

BB&T CORP  
Form 8-K  
April 11, 2002

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**Form 8-K  
Current Report**

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Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

April 11, 2002

Date of Report (Date of earliest event reported)

**BB&T Corporation**

(Exact name of registrant as specified in its charter)

**Commission file number : 1-10853**

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North Carolina  
(State of incorporation)

56-0939887  
(I.R.S. Employer Identification No.)

200 West Second Street  
Winston-Salem, North Carolina  
(Address of principal executive offices)

27101  
(Zip Code)

**(336) 733-2000**

(Registrant's telephone number, including area code)

**This Form 8-K has 14 pages.**

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**ITEM 5. OTHER EVENTS**

The purpose of this Current Report on Form 8-K is to file BB&T Corporation's Quarterly Performance Summary for the first quarter of 2002.

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**EXHIBIT INDEX**

Exhibit 99.1 Quarterly Performance Summary issued April 11, 2002

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**April 11, 2002**

**FOR IMMEDIATE RELEASE**

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## **BB&T achieves 18.3% growth in first quarter earnings**

WINSTON-SALEM, N.C. -- BB&T Corporation (NYSE:BBT) reported today first quarter 2002 earnings totaling \$309.2 million, or \$.66 per diluted share, excluding nonrecurring items. Net income, excluding nonrecurring items, increased 18.3% and diluted earnings per share increased 15.8% compared to recurring results in the first quarter of 2001.

Net nonrecurring items for the quarter, while immaterial, were comprised of after-tax expenses of \$9.4 million associated with acquisitions, offset by the cumulative effect of a change in accounting principle from the implementation of a new accounting rule, which resulted in the recognition of income totaling \$9.8 million.

BB&T's first quarter 2002 results, excluding nonrecurring items, produced an annualized return on average assets of 1.75% and an annualized return on average shareholders' equity of 19.39%, compared to prior year ratios of 1.58% and 19.32%, respectively.

Cash basis operating results exclude the effects of intangible assets and related amortization expenses. Excluding nonrecurring items, cash basis earnings totaled \$312.0 million for the first quarter of 2002, or \$.67 per diluted share. These results reflect increases of 11.9% and 9.8%, respectively, compared to results for the first quarter of 2001. Cash basis earnings for the current quarter produced an annualized return on average tangible assets of 1.80%, and an annualized return on average tangible shareholders' equity of 23.46%.

"I am pleased to announce a strong start to 2002," said Chairman and Chief Executive Officer John A. Allison. "Our earnings benefited from a solid performance by our noninterest income generating businesses, improvement in our net interest margin and our continuing ability to achieve cost savings from acquisitions."

Including nonrecurring items, net income for the first quarter of 2002 totaled \$309.6 million compared to \$236.5 million earned in the first quarter of 2001, an increase of 30.9%. On a diluted per share basis, net income for the quarter was \$.66, up 29.4% compared to \$.51 earned in 2001. Net income for the first quarter generated an annualized return on average assets of 1.76% and an annualized return on average shareholders' equity of 19.41% compared to prior year ratios of 1.43% and 17.48%, respectively.

### **Noninterest Income Drives Earnings Growth**

Total noninterest income, excluding nonrecurring items, was \$374.7 million for the first quarter of 2002, an increase of 22.5% compared to the same period in 2001. This increase was driven by insurance agency commissions, mortgage banking income, investment banking and brokerage fees and commissions and service charges on deposits.

BB&T's insurance agency network is the 10th largest in the nation. Commissions from the agency network totaled \$63.9 million in the first quarter of 2002, up 52.3% compared to the first quarter last year. This significant increase reflects the Jan. 1 purchase of Cooney, Rikard & Curtin, Inc. (CRC), the largest independently owned wholesale insurance broker in the nation, as well as acquisitions of other agencies in 2002 and 2001. Excluding the effect of these acquisitions, insurance agency commissions increased 11.3%.

