1,586	4,278	181	84	332	752	42
Savings institutions	1,251	4	0	5	494	603	25	42	64	14
Total assets (in billions)	$13,034.1	$479.3	$2,784.3	$157.5	$4,619.0	$1,328.1	$94.9	$37.9	$110.5	$3,422.7
Commercial banks	11,176.1	437.9	2,784.3	157.1	4,158.8	211.2	41.7	29.5	95.4	3,260.2
Savings institutions	1,857.9	41.4	0.0	0.4	460.2	1,116.9	53.1	8.4	15.0	162.4
Total deposits (in billions)	8,415.4	153.6	1,706.1	128.2	3,269.5	737.8	71.7	26.7	90.3	2,231.4
Commercial banks	7,309.8	143.2	1,706.1	127.8	2,966.8	78.6	27.9	21.1	78.5	2,159.9
Savings institutions	1,105.5	10.4	0.0	0.3	302.8	659.2	43.8	5.6	11.8	71.5
Net income (in millions)	100,137	14,974	14,893	1,796	37,035	383	1,178	943	1,108	27,828
Commercial banks	97,773	13,383	14,893	1,792	35,816	1,793	792	622	1,017	27,664
Savings institutions	2,364	1,591	0	4	1,219	-1,410	385	322	90	164
Performance Ratios (%)										
Yield on earning assets	6.75	13.19	6.23	7.15	6.88	6.54	7.61	5.48	6.56	6.23
Cost of funding earning assets	3.47	4.63	3.64	3.18	3.29	3.92	3.35	2.45	2.86	3.30
Net interest margin	3.29	8.56	2.59	3.96	3.59	2.62	4.26	3.04	3.70	2.94
Noninterest income to assets	1.89	10.49	1.97	0.68	1.26	0.93	2.53	11.07	1.03	1.88
Noninterest expense to assets	2.98	8.47	2.83	2.69	2.78	2.47	3.54	9.87	3.05	2.74
Loan and lease loss provision to assets	0.56	3.72	0.59	0.18	0.39	0.62	1.03	0.09	0.14	0.34
Net operating income to assets	0.83	3.25	0.57	1.20	0.88	0.06	1.23	2.54	1.01	0.90
Pretax return on assets	1.19	5.24	0.75	1.44	1.23	0.19	1.97	3.85	1.26	1.27
Return on assets	0.81	3.36	0.58	1.20	0.84	0.03	1.26	2.56	1.03	0.88
Return on equity	7.76	14.68	7.44	10.81	7.69	0.31	11.60	12.90	9.06	8.31
Net charge-offs to loans and leases	0.59	3.95	0.76	0.22	0.35	0.40	0.87	0.29	0.22	0.39
Loan and lease loss provision to net charge-offs	156.50	126.17	176.05	118.64	155.82	218.15	144.02	122.69	109.22	161.24
Efficiency ratio	59.49	45.34	66.95	61.99	59.46	61.12	52.87	71.00	68.49	60.54
% of unprofitable institutions	12.00	7.41	0.00	3.21	14.90	14.67	10.09	25.13	4.53	5.36
% of institutions with earnings gains	48.59	55.56	40.00	60.78	46.56	32.14	48.62	44.65	54.41	44.64
Condition Ratios (%)										
Earning assets to total assets	86.74	80.85	83.66	91.04	88.46	92.35	91.25	88.20	91.62	85.08
Loss Allowance to:										
Loans and leases	1.30	4.16	1.46	1.28	1.24	0.89	1.21	1.33	1.17	0.93
Noncurrent loans and leases	93.07	207.47	105.13	122.51	93.45	47.59	61.56	171.54	124.62	80.25
Noncurrent assets plus other real estate owned to assets	0.94	1.54	0.66	0.83	1.07	1.52	1.64	0.23	0.65	0.68
Equity capital ratio	10.34	21.27	8.01	11.17	11.00	8.38	12.62	20.01	11.46	10.32
Core capital (leverage) ratio	7.97	14.57	6.38	10.31	8.47	7.88	9.86	18.53	11.05	7.43
Tier 1 risk-based capital ratio	10.11	13.12	8.59	13.69	9.72	12.94	11.32	40.92	18.14	9.86
Total risk-based capital ratio	12.78	15.73	12.50	14.74	11.81	14.95	13.11	41.95	19.24	12.78
Net loans and leases to deposits	92.74	229.49	71.46	80.83	98.52	126.69	105.79	33.55	68.77	81.83
Net loans to total assets	59.87	73.56	43.79	65.78	69.74	70.38	79.96	23.66	56.25	53.35
Domestic deposits to total assets	53.04	29.58	26.68	81.38	68.19	55.49	74.62	68.18	81.78	53.35
Structural Changes										
New Charters	181	1	0	5	49	5	0	120	1	0
Institutions absorbed by mergers	321	1	0	24	254	12	2	2	7	19
Failed Institutions	3	0	0	0	0	2	0	0	0	1
PRIOR FULL YEARS (The way it was...)										
Number of institutions 2006	8,680	26	4	1,634	4,713	817	123	411	895	57
2004	8,976	34	5	1,731	4,423	990	132	466	1,120	75
2002	9,354	40	5	1,823	4,070	1,107	196	488	1,525	100
Total assets (in billions) 2006	$11,861.5	$408.4	$2,337.2	$149.2	$4,904.7	$1,445.0	$109.9	$42.2	$119.6	$2,345.4
2004	10,105.9	383.0	1,881.3	138.7	3,301.4	1,503.6	104.1	52.0	143.3	2,598.4
2002	8,435.7	299.3	1,273.1	123.8	2,960.6	1,342.0	166.5	60.2	197.4	2,013.0
Return on assets (%) 2006	1.28	4.19	1.01	1.23	1.28	0.94	1.75	1.54	1.04	1.26
2004	1.28	4.03	0.76	1.22	1.29	1.18	1.66	1.68	1.10	1.32
2002	1.30	3.60	0.74	1.24	1.30	1.31	1.35	1.08	1.14	1.32
Net charge-offs to loans & leases (%) 2006	0.39	3.48	0.48	0.17	0.22	0.15	1.40	0.42	0.20	0.22
2004	0.56	4.66	0.91	0.22	0.30	0.12	1.57	0.59	0.29	0.25
2002	0.97	6.12	1.77	0.29	0.65	0.20	1.07	1.36	0.35	0.81
Noncurrent assets plus OREO to assets (%) 2006	0.54	1.37	0.40	0.67	0.55	0.56	0.85	0.20	0.56	0.46
2004	0.53	1.50	0.57	0.68	0.51	0.43	0.53	0.31	0.59	0.45
2002	0.90	1.68	1.19	0.85	0.87	0.71	1.28	0.59	0.70	0.75
Equity capital ratio (%) 2006	10.52	22.88	7.75	10.73	11.16	9.91	14.16	21.12	10.97	9.78
2004	10.28	20.54	8.05	10.78	10.10	10.55	11.36	17.47	10.79	10.23
2002	9.20	15.48	7.14	10.76	9.36	9.07	7.35	17.18	10.62	9.10

***Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):**
Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans, plus real estate loans secured by farmland, exceed 25 percent of the total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

