

FEDERAL DEPOSIT INSURANCE CORPORATION

Selected Fund Financial Indicators

- BIF Reserve Ratio is 1.36 percent as of December 31, 1999
- SAIF Reserve Ratio is 1.45 percent as of December 31, 1999



Executive Management Report

Financial Results (unaudited)
For the three months ending March 31, 2000

Executive Summary **For the Three Months Ending March 31, 2000**

Bank Insurance Fund (BIF):

- Comprehensive income (net income plus current period unrealized gains/losses on available-for-sale securities) was \$325 million for the quarter ending March 31, 2000, increasing the fund balance to \$29.7 billion.
- Revenue totaled \$458 million for the quarter ending March 31, 2000. The fund earned \$432 million in interest on investments in U.S. Treasury obligations and \$17 million in deposit insurance assessments.
- Receivables from bank resolutions are \$612 million at March 31, 2000. This receivable peaked at \$27.8 billion in 1992 due to the large number of bank failures occurring at that time.
- The contingent liability for anticipated failures of insured BIF institutions at \$314 million reflects the stable condition of the banking industry. In addition to this recorded estimated loss, the FDIC has recently identified a small number of additional BIF-insured financial institutions that are likely to fail in the near future unless institution management can resolve existing problems. If these institutions fail, they may collectively cause a material loss to the BIF, but the amount of potential loss is not estimable at this time. As a result, no loss has been reflected in the BIF's first quarter 2000 financial results.
- One BIF-insured institution failed during the first quarter of 2000. Total assets at failure were \$113 million.

Savings Association Insurance Fund (SAIF):

- Comprehensive income was \$154 million for the quarter ending March 31, 2000, increasing the fund balance to \$10.4 billion.
- Revenue totaled \$155 million for the quarter ending March 31, 2000. The fund earned \$151 million in interest on U.S. Treasury obligations and \$4 million in deposit insurance assessments.

- The contingent liability for anticipated failures of insured SAIF institutions at \$57 million has remained constant over the last year and reflects the stable condition of the thrift industry.
- One SAIF-insured thrift failed during the first quarter of 2000. Total assets at failure were \$30 million.
- The Deposit Insurance Funds Act of 1996 required the establishment of a Special Reserve of the SAIF if, on January 1, 1999, the reserve ratio exceeded the Designated Reserve Ratio (DRR) of 1.25 percent. As a result, \$978 million was placed in a Special Reserve of the SAIF to be administered by the FDIC. On November 12, 1999, the Gramm-Leach-Bliley Act was enacted which eliminated the SAIF Special Reserve upon enactment. The SAIF financial statements include the Special Reserve Fund balance, when applicable, for comparative years.

FSLIC Resolution Fund (FRF):

~FRF-FSLIC~

- The U.S. Department of Treasury (U.S. Treasury) has determined that the FRF is responsible for the payment of judgments and settlements in most supervisory goodwill litigation cases against the U.S. Government.

Future goodwill litigation payments cannot be reasonably estimated at this time.

- Several goodwill litigation cases are currently on appeal, the final outcome of which is uncertain. Funds to cover goodwill settlements are provided by an open-ended appropriation as provided by section 110 of the Department of Justice Appropriations Act, 2000. Because of this, any liabilities for goodwill litigation should have no material impact on the financial condition of the FRF-FSLIC. If an appropriation to the FRF-FSLIC was not available to pay the goodwill litigation judgments and settlements, these liabilities would be material and could adversely affect the financial condition of the fund.

Executive Summary For the Three Months Ending March 31, 2000

(Continued)

~FRF-FSLIC~

- In addition to payments for goodwill settlements, the FRF is responsible for reimbursing the U.S. Department of Justice for its goodwill litigation expenses.
- Assets in liquidation totaled \$37 million as of March 31, 2000, down by \$48 million over the last 12 months.

