

[20802001]

As expected, First Interstate Bancorp reported a net loss of \$ 15.5 million for its third quarter because of hemorrhaging at its First Interstate Bank of Arizona unit.

[20802002]

The Los Angeles-based bank holding company disclosed last Friday that it had taken a huge \$ 350 million provision for loan losses at the Arizona bank, the result of the state's worsening real-estate market.

[20802003]

In yesterday's report, First Interstate said its bank in Texas also reported a loss of \$ 23.5 million for the quarter.

[20802004]

But it said that its consumer banks in Oregon, California, Nevada and Washington performed well during the quarter and that nonperforming assets at these banks declined by 14 % over the year-ago period.