TABLE IV-A. Full Year 2007, All FDIC-Insured Institutions

		Asset Size Distribution				Geographic Regions*					
	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,534	3,440	4,424	551	119	1,042	1,221	1,763	1,987	1,743	778
Commercial banks	7,283	3,065	3,705	427	86	548	1,076	1,455	1,880	1,618	706
Savings institutions	1,251	375	719	124	33	494	145	308	107	125	72
Total assets (in billions)	$13,034.1	$181.9	$1,308.9	$1,422.2	$10,121.2	$2,439.6	$3,329.6	$2,842.5	$977.9	$738.6	$2,705.9
Commercial banks	11,176.1	162.9	1,060.9	1,114.7	8,837.7	1,759.5	3,061.0	2,685.6	935.2	621.1	2,113.7
Savings institutions	1,857.9	19.0	248.0	307.5	1,283.5	680.1	268.6	156.9	42.7	117.5	592.2
Total deposits (in billions)	8,415.4	148.1	1,039.2	1,009.7	6,218.3	1,512.9	2,185.1	1,828.3	691.1	547.1	1,650.9
Commercial banks	7,309.8	133.8	854.1	793.6	5,528.4	1,066.5	2,024.7	1,717.8	661.1	476.6	1,363.2
Savings institutions	1,105.5	14.3	185.1	216.1	690.0	446.4	160.4	110.5	30.0	70.5	287.7
Net income (in millions)	100,137	1,299	12,192	13,103	73,543	17,488	25,236	23,441	13,273	7,083	13,617
Commercial banks	97,773	1,261	10,603	11,182	74,727	16,541	26,289	22,932	13,087	6,242	12,681
Savings institutions	2,364	38	1,589	1,922	-1,185	946	-1,053	509	186	840	935
Performance Ratios (%)											
Yield on earning assets	6.75	6.95	7.14	7.06	6.65	6.81	6.56	6.07	7.61	7.14	7.25
Cost of funding earning assets	3.47	2.91	3.29	3.37	3.52	3.45	3.47	3.34	3.26	3.28	3.73
Net interest margin	3.29	4.04	3.86	3.69	3.13	3.36	3.09	2.73	4.34	3.86	3.52
Noninterest income to assets	1.89	1.22	1.13	1.43	2.07	2.17	1.53	2.04	3.36	1.37	1.55
Noninterest expense to assets	2.98	3.78	3.14	2.84	2.97	3.17	2.59	2.76	4.21	3.19	3.02
Loan and lease loss provision to assets	0.56	0.22	0.27	0.45	0.62	0.67	0.38	0.39	0.85	0.33	0.82
Net operating income to assets	0.83	0.73	0.96	1.02	0.79	0.81	0.85	0.86	1.44	1.00	0.54
Pretax return on assets	1.19	0.96	1.29	1.44	1.15	1.19	1.18	1.26	2.09	1.34	0.79
Return on assets	0.81	0.74	0.97	0.96	0.77	0.77	0.81	0.86	1.46	1.01	0.53
Return on equity	7.76	5.30	9.27	8.54	7.50	6.24	7.85	9.59	14.26	9.85	4.89
Net charge-offs to loans and leases	0.59	0.24	0.25	0.42	0.68	0.90	0.33	0.46	0.78	0.30	0.76
Loan and lease loss provision to net charge-offs	156.50	147.94	152.97	152.86	157.15	130.36	184.53	155.08	154.10	165.15	167.28
Efficiency ratio	59.49	76.17	66.14	57.65	58.57	56.89	59.88	61.13	57.71	64.15	59.57
% of unprofitable institutions	12.00	18.37	7.66	6.72	13.45	16.22	18.26	11.57	6.39	8.38	19.92
% of institutions with earnings gains	48.59	49.59	48.92	44.10	28.57	36.66	38.08	46.51	55.01	58.52	47.17
Condition Ratios (%)											
Earning assets to total assets	86.74	91.70	91.80	90.51	85.47	86.67	86.11	86.00	86.55	89.91	87.56
Loss Allowance to:											
Loans and leases	1.30	1.28	1.18	1.31	1.31	1.52	1.07	1.30	1.39	1.17	1.38
Noncurrent loans and leases	93.07	106.92	96.32	95.20	92.05	121.39	92.01	84.98	81.63	92.68	87.82
Noncurrent assets plus other real estate owned to assets	0.94	0.96	1.07	1.09	0.90	0.76	0.81	0.94	1.37	1.00	1.09
Equity capital ratio	10.34	13.73	10.50	11.35	10.12	12.06	10.30	9.23	9.75	10.22	10.24
Core capital (leverage) ratio	7.97	13.53	9.95	9.42	7.40	8.67	7.06	7.17	8.08	8.87	9.02
Tier 1 risk-based capital ratio	10.11	19.66	13.18	11.94	9.31	11.85	8.93	8.79	9.45	11.12	11.56
Total risk-based capital ratio	12.78	20.69	14.28	13.26	12.39	13.91	11.64	11.72	12.18	12.78	14.63
Net loans and leases to deposits	92.74	76.64	87.97	96.32	93.33	90.83	93.25	84.18	97.15	89.06	102.65
Net loans to total assets	59.87	62.40	69.85	68.39	57.34	56.32	61.19	54.14	68.66	65.98	62.63
Domestic deposits to total assets	53.04	81.40	79.28	70.34	46.70	52.94	58.32	50.45	63.54	73.21	40.04
Structural Changes											
New Charters	181	174	5	2	0	22	53	16	12	33	45
Institutions absorbed by mergers	321	114	167	31	9	74	45	77	48	46	31
Failed Institutions	3	2	0	1	0	1	1	1	0	0	0
PRIOR FULL YEARS (The way it was...)											
Number of institutions 2006	8,680	3,632	4,399	530	119	1,092	1,218	1,826	2,018	1,753	773
2004	8,976	4,093	4,286	480	117	1,129	1,219	1,951	2,094	1,834	749
2002	9,354	4,680	4,118	450	106	1,212	1,237	2,055	2,167	1,901	782
Total assets (in billions) 2006	$11,861.5	$189.9	$1,290.0	$1,397.5	$8,984.1	$2,215.8	$2,911.4	$2,746.2	$859.8	$652.3	$2,476.1
2004	10,105.9	211.7	1,199.6	1,317.0	7,377.6	2,855.0	2,177.1	2,387.5	768.2	603.1	1,315.1
2002	8,435.7	237.8	1,124.9	1,279.1	5,793.9	2,892.6	1,711.2	1,572.0	440.1	581.5	1,238.3
Return on assets (%) 2006	1.28	0.92	1.16	1.22	1.31	1.27	1.31	1.10	1.76	1.23	1.29
2004	1.28	1.00	1.19	1.45	1.27	1.37	1.34	0.88	1.55	1.26	1.60
2002	1.30	0.99	1.16	1.44	1.31	1.11	1.32	1.28	1.58	1.41	1.58
Net charge-offs to loans & leases (%) 2006	0.39	0.18	0.16	0.20	0.47	0.72	0.19	0.28	0.55	0.21	0.43
2004	0.56	0.28	0.27	0.39	0.65	0.88	0.31	0.41	0.74	0.27	0.60
2002	0.97	0.32	0.41	0.69	1.18	1.45	0.71	0.77	1.19	0.44	0.81
Noncurrent assets plus OREO to assets (%) 2006	0.54	0.73	0.59	0.52	0.53	0.51	0.33	0.57	1.05	0.62	0.56
2004	0.53	0.74	0.56	0.51	0.53	0.58	0.35	0.55	0.81	0.61	0.51
2002	0.90	0.85	0.74	0.69	0.98	1.01	0.78	1.00	0.82	0.81	0.74
Equity capital ratio (%) 2006	10.52	13.01	10.39	10.97	10.42	12.47	10.05	9.07	10.64	10.42	10.92
2004	10.28	11.82	10.19	10.89	10.15	11.21	8.74	9.36	10.62	10.78	12.10
2002	9.20	11.28	10.06	10.06	8.76	8.85	9.38	8.57	10.34	9.60	9.98

* Regions:
New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico Rhode Island, Vermont, U.S. Virgin Islands
Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

		Asset Concentration Groups*								
March 31, 2008	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	1.61	2.46	2.15	1.59	1.51	1.76	0.93	1.21	1.71	1.42
Construction and development	2.47	0.00	3.78	3.50	2.54	3.04	2.14	2.58	2.04	1.39
Nonfarm nonresidential	0.81	0.00	0.36	1.29	0.88	0.69	1.26	0.79	1.45	0.38
Multifamily residential real estate	0.75	0.00	0.98	1.70	0.88	0.38	0.00	0.78	1.24	0.44
Home equity loans	1.16	2.46	1.08	0.74	0.91	1.75	0.77	0.23	0.85	1.24
Other 1-4 family residential	1.96	2.67	2.93	1.91	1.80	1.87	0.99	1.33	1.91	1.82
Commercial and industrial loans	0.73	3.16	0.33	1.92	0.87	0.96	1.31	1.47	1.72	0.42
Loans to individuals	1.92	2.41	1.96	2.11	1.78	1.38	1.64	1.94	2.11	1.52
Credit card loans	2.29	2.35	2.40	1.18	2.02	2.35	1.16	3.00	1.22	2.30
Other loans to individuals	1.71	2.81	1.77	2.18	1.74	0.78	1.81	1.80	2.14	1.39
All other loans and leases (including farm)	0.46	0.05	0.28	1.17	0.72	0.56	0.36	1.07	0.84	0.31
Total loans and leases	1.39	2.32	1.30	1.57	1.36	1.73	1.36	1.35	1.70	1.11
Percent of Loans Noncurrent**										
All real estate loans	2.19	2.05	2.33	1.46	2.25	2.48	0.63	0.97	1.09	1.77
Construction and development	4.71	0.00	2.84	5.47	4.57	8.11	2.42	2.93	2.53	4.89
Nonfarm nonresidential	1.02	0.00	0.64	1.41	1.00	0.91	1.10	0.60	1.29	1.17
Multifamily residential real estate	0.98	0.00	0.38	1.53	1.20	0.47	1.60	2.98	1.26	0.94
Home equity loans	1.08	2.18	0.93	0.52	0.76	1.83	0.23	0.07	0.31	1.26
Other 1-4 family residential	2.49	0.78	3.33	1.04	2.70	2.59	0.92	0.88	0.92	1.74
Commercial and industrial loans	0.79	2.82	0.47	1.55	0.87	1.14	0.81	1.35	1.33	0.65
Loans to individuals	1.47	2.35	2.06	0.75	0.81	1.01	0.97	0.60	0.72	0.71
Credit card loans	2.38	2.35	3.07	1.13	1.81	2.26	1.29	1.09	1.08	2.29
Other loans to individuals	0.94	2.36	1.64	0.72	0.64	0.25	0.86	0.53	0.71	0.45
All other loans and leases (including farm)	0.57	0.03	1.00	0.75	0.44	0.34	0.07	0.56	0.68	0.17
Total loans and leases	1.71	2.22	1.55	1.27	1.76	2.39	0.83	0.93	1.04	1.25
Percent of Loans Charged-off (net, YTD)										
All real estate loans	0.73	2.94	1.26	0.09	0.56	1.09	0.47	0.04	0.08	0.59
Construction and development	1.10	0.00	1.18	0.38	1.02	2.13	0.33	-0.02	0.39	1.43
Nonfarm nonresidential	0.10	0.00	0.00	0.09	0.11	0.13	-0.01	-0.01	0.06	0.08
Multifamily residential real estate	0.14	0.00	0.07	0.02	0.20	0.05	0.11	-0.01	0.02	0.05
Home equity loans	1.54	3.05	1.49	0.22	1.20	2.90	0.33	0.69	0.11	1.25
Other 1-4 family residential	0.76	2.08	1.56	0.09	0.56	0.89	0.70	0.04	0.07	0.46
Commercial and industrial loans	0.67	6.65	0.29	0.30	0.65	1.11	4.50	0.02	0.22	0.41
Loans to individuals	3.07	5.16	3.08	0.51	2.17	2.50	2.33	0.76	0.62	1.66
Credit card loans	4.83	5.06	3.88	2.96	5.31	5.35	3.48	2.70	2.78	4.65
Other loans to individuals	1.96	5.80	2.73	0.34	1.60	0.71	1.90	0.47	0.55	1.15
All other loans and leases (including farm)	0.24	0.01	0.08	0.00	0.39	0.23	0.05	1.06	0.00	0.35
Total loans and leases	0.99	4.97	1.13	0.14	0.70	1.15	1.78	0.23	0.17	0.64
Loans Outstanding (in billions)										
All real estate loans	$4,802.0	$1.6	$463.9	$58.9	$2,449.4	$912.4	$19.8	$6.0	$43.5	$846.5
Construction and development	631.8	0.0	9.8	5.6	526.0	25.3	0.6	0.5	3.1	60.8
Nonfarm nonresidential	988.7	0.0	22.9	16.3	770.2	38.2	0.7	1.8	10.3	128.3
Multifamily residential real estate	207.1	0.0	12.1	1.0	131.8	43.4	0.1	0.1	0.8	17.6
Home equity loans	625.2	1.5	98.3	1.1	263.0	110.2	9.9	0.2	1.5	139.7
Other 1-4 family residential	2,214.9	0.1	263.4	15.1	716.2	694.3	8.3	3.1	24.7	489.6
Commercial and industrial loans	1,485.9	36.4	333.9	14.8	759.0	17.9	3.3	1.3	6.8	312.5
Loans to individuals	1,048.4	263.8	231.5	6.2	300.0	39.0	32.2	1.5	8.3	165.8
Credit card loans	386.9	226.8	68.7	0.4	44.0	14.9	8.4	0.2	0.3	23.3
Other loans to individuals	661.6	37.1	162.8	5.8	256.0	24.1	23.8	1.3	8.0	142.6
All other loans and leases (including farm)	634.1	24.6	222.9	23.3	197.6	5.9	0.6	0.7	4.5	154.0
Total loans and leases	7,970.3	326.4	1,252.3	103.3	3,705.9	975.2	55.9	9.5	63.0	1,478.8
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	15,670.8	-21.4	1,380.2	233.9	9,024.9	3,569.3	17.1	20.4	182.3	1,264.0
Construction and development	3,225.0	0.0	1.0	77.3	2,775.7	296.2	1.1	3.8	28.0	42.0
Nonfarm nonresidential	1,890.1	1.2	12.0	69.4	1,496.1	61.7	3.3	12.2	54.0	180.4
Multifamily residential real estate	449.1	0.0	0.0	12.0	324.0	14.2	0.0	0.0	28.0	70.8
1-4 family residential	8,560.1	2.5	750.2	54.3	3,515.0	3,182.9	12.4	4.1	68.0	970.7
Farmland	60.7	0.0	0.0	20.9	34.5	0.3	0.3	0.4	4.3	0.0
GNMA properties	1,313.2	0.0	410.0	0.0	875.8	27.4	0.0	0.0	0.0	0.0