~FRF-RTC~

- The RTC Completion Act (Act) requires the FDIC to return to the U.S. Treasury any funds that were transferred to the RTC pursuant to the RTC Completion Act but not needed by the RTC. The Act made available approximately \$18 billion worth of additional funding, of which \$4.556 billion was used. The Act mandates that the FDIC must transfer to the Resolution Funding Corporation (REFCORP) the net proceeds from the sale of FRF-RTC assets (once all liabilities of the FRF-RTC have been provided for) to pay the interest on REFCORP bonds. Any such payments benefit the U.S. Treasury, which would otherwise be obligated to pay the interest on the bonds.

On July 27, 1999, the FDIC Board of Directors granted authority to the Director of the Division of Finance, or his designee, to: 1) repay the U. S. Treasury \$4.556 billion in appropriations made to the RTC pursuant to the RTC Completion Act; and 2) after the U. S. Treasury has been paid, to pay the REFCORP any additional excess cash until such time as the FRF-RTC is dissolved upon satisfaction of all debts and liabilities and sale of all assets.

With the last payment of \$271 million on February 3, 2000, the FRF-RTC has fully repaid the \$4.556 billion to the U.S. Treasury. The FRF-RTC cash balance is \$1.4 billion at March 31, 2000.

- Assets in liquidation totaled \$407 million as of March 31, 2000, down by \$438 million over the last 12 months.

INSURANCE FUNDS

Bank Insurance Fund (BIF)

Savings Association Insurance Fund (SAIF)

The BIF and SAIF are separate insurance funds responsible for protecting insured depositors in operating banks and thrift institutions from loss due to failure of the institution. Since 1989, an active institution's insurance fund membership and primary federal regulator have been generally determined by the institution's charter type. Deposits of BIF-member institutions are generally insured by the BIF; BIF members are predominantly commercial and savings banks supervised by the FDIC, the Office of the Comptroller of the Currency, or the Federal Reserve. Deposits of SAIF-member institutions are generally insured by the SAIF; SAIF members are predominantly thrifts supervised by the Office of Thrift Supervision.

FINANCIAL HIGHLIGHTS

<i>Dollars in Millions</i>	BIF		SAIF	
	(Unaudited)		(Unaudited)	
	03/31/00	03/31/99	03/31/00	03/31/99
Revenue	\$ 458	\$ 438	\$ 155	\$ 141
Operating Expenses	176	167	25	21
Insurance Losses/Expenses	29	27	2	21
Unrealized Gain/(Loss) on AFS (1)				
Securities, Net (Current Period)	72	(4)	26	(2)
Comprehensive Income	325	240	154	97
Restricted Fund Balance	0	0	0	978
Unrestricted Fund Balance	\$ 29,739	\$ 29,852	\$ 10,435	\$ 8,959
December 1999/1998 Reserve Ratio (2)	1.36%	1.38%	1.45%	1.39%
December 1999/1998 Fund Balance	\$ 29,414	\$ 29,612	\$ 10,281	\$ 9,840
Estimated Insured Deposits	\$ 2,157,536 (a)	\$ 2,141,268 (b)	\$ 711,345 (a)	\$ 708,959 (b)
Total Insured Institutions	8,852 (a)	9,056 (b)	1,388 (a)	1,430 (b)
Number of Failures, YTD	1	1	1	0
Total Corporate Outlays, YTD	\$70	\$11	\$29	\$0
Total Estimated Corporate Losses, YTD	\$19	\$0	\$1	\$0
Total Assets at Failure (Current Year)	\$113	\$12	\$30	\$0
Assets in Liquidation (3)	\$1,353	\$1,204	\$11	\$0

(1) Available-for-Sale (AFS)

(2) The Reserve Ratio is equal to the fourth quarter Fund Balance divided by the fourth quarter Estimated Insured Deposits. The statutorily established Designated Reserve Ratio is 1.25%.

(3) Assets in liquidation is the total book value of the noncash assets to be liquidated.

