



MICHAEL WHITE ASSOCIATES
BANK INSURANCE CONSULTANTS



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

Bank Holding Companies' Insurance Brokerage Fee Income Up 15% to Record \$9.6 Billion in 2004

FOR IMMEDIATE RELEASE – Radnor, PA, April 6, 2005 – Bank holding companies (BHCs) earned a record \$9.6 billion in insurance brokerage fee income in 2004, according to *Michael White's Bank Holding Company Insurance & Investment Fee Income Report™ (BHC-FIR™)* published by Michael White Associates, LLC (MWA). The *BHC-FIR™* for year-end 2004 is co-sponsored by Keyosk, A Newtek Insurance Agency; MetLife Investors; and Symetra Financial. Based on data reported by 2,247 top-tier or regulatory top-holder BHCs with \$150 million or more in consolidated assets on December 31, 2004, the report measures and benchmarks the banking industry's performance in generating insurance, investment, and mutual fund and annuity fee income. Among its new and significant findings are these:

- BHCs increased their insurance brokerage fee income 15.1% from \$8.37 billion in 2003 to a record \$9.63 billion in 2004. That amount is nearly double the \$4.97 billion earned in 2001. Nearly two-thirds of BHCs reporting (1,408 of 2,247 or 62.7% of them) produced insurance brokerage revenue.
- Total BHC insurance revenues were \$37.1 billion and consisted of the \$9.6 billion in insurance brokerage fee income plus \$27.4 billion in insurance underwriting income. Of the underwriting income, \$24.9 billion or 93.6% belonged to MetLife, Inc. and Citigroup, Inc. and over 98% belonged to six large holding companies.

TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME YEAR-END DECEMBER 31, 2004 Nationally

RANK	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE 2003 - 2004	BANK HOLDING COMPANY	SI	ASSETS	% OF NONINTEREST INCOME
	2004	2003					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$3,079,169	\$2,798,717	10.02%	METLIFE, INC.	NY	\$356,807,967	11.26%
2	\$1,616,000	\$1,358,000	19.00%	CITIGROUP INC.	NY	\$1,484,101,000	3.98%
3	\$966,000	\$838,000	15.27%	WELLS FARGO & COMPANY	CA	\$427,849,000	7.48%
4	\$593,327	\$371,272	59.81%	BB&T CORPORATION	NC	\$100,508,641	28.08%
5	\$400,000	\$165,000	142.42%	J.P. MORGAN CHASE & CO.	NY	\$1,157,248,000	1.52%
6	\$245,000	\$246,000	-0.41%	WACHOVIA CORPORATION	NC	\$493,324,000	2.27%
7	\$205,495	\$81,774	151.30%	BANK OF AMERICA CORPORATION	NC	\$1,112,035,486	1.00%
8	\$200,536	\$231,941	-13.54%	MBNA CORPORATION	DE	\$61,714,140	2.43%
9	\$128,451	\$116,704	10.07%	GREATER BAY BANCORP	CA	\$6,926,147	71.53%
10	\$98,266	n/a ¹	n/a	HSBC NORTH AMERICA HOLDINGS	IL	\$339,631,534	1.51%
11	\$79,974	\$69,316	15.38%	REGIONS FINANCIAL CORP.	AL	\$84,366,269	5.06%
12	\$77,874	\$69,316	15.38%	UNIONBANCAL CORPORATION	CA	\$48,101,752	7.67%

¹ HSBC North America, Inc. (NY) ranked 31st in 2004 with \$24.463 million in insurance brokerage fee income.

Source: *Michael White's Bank Holding Company Insurance & Investment Fee Income Reports*

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- In 2004, the top five leaders nationally in insurance brokerage fee income were MetLife, Inc. (NY), Citigroup, Inc. (NY), Wells Fargo & Company (CA), BB&T Corporation (NC), and J.P. Morgan Chase & Co. (NY). J.P. Morgan's results benefited from its merger with Bank One Corporation on July 1, 2004.
- BHCs over \$10 billion in assets had the highest participation (87.7%) in insurance activities and produced \$8.8 billion in insurance brokerage fee income, 15.7% more than the \$7.6 billion they produced in 2003. These large BHCs accounted for 91.4% of all BHC insurance fee income earned in 2004. BHCs under \$10 billion in assets earned \$832.3 million or 8.6% of all BHC insurance brokerage fee income.
- BHCs under \$1 billion in assets accounted for 3.0% or \$285.6 million of insurance brokerage fee income. BHCs with assets between \$500 million and \$1 billion achieved a 4.8% rate of growth, earning \$129.5 million in 2004. BHCs with assets between \$100 and \$500 million generated \$156.1 million, 8.9% more than that earned in 2003. The top five leaders in insurance agency fee income among BHCs under \$1 billion in assets were BNCCorp, Inc. (ND), Leesport Financial Corp. (PA), Shore Bancshares, Inc. (MD), Texas Independent Bancshares, Inc. (TX), and SCB Bancorp, Inc. (IL).
- Smaller BHCs performed well in many respects. For instance, BHCs with assets between \$500 million and \$1 billion attained the highest mean ratio (6.17%) of insurance brokerage fee income to noninterest income. Also, BHCs with assets between \$100 and \$300 million had the second highest mean (6.07%) and median (1.95%) ratio of insurance income to noninterest income.

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, *Michael White's Bank Insurance and Investment Fee Income Report*[™] (the *Bank-FIR*), are annual publications, co-sponsored by Keyosk, A Newtek Insurance Agency; MetLife Investors; and Symetra Financial.

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. The 150-page *Bank-FIR* includes narrative analyses and 155 illustrative tables and graphs. Leaders in the ratios of insurance and investment fee income to noninterest income are ranked by the top 50 nationally and the top 25 by each asset class. Customized *Bank Fee Income Ratings Reports*[™] that compare a particular bank's insurance or investment program to its competitors nationally, regionally, statewide and in its asset-peer group may also be ordered. 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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