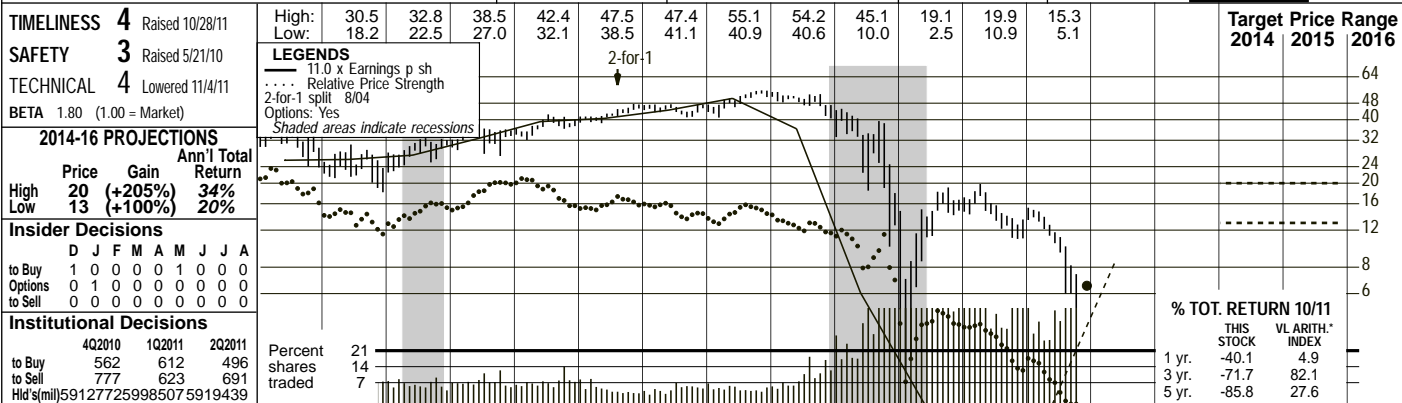


BANK OF AMERICA NYSE-BAC

RECENT PRICE **6.53** P/E RATIO **NMF** (Trailing: NMF Median: 12.0) RELATIVE P/E RATIO **NMF** DIV'D YLD **0.6%** VALUE LINE



Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Price	1.76	1.96	2.09	1.82	2.34	2.36	2.48	2.96	3.57	3.69	4.04	4.59	3.30	.55	d.29	d.37	Nil	.80
Gain	.52	.60	.69	.80	.93	1.03	1.14	1.22	1.44	1.70	1.90	2.12	2.40	2.24	.04	.04	.04	.04
Return	11.57	11.80	14.91	13.30	13.22	14.74	15.54	16.75	16.63	24.56	25.32	29.70	32.09	27.77	22.45	20.99	20.95	22.00
High	1097.1	1147.0	1424.4	3449.0	3354.5	3227.3	3118.6	3001.4	2882.3	4046.5	3999.7	4458.2	4437.9	5017.4	8650.2	10085	10150	10200
Low	8.3	10.6	14.7	18.6	13.7	10.3	11.6	11.4	10.6	11.5	11.1	10.8	15.0	55.8	--	--	11.0	11.0
Options to Buy	.56	.66	.85	.97	.78	.67	.59	.62	.60	.61	.59	.58	.80	3.36	--	--	1.0	1.0
Options to Sell	3.6%	2.9%	2.2%	2.4%	2.9%	4.3%	4.0%	3.6%	3.8%	4.0%	4.2%	4.3%	4.9%	7.3%	3%	3%	3%	3%

Category	2009	2010	9/30/11	2009	2010	9/30/11
ASSETS (\$mill.)						
Loans	862928	898555	897449	862928	898555	897449
Funds Sold	189933	209616	249998	189933	209616	249998
Securities	574336	532798	606167	574336	532798	606167
Other Earning	24202	26433	18330	24202	26433	18330
Other	571900	597507	447684	571900	597507	447684
LIABILITIES (\$mill.)						
Deposits	991611	1010430	1041353	991611	1010430	1041353
Funds Borrowed	433869	433220	409315	433869	433220	409315
Long-Term Debt	438521	448431	398965	438521	448431	398965
Net Worth	231444	228248	230252	231444	228248	230252
Other	127854	144580	139743	127854	144580	139743
Total	2223299	2264909	2219628	2223299	2264909	2219628
Loan Loss Resrv.	37200	41885	35082	37200	41885	35082

MARKET CAP: \$66 bill. (Large Cap)

ASSETS (\$mill.) 2009 2010 9/30/11
 Loans 862928 898555 897449
 Funds Sold 189933 209616 249998
 Securities 574336 532798 606167
 Other Earning 24202 26433 18330
 Other 571900 597507 447684