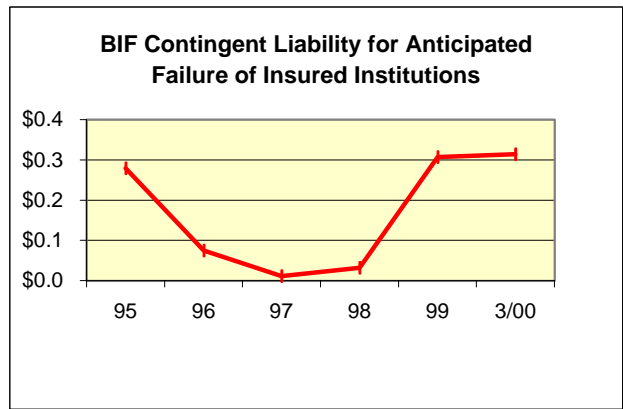
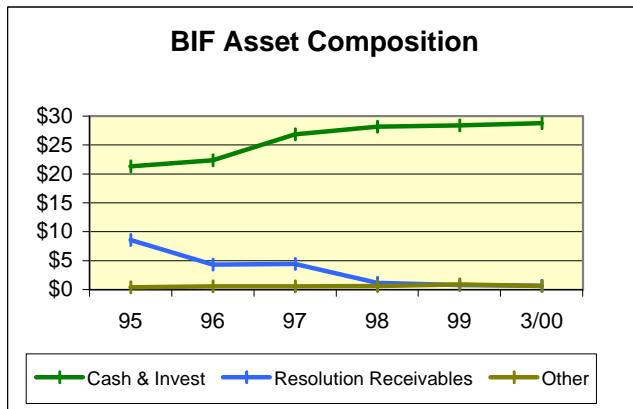
(a) Source: Fourth Quarter 1999 FDIC Quarterly Banking Profile. BIF figure includes 20 U.S. branches of foreign banks.

(b) Source: Fourth Quarter 1998 FDIC Quarterly Banking Profile. BIF figure includes 25 U.S. branches of foreign banks.

Bank Insurance Fund Statements of Financial Position March 2000

<i>Dollars in Millions</i>	(Unaudited) March 31	
	<u>2000</u>	<u>1999</u>
Assets		
Cash and cash equivalents	\$ 548	\$ 1,427
Investment in U.S. Treasury obligations, net	28,274	27,076
Interest receivable on investments and other assets, net	487	669
Receivables from bank resolutions, net	612	678
Assets acquired from assisted banks and terminated receiverships, net	17	22
Property and buildings, net	156	142
Software development and other capitalized assets, net	106	73
Total Assets	\$ 30,200	\$ 30,087
Liabilities		
Accounts payable and other liabilities	\$ 134	\$ 146
Contingent Liabilities for:		
Anticipated failure of insured institutions	314	60
Assistance agreements	1	1
Litigation losses	10	22
Asset securitization guarantees	2	6
Total Liabilities	461	235
Fund Balance		
Accumulated net income	29,747	29,845
Unrealized (loss)/gain on available-for-sale securities, net	(8)	7
Total Fund Balance	29,739	29,852
Total Liabilities and Fund Balance	\$ 30,200	\$ 30,087