BB&T enjoyed record mortgage loan originations in 2001 and continued that trend during the first quarter of this year with \$2.8 billion in originations. This strong level of mortgage activity fueled a 22.7% increase in mortgage banking income in the first quarter of 2002 compared to the same period in 2001. BB&T recorded a \$9.8 million provision for the impairment of mortgage servicing rights during the quarter because low mortgage rates have spurred significant prepayments in the underlying loans. This provision was offset by securities gains. Excluding the provision, mortgage banking income increased 46.5%.

Investment banking and brokerage fees and commissions totaled \$52.9 million for the quarter, an increase of 21.0% compared to the first quarter last year due to higher trading and fee income in BB&T's brokerage operations. Income from service charges on deposit accounts increased because of growth in accounts, higher transaction volume and income from purchase acquisitions. Service charges on deposits totaled \$90.2 million for the first quarter of 2002, an increase of 13.5% compared to the first quarter of 2001.

Excluding the effect of acquisitions accounted for as purchases, noninterest income totaled \$351.8 million in the quarter, reflecting an increase of 15.0% compared to the same period in 2001.

### **Net Interest Margin Improves to 4.26%**

BB&T's fully taxable equivalent net interest income totaled \$685.3 million for the first quarter, an increase of \$50.9 million, or 8.0%, compared to the first quarter of 2001. The net interest margin was 4.26% for the quarter, up from 4.14% in the first quarter of 2001 and 4.20% in last year's fourth quarter. BB&T's net interest margin has increased steadily in the last year despite aggressive actions by the Federal Reserve to lower short-term interest rates.

### **Cost Savings from Acquisitions Aid Expense Control**

BB&T maintained excellent operating efficiency during the quarter. Noninterest expense for the first quarter of 2002, excluding nonrecurring items, was \$533.7 million, an increase of 10.1% compared to the first quarter of 2001. However, excluding the effects of acquisitions accounted for as purchases, noninterest expense totaled \$504.6 million for the current quarter, an increase of 4.1% compared to the same period last year. BB&T's cash basis efficiency ratio for the quarter was 50.1%.

### **Overall Loan Growth Slows**

BB&T's loan and lease portfolios totaled \$50.2 billion at March 31, an increase of 8.7% compared to the first quarter of 2001. The loan category leading the increase was commercial loans and leases, which increased \$3.6 billion, or 14.4%. In addition, BB&T's consumer loan portfolio increased \$838.1 million, or 7.5%; revolving credit increased \$93.6 million, or 10.9%; and mortgage loans decreased \$488.1 million, or 5.1%. For the quarter, average total loans and leases increased 5.6% compared to the first quarter of 2001. Excluding the effects of loans acquired through purchase acquisitions and the effects of loan securitization programs, average loans and leases totaled \$51.1 billion for the first quarter, an increase of \$1.7 billion, or 3.4%, compared to the same period last year.

## **Nonperforming Assets and Loan Losses Increase as Expected**

As anticipated, BB&T's nonperforming assets and credit losses increased in the first quarter of 2002. Nonperforming assets as a percentage of total assets increased to .56% compared to .40% at March 31, 2001, and .53% at Dec. 31, 2001. Annualized net charge-offs were .48% of average loans and leases for the first quarter of 2002 compared to .26% in the first quarter of 2001, but down from .54% in the fourth quarter of 2001. Excluding losses at BB&T's specialized lending subsidiaries, annualized net charge-offs for the quarter were .37% of average loans and leases.

"These levels of nonperforming assets and net charge-offs, though higher than last year because of the recession, still reflect good quality in our portfolios," said Allison. "Our credit quality stacks up very well compared to our peers and the industry. We expect our credit quality indicators to show improvement later this year assuming the economy recovers." According to the FDIC's Quarterly Banking Profile, the fourth quarter 2001 average net charge-off ratio for institutions with assets greater than \$10 billion was 1.46%, and the ratio of nonperforming assets to total assets was 1.00%. Industry data for the fourth quarter of 2001 is the most current available.