* See Table IV-A (page 8) for explanations.

** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

March 31, 2008	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.61	1.74	1.46	1.33	1.70	1.09	1.59	1.88	1.23	1.61	1.96
Construction and development	2.47	1.99	2.33	2.52	2.53	1.99	2.15	3.55	1.57	2.01	3.05
Nonfarm nonresidential	0.81	1.45	1.08	0.77	0.66	0.94	0.61	1.19	0.80	0.87	0.48
Multifamily residential real estate	0.75	1.57	1.08	0.92	0.62	0.46	0.76	2.06	0.50	0.94	0.45
Home equity loans	1.16	0.83	0.92	0.77	1.21	0.76	1.31	0.93	1.17	0.69	1.51
Other 1-4 family residential	1.96	2.10	1.51	1.27	2.11	1.10	1.95	2.15	1.49	2.35	2.63
Commercial and industrial loans	0.73	1.70	1.36	0.95	0.62	1.10	0.52	0.83	0.99	0.79	0.49
Loans to individuals	1.92	2.44	1.74	1.94	1.93	2.16	1.67	1.69	2.39	1.48	1.91
Credit card loans	2.29	1.77	2.34	2.32	2.29	2.29	2.39	2.14	2.33	1.13	2.38
Other loans to individuals	1.71	2.45	1.70	1.72	1.70	1.95	1.58	1.54	2.43	1.56	1.61
All other loans and leases (including farm)	0.46	1.10	0.88	0.67	0.40	0.39	0.38	0.61	0.55	0.95	0.24
Total loans and leases	1.39	1.72	1.44	1.29	1.40	1.25	1.32	1.48	1.27	1.40	1.56
Percent of Loans Noncurrent**											
All real estate loans	2.19	1.52	1.70	2.16	2.32	1.28	2.06	2.71	2.62	1.99	2.55
Construction and development	4.71	3.26	4.28	5.14	4.75	3.66	4.63	5.53	4.05	3.49	6.07
Nonfarm nonresidential	1.02	1.42	1.07	0.93	1.02	1.26	0.87	1.53	0.85	0.80	0.58
Multifamily residential real estate	0.98	1.49	1.27	1.84	0.64	0.46	1.07	3.00	0.75	1.56	0.49
Home equity loans	1.08	0.70	0.64	0.68	1.14	0.66	1.31	0.88	0.89	0.40	1.47
Other 1-4 family residential	2.49	1.25	1.09	1.72	2.81	1.08	2.04	3.28	4.52	2.44	3.20
Commercial and industrial loans	0.79	1.53	1.16	0.95	0.73	1.30	0.60	0.77	0.98	0.68	0.69
Loans to individuals	1.47	0.94	0.62	1.14	1.55	1.88	0.82	0.98	1.44	0.60	1.97
Credit card loans	2.38	1.06	1.52	2.28	2.40	2.45	2.26	2.00	2.09	1.24	2.63
Other loans to individuals	0.94	0.94	0.55	0.49	1.01	0.97	0.64	0.65	0.96	0.45	1.55
All other loans and leases (including farm)	0.57	0.75	0.60	0.55	0.56	0.58	0.19	0.59	0.31	0.55	1.25
Total loans and leases	1.71	1.40	1.53	1.83	1.72	1.35	1.56	1.84	1.90	1.55	2.02
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.73	0.14	0.22	0.48	0.90	0.23	0.71	0.90	0.67	0.37	1.14
Construction and development	1.10	0.31	0.65	1.27	1.25	0.43	0.99	1.21	0.86	0.81	2.05
Nonfarm nonresidential	0.10	0.13	0.07	0.11	0.12	0.14	0.06	0.22	0.07	0.06	0.02
Multifamily residential real estate	0.14	-0.01	0.07	0.40	0.08	0.04	0.24	0.52	0.05	0.16	0.04
Home equity loans	1.54	0.31	0.27	0.48	1.71	0.58	1.74	1.05	1.87	0.52	2.37
Other 1-4 family residential	0.76	0.12	0.15	0.33	0.90	0.21	0.60	1.17	0.47	0.32	1.30
Commercial and industrial loans	0.67	0.37	0.42	0.66	0.71	1.27	0.49	0.43	1.13	0.43	0.67
Loans to individuals	3.07	0.57	1.17	2.76	3.21	3.98	1.92	1.98	3.59	1.24	3.69
Credit card loans	4.83	1.93	7.32	4.73	4.82	4.84	5.47	4.60	5.25	3.26	4.72
Other loans to individuals	1.96	0.55	0.70	1.62	2.12	2.51	1.44	1.08	2.26	0.77	3.00
All other loans and leases (including farm)	0.24	0.06	0.24	0.29	0.24	0.17	0.43	0.21	0.20	0.31	0.10
Total loans and leases	0.99	0.20	0.30	0.68	1.16	1.14	0.76	0.84	1.12	0.45	1.38
Loans Outstanding (in billions)											
All real estate loans	$4,802.0	$75.3	$728.0	$725.3	$3,273.4	$809.3	$1,391.5	$855.3	$394.3	$333.3	$1,018.3
Construction and development	631.8	10.3	148.2	164.3	308.9	67.1	206.0	122.2	52.6	88.1	95.8
Nonfarm nonresidential	988.7	21.8	249.8	239.2	477.9	188.5	258.6	191.2	92.7	106.2	151.4
Multifamily residential real estate	207.1	1.7	28.2	42.2	134.9	49.2	31.0	29.9	9.4	7.3	80.2
Home equity loans	625.2	2.5	34.3	43.2	545.2	60.0	199.7	154.9	76.2	22.1	112.2
Other 1-4 family residential	2,214.9	30.2	239.3	222.4	1,723.0	439.8	675.3	339.3	144.6	99.2	516.8
Commercial and industrial loans	1,485.9	16.1	125.8	155.6	1,188.2	204.0	361.6	362.5	129.3	102.8	325.6
Loans to individuals	1,048.4	8.5	47.7	78.9	913.3	275.8	192.2	176.2	95.1	39.4	269.6
Credit card loans	386.9	0.1	3.3	28.8	354.7	169.4	21.3	43.2	40.6	7.3	105.2
Other loans to individuals	661.6	8.3	44.4	50.2	558.7	106.4	170.9	133.1	54.6	32.2	164.5
All other loans and leases (including farm)	634.1	11.0	35.4	35.7	552.1	98.5	161.3	169.6	74.2	20.1	110.3
Total loans and leases	7,970.3	110.9	936.8	995.6	5,927.1	1,387.7	2,106.7	1,563.6	692.9	495.6	1,723.9
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	15,670.8	397.4	3,373.1	2,304.3	9,596.0	1,201.0	4,120.9	3,472.8	1,954.6	1,399.9	3,521.5
Construction and development	3,225.0	87.2	1,424.8	943.4	769.6	210.9	1,099.0	605.8	376.5	504.0	428.8
Nonfarm nonresidential	1,890.1	123.2	763.5	363.9	639.5	251.4	481.2	469.3	282.3	318.1	87.8
Multifamily residential real estate	449.1	9.7	147.5	115.3	176.6	54.2	129.5	144.9	47.1	31.7	41.7
1-4 family residential	8,560.1	163.3	1,006.3	870.1	6,520.3	657.3	2,360.4	1,666.5	662.6	490.8	2,722.5
Farmland	60.7	14.1	28.1	8.2	10.4	11.1	5.4	6.7	7.8	27.8	1.9
GNMA properties	1,313.2	0.2	4.4	6.1	1,302.5	9.4	47.5	580.4	579.4	27.5	68.9

