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N E W S R E L E A S E

Michael White-Prudential Report Number of BHCs With Double-Digit Growth in Insurance Up 39.7% in First Half 2012

FOR IMMEDIATE RELEASE – Radnor, PA, October 29, 2012 – Bank holding companies (BHCs) set new records in insurance brokerage fee income in the second quarter and year-to-date (YTD) in the first half of 2012, according to the *Michael White-Prudential Bank Fee Income Report*[™]. BHC insurance brokerage income of \$2.08 billion in second quarter 2012 was up 12.3% from \$1.85 billion in second quarter 2011. First-half income of \$3.89 billion was up 0.2% from \$3.88 billion in first half 2011. Thus far in 2012, 61.1% of large top-tier BHCs engaged in insurance brokerage activities.

Compiled by Michael White Associates (MWA) since 2001 and sponsored by The Prudential Insurance Company of America’s Individual Life Insurance business, a proud member of the American Bankers Insurance Association (ABIA), this report measures and benchmarks the banking industry’s performance in generating insurance brokerage and underwriting fee income. Results are based on data from all 7,246 commercial banks, savings banks, and savings associations (thrifts), and 1,070 large top-tier bank and savings and loan holding companies (collectively, BHCs) operating on June 30, 2012. Thrifts and savings and loan holding companies began reporting insurance fee income for the first time in first quarter 2012. Several BHCs that are historically and traditionally insurance companies have been excluded from the report.

TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME YEAR-TO-DATE JUNE 30, 2012 Nationally

RANK	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE 2011 - 2012	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	2Q2012	2Q2011					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,006,000	\$1,119,000	-10.10%	CITIGROUP INC.	NY	\$1,916,104,000	7.24%
2	\$893,000	\$923,000	-3.25%	WELLS FARGO & COMPANY	CA	\$1,336,100,000	4.32%
3	\$609,457	\$492,660	23.71%	BB&T CORPORATION	NC	\$178,527,436	35.20%
4	\$97,000	\$107,000	-9.35%	AMERICAN EXPRESS COMPANY	NY	\$146,668,000	0.80%
5	\$64,011	\$71,281	-10.20%	DISCOVER FINANCIAL SERVICES	IL	\$73,086,675	6.89%
6	\$63,000	\$68,000	-7.35%	GOLDMAN SACHS GROUP, THE	NY	\$948,078,000	0.44%
7	\$59,771	\$17,399	243.53%	BANK OF AMERICA CORPORATION	NC	\$2,155,914,728	0.27%
8	\$54,651	\$55,485	-1.50%	REGIONS FINANCIAL CORP.	AL	\$122,344,664	5.32%
9	\$46,350	\$45,715	1.39%	BANCORPSOUTH, INC.	MS	\$13,152,123	37.61%
10	\$45,000	\$50,000	-10.00%	ALLY FINANCIAL INC.	MI	\$178,560,000	1.54%
11	\$44,000	\$34,000	29.41%	JPMORGAN CHASE & CO.	NY	\$2,288,620,000	0.18%
12	\$44,000	\$171,000	-74.27%	MORGAN STANLEY	NY	\$748,517,000	0.32%

Source: *Michael White-Prudential Bank Holding Company Fee Income Report*
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“In the first half of 2012, the number of BHCs on track to earn at least \$250,000 in annualized insurance brokerage income that grew their insurance brokerage revenues increased substantially. In both first half 2012 and 2011, we examined 228 BHCs on track to earn \$250,000 in annualized insurance brokerage income. At mid-year 2012, 150 BHCs showing positive growth in their insurance brokerage income increased 32.7% from 113 BHCs with positive growth at the end of first half 2011,” said Michael White, President of MWA. “Big winners, i.e., those with double-digit increases in insurance brokerage income, rose 39.7% from 63 at the end of first half 2011 compared to 88 so far this year. These changes signal meaningful improvement among BHC-owned insurance agencies, despite the declines among larger BHCs, and the hope that insurance markets are beginning to harden.”

Among companies with significant banking activities as of June 30, 2012, Citigroup Inc. (NY) topped the leader board with insurance brokerage earnings of \$1.00 billion. Wells Fargo & Company (CA) ranked second nationally with \$893.0 million; and BB&T Corporation (NC), which owns more agencies than any other financial holding company, ranked third with \$609.5 million in insurance brokerage revenue in first half 2012.

Bank holding companies over \$10 billion in assets continued to have the highest participation (81.8%) in insurance brokerage activities. These BHCs produced \$3.43 billion in insurance fee income in the first half of 2012, 2.3% less than the \$3.51 billion they produced in first half 2011. These large bank holding companies accounted for 88.2% of all BHC insurance brokerage fee income earned in first half 2012.

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in the first half 2012 included Eastern Bank Corporation (MA), Stifel Financial (MO), Old National Bancorp (IN), Trustmark Corporation (MS), and Johnson Financial Group, Inc. (WI). BHCs of this size registered a 13.5% increase in insurance brokerage income to \$342.1 million in first half 2012, up from \$301.42 million in first half 2011.

Among BHCs with assets between \$500 million and \$1 billion, leaders were First Command Financial Services, Inc. (TX), Two Rivers Financial Group (IA), Oneida Financial Corp. (NY), 473 Broadway Holding Corporation (NY), and Texas Independent Bancshares (TX). BHCs of this size produced an increase of 73.1% year-over-year in their insurance brokerage income, improving from \$68.1 million to \$117.8 million in insurance brokerage income.

The smallest community banks, with assets less than \$500 million, were used as “proxies” for the smallest BHCs, which are not required to report insurance brokerage income. Leaders among bank proxies for small BHCs were Soy Capital Bank and Trust Company (IL), Industry State Bank (TX), Benchmark Bank (TX), First State Bank (IA), and First South Bank (TN). These small banks, representing small BHCs, registered a decline of 1.0% in insurance brokerage income, dropping from \$80.8 million in first half 2011 to \$80.0 million in first half 2012.

Among the top 50 BHCs nationally in insurance brokerage concentration (i.e., insurance brokerage income as a percent of noninterest income), the median Insurance Brokerage Concentration Ratio was 35.9%. Among the top 50 small banks in insurance brokerage concentration that are serving as proxies for small BHCs, the median Insurance Brokerage Concentration Ratio was 63.5% of noninterest income.

Among the top 50 BHC leaders in insurance brokerage productivity (i.e., insurance brokerage income per BHC employee), the median Insurance Brokerage Productivity Ratio was \$9,351 per employee (or an annualized Productivity Ratio of \$18,702). Among the top 50 small banks in insurance brokerage productivity, the median Insurance Brokerage Productivity Ratio was \$13,550 per employee (or an annualized Productivity Ratio of \$27,100).

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Michael White Associates (MWA) is a bank insurance consulting firm headquartered in Radnor, PA, and at www.BankInsurance.com. The annual *Michael White-Prudential Bank Insurance Fee Income Report*[™] and *Michael White-ABIA Bank Annuity Fee Income Report*[™] provide, respectively, comprehensive analyses of bank insurance brokerage and bank annuity commission income. Additionally, the *MWA Fee Income Ratings Reports*[™] compare, rank and rate a particular financial institution's insurance or other noninterest fee income program nationally, regionally, statewide and in its asset-peer group. Copies of MWA reports can be ordered by calling (610) 254-0440, or by visiting www.BankInsurance.com.

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