## **BB&T Continues to Pursue Strategic Acquisitions in 2002**

On Jan. 1, BB&T acquired Birmingham, Ala.-based CRC. The transaction has substantially increased and diversified revenues from BB&T's insurance operations, as evidenced by the strong growth in agency insurance commissions during the quarter.

On March 8, BB&T completed its acquisition of Louisville, Ky.-based MidAmerica Bancorp. The transaction marks BB&T's initial presence in the economically vibrant Louisville market. MidAmerica has \$2.0 billion in assets and operates 30 banking offices in the Louisville metropolitan statistical area.

On March 20, BB&T consummated its merger with AREA Bancshares Corporation of Owensboro, Ky. AREA has \$2.9 billion in assets and operates 72 banking offices throughout Kentucky. The acquisition of AREA, combined with the MidAmerica merger, increased BB&T's assets in Kentucky to more than \$5 billion and its market share in the state from 32nd to 3rd.

BB&T Insurance Services purchased three high-quality insurance agencies during the quarter. On Jan. 2, the acquisition of O'Neal and Hinson Insurance Services of Macon, Ga., was completed. On Feb. 1, Professional Benefits Management, Inc., of Greensboro, N.C., joined the BB&T team, and on March 1, the acquisition of Kaplan Insurance Services, Inc. of Macon, Ga., was completed.

On April 5, BB&T completed its acquisition of The Pfefferkorn Company, a mortgage banking company based in Winston-Salem, N.C. The Pfefferkorn Company has a mortgage servicing portfolio of \$840 million. This acquisition further strengthens BB&T's position as the No. 1 mortgage originator in North Carolina.

BB&T also expanded its asset management and investment banking and brokerage operations during the quarter. BB&T Asset Management announced on Jan. 31 plans to acquire Virginia Investment Counselors Inc. (VIC) of Norfolk, Va. With \$1.2 billion in assets under management, VIC is an investment advisory firm offering services in 20 states. Scott & Stringfellow, BB&T's investment banking and brokerage subsidiary, announced on Jan. 28 an agreement to buy Ryan, Lee & Co. Inc., an investment banking and brokerage firm based in McLean, Va. The transaction will bolster BB&T's presence in the Washington, D.C. area.

In addition to the mergers and acquisitions described above, BB&T completed the systems integration of F&M National Corporation of Winchester, Va., on March 18. The merger, completed in August 2001, provided BB&T with a major expansion in many excellent growth markets in Virginia, Maryland and West Virginia.

On March 31, BB&T had \$74.9 billion in assets and operated 1,132 banking offices in the Carolinas, Virginia, West Virginia, Kentucky, Georgia, Maryland, Tennessee, Alabama, Indiana and Washington, D.C. BB&T's common stock is traded on the New York Stock Exchange under the trading symbol BBT. The closing price of BB&T's common stock on April 10 was \$37.96 per share.

For additional information about BB&T's financial performance, company news, products and services, please visit our web site at [www.BB&T.com](http://www.BB&T.com).

To hear a live webcast of BB&T's first quarter 2002 earnings conference call at 10 a.m. today, please visit our web site at [www.BB&T.com](http://www.BB&T.com). Replays of the conference call will be available through our web site until 5 p.m. (EDT) April 26.

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*This press release contains forward-looking statements as defined by federal securities laws. These statements may address issues that involve significant risks, uncertainties, estimates and assumptions made by management. Actual results could differ materially from current projections. Please refer to BB&T's filings with the Securities and Exchange Commission for a summary of important factors that could affect BB&T's forward-looking statements. BB&T undertakes no obligation to revise these statements following the date of this press release.*

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## QUARTERLY PERFORMANCE SUMMARY

BB&amp;T Corporation (NYSE:BBT)

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### For the Three Months Ended Increase (Decrease)

(Dollars in thousands, except per share data)