* See Table IV-A (page 9) for explanations.

** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

TABLE VI-A. Derivatives, All FDIC-Insured Commercial Banks and State-Chartered Savings Banks

(dollar figures in millions; notional amounts unless otherwise indicated)	1st Quarter 2008	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	%Change 07:1-08:1	Asset Size Distribution: Less than $100 Million	Asset Size Distribution: $100 Million to $1 Billion	Asset Size Distribution: $1 Billion to $10 Billion	Asset Size Distribution: Greater than $10 Billion
ALL DERIVATIVE HOLDERS										
Number of institutions reporting derivatives	1,093	1,044	1,026	1,059	1,057	3.4	72	672	269	80
Total assets of institutions reporting derivatives	$10,192,270	$9,826,616	$9,459,619	$9,147,957	$8,873,356	14.9	$5,299	$286,886	$846,204	$9,053,881
Total deposits of institutions reporting derivatives	6,469,560	6,324,701	6,030,658	5,900,485	5,750,763	12.5	4,181	224,215	596,073	5,645,090
Total derivatives	181,599,195	166,120,761	174,581,925	154,810,235	145,070,582	25.2	168	19,499	92,568	181,486,961
Derivative Contracts by Underlying Risk Exposure										
Interest rate	141,878,832	129,488,054	138,717,531	123,336,016	116,751,443	21.5	135	19,145	84,948	141,774,604
Foreign exchange*	19,738,204	17,174,160	16,696,567	15,117,713	14,167,853	39.3	22	48	5,940	19,732,194
Equity	2,410,959	2,522,430	2,745,807	2,487,655	2,180,725	10.6	10	171	1,013	2,409,765
Commodity & other (excluding credit derivatives)	1,129,778	1,073,116	1,025,685	951,725	840,505	34.4	0	1	475	1,129,302
Credit	16,441,421	15,863,002	15,396,335	12,917,125	11,130,056	47.7	0	134	191	16,441,096
Total	181,599,195	166,120,761	174,581,925	154,810,235	145,070,582	25.2	168	19,499	92,568	181,486,961
Derivative Contracts by Transaction Type										
Swaps	112,564,785	103,100,905	111,395,368	95,327,302	88,014,320	27.9	25	10,592	58,860	112,495,307
Futures & forwards	22,361,721	18,868,676	17,130,268	16,194,081	15,307,483	46.1	65	2,638	19,870	22,339,148
Purchased options	14,285,714	13,772,286	14,552,366	14,288,409	14,737,701	-3.1	12	2,639	6,739	14,276,324
Written options	14,704,816	13,955,935	15,021,291	14,773,502	14,601,704	0.7	66	3,458	6,342	14,694,950
Total	163,917,035	149,697,803	158,099,293	140,583,294	132,661,208	23.6	168	19,326	91,812	163,805,728
Fair Value of Derivative Contracts										
Interest rate contracts	45,259	33,895	30,716	20,006	24,424	85.3	0	39	-50	45,271
Foreign exchange contracts	5,827	6,568	3,119	5,661	74,088	-92.1	0	0	-21	5,848
Equity contracts	-19,806	-18,941	-20,872	-24,473	-18,499	N/M	0	8	38	-19,852
Commodity & other (excluding credit derivatives)	2,242	1,422	1,664	1,946	22,530	-90.0	0	0	1	2,241
Credit derivatives as guarantor	-474,045	-212,447	-104,120	-22,960	9,032	N/M	0	0	-18	-474,027
Credit derivatives as beneficiary	501,034	222,426	110,905	23,824	-9,668	N/M	0	0	18	501,017
Derivative Contracts by Maturity**										
Interest rate contracts < 1 year	42,621,616	39,085,061	48,918,705	39,403,807	32,457,723	31.3	40	2,723	26,679	42,592,173
1-5 years	39,752,478	37,222,183	36,310,944	33,846,133	33,802,189	17.6	13	9,497	21,206	39,721,762
> 5 years	30,106,011	27,722,187	27,875,202	24,588,178	24,684,534	22.0	12	3,055	28,700	30,074,243
Foreign exchange contracts < 1 year	12,524,602	11,591,807	10,094,603	8,948,450	8,372,488	49.6	22	7	4,214	12,520,359
1-5 years	1,924,840	1,604,898	1,831,220	1,667,700	1,571,241	22.5	0	3	26	1,924,811
> 5 years	714,707	618,960	718,390	676,071	624,415	14.5	0	0	10	714,697
Equity contracts < 1 year	509,709	473,413	464,820	442,652	397,237	28.3	0	27	116	509,566
1-5 years	287,805	297,459	330,227	290,633	243,913	18.0	4	64	423	287,314
> 5 years	39,960	70,485	70,134	62,916	74,332	-46.2	0	1	24	39,933
Commodity & other contracts < 1 year	369,747	288,125	278,442	280,133	271,647	36.1	0	0	384	369,362
1-5 years	277,956	337,075	308,298	261,410	200,458	38.7	0	0	45	277,912
> 5 years	33,492	26,387	27,617	27,273	23,931	40.0	0	0	5	33,487
Risk-Based Capital: Credit Equivalent Amount										
Total current exposure to tier 1 capital (%)	70.7	45.6	38.0	30.7	28.3		0.3	0.6	2.4	81.9
Total potential future exposure to tier 1 capital (%)	119.0	109.9	114.7	113.5	106.9		0.1	0.4	0.9	138.2
Total exposure (credit equivalent amount) to tier 1 capital (%)	189.8	155.5	152.7	144.2	135.2		0.4	1.0	3.3	220.1
Credit losses on derivatives***	14.8	156.1	125.5	6.0	-3.1	N/M	0.0	0.3	0.0	14.5
HELD FOR TRADING										
Number of institutions reporting derivatives	171	165	158	166	155	10.3	10	50	58	53
Total assets of institutions reporting derivatives	8,627,137	8,306,553	7,976,927	7,641,306	7,389,464	16.7	629	23,524	256,783	8,346,201
Total deposits of institutions reporting derivatives	5,468,260	5,354,716	5,081,807	4,917,882	4,770,607	14.6	481	18,444	177,649	5,271,686
Derivative Contracts by Underlying Risk Exposure										
Interest rate	139,169,246	127,126,330	136,068,952	120,820,783	114,003,897	22.1	8	456	32,983	139,135,799
Foreign exchange	18,413,342	16,483,116	15,489,462	13,683,371	12,769,131	44.2	0	2	5,018	18,408,322
Equity	2,402,414	2,515,192	2,729,758	2,481,730	2,176,282	10.4	0	4	329	2,402,081
Commodity & other	1,128,387	1,072,230	1,024,998	951,236	840,237	34.3	0	0	374	1,128,012
Total	161,113,388	147,196,868	155,313,171	137,937,120	129,789,547	24.1	8	462	38,704	161,074,214
Trading Revenues: Cash & Derivative Instruments										
Interest rate	2,393	-2,531	1,624	3,056	2,296	4.2	0	-1	24	2,371
Foreign exchange	2,084	1,880	1,936	1,266	1,919	8.6	0	0	9	2,075
Equity	-18	217	-98	1,020	1,759	N/M	0	0	0	-19
Commodity & other (including credit derivatives)	-3,206	-10,145	-803	937	1,046	N/M	0	0	0	-3,206
Total trading revenues	1,252	-10,579	2,659	6,279	7,020	-82.2	0	-1	33	1,221
Share of Revenue										
Trading revenues to gross revenues (%)	0.9	-7.7	1.8	4.2	4.9		0.0	-0.3	0.7	0.9
Trading revenues to net operating revenues (%)	12.1	-277.3	14.9	27.8	33.2		0.0	-3.0	5.6	12.6
HELD FOR PURPOSES OTHER THAN TRADING										
Number of institutions reporting derivatives	1,004	964	951	973	971	3.4	63	626	241	74
Total assets of institutions reporting derivatives	9,905,331	9,659,273	9,299,270	8,967,564	8,637,674	14.7	4,724	265,374	764,070	8,871,163
Total deposits of institutions reporting derivatives	6,282,654	6,209,186	5,922,180	5,776,895	5,583,083	12.5	3,744	207,265	536,325	5,535,319
Derivative Contracts by Underlying Risk Exposure										
Interest rate	2,709,587	2,361,724	2,648,579	2,515,233	2,747,545	-1.4	127	18,689	51,965	2,638,805
Foreign exchange	84,124	131,087	120,808	124,526	119,405	-29.5	22	8	358	83,735
Equity	8,545	7,238	16,048	5,926	4,443	92.3	10	167	684	7,684
Commodity & other	1,391	886	687	489	268	419.0	0	0	101	1,290
Total notional amount	2,803,647	2,500,935	2,786,122	2,646,174	2,871,661	-2.4	160	18,864	53,108	2,731,514

All line items are reported on a quarterly basis.