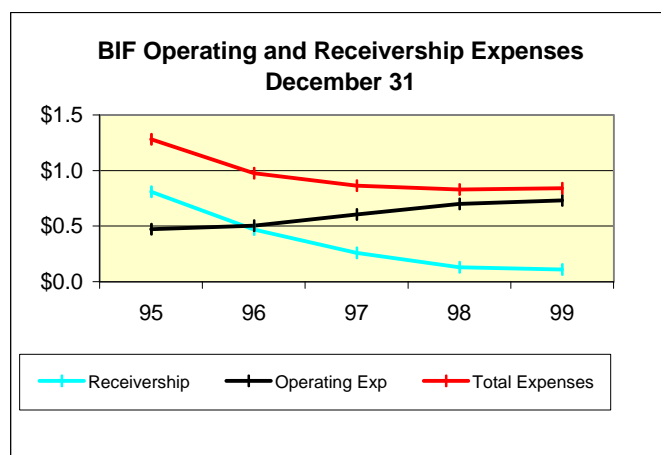
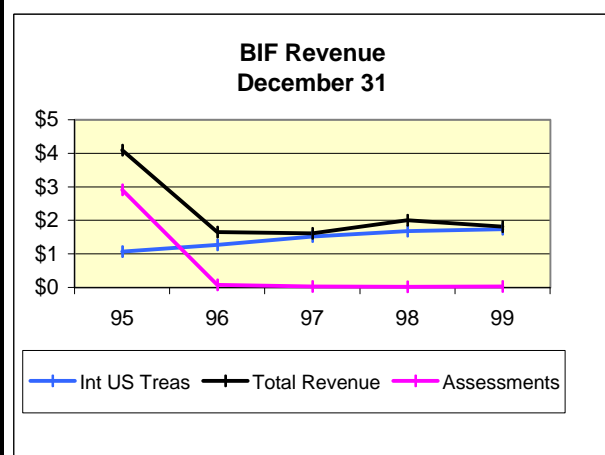
Chart Data: Dollars in Billions



Bank Insurance Fund Statements of Income and Fund Balance March 2000

Dollars in Millions

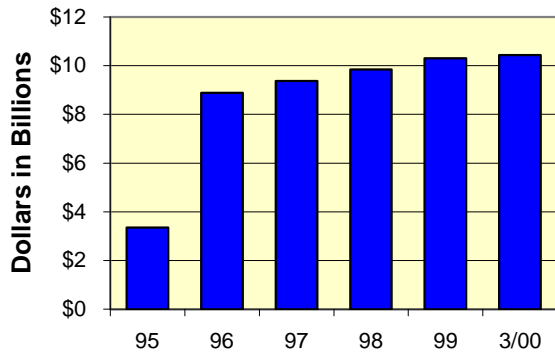
	(Unaudited) Year-to-Date:		(Unaudited) Quarter Ending March 31:	
	2000	1999	2000	1999
Revenue				
Interest on U.S. Treasury obligations	\$ 432	\$ 420	\$ 432	\$ 420
Assessments	17	10	17	10
Interest on advances and subrogated claims	2	1	2	1
Revenue from assets acquired from assisted banks and terminated receiverships	4	3	4	3
Other revenue	3	4	3	4
Total Revenue	458	438	458	438
Expenses and Losses				
Operating expenses	176	167	176	167
Insurance Losses/Expenses:				
Provision for insurance losses	20	26	20	26
Expenses for assets acquired from assisted banks and terminated receiverships	5	1	5	1
Interest and other insurance expenses	4	0	4	0
Total Expenses and Losses	205	194	205	194
Net Income	253	244	253	244
Unrealized gain/(loss) on available-for-sale securities, net (current period)	72	(4)	72	(4)
Comprehensive Income	325	240	325	240
Fund Balance - Beginning	29,414	29,612	29,414	29,612
Fund Balance - Ending	\$ 29,739	\$ 29,852	\$ 29,739	\$ 29,852

Chart Data: Dollars in Billions

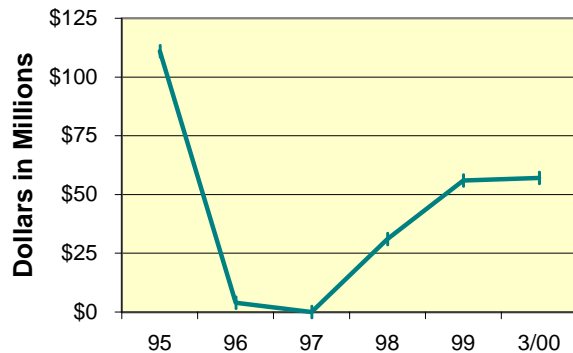
Savings Association Insurance Fund Statements of Financial Position March 2000