LIABILITIES (\$mill.)
 Deposits 991611 1010430 1041353
 Funds Borrowed 433869 433220 409315
 Long-Term Debt 438521 448431 398965
 Net Worth 231444 228248 230252
 Other 127854 144580 139743
 Total 2223299 2264909 2219628
 Loan Loss Resrv. 37200 41885 35082

BUSINESS: Bank of America Corp. was formed by the merger of NationsBank with BankAmerica on 9/30/98. Acq. FleetBoston Fin'l, 4/04; MBNA, 1/06; Countrywide, 7/08; Merrill Lynch, 1/09. Had 5,742 offices in 29 states & Wash. D.C. on 6/30/11. Loans (12/31/10): commercial, 23%; comm. R.E., 5%; resid., 42%; consumer, 23%; int'l, 7%. Net loan losses, 3.60% of avg. loans in '10; loan loss reserve, 3.81% of loans (9/30/11); nonperforming assets (incl. 90-day past-due), 5.67%. Had 290,509 FTE empl. (9/30/11). Directors & officers own less than 1% of stk. (Proxy, 3/11). Chairman: C.O. Holliday. CEO: B. Moynihan. Inc.: DE. Address: Bank of America Corp. Ctr., 100 N. Tryon St., Charlotte, NC 28255. Tel.: 980-386-5667. Internet: www.bankofamerica.com.

Category	2008	2009	2010	2011	2012
ANNUAL RATES					
Loans	2.0%	-1.0%	-3.5%	NMF	NMF
Earnings	--	--	--	NMF	NMF
Dividends	-3.0%	-17.0%	-17.0%	NMF	NMF
Book Value	5.5%	1.5%	.5%	NMF	NMF
Total Assets	2.0%	-2.5%	-3.0%	NMF	NMF

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	858979	853334	922330	908375	
2009	947960	908463	878434	862928	
2010	929207	910922	890329	898555	
2011	892582	903945	897449	895000	
2012	893000	890000	895000	900000	

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.23	.72	.15	d.40	.55
2009	.44	.33	d.26	d.60	d.29
2010	.28	.27	d.77	d.16	d.37
2011	.17	d.90	.56	.17	Nil
2012	.15	.18	.22	.25	.80

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.56	.56	.64	.64	2.40
2008	.64	.64	.64	.32	2.24
2009	.01	.01	.01	.01	.04
2010	.01	.01	.01	.01	.04
2011	.01	.01	.01	.01	.04

Bank of America's operating performance in the September quarter wasn't as strong as reported earnings suggest. The net effect of several significant items bolstered results, without which, BofA probably roughly broke even. (June-period earnings included \$1.23 a share of negative unusual items). **Excluding the unusual items, revenues declined,** particularly in the fixed-income trading business, reflecting the very low interest-rate climate. Too, accounting items related to faster loan prepayments and interest-rate risk management reduced net interest revenue by \$1 billion. Meanwhile, credit costs stabilized and expenses fell. **The company is working to become more focused and efficient.** It has been selling nonstrategic assets, and adding financial advisors and business bankers in core operations. It is implementing the first phase of its New BAC Project that aims to cut the workforce and costs in its consumer operations by \$5 billion by 2014. **We look for slow earnings progress over the next few years.** Net interest income in the final period of 2011 is expect-

ed to bounce back to the June-quarter level absent the aforementioned two accounting items. But there probably will be some incremental costs tied to implementing the New BAC Project. In 2012, the revenue headwinds (depressed housing activity, low interest rates, and limitations on fee income due to financial reform) probably will remain in place, but BofA should begin to realize savings from the efficiency initiative. We expect BofA to break even in 2011, and to earn \$0.80 a share in 2012. **Investors should probably remain on the sidelines.** Although stronger economic growth stateside and higher interest rates ought to help eventually, BofA's earnings recovery will be a protracted process. The ultimate costs of repurchasing mortgages sold to investors (BofA had \$11.7 billion of outstanding claims on September 30th) are unclear. BofA has exposure (\$14.6 billion) to five troubled EU nations. Too, despite progress in strengthening equity capital, we don't think BofA will be in a position to raise its dividend until after 2012. The stock is ranked 4 (Below Average) for Timeliness. *Theresa Brophy* November 18, 2011

(A) All figures prior to '98 are for NationsBank alone. (B) Based on diluted shares. Quarterly earnings per share may not equal total due to change in shares. Next earnings report mid-June. (C) Dividends historically paid late March, June, September, & December. (D) Includes intangibles. On 9/30/11: \$87.6 billion, \$8.65/sh. (E) In millions, adjusted for stock splits.