3/31/02

3/31/01

\$

%

#### INCOME STATEMENT EXCLUDING NONRECURRING ITEMS (1)

|   |              |              |              |         |
|---|--------------|--------------|--------------|---------|
| Interest income - taxable equivalent                        | \$ 1,119,623 | \$ 1,320,500 | \$ (200,877) | (15.2)% |
| Interest expense  | 434,361      | 686,095      | (251,734)    | (36.7)  |
| Net interest income - taxable equivalent                    | 685,262      | 634,405      | 50,857       | 8.0     |
| Less: Taxable equivalent adjustment                         | 37,990       | 48,951       | (10,961)     | (22.4)  |
| Net interest income   | 647,272      | 585,454      | 61,818       | 10.6    |
| Provision for loan & lease losses                           | 56,500       | 33,170       | 23,330       | 70.3    |
| Net interest income after provision for loan & lease losses | 590,772      | 552,284      | 38,488       | 7.0     |
| Noninterest income (2)                                      | 374,720      | 305,881      | 68,839       | 22.5    |

|   | For the Three Months Ended |            | Increase (Decrease) |       |
|---|----------------------------|------------|---------------------|-------|
| Noninterest expense (3)                 | 533,691                    | 484,642    | 49,049              | 10.1  |
| Income before income taxes              | 431,801                    | 373,523    | 58,278              | 15.6  |
| Provision for income taxes              | 122,554                    | 112,078    | 10,476              | 9.3   |
| Income excluding nonrecurring items (1) | 309,247                    | 261,445    | 47,802              | 18.3  |
| Nonrecurring items, net of tax (1)      | (398)                      | 24,945     | (25,343)            | NM    |
| Net income                              | \$ 309,645                 | \$ 236,500 | \$ 73,145           | 30.9% |

PER SHARE DATA EXCLUDING  
NONRECURRING ITEMS (1)

|                                 |         |             |             |       |
|---------------------------------|---------|-------------|-------------|-------|
| Basic earnings                  | \$ .67  | \$ .58      | \$ .09      | 15.5% |
| Diluted earnings                | .66     | .57         | .09         | 15.8  |
| Weighted average shares -       | Basic   | 462,902,144 | 452,634,896 |       |
|                                 | Diluted | 468,604,312 | 459,429,071 |       |
| Dividends paid on common shares | \$ .26  | \$ .23      | \$ .03      | 13.0% |

PERFORMANCE RATIOS  
EXCLUDING NONRECURRING  
ITEMS (1)

|  |        |        |  |  |
|--|--------|--------|--|--|
| Return on average assets                         | 1.75 % | 1.58 % |  |  |
| Return on average equity                         | 19.39  | 19.32  |  |  |
| Return on average realized equity (4)            | 20.32  | 19.90  |  |  |
| Net yield on earning assets (taxable equivalent) | 4.26   | 4.14   |  |  |
| Efficiency (taxable equivalent) (5)              | 50.5   | 51.7   |  |  |

CASH BASIS PERFORMANCE  
EXCLUDING NONRECURRING  
ITEMS (1)(6)

|  |            |            |           |        |
|--|------------|------------|-----------|--------|
| Earnings excluding nonrecurring items          | \$ 311,951 | \$ 278,753 | \$ 33,198 | 11.9 % |
| Diluted earnings per share                     | .67        | .61        | .06       | 9.8    |
| Return on average tangible assets              | 1.80 %     | 1.71 %     |           |        |
| Return on average tangible equity              | 23.46      | 24.23      |           |        |
| Return on average realized tangible equity (4) | 24.82      | 25.09      |           |        |
| Efficiency ratio (taxable equivalent) (5)      | 50.1       | 49.8       |           |        |

For the Three Months  
Ended

Increase (Decrease)

(Dollars in thousands, except per share data)