<i>Dollars in Millions</i>	(Unaudited) March 31	
	<u>2000</u>	<u>1999</u>
Assets		
Cash and cash equivalents - unrestricted	\$ 264	\$ 473
Cash and other assets - restricted for SAIF-member exit fees	272	257
Investment in U.S. Treasury obligations, net	10,047	9,376
Interest receivable on investments and other assets, net	156	143
Receivables from thrift resolutions, net	30	5
Total Assets	\$ 10,769	\$ 10,254
Liabilities		
Accounts payable and other liabilities	\$ 5	\$ 8
Contingent liability for anticipated failure of insured institutions	57	52
SAIF-member exit fees and investment proceeds held in escrow	272	257
Total Liabilities	334	317
Fund Balance		
Unrestricted		
Accumulated net income	10,441	8,956
Unrealized (loss)/gain on available-for-sale securities, net	(6)	3
	<u>10,435</u>	<u>8,959</u>
Restricted		
Special Reserve	0	978
Total Fund Balance	10,435	9,937
Total Liabilities and Fund Balance	\$ 10,769	\$ 10,254

SAIF Total Fund Balance

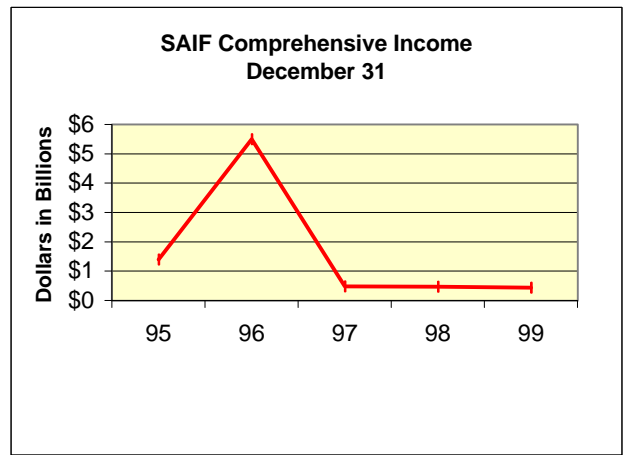
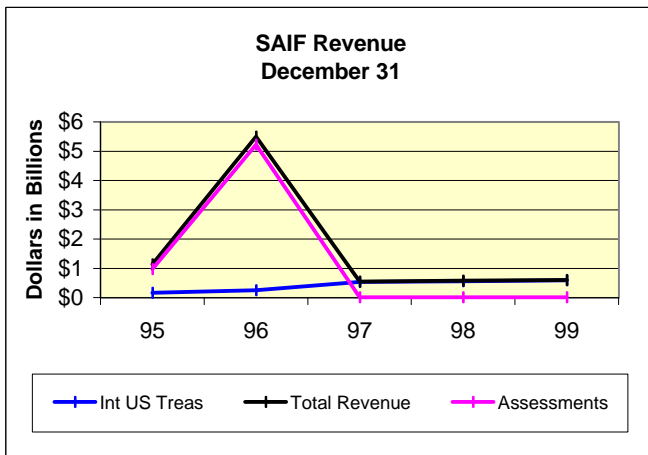


SAIF Contingent Liability for Anticipated Failure of Insured Institutions



Savings Association Insurance Fund Statements of Income and Fund Balance March 2000

