

CONSOLIDATED STATEMENTS OF INCOME

Year ended December 31,

dollars in millions, except per share amounts

	2003	2002	2001
INTEREST INCOME			
Loans	\$3,550	\$3,913	\$5,067
Investment securities	7	10	17
Securities available for sale	356	389	454
Short-term investments	30	30	65
Other investments	27	24	24
Total interest income	3,970	4,366	5,627
INTEREST EXPENSE			
Deposits	703	897	1,478
Federal funds purchased and securities sold under repurchase agreements	50	90	198
Bank notes and other short-term borrowings	60	79	302
Long-term debt, including capital securities	432	551	824
Total interest expense	1,245	1,617	2,802
NET INTEREST INCOME	2,725	2,749	2,825
Provision for loan losses	501	553	1,350
Net interest income after provision for loan losses	2,224	2,196	1,475
NONINTEREST INCOME			
Trust and investment services income	549	609	651
Service charges on deposit accounts	364	405	387
Investment banking and capital markets income	190	172	88
Letter of credit and loan fees	162	134	124
Corporate-owned life insurance income	114	108	114
Net gains from loan securitizations and sales	90	56	49
Electronic banking fees	80	79	74
Net securities gains	11	6	35
Other income	200	200	203
Total noninterest income	1,760	1,769	1,725
NONINTEREST EXPENSE			
Personnel	1,493	1,436	1,378
Net occupancy	228	226	232
Computer processing	178	192	252
Equipment	133	136	152
Marketing	120	122	112
Professional fees	119	92	88
Amortization of intangibles	13	11	245
Other expense	458	438	482
Total noninterest expense	2,742	2,653	2,941
INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES	1,242	1,312	259
Income taxes	339	336	102
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGES	903	976	157
Cumulative effect of accounting changes, net of tax (see Note 1)	—	—	(25)
NET INCOME	\$ 903	\$ 976	\$ 132
Per common share:			
Income before cumulative effect of accounting changes	\$2.13	\$2.29	\$.37
Net income	2.13	2.29	.31
Income before cumulative effect of accounting changes — assuming dilution	2.12	2.27	.37
Net income — assuming dilution	2.12	2.27	.31
Weighted-average common shares outstanding (000)	422,776	425,451	424,275
Weighted-average common shares and potential common shares outstanding (000)	426,157	430,703	429,573

See Notes to Consolidated Financial Statements.