*Include spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.

** Derivative contracts subject to the risk-based capital requirements for derivatives.

*** The reporting of credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and to those banks filing the FFIEC 041 report form that have $300 million or more in total assets.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Commercial Banks and State-Chartered Savings Banks)

(dollar figures in millions)	1st Quarter 2008	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	%Change 07:1-08:1	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities	135	127	125	128	128	5.5	16	57	23	39
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	$1,068,680	$1,139,383	$1,110,884	$1,118,504	$1,087,482	-1.7	$36	$476	$8,841	$1,059,327
Home equity loans	8,341	9,353	9,894	10,640	9,339	-10.7	0	0	160	8,181
Credit card receivables	402,171	390,035	379,662	372,481	367,796	9.3	0	2,848	11,548	387,775
Auto loans	7,495	9,019	10,433	12,547	14,132	-47.0	0	0	269	7,226
Other consumer loans	27,787	28,542	29,386	27,396	27,737	0.2	0	0	2	27,785
Commercial and industrial loans	12,556	14,469	16,183	13,489	12,385	1.4	0	59	5,304	7,193
All other loans, leases, and other assets*	197,091	193,875	184,941	162,434	150,404	31.0	10	323	541	196,218
Total securitized and sold	1,724,123	1,784,676	1,741,383	1,717,491	1,669,276	3.3	46	3,706	26,667	1,693,704
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	7,120	7,020	6,874	6,535	5,955	19.6	12	78	117	6,913
Home equity loans	1,752	2,000	2,336	2,402	2,354	-25.6	0	0	8	1,745
Credit card receivables	21,412	19,629	19,120	18,711	17,685	21.1	0	143	844	20,425
Auto loans	405	380	426	555	628	-35.5	0	0	21	385
Other consumer loans	1,406	1,379	2,114	1,768	1,861	-24.4	0	0	0	1,406
Commercial and industrial loans	276	603	720	610	658	-58.1	0	21	84	171
All other loans, leases, and other assets	3,228	3,733	4,578	1,053	1,052	206.8	10	260	32	2,926
Total credit exposure	35,601	34,743	36,169	31,633	30,193	17.9	22	503	1,106	33,970
Total unused liquidity commitments provided to institution's own securitizations	2,944	4,686	5,095	5,667	6,116	-51.9	0	0	0	2,944
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans	2.5	2.7	2.7	2.6	2.1		0.0	0.1	8.2	2.5
Home equity loans	0.7	0.8	0.7	0.6	0.7		0.0	0.0	2.4	0.7
Credit card receivables	2.2	2.2	2.2	1.9	1.9		0.0	1.2	1.5	2.3
Auto loans	1.9	2.5	2.0	1.7	1.5		0.0	0.0	0.7	1.9
Other consumer loans	2.5	3.1	2.8	2.8	2.4		0.0	0.0	0.0	2.5
Commercial and industrial loans	1.2	1.0	0.9	0.5	0.6		0.0	0.0	2.8	0.1
All other loans, leases, and other assets	0.1	0.1	0.1	0.1	0.2		0.0	0.0	0.1	0.1
Total loans, leases, and other assets	2.2	2.3	2.3	2.1	1.9		0.0	0.9	4.0	2.1
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans	2.0	1.6	1.2	1.2	1.1		7.4	0.0	28.4	1.8
Home equity loans	0.7	0.5	0.4	0.3	0.4		0.0	0.0	1.5	0.7
Credit card receivables	2.1	1.9	1.7	1.6	1.8		0.0	1.1	1.4	2.1
Auto loans	0.3	0.4	0.2	0.2	0.2		0.0	0.0	0.1	0.3
Other consumer loans	2.3	2.4	2.1	2.1	2.0		0.0	0.0	0.0	2.3
Commercial and industrial loans	1.1	0.9	0.7	0.6	0.5		0.0	0.0	2.5	0.1
All other loans, leases, and other assets	0.2	0.2	0.1	0.2	0.1		0.0	0.0	0.0	0.2
Total loans, leases, and other assets	1.8	1.5	1.2	1.2	1.2		5.8	0.9	10.5	1.7
Securitized Loans, Leases, and Other Assets Charged-Off (net, YTD, annualized, %)										
1-4 family residential loans	0.0	0.1	0.1	0.0	0.0		0.0	0.0	1.2	0.0
Home equity loans	0.1	0.2	0.1	0.1	0.1		0.0	0.0	0.4	0.1
Credit card receivables	1.4	4.4	3.3	2.2	1.1		0.0	1.1	1.0	1.4
Auto loans	0.4	1.2	0.8	0.5	0.3		0.0	0.0	0.1	0.4
Other consumer loans	0.2	1.3	1.1	0.7	0.4		0.0	0.0	0.0	0.2
Commercial and industrial loans	0.9	2.0	1.2	0.7	0.4		0.0	0.0	2.0	0.0
All other loans, leases, and other assets	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Total loans, leases, and other assets	0.4	1.1	0.8	0.5	0.3		0.0	0.8	1.2	0.3
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans	282	347	494	651	671	-58.0	0	0	0	282
Credit card receivables	73,418	86,748	77,451	73,405	61,569	19.2	0	215	3,868	69,335
Commercial and industrial loans	3,263	7,671	6,018	2,843	2,863	14.0	0	0	774	2,489
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans	9	9	10	10	10	-10.0	0	0	0	9
Credit card receivables	377	436	374	327	281	34.2	0	23	353	0
Commercial and industrial loans	1	2	6	9	1	0.0	0	0	0	1
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales	758	758	748	738	731	3.7	148	460	106	44
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	60,378	57,611	57,400	55,168	55,723	8.4	951	7,357	3,045	49,026
Home equity, credit card receivables, auto, and other consumer loans	1,886	637	775	603	1,906	-1.0	1	23	3	1,860
Commercial and industrial loans	4,579	4,728	5,302	7,708	8,198	-44.1	0	160	83	4,336
All other loans, leases, and other assets	26,105	24,082	21,509	8,035	8,103	222.2	2	93	519	25,491
Total sold and not securitized	92,949	87,058	84,986	71,515	73,931	25.7	954	7,633	3,650	80,713
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	14,088	14,779	15,885	14,551	13,831	1.9	129	1,437	2,177	10,345
Home equity, credit card receivables, auto, and other consumer loans	165	604	742	575	1,871	-91.2	0	5	2	158
Commercial and industrial loans	3,335	3,393	3,671	4,453	4,543	-26.6	0	157	83	3,095
All other loans, leases, and other assets	7,204	6,968	6,299	2,226	2,260	218.8	1	14	127	7,062
Total credit exposure	24,793	25,744	26,597	21,805	22,504	10.2	132	1,612	2,388	20,661
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others	48	48	50	50	47	2.1	23	15	4	6
Total credit exposure	6,824	2,841	1,478	1,375	1,348	406.2	7	108	107	6,602
Total unused liquidity commitments	6,778	10,314	8,242	14,093	5,827	16.3	0	0	0	6,778
Other										
Assets serviced for others**	3,800,630	3,798,672	3,648,511	3,570,238	3,496,710	8.7	3,646	65,140	103,590	3,628,254
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others	22,332	22,226	22,592	22,211	21,404	4.3	2	0	370	21,960
Unused liquidity commitments to conduits sponsored by institutions and others	345,968	372,709	365,850	364,656	327,395	5.7	0	0	0	345,968
Net servicing income (for the quarter)	3,539	2,718	3,635	5,330	3,600	-1.7	64	119	114	3,241
Net securitization income (for the quarter)	5,136	5,006	5,812	5,355	4,964	3.5	0	54	280	4,802
Total credit exposure to Tier 1 capital (%)***	6.7	6.4	6.5	5.7	5.7		0.7	1.7	2.8	8.4

*Line item titled "All other loans and all leases" for quarters prior to March 31, 2006

**The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $10 million

***Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above

INSURANCE FUND INDICATORS

- ***Insured Deposits Grow by 3.3 Percent in the First Quarter***
- ***DIF Reserve Ratio Declines 3 Basis Points to 1.19 Percent***
- ***Two Insured Institutions Fail During the First Quarter***

During the first quarter of 2008, total assets of the nation's 8,494 FDIC-insured commercial banks and savings institutions increased by $335.4 billion (2.6 percent). Total deposits, which increased by $150.4 billion, funded about 45 percent of this asset growth. Domestic deposits grew by 2.3 percent ($156.2 billion) during the quarter, while deposits in foreign offices declined by $5.8 billion (0.4 percent).[1] Three-quarters of the growth in domestic deposits consisted of interest-bearing non-time deposits (savings deposits and interest bearing checking deposits), which tend to be retail accounts. Domestic time deposits increased by 1.0 percent, while other domestic interest-bearing deposits increased by 3.7 percent and domestic non-interest bearing deposits increased by 1.2 percent. During the year ending March 31, total domestic deposits increased by 5.6 percent, with interest-bearing deposits rising by 6.3 percent and noninterest-bearing deposits rising by 2.3 percent.