<i>Dollars in Millions</i>	(Unaudited) Year-to-Date:		(Unaudited) Quarter Ending March 31:	
	2000	1999	2000	1999
Revenue				
Interest on U.S. Treasury obligations	\$ 151	\$ 141	\$ 151	\$ 141
Assessments	4	0	4	0
Other revenue	0	0	0	0
Total Revenue	155	141	155	141
Expenses and Losses				
Operating expenses	25	21	25	21
Provision for insurance losses	2	21	2	21
Other expenses	0	0	0	0
Total Expenses and Losses	27	42	27	42
Net Income	128	99	128	99
Unrealized gain/(loss) on available-for-sale securities, net (current period)	26	(2)	26	(2)
Comprehensive Income	154	97	154	97
Fund Balance - Beginning	10,281	9,840	10,281	9,840
Unrestricted Fund Balance - Ending	10,435	8,959	10,435	8,959
Restricted Fund Balance (Special Reserve) - Ending	0	978	0	978
Fund Balance - Ending	\$ 10,435	\$ 9,937	\$ 10,435	\$ 9,937



RESOLUTION FUND

FSLIC Resolution Fund (FRF)

The FRF is a FDIC-managed resolution fund that was originally created to wind up the affairs of the former Federal Savings and Loan Insurance Corporation (FSLIC). It is also responsible for liquidating the assets and liabilities that were transferred from the former Resolution Trust Corporation (RTC) in 1996. Statutorily, the FRF is reported as one fund; for management reporting and operational purposes, the FRF is split into its FSLIC and RTC components and accounted for separately. The assets of one component are not available to satisfy the obligations of the other.

The FRF will continue to operate until all of its assets are sold or otherwise liquidated and all of its liabilities are satisfied.

FRF-FSLIC

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) abolished the insolvent FSLIC, created the FRF, and transferred the assets and liabilities of the FSLIC to the FRF or RTC, effective August 9, 1989. Upon dissolution of this component of the FRF, any funds remaining will be transferred to the U.S. Treasury.

FRF-RTC

The RTC was created to manage and resolve all thrifts previously insured by the FSLIC for which a conservator or receiver was appointed on January 1, 1989, or later. Resolution responsibility transferred from the RTC to the SAIF on July 1, 1995, and the RTC was terminated as of December 31, 1995. All remaining assets and liabilities of the RTC were transferred to the FRF on January 1, 1996. Upon dissolution of this component of the FRF, any funds remaining will be transferred to the U.S. Treasury or the Resolution Funding Corporation, as appropriate.

FSLIC Resolution Fund Statements of Cash Flows and Selected Statistics March 2000