3/31/02

3/31/01

\$

%

INCOME STATEMENT

|                                      |              |              |              |         |
|--------------------------------------|--------------|--------------|--------------|---------|
| Interest income - taxable equivalent | \$ 1,119,623 | \$ 1,320,500 | \$ (200,877) | (15.2)% |
| Interest expense                     | 434,361      | 686,095      | (251,734)    | (36.7)  |

|  | For the Three Months<br>Ended |            | Increase (Decrease) |        |
|--|-------------------------------|------------|---------------------|--------|
| Net interest income - taxable<br>equivalent                          | 685,262                       | 634,405    | 50,857              | 8.0    |
| Less: Taxable equivalent adjustment                                  | 37,990                        | 48,951     | (10,961)            | (22.4) |
| Net interest income  | 647,272                       | 585,454    | 61,818              | 10.6   |
| Provision for loan & lease losses                                    | 56,500                        | 42,020     | 14,480              | 34.5   |
| Net interest income after provision<br>for loan & lease losses       | 590,772                       | 543,434    | 47,338              | 8.7    |
| Noninterest income   | 374,720                       | 332,011    | 42,709              | 12.9   |
| Noninterest expense  | 548,310                       | 538,498    | 9,812               | 1.8    |
| Income before income taxes   | 417,182                       | 336,947    | 80,235              | 23.8   |
| Provision for income taxes   | 117,317                       | 100,447    | 16,870              | 16.8   |
| Income before cumulative effect of<br>change in accounting principle | 299,865                       | 236,500    | 63,365              | 26.8   |
| Cumulative effect of change in<br>accounting principle               | 9,780                         | --         | 9,780               | NM     |
| Net Income   | \$ 309,645                    | \$ 236,500 | \$ 73,145           | 30.9%  |

## PER SHARE DATA

|  |    |     |    |     |    |     |        |
|--|----|-----|----|-----|----|-----|--------|
| Basic earnings   |    |     |    |     |    |     |        |
| Income before cumulative effect of<br>change in accounting principle | \$ | .65 | \$ | .52 | \$ | .13 | 25.0 % |
| Cumulative effect of change in<br>accounting principle               |    | .02 |    | --  |    | .02 | NM     |
| Net income   |    | .67 |    | .52 |    | .15 | 28.8   |
| Diluted earnings   |    |     |    |     |    |     |        |
| Income before cumulative effect of<br>change in accounting principle |    | .64 |    | .51 |    | .13 | 25.5   |
| Cumulative effect of change in<br>accounting principle               |    | .02 |    | --  |    | .02 | NM     |
| Net income   | \$ | .66 | \$ | .51 | \$ | .15 | 29.4 % |

PERFORMANCE RATIOS BASED  
ON NET INCOME

|                                       |        |        |
|---------------------------------------|--------|--------|
| Return on average assets              | 1.76 % | 1.43 % |
| Return on average equity              | 19.41  | 17.48  |
| Return on average realized equity (4) | 20.34  | 18.00  |

NOTES: Applicable ratios are annualized.

- (1) Nonrecurring items include \$9.4 million in net after-tax expense associated with acquisitions, and the cumulative effect of a change in accounting principle which resulted in the recognition of income totaling \$9.8 million.
- (2) Excluding purchase accounting transactions, noninterest income would have increased \$45.9 million, or 15.0%, for the quarter compared to the same period in 2001.

- (3) Excluding purchase accounting transactions, noninterest expense would have increased \$20.0 million, or 4.1%, for the quarter compared to the same period in 2001.
- (4) Excludes the effect on average shareholders' equity of unrealized gains (losses) on securities available for sale.
- (5) Excludes securities gains (losses), foreclosed property expense, provisions for the impairment of mortgage servicing rights and nonrecurring items.
- (6) Cash basis performance excludes the effect on earnings of amortization expense applicable to intangible assets and the unamortized balances of intangibles from assets and equity.

NM- not meaningful.

