



MICHAEL WHITE ASSOCIATES
BANK INSURANCE CONSULTANTS



P R E S S R E L E A S E

Bank Holding Companies' Investment Fee Income Up 6.9% to Record \$41.9 Billion in 2003

FOR IMMEDIATE RELEASE – Radnor, PA, July 19, 2004 – Bank holding companies (BHCs) earned a record \$41.95 billion in investment fee income in 2003, according to *Michael White's Bank Holding Company Insurance & Investment Fee Income Report™ (BHC-FIR™)* published by Michael White Associates, LLC (MWA). Compiled from data reported by 2,088 top-tier (or regulatory top-holder) BHCs with \$100 million or more in consolidated assets on December 31, 2003, the report measures insurance, investment, and mutual fund and annuity fee income generated in 2003 and compares individual BHC and banking industry performance data and benchmark ratios to those of 2003. Among the new and significant findings in the *2003 Year-End BHC-FIR™* are these:

- BHCs increased their 2003 investment fee income 6.9% from \$39.24 billion in 2002 to a record \$41.95 billion in 2003. Nearly three-fifths of BHCs with \$100 million or more in consolidated assets (1,196 of 2,088 or 57.3% of them) produced investment fee revenue.
- BHCs over \$10 billion in assets had the highest participation (94.6%) in investment fee activities and produced \$38.55 billion in investment fee income, 7.0% more than the \$36.03 billion they produced in 2002. These large BHCs accounted for 91.9% of all BHC investment fee income earned in 2003.
- In 2003, the top ten leaders nationally in investment fee income were Citigroup, Inc. (NY), J.P. Morgan Chase & Co. (NY), Wachovia Corporation (NC), Bank of America Corporation (NC), The Charles Schwab Corporation (CA), Franklin Resources, Inc. (CA), Taunus Corporation (NY), Mellon Financial Corporation (PA), Wells Fargo & Company (CA), and FleetBoston Financial Corporation (MA).

TOP 10 BANK HOLDING COMPANIES IN INVESTMENT FEE INCOME - 2003 Nationally

RANK	INVESTMENT FEE INCOME JANUARY - DECEMBER 2003	INVESTMENT FEE INCOME JANUARY - DECEMBER 2002	PERCENT CHANGE 2002 - 2003	BANK HOLDING COMPANY	STATE	ASSETS	% OF NONINTEREST INCOME
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$11,225,000	\$11,060,000	1.49%	CITIGROUP INC.	NY	\$1,264,032,000	30.35%
2	\$4,182,000	\$3,994,000	4.71%	J.P. MORGAN CHASE & CO.	NY	\$770,912,000	21.48%
3	\$3,119,000	\$2,227,000	40.05%	WACHOVIA CORPORATION	NC	\$401,032,000	33.41%
4	\$3,061,545	\$2,710,000	12.97%	BANK OF AMERICA CORPORATION	NC	\$736,487,404	18.35%
5	\$2,682,233	\$2,616,341	2.52%	CHARLES SCHWAB CORPORATION	CA	\$45,866,220	80.23%
6	\$2,634,007	\$2,329,257	13.08%	FRANKLIN RESOURCES, INC.	CA	\$7,417,402	93.26%
7	\$2,366,000	\$2,141,000	10.51%	TAUNUS CORPORATION	NY	\$291,375,000	49.98%
8	\$1,946,672	\$1,841,860	5.69%	MELLON FINANCIAL CORPORATION	PA	\$34,048,947	53.19%
9	\$1,198,000	\$1,035,000	15.75%	WELLS FARGO & COMPANY	CA	\$387,798,000	9.68%
10	\$1,128,000	\$1,133,000	-0.44%	FLEETBOSTON FINANCIAL CORP.	MA	\$200,356,000	22.09%

SOURCE: MICHAEL WHITE'S BANK HOLDING COMPANY INSURANCE & INVESTMENT FEE INCOME REPORT - 2003 YEAR-END

- BHCs under \$10 billion in assets earned \$3.4 billion or 8.1% of all BHC investment fee income. BHCs with assets between \$1 billion and \$10 billion achieved the highest rate of growth in investment fee income with 15.1%, rising to \$3.2 billion in 2003. In comparison, BHCs with assets between \$100 and \$500 million generated \$60.9 million, 13.5% more investment fee income than the \$53.6 million in 2002.

- BHCs under \$1 billion in assets accounted for 0.4% or \$179.6 million of investment fee income. The top five leaders in investment fee income among BHCs under \$1 billion in assets were UFS Bancorp (MA), United Bankers' Bancorporation, Inc. (MN), First National Bankers Bankshares, Inc. (LA), Arkansas Bankers' Bancorporation, Inc. (AR), and Chester Valley Bancorp, Inc. (PA).
- The Northeast region was first in BHC investment fee income with \$21.4 billion, or 51.0% of total BHC investment fee income in 2003. The Southeast region ranked second with \$7.9 billion in investment fee income, up 20.4% from \$6.5 billion in 2002. The West region was third in 2003 with \$6.7 billion, up 8.3% from \$6.2 billion in 2002.

About Michael White's Bank Holding Company Insurance & Investment Fee Income Report™

Michael White's Bank Holding Company Insurance and Investment Fee Income Report™ (BHC-FIR™) provides comprehensive, national, standardized data and performance ratios that measure and compare insurance and investment fee income programs among bank holding companies (BHCs). The *BHC-FIR* and its companion report on banks are published annually and cover the calendar years ending December 31.

The 2003 *BHC-FIR* is compiled from data reported by 2,088 top-tier or regulatory top-holder BHCs with \$100 million or more in consolidated assets on December 31, 2003. The report identifies performances and trends among insurance, investment, and mutual fund and annuity fee income by comparing various performance measurements and benchmark ratios for 2003 to those of 2002. The 150-page *BHC-FIR* contains some 40 pages of narrative analyses and 160 illustrative tables and graphs showing national, regional and asset-class performance in bank insurance and investment fee income.

The report ranks the nation's top 100 BHCs in insurance, investment, and mutual fund and annuity fee income and the top 50 BHCs for each of eight asset-size classes and six regions. Leaders in ratios of insurance and investment fee income to noninterest income and noninterest fee income are ranked by the top 50 nationally and the top 25 by each asset class. BHCs can compare their performance to other BHCs nationally or to their asset class by using the mean, median and top-quartile results included in the report. Customized year-to-date reports, including those that compare a BHC's insurance or investment program to its competitors or a broader peer-group, may also be ordered.

The price of each annual report purchased separately is \$650. Certain discounts are available. The price for buying both the annual bank and BHC reports is \$1,100, a savings of \$200 or over 15% for single-issue purchases. The reports may be purchased online at www.BankInsurance.com or by check and mail.

About Michael White Associates (MWA)

Michael White Associates, LLC (MWA) is a bank insurance consulting firm headquartered in Radnor, PA, and online at www.BankInsurance.com.

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