Dollars in Millions

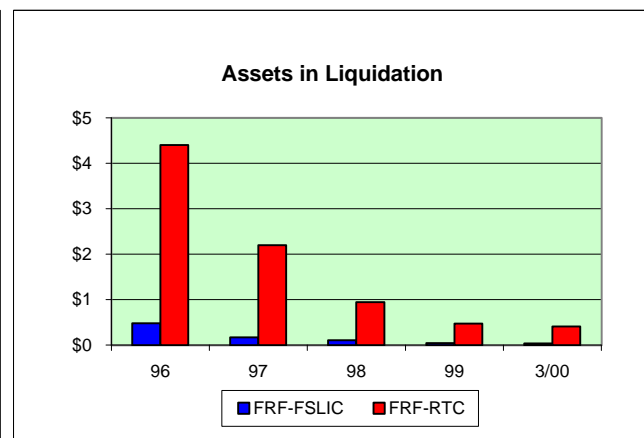
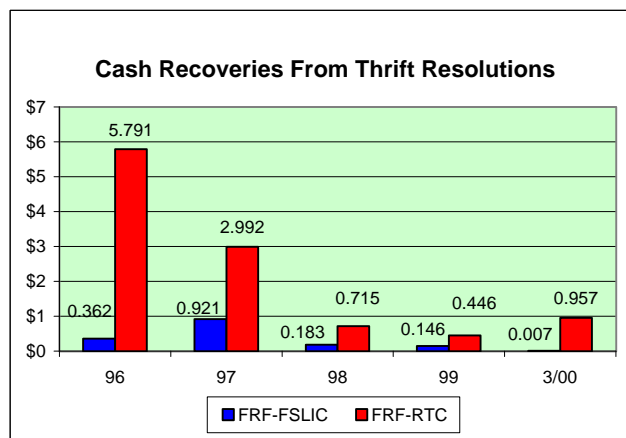
	FRF - FSLIC (Unaudited) Year-to-Date:		FRF - RTC (Unaudited) Year-to-Date:		FRF - CONSOLIDATED (Unaudited) Year-to-Date:	
	2000	1999	2000	1999	2000	1999
Cash Flows						
Cash Flows From Operating Activities:						
Cash Provided From Operating Activities	\$45	\$47	\$1,000	\$137	\$1,045	\$184
Cash Used for Operating Activities	(4)	(7)	(92)	(55)	(96)	(62)
Net Cash Provided by Operating Activities	41	40	908	82	949	122
Cash Flows From Investing Activities:						
Investment in Securitization Related Assets						
Acquired from Receiverships, AFS (1)	0	0	252	376	252	376
Cash Flows From Financing Activities:						
U.S. Treasury Payments for Goodwill Settlements	0	0	0	0	0	0
Return of U.S. Treasury Payments (2)	0	0	(391)	0	(391)	0
Net Increase in Cash	\$41	\$40	\$769	\$458	\$810	\$498
Selected Statistics						
Resolution Equity (2)	\$2,265	\$2,132	\$4,024	\$8,341	\$6,289	\$10,473
Number of Active Receiverships	8	25	203	359	211	384
Number of Other Liquidating Entities	25	57	17	18	42	75
Assets in Liquidation (3)	\$37	\$85	\$407	\$845	\$444	\$930

(1) Available-for-Sale (AFS)

(2) FRF-RTC repaid a total of \$4.556 billion to the U.S. Treasury during 1999 and the first quarter of 2000, in compliance with the RTC Completion Act.

(3) Assets in liquidation is the total book value of the noncash assets to be liquidated.

Chart Data: Dollars in Billions

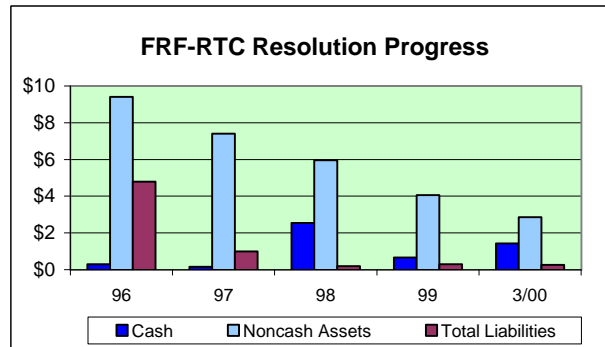
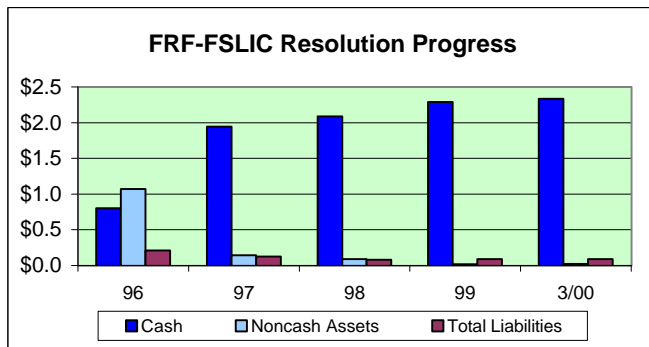