## QUARTERLY PERFORMANCE SUMMARY

BB&T Corporation (NYSE:BBT)

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Tom A. Nicholson

Senior Vice President

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As of / For the Three Months  
Ended

Increase (Decrease)

(Dollars in thousands)

|                                   | 3/31/02       | 3/31/01       | \$           | %      |
|-----------------------------------|---------------|---------------|--------------|--------|
| SELECTED BALANCE SHEET DATA       |               |               |              |        |
| End of period balances            |               |               |              |        |
| Securities available for sale     | \$ 17,515,228 | \$ 15,244,516 | \$ 2,270,712 | 14.9 % |
| Securities held to maturity       | 44,189        | 438,199       | (394,010)    | (89.9) |
| Trading securities                | 143,976       | 187,218       | (43,242)     | (23.1) |
| Total securities                  | 17,703,393    | 15,869,933    | 1,833,460    | 11.6   |
| Commercial loans & leases         | 28,139,248    | 24,587,877    | 3,551,371    | 14.4   |
| Consumer loans                    | 11,962,560    | 11,124,471    | 838,089      | 7.5    |
| Revolving credit loans            | 953,956       | 860,396       | 93,560       | 10.9   |
| Mortgage loans                    | 9,100,813     | 9,588,919     | (488,106)    | (5.1)  |
| Total loans & leases              | 50,156,577    | 46,161,663    | 3,994,914    | 8.7    |
| Allowance for loan & lease losses | 705,905       | 601,788       | 104,117      | 17.3   |
| Other earning assets              | 333,035       | 532,472       | (199,437)    | (37.5) |
| Total earning assets              | 67,924,614    | 62,153,135    | 5,771,479    | 9.3    |
| Total assets                      | 74,949,720    | 67,859,827    | 7,089,893    | 10.4   |
| Noninterest-bearing deposits      | 7,142,729     | 6,096,581     | 1,046,148    | 17.2   |
| Savings & interest checking       | 3,287,663     | 3,295,178     | (7,515)      | (.2)   |
| Money rate savings                | 14,894,883    | 12,481,532    | 2,413,351    | 19.3   |
| CDs and other time deposits       | 23,145,964    | 22,056,193    | 1,089,771    | 4.9    |



## As of / For the Three Months

|                                    | Ended         |               | Increase (Decrease) |        |
|------------------------------------|---------------|---------------|---------------------|--------|
| Total deposits                     | 48,471,239    | 43,929,484    | 4,541,755           | 10.3   |
| Short-term borrowed funds          | 6,043,367     | 6,001,435     | 41,932              | .7     |
| Long-term debt                     | 11,444,091    | 10,912,235    | 531,856             | 4.9    |
| Total interest-bearing liabilities | 58,815,968    | 54,746,573    | 4,069,395           | 7.4    |
| Total shareholders' equity         | \$ 7,055,418  | \$ 5,624,614  | \$ 1,430,804        | 25.4   |
| Average balances                   |               |               |                     |        |
| Securities, at amortized cost      | \$ 16,482,625 | \$ 15,742,659 | \$ 739,966          | 4.7 %  |
| Commercial loans & leases          | 26,352,170    | 24,655,245    | 1,696,925           | 6.9    |
| Consumer loans                     | 11,387,897    | 11,021,870    | 366,027             | 3.3    |
| Revolving credit loans             | 944,465       | 851,899       | 92,566              | 10.9   |
| Mortgage loans                     | 9,148,681     | 8,770,706     | 377,975             | 4.3    |
| Total loans & leases               | 47,833,213    | 45,299,720    | 2,533,493           | 5.6    |
| Other earning assets               | 454,518       | 478,978       | (24,460)            | (5.1)  |
| Total earning assets               | 64,770,356    | 61,521,357    | 3,248,999           | 5.3    |
| Total assets                       | 71,481,681    | 66,955,391    | 4,526,290           | 6.8    |
| Noninterest-bearing deposits       | 6,498,552     | 5,817,639     | 680,913             | 11.7   |
| Savings & interest checking        | 3,201,268     | 3,496,877     | (295,609)           | (8.5)  |
| Money rate savings                 | 13,721,226    | 11,756,965    | 1,964,261           | 16.7   |
| CDs and other time deposits        | 22,276,868    | 21,956,161    | 320,707             | 1.5    |
| Total deposits                     | 45,697,914    | 43,027,642    | 2,670,272           | 6.2    |
| Short-term borrowed funds          | 5,930,689     | 6,604,135     | (673,446)           | (10.2) |
| Long-term debt                     | 11,572,254    | 10,465,027    | 1,107,227           | 10.6   |
| Total interest-bearing liabilities | 56,702,305    | 54,279,165    | 2,423,140           | 4.5    |
| Total shareholders' equity         | \$ 6,469,084  | \$ 5,487,154  | \$ 981,930          | 17.9   |