Over the past year, the share of assets funded by domestic deposits declined from 56 percent to 53 percent. By contrast, over the same 12 months, foreign deposits as a percent of total assets rose from 10.0 percent to 11.2 percent. Federal Home Loan Bank (FHLB) advances' share of asset funding increased from 5.1 percent to 6.3 percent. From March 31, 2007, to March 31, 2008, foreign office deposits increased by 24.7 percent ($296.5 billion) and FHLB advances increased by 38.5 percent ($234.0 billion). Estimated insured deposits (including U.S. branches of foreign banks) increased by 3.3 percent ($140.5 billion) during the first quarter of 2008. This was the largest one-quarter increase in insured deposits since quarterly reporting was adopted in 1991. For the most recent 12-month period, insured deposits increased by 4.4 percent. For institutions reporting as of March 31, 2008, and December 31, 2007, insured deposits increased during the first quarter at 6,375 institutions (75 percent), decreased at 2,039 institutions (24 percent), and remained unchanged at 42 institutions.

While first quarter insured deposit growth primarily reflects the strong quarterly growth in domestic deposits, a change in reporting instructions on the Call Report also contributed to the quarterly increase in insured deposits. Effective March 31, 2008, the amounts of estimated uninsured and insured deposits for institutions that file the Call Reports must equal total end-of-quarter assessable deposits. Prior to 2008, estimated uninsured and insured deposits were derived from domestic deposits as reported on the balance sheet. Estimated insured deposits now include certain items that are not included in domestic deposits on the balance sheet, such as insured accrued and unpaid interest and insured deposits of consolidated subsidiaries. For the second quarter, institutions filing the Thrift Financial Reports will adopt the same change.

The Deposit Insurance Fund (DIF) increased by 0.8 percent ($430 million) during the first quarter to $52,843 million. Accrued assessment income added $448 million to the DIF during the first quarter. The fund received $127 million from unrealized gains on available for sale securities and took in $380 million from interest on securities and other revenue, net of operating expenses. The DIF was reduced by $525 million in additional provisions for insurance losses.

The DIF's reserve ratio equaled 1.19 percent on March 31, 2008, which was 3 basis points lower than the previous quarter. Strong insured deposit growth and an increase in loss provisions were the primary factors contributing to the decline. Over the past four quarters, the DIF reserve ratio declined from 1.20 percent to 1.19 percent.

Two FDIC-insured institutions with combined assets of $70 million failed during the first quarter of 2008. At the time of failure, losses to the DIF were estimated at $8.6 million. During the 12 months ending March 31, 2008, four insured institutions with combined assets of $2.4 billion failed, at an estimated current cost to the DIF of $177 million.

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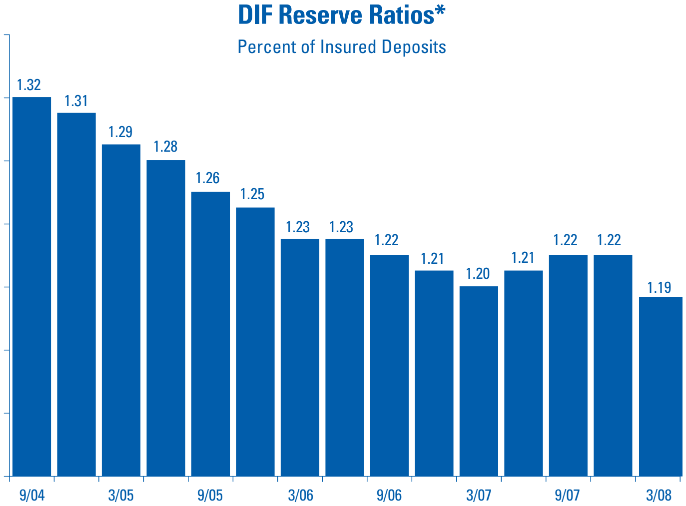
[1] During the first quarter, the reported assessment base declined 0.3 percent even as domestic deposits increased by 2.3 percent. This decline resulted from a change in the way that many large institutions calculate their assessment base. Beginning March 31, 2008, institutions with assets of $1 billion or more must report their assessable deposits based on daily average balances, rather than quarter-end amounts. During 2007, institutions with assets greater than $1 billion had a choice of reporting their assessable deposits based on either daily average balances or quarter-end amounts. Prior to 2007, all insured institutions derived their assessment base from quarter-end amounts. Institutions with assets less than $1 billion have the option to report daily average balances.

TABLE I-B. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund									
	1st Quarter 2008	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	4th Quarter 2006	3rd Quarter 2006	2nd Quarter 2006	1st Quarter 2006	4th Quarter 2005
Beginning Fund Balance*	$52,413	$51,754	$51,227	$50,745	$50,165	$49,992	$49,564	$49,193	$48,597	$48,373
Changes in Fund Balance:										
Assessments earned	448	239	170	140	94	10	10	7	5	13
Interest earned on investment securities	618	585	640	748	567	476	622	665	478	675
Operating expenses	238	262	243	248	239	248	237	242	224	252
Provision for insurance losses	525	39	132	-3	-73	49	-50	-6	-45	-19
All other income, net of expenses**	0	-2	24	1	4	5	1	12	349	4
Unrealized gain/(loss) on available-for-sale securities	127	138	68	-162	81	-21	-18	-77	-57	-235
Total fund balance change	430	659	527	482	580	173	428	371	596	224
Ending Fund Balance*	52,843	52,413	51,754	51,227	50,745	50,165	49,992	49,564	49,193	48,597
Percent change from four quarters earlier	4.13	4.48	3.52	3.36	3.15	3.23	3.35	3.21	3.31	2.29
Reserve Ratio (%)	1.19	1.22	1.22	1.21	1.2	1.21	1.22	1.23	1.23	1.25
Estimated Insured Deposits	4,431,868	4,291,370	4,242,540	4,234,876	4,245,154	4,153,764	4,100,013	4,040,353	4,001,906	3,890,941
Percent change from four quarters earlier	4.4	3.31	3.48	4.81	6.08	6.75	7.02	7.52	8.50	7.42
Assessment Base	7,030,220	7,052,010	6,880,933	6,821,489	6,801,523	6,594,750	6,439,326	6,386,864	6,272,505	6,177,429
Percent change from four quarters earlier	3.36	6.93	6.86	6.8	8.43	6.76	6.63	8.64	8.15	8.88
Number of institutions reporting	8,505	8,545	8,570	8,625	8,661	8,692	8,755	8,790	8,803	8,846

DIF Reserve Ratios*

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits*

($Millions)

	DIF Balance	DIF-Insured Deposits
9/04	46,990	3,559,489
12/04	47,507	3,622,068
3/05	47,617	3,688,562
6/05	48,023	3,757,728
9/05	48,373	3,830,950
12/05	48,597	3,890,941
3/06	49,193	4,001,906
6/06	49,564	4,040,353
9/06	49,992	4,100,013
12/06	50,165	4,153,764
3/07	50,745	4,245,154
6/07	51,227	4,234,876
9/07	51,754	4,242,540
12/07	52,413	4,291,370
3/08	52,843	4,431,868

TABLE II-B. Problem Institutions and Failed/Assisted Institutions

(dollar figures in millions)	2008***	2007***	2007	2006	2005	2004	2003
Problem Institutions							
Number of institutions	90	53	76	50	52	80	116
Total assets	$26,311	$21,445	$22,189	$8,265	$6,607	$28,250	$29,917
Failed/Assisted Institutions							
Number of institutions	2	1	3	0	0	4	3
Total assets	$70	$15	$2,345	$0	$0	$166	$1,097

* Prior to 2006, amounts represent sum of separate BIF and SAIF amounts.

**** First Quarter 2006 includes previously escrowed revenue from SAIF-member exit fees.**

*** Through March 31.

TABLE III-B. Estimated FDIC-Insured Deposits by Type of Institution

(dollar figures in millions) March 31, 2008	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	7,240	11,494,748	5,937,063	3,540,634
FDIC-Supervised	4,753	1,903,836	1,397,608	957,581
OCC-Supervised	1,612	8,041,324	3,685,705	2,075,721
Federal Reserve-Supervised	875	1,549,589	853,751	507,332
FDIC-Insured Savings Institutions	1,254	1,874,748	1,131,943	886,226
OTS-Supervised Savings Institutions	831	1,568,908	921,357	723,071
FDIC-Supervised State Savings Banks	423	305,840	210,587	163,155
Total Commercial Banks and Savings Institutions	8,494	13,369,496	7,069,007	4,426,860
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	11	19,415	7,748	5,008
Total FDIC-Insured Institutions	8,505	13,388,911	7,076,755	4,431,868

* Excludes $1.50 trillion in foreign office deposits, which are uninsured.

