



Bank Holding Companies Increased Mutual Fund and Annuity Fee Income 13% in 2005

FOR IMMEDIATE RELEASE – Radnor, PA, April 3, 2006 – Bank holding companies (BHCs) increased their mutual fund and annuity fee income by 13% to \$19.46 billion in 2005, according to [Michael White's 2006 Bank Holding Company Insurance & Investment Fee Income Report™ \(BHC-FIR™\)](#) published by Michael White Associates, LLC (MWA). The 2006 BHC-FIR™ is co-sponsored by [DFC Group, Inc.](#) and [Symetra Financial](#). These findings are based on data made available last week by the Federal Reserve Board and analyzed by Michael White Associates in its ongoing series of *Fee Income Reports™*. The data are reported by 2,257 top-tier bank holding companies with \$150 million or more in consolidated assets.

- BHCs' mutual fund and annuity fee income increased 13.0% from \$17.22 billion in 2004 to \$19.46 billion in 2005. During 2005, 49.1% of BHCs in the United States engaged in sales and servicing activities that produced mutual fund and/or annuity fee income.
- BHCs with over \$10 billion in assets recorded the greatest growth in 2005, increasing their mutual fund and annuity fee income 13.3% from \$14.38 billion in 2004 to \$16.29 billion. Of note, four financial holding companies (FHCs) that do not engage in significant banking activities accounted for \$1.19 billion or 53.0% of the increase.

TOP 15 BANK HOLDING COMPANIES IN MUTUAL FUND & ANNUITY FEE INCOME YEAR-END DECEMBER 31, 2005 Nationally

RANK	M.F. & ANN. INCOME AT DECEMBER 31		PERCENT CHANGE 2004 - 2005	BANK HOLDING COMPANY		ASSETS	% OF NONINTEREST INCOME
	2005	2004					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$2,043,000	\$2,705,000	-24.47%	CITIGROUP INC.	NY	\$1,494,037,000	4.82%
2	\$1,809,000	\$920,000	96.63%	J.P. MORGAN CHASE & CO.	NY	\$1,198,942,000	4.98%
3	\$1,786,000	\$1,803,000	-0.94%	WACHOVIA CORPORATION	NC	\$520,755,000	14.73%
4	\$1,577,308	\$1,352,692	16.61%	BANK OF AMERICA CORPORATION	NC	\$1,294,312,241	5.92%
5	\$1,347,221	\$913,322	47.51%	PNC FINANCIAL SERVICES GROUP	PA	\$91,992,332	32.05%
6	\$827,069	\$716,061	15.50%	MELLON FINANCIAL CORP.	PA	\$38,773,216	19.23%
7	\$501,000	\$497,000	0.80%	TAUNUS CORPORATION	NY	\$364,693,000	8.98%
8	\$428,000	\$422,000	1.42%	U.S. BANCORP	MN	\$209,465,000	6.95%
9	\$330,000	\$274,000	20.44%	WELLS FARGO & COMPANY	CA	\$481,741,000	2.28%
10	\$210,000	\$206,428	1.73%	BANK OF NEW YORK COMPANY	NY	\$102,157,000	4.27%
11	\$150,452	\$128,858	16.76%	FIFTH THIRD BANCORP	OH	\$105,225,054	6.37%
12	\$149,521	\$134,476	11.19%	SUNTRUST BANKS, INC.	GA	\$179,712,841	4.73%
13	\$117,629	\$113,589	3.56%	ABN AMRO NO. AM. HOLDING CO.	IL	\$144,073,691	8.61%
14	\$97,178	\$77,199	25.88%	REGIONS FINANCIAL CORP.	AL	\$84,786,331	5.47%
15	\$80,131	\$74,560	7.47%	NATIONAL CITY CORPORATION	OH	\$142,410,520	2.43%

Source: Michael White's 2006 Bank Holding Company Insurance & Investment Fee Income Reports

- CitiGroup earned \$2.04 billion in mutual fund and annuity fee income in 2005, putting it in first place. Those earnings were down 24.5% from \$2.71 billion of mutual fund and annuity revenues in 2004.
- J.P. Morgan Chase & Co. ranked second and registered the greatest improvement among the leaders, increasing its mutual fund and annuity fee income by 96.6% to \$1.81 billion.
- Wachovia Corporation ranked third with \$1.79 billion in mutual fund and annuity fee income in 2005. That figure was down 0.9% from \$1.80 billion in 2004.
- The top five leaders in mutual fund and annuity fee income in the first six months of 2005 among BHCs under \$1 billion in assets were Siuslaw Financial Group, Inc. (OR), CCB Corporation (MO), German American Bancorp (IN), First Citizens Bancshares, Inc. (TN), and ISB Financial Corp. (IA).
- Not shown in the accompanying table of financial holding company leaders in mutual fund and annuity fee income are companies that did not engage in significant banking activities. These include Franklin Resources, Inc., which reported \$2.73 billion in 2005, up 14.7% from \$2.38 billion in 2004; MetLife, which earned \$2.18 billion in mutual fund and annuity fee income, up 28.9% from \$1.69 billion in 2004; The Charles Schwab Corporation, which reported \$1.28 billion in 2005, up 5.9% from \$1.21 billion in 2004; and John Hancock Holdings (Delaware) LLC, a new financial holding company with \$275.9 million. These are the four FHCs not engaged in significant banking activities that accounted for \$1.19 billion or 53.0% of the increase in mutual fund and annuity fee income among all BHCs in 2005.

About [Michael White's Bank Holding Company Insurance and 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](#)[™] ([Bank-FIR](#)[™]), are annual publications, sponsored this year by [DFC Group, Inc.](#) 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 *BHC-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 [Fee Income Ratings Reports](#)[™] that compare a particular bank or BHC'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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