FSLIC Resolution Fund Statements of Financial Position March 2000

Dollars in Millions	FRF - FSLIC (Unaudited) March 31		FRF - RTC (Unaudited) March 31		FRF - CONSOLIDATED (Unaudited) March 31	
	2000	1999	2000	1999	2000	1999
	Assets					
Cash and cash equivalents	\$ 2,334	\$ 2,129	\$ 1,424	\$ 3,000	\$ 3,758	\$ 5,129
Receivables from thrift resolutions, net	12	39	428	1,424	440	1,463
Investment in securitization related assets acquired from receiverships	0	0	2,399	4,027	2,399	4,027
Assets acquired from assisted thrifts and terminated receiverships, net	10	30	23	28	33	58
Other assets, net	0	10	7	27	7	37
Total Assets	\$ 2,356	\$ 2,208	\$ 4,281	\$ 8,506	\$ 6,637	\$ 10,714
Liabilities and Resolution Equity						
Liabilities						
Accounts payable and other liabilities	\$ 18	\$ 4	\$ 26	\$ 27	\$ 44	\$ 31
Liabilities from thrift resolutions	68	67	230	137	298	204
Contingent liabilities for:						
Assistance agreements	5	5	0	0	5	5
Litigation losses	0	0	1	1	1	1
Total Liabilities	91	76	257	165	348	241
Resolution Equity						
Contributed capital (1)	44,157	44,156	86,780	91,335	130,937	135,491
Accumulated deficit	(41,892)	(42,024)	(82,965)	(83,226)	(124,857)	(125,250)
Unrealized gain on available-for-sale securities, net	0	0	209	232	209	232
Accumulated deficit, net	(41,892)	(42,024)	(82,756)	(82,994)	(124,648)	(125,018)
Total Resolution Equity	2,265	2,132	4,024	8,341	6,289	10,473
Total Liabilities and Resolution Equity	\$ 2,356	\$ 2,208	\$ 4,281	\$ 8,506	\$ 6,637	\$ 10,714

(1) Contributed Capital decreased \$4.556 billion due to the FRF-RTC repayments to the U.S. Treasury during 1999 and the first quarter of 2000.

Chart Data: Dollars in Billions



FSLIC Resolution Fund Statements of Income and Accumulated Deficit March 2000

Dollars in Millions

	FRF - FSLIC (Unaudited) Year-to-Date:		FRF - RTC (Unaudited) Year-to-Date:		FRF- CONSOLIDATED (Unaudited) Year-to-Date:	
	2000	1999	2000	1999	2000	1999
Revenue						
Interest on securitization related assets acquired from receiverships	\$ 0	\$ 0	\$ 21	\$ 20	\$ 21	\$ 20
Interest on U.S. Treasury obligations	32	25	0	0	32	25
Interest on advances and subrogated claims	0	0	8	14	8	14
Revenue from assets acquired from assisted thrifts and terminated receiverships	1	3	5	1	6	4
Realized gain on investment in securitization related assets acquired from receiverships	0	0	20	7	20	7
Limited partnership equity interests and other revenue	0	0	2	8	2	8
Total Revenue	33	28	56	50	89	78
Expenses and Losses						
Operating expenses	1	2	19	18	20	20
Realized loss on investment in securitization related assets acquired from receiverships	0	0	8	5	8	5
Provision for losses	(8)	(10)	4	(11)	(4)	(21)
Expenses for goodwill settlements and litigation	(1)	0	0	0	(1)	0
Expenses for assets acquired from assisted thrifts and terminated receiverships	1	1	3	1	4	2
Interest expense on notes payable and other expenses	2	1	3	0	5	1
Total Expenses and Losses	(5)	(6)	37	13	32	7
Net Income	38	34	19	37	57	71
Unrealized loss on available-for-sale securities, net (current period)	0	0	(31)	(9)	(31)	(9)
Comprehensive Income	38	34	(12)	28	26	62
Accumulated Deficit - Beginning	(41,930)	(42,058)	(82,744)	(83,022)	(124,674)	(125,080)
Accumulated Deficit - Ending	\$ (41,892)	\$ (42,024)	\$ (82,756)	\$ (82,994)	\$ (124,648)	\$ (125,018)

Chart Data: Dollars in Billions