TABLE IV-B. Distribution of Institutions and Assessment Base Among Risk Categories

Quarter Ending December 31, 2007

(dollar figures in billions)

Risk Category	Annual Rate in Basis Points	Number of Institutions	Percent of Total Institutions	Assessment Base	Percent of Total Assessment Base
I - Minimum	5	2,405	28.1	3,633	51.5
I - Middle	5.01- 6.00	3,028	35.4	2,294	32.5
I - Middle	6.01- 6.99	1,475	17.3	509	7.2
I - Maximum	7	1,105	12.9	394	5.6
II	10	450	5.3	202	2.9
III	28	75	0.9	19	0.3
IV	43	7	0.1	2	0.0

Note: Institutions are categorized based on supervisory ratings, debt ratings and financial data as of December 31, 2007.

Rates do not reflect the application of assessment credits. See notes to users for further information on risk categories and rates.

Notes To Users

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time.

Tables I-A through VIII-A.

The information presented in Tables I-A through V-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured institutions, both commercial banks and savings institutions. Tables VI-A (Derivatives) and VII-A (Servicing, Securitization, and Asset Sales Activities) aggregate information only for insured commercial banks and state-chartered savings banks that file quarterly Call Reports. Table VIII-A Trust Services aggregates Trust asset and income information collected annually from all FDIC-insured institutions. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios and structural changes, as well as past due, noncurrent and charge-off information for loans outstanding and other assets.

Tables I-B through IV-B.

A separate set of tables (Tables I-B through IV-B) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed/assisted institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions that are not insured by the FDIC through the DIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *Call Reports* and the OTS *Thrift Financial Reports* submitted by all FDIC-insured depository institutions. This information is stored on and retrieved from the FDIC's Research Information System (RIS) data base.

COMPUTATION METHODOLOGY

Certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data.

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may relocate across state lines or change their charters, resulting in an inter-regional or inter-industry migration, e.g., institutions can move their home offices between regions, and savings institutions can convert to commercial banks or commercial banks may convert to savings institutions.

ACCOUNTING CHANGES

FASB Statement No. 157 *Fair Value Measurements* issued in September 2006 and FASB Statement No. 159 *The Fair Value Option for Financial Assets and Financial Liabilities* issued in February 2007—both are effective in 2008 with early adoption permitted in 2007. FAS 157 clarifies fair value and establishes a framework for developing fair value estimates for the fair value measurements that are already required or permitted under other standards. Fair value continues to be used for derivatives, trading securities, and available-for-sale securities. Changes in fair value go through earnings for the derivatives and trading securities. Changes in the fair value of available-for-sale securities are reported in other comprehensive income. Available-for-sale securities and held-to-maturity debt securities are written down to fair value through earnings if impairment is other than temporary and mortgage loans held for sale are reported at the lower of cost or fair value. Loans held for investment are also subject to impairment but are written down based on the present value of discounted cash flows. FAS 159 allows banks to elect a fair value option when assets are recognized on the balance sheet and to report certain financial assets and liabilities at fair value with subsequent changes in fair value included in earnings. Existing eligible items can be fair-valued as early as January 2007 under FAS 159, if a bank adopts FAS 157.

FASB Statement 158 *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*—issued in September 2006 requires a bank to recognize in 2007 the funded status of its postretirement plans on its balance sheet. An overfunded plan is recognized as an asset and an underfunded plan is recognized as a liability. An adjustment is made to equity as accumulated other comprehensive income (AOCI) upon application of FAS 158 and AOCI is adjusted in subsequent periods as net periodic benefit costs are recognized in earnings.

FASB Statement No. 156 *Accounting for Servicing of Financial Assets*—issued in March 2006 and effective in 2007, requires all separately recognized servicing assets and liabilities to be initially measured at fair value and allows a bank the option to subsequently adjust that value by periodic revaluation and recognition of earnings or by periodic amortization to earnings.

FASB Statement No. 155, *Accounting for Certain Hybrid Financial Instruments*—issued in February 2006, requires bifurcation of certain derivatives embedded in interests in securitized financial assets and permits fair value measurement (i.e., a fair value option) for any hybrid financial instrument that contains an embedded derivative that would otherwise require bifurcation under FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities* (FAS 133). In addition, FAS 155 clarifies which interest-only and principal-only strips are not subject to FAS 133.

Purchased Impaired Loans and Debt Securities—Statement of Position 03-3, *Accounting for Certain Loans or Debt Securities Acquired in a Transfer*. The SOP applies to loans and debt securities acquired in fiscal years beginning after December 15, 2004. In general, this Statement of Position applies to "purchased impaired loans and debt securities," i.e., loans and debt securities that a bank has purchased, including those acquired in a purchase business combination, when it is probable, at the purchase date, that the bank will be unable to collect all contractually required payments receivable. Banks must follow Statement of Position 03-3 for Call Report purposes. The SOP does not apply to the loans that a bank has originated, prohibits "carrying over" or creation of valuation allowances in the initial accounting and any subsequent valuation allowances reflect only those losses incurred by the investor after acquisition.

GNMA Buy-back Option—If an issuer of GNMA securities has the option to buy back the loans that collateralize the GNMA securities, when certain delinquency criteria are met, FASB Statement No. 140 requires that loans with this buy-back option must be brought back on the issuer's books as assets. The rebooking of GNMA loans is required regardless of whether the issuer intends to exercise the buy-back option. The banking agencies clarified in May 2005 that all GNMA loans that are rebooked because of delinquency should be reported as past due according to their contractual terms.

FASB Interpretation No. 45—In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation clarifies that a guarantor is required to recognize, at the inception of a guarantee (financial standby letters of credit, performance standby letters of credit), a liability for the fair value of the obligation undertaken in issuing the guarantee. Banks apply the initial recognition and measurement provisions of Interpretation No. 45 on a prospective basis to guarantees issued or modified after December 31, 2002, irrespective of the bank's fiscal year end. A bank's previous accounting for guarantees issued prior to January 1, 2003, is not revised.

FASB Interpretation No. 46—The FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities,* in January 2003 and revised it in December 2003. Generally, banks with variable interests in variable interest entities created after December 31, 2003, must consolidate them. The timing of consolidation varies with certain situations with application as late as 2005. The assets and liabilities of a consolidated variable interest entity are reported on a line-by-line basis according to the asset and liability categories shown on the bank's balance sheet, as well as related income items. Most small banks are unlikely to have any "variable interests" in variable interest entities.

FASB Statement No. 123 (Revised 2004) and Share-Based Payments—requires all entities to recognize compensation expense in an amount equal to the fair value of share-based payments, e.g., stock options and restricted stock, granted to employees. As of January 2006 all banks must adopt FAS 123(R). The compensation cost is typically recognized over the vesting period with a corresponding credit to equity. The recording of the compensation cost also gives rise to a deferred tax asset.

Goodwill and Intangible Assets—FAS 141 terminates the use of pooling-of-interest accounting for business combinations after 2001 and requires purchase accounting. Under FAS 142 amortization of goodwill is eliminated. Only intangible assets other than goodwill are amortized each quarter. In addition companies are required to test for impairment of both goodwill and other intangibles once each fiscal year. The year 2002, the first fiscal year affected by this accounting change, has been designated a transitional year and the amount of initial impairments are to be recorded as extraordinary losses on a "net of tax" basis (and not as noninterest expense). Subsequent annual review of intangibles and goodwill impairment may require additional noninterest expense recognition. FASB Statement No. 147 clarifies that acquisitions of financial institutions (except transactions between two or more mutual enterprises), including branch acquisitions that meet the definition of a business combination, should be accounted for by the purchase method under FASB Statement No. 141. This accounting standard includes transition provisions that apply to unidentifiable intangible assets previously accounted for in accordance with FASB Statement No. 72. If the transaction (such as a branch acquisition) in which an unidentifiable intangible asset arose does not meet the definition of a business combination, this intangible asset is not to be reported as "Goodwill" on the Call Report balance sheet. Rather, this unidentifiable intangible asset is to be reported as "Other intangible assets," and must continue to be amortized and the amortization expense should be reported in the Call Report income statement.

FASB Statement No. 133 *Accounting for Derivative Instruments and Hedging Activities*—All banks must recognize derivatives as either assets or liabilities on the balance sheet, measured at fair value. A derivative may be specifically designated as a "fair value hedge," a "cash flow hedge," or a hedge of a foreign currency exposure. The accounting for changes in the value of a derivative (gains and losses) depends on the intended use of the derivative, its resulting designation, and the effectiveness of the hedge. Derivatives held for purposes other than trading are reported as "other assets" (positive fair values) or "other liabilities" (negative fair values). For a fair value hedge, the gain or loss is recognized in earnings and "effectively" offsets loss or gain on the hedged item attributable to the risk being hedged. Any ineffectiveness of the hedge could result in a net gain or loss on the income statement. Accumulated net gains (losses) on cash flow hedges are recorded on the balance sheet as "accumulated other comprehensive income" and the periodic change in the accumulated net gains (losses) for cash flow hedges is reflected directly in equity as the value of the derivative changes. FASB Statement No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities provides guidance on the circumstances in which a loan commitment must be accounted for as derivative. Under Statement No. 149, loan commitments that relate to the origination of mortgage loans that will be held for sale, commonly referred to as interest rate lock commitments, must be accounted for as derivatives on the balance sheet by the issuer of the commitment.

DEFINITIONS (in alphabetical order)

All other assets—total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, fair market value of derivatives, and other assets.

All other liabilities—bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance-sheet credit losses, fair market value of derivatives, and other liabilities.

Assessment base—assessable deposits consist of DIF deposits (deposits insured by the FDIC Deposit Insurance Fund) in banks' domestic offices with certain adjustments.

Assets securitized and sold—total outstanding principal balance of assets securitized and sold with servicing retained or other seller-provided credit enhancements.

Construction and development loans—includes loans for all property types under construction, as well as loans for land acquisition and development.

Core capital—common equity capital plus noncumulative perpetual preferred stock plus minority interest in consolidated subsidiaries, less goodwill and other ineligible intangible assets. The amount of eligible intangibles (including servicing rights) included in core capital is limited in accordance with supervisory capital regulations.

Cost of funding earning assets—total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.

Credit enhancements—techniques whereby a company attempts to reduce the credit risk of its obligations. Credit enhancement may be provided by a third party (external credit enhancement) or by the originator (internal credit enhancement), and more than one type of enhancement may be associated with a given issuance.

Deposit Insurance Fund (DIF)—The Bank (BIF) and Savings Association (SAIF) Insurance Funds were merged in 2006 by the Federal Deposit Insurance Reform Act to form the DIF.

Derivatives notional amount—The notional, or contractual, amounts of derivatives represent the level of involvement in the types of derivatives transactions and are not a quantification of market risk or credit risk. Notional amounts represent the amounts used to calculate contractual cash flows to be exchanged.

Derivatives credit equivalent amount—the fair value of the derivative plus an additional amount for potential future credit exposure based on the notional amount, the remaining maturity and type of the contract.

Derivatives transaction types:

Futures and forward contracts—contracts in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.

Option contracts—contracts in which the buyer acquires the right to buy from or sell to another party some specified amount of an underlying variable or index at a stated price (strike price) during a period or on a specified future date, in return for compensation (such as a fee or premium). The seller is obligated to purchase or sell the variable or index at the discretion of the buyer of the contract.

Swaps—obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

Derivatives underlying risk exposure—the potential exposure characterized by the level of banks' concentration in particular underlying instruments, in general. Exposure can result from market risk, credit risk and operational risk, as well as, interest rate risk.

Domestic deposits to total assets—total domestic office deposits as a percent of total assets on a consolidated basis.

Earning assets—all loans and other investments that earn interest or dividend income.

Efficiency ratio—Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.

Estimated insured deposits—in general, insured deposits are total domestic deposits minus estimated uninsured deposits. Prior to March 31, 2008, insured deposits are total domestic deposits minus estimated uninsured deposits. Prior to 2006, the uninsured estimate is based on the excess amounts in accounts of over $100,000. Beginning June 30, 2006, the uninsured estimate also considers excess amounts in IRA accounts over $250,000. Beginning March 31, 2008, for institutions that file Call reports, insured deposits are total assessable deposits minus estimated uninsured deposits.

Failed/assisted institutions—an institution fails when regulators take control of the institution, placing the assets and liabilities into a bridge bank, conservatorship, receivership, or another healthy institution. This action may require the FDIC to provide funds to cover losses. An institution is defined as "assisted" when the institution remains open and receives some insurance funds in order to continue operating.

FHLB advances—all borrowings by FDIC insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers and by TFR filers.

Goodwill and other intangibles—intangible assets include servicing rights, purchased credit card relationships and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired.

Loans secured by real estate—includes home equity loans, junior liens secured by 1-4 family residential properties and all other loans secured by real estate.

Loans to individuals—includes outstanding credit card balances and other secured and unsecured consumer loans.

Long-term assets (5+ years)—loans and debt securities with remaining maturities or repricing intervals of over five years.

Maximum credit exposure—the maximum contractual credit exposure remaining under recourse arrangements and other seller-provided credit enhancements provided by the reporting bank to securitizations.

Mortgage-backed securities—certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Also, see "Securities," below.

Net charge-offs—total loans and leases charged off (removed from balance sheet because of uncollectibility), less amounts recovered on loans and leases previously charged off.

Net interest margin—the difference between interest and dividends earned on interest-bearing assets and interest paid to depositors and other creditors, expressed as a percentage of average earning assets. No adjustments are made for interest income that is tax exempt.

Net loans to total assets—loans and lease financing receivables, net of unearned income, allowance and reserves, as a percent of total assets on a consolidated basis.

Net operating income—income excluding discretionary transactions such as gains (or losses) on the sale of investment securities and extraordinary items. Income taxes subtracted from operating income have been adjusted to exclude the portion applicable to securities gains (or losses).

Noncurrent assets—the sum of loans, leases, debt securities and other assets that are 90 days or more past due, or in nonaccrual status.

Noncurrent loans & leases—the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.

Number of institutions reporting—the number of institutions that actually filed a financial report.

Other borrowed funds—federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

Other real estate owned—primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that file a Thrift Financial Report (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances.

Percent of institutions with earnings gains—the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.

"Problem" institutions—federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a "4" or "5." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

Recourse—an arrangement in which a bank retains, in form or in substance, any credit risk directly or indirectly associated with an asset it has sold (in accordance with generally accepted accounting principles) that exceeds a pro rata share of the bank's claim on the asset. If a bank has no claim on an asset it has sold, then the retention of any credit risk is recourse.

Reserves for losses—the allowance for loan and lease losses on a consolidated basis.

Restructured loans and leases—loan and lease financing receivables with terms restructured from the original contract. Excludes restructured loans and leases that are not in compliance with the modified terms.

Retained earnings—net income less cash dividends on common and preferred stock for the reporting period.

Return on assets—net income (including gains or losses on securities and extraordinary items) as a percentage of average total assets. The basic yardstick of bank profitability.

Return on equity—net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.

Risk-based capital groups—definition:

(Percent)	Total Risk-Based Capital *		Tier 1 Risk-Based Capital *		Tier 1 Leverage		Tangible Equity
Well-Capitalized	≥10	*and*	≥6	*and*	≥5		–
Adequately capitalized	≥8	*and*	≥4	*and*	≥4		–
Undercapitalized	≥6	*and*	≥3	*and*	≥3		–
Significantly undercapitalized	<6	*or*	<3	*or*	<3	*and*	>2
Critically undercapitalized	–		–		–		≤2

*As a percentage of risk-weighted assets.

Risk Categories and Assessment Rate Schedule—The current risk categories and assessment rate schedule became effective January 1, 2007. Capital ratios and supervisory ratings distinguish one risk category from another. The following table shows the relationship of risk categories (I, II, III, IV) to capital and supervisory groups as well as the assessment rates (in basis points) for each risk category. Supervisory Group A generally includes institutions with CAMELS composite ratings of 1 or 2; Supervisory Group B generally includes institutions with a CAMELS composite rating of 3; and Supervisory Group C generally includes institutions with CAMELS composite ratings of 4 or 5. For purposes of risk-based assessment capital groups, undercapitalized includes institutions that are significantly or critically undercapitalized.

Assessment rates are 3 basis points above the base rate schedule. The FDIC may adjust rates up or down by 3 basis points from the base rate schedule without notice and comment, provided that any single adjustment from one quarter to the next cannot move rates more than 3 basis points.

For most institutions in Risk Category I, the assessment rate assigned will be based on a combination of financial ratios and CAMELS component ratings.

<table>
<tr><th rowspan="2">Capital Group</th><th colspan="3">Supervisory Group</th></tr>
<tr><th>A</th><th>B</th><th>C</th></tr>
<tr><td>1. Well Capitalized</td><td>I
5-7 bps</td><td rowspan="2">II
10 bps</td><td rowspan="2">III
28 bps</td></tr>
<tr><td>2. Adequately Capitalized</td><td></td></tr>
<tr><td>3. Undercapitalized</td><td colspan="2">III
28 bps</td><td>IV
43 bps</td></tr>
</table>

For large institutions in Risk Category I (generally those with at least $10 billion in assets) that have long-term debt issuer ratings, assessment rates will be determined by weighting CAMELS component ratings 50 percent and long-term debt issuer ratings 50 percent. For all large Risk Category I institutions, additional risk factors will be considered to determine whether assessment rates should be adjusted. This additional information includes market data, financial performance measures, considerations of the ability of an institution to withstand financial stress, and loss severity indicators. Any adjustment will be limited to no more than ½ basis point.

Beginning in 2007, each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment will generally be due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes will be effective for assessment purposes as of the examination transmittal date. For institutions with long-term debt issuer ratings, changes in ratings will be effective for assessment purposes as of the date the change was announced.

Risk-weighted assets—assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 100 percent. A conversion factor is used to assign a BALANCE sheet equivalent amount for selected off-balance-sheet accounts.

Securities—excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity," which are reported at amortized cost (book value), and securities designated as "available-for-sale," reported at fair (market) value.

Securities gains (losses)—realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. Thrift Financial Report (TFR) filers also include gains (losses) on the sales of assets held for sale.

Seller's interest in institution's own securitizations—the reporting bank's ownership interest in loans and other assets that have been securitized, except an interest that is a form of recourse or other seller-provided credit enhancement. Seller's interests differ from the securities issued to investors by the securitization structure. The principal amount of a seller's interest is generally equal to the total principal amount of the pool of assets included in the securitization structure less the principal amount of those assets attributable to investors, i.e., in the form of securities issued to investors.

Subchapter S Corporation—A Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.

Trust assets—market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.

Unearned income & contra accounts—unearned income for Call Report filers only.

Unused loan commitments—includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans. (Excluded are commitments after June 2003 for originated mortgage loans held for sale, which are accounted for as derivatives on the balance sheet.)

Volatile liabilities—the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings.

Yield on earning assets—total interest, dividend and fee income earned on loans and investments as a percentage of average earning assets.