## As of / For the Quarter Ended

| (Dollars in thousands)  | 3/31/02    | 12/31/01   | 9/30/01    | 6/30/01    | 3/31/01    |       |
|---|------------|------------|------------|------------|------------|-------|
| MISCELLANEOUS INFORMATION   |            |            |            |            |            |       |
| (1)   |            |            |            |            |            |       |
| Unrealized appreciation (depreciation) on securities available for sale, net of tax | \$ 160,399 | \$ 288,107 | \$ 407,966 | \$ 250,548 | \$ 248,575 |       |
| Derivatives (notional value)  | 5,222,994  | 5,614,502  | 3,752,445  | 3,361,296  | 2,821,040  |       |
| Fair value of derivatives portfolio   | 46,936     | 43,973     | (2,407)    | 8,667      | (12,954)   |       |
| Common stock prices (daily close):  | High       | 39.11      | 36.96      | 38.48      | 37.01      | 37.88 |

|                                  |         | As of / For the Quarter Ended |             |             |             |             |
|----------------------------------|---------|-------------------------------|-------------|-------------|-------------|-------------|
| Low                              |         | 34.47                         | 32.10       | 33.57       | 34.25       | 31.42       |
| End of period                    |         | 38.11                         | 36.11       | 36.45       | 36.70       | 35.17       |
| Weighted average shares -        | Basic   | 462,902,144                   | 454,031,392 | 454,346,907 | 451,712,342 | 452,634,896 |
|                                  | Diluted | 468,604,312                   | 459,369,269 | 460,387,879 | 457,879,467 | 459,429,071 |
| End of period shares outstanding |         | 481,195,674                   | 455,682,560 | 452,984,331 | 456,031,476 | 453,380,066 |
| End of period banking offices    |         | 1,132                         | 1,081       | 1,085       | 1,095       | 1,096       |
| ATMs                             |         | 1,718                         | 1,613       | 1,614       | 1,430       | 1,374       |

All items referring to loans & leases include loans held for sale & are net of unearned income.

NOTES: (1) BB&T had approximately 23,500 full-time equivalent employees at March 31, 2002.

## QUARTERLY PERFORMANCE SUMMARY

BB&T Corporation (NYSE:BBT)

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Tom A. Nicholson

Senior Vice President

Investor Relations

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### As of / For the Quarter Ended

(Dollars in thousands, except per share data)

|  | 3/31/02    | 12/31/01   | 9/30/01    | 6/30/01    | 3/31/01      |
|--|------------|------------|------------|------------|--------------|
| INCOME STATEMENTS EXCLUDING NONRECURRING ITEMS (1) |            |            |            |            |              |
| Interest income - taxable equivalent               |            |            |            |            |              |
| Interest & fees on loans & leases                  | \$ 844,804 | \$ 897,529 | \$ 977,910 | \$ 998,665 | \$ 1,028,789 |
| Interest & dividends on securities                 | 272,326    | 278,719    | 279,120    | 278,356    | 285,256      |
| Interest on short-term investments                 | 2,493      | 2,228      | 3,514      | 4,988      | 6,455        |
|  | 1,119,623  | 1,178,476  | 1,260,544  | 1,282,009  | 1,320,500    |

## As of / For the Quarter Ended

|   |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|
| Total interest income - taxable equivalent                  |            |            |            |            |            |
| Interest expense  |            |            |            |            |            |
| Interest on deposits  | 259,602    | 315,532    | 381,409    | 421,861    | 447,467    |
| Interest on short-term borrowed funds                       | 26,449     | 35,451     | 55,913     | 58,251     | 88,700     |
| Interest on long-term debt                                  | 148,310    | 152,488    | 154,498    | 153,438    | 149,928    |
| Total interest expense                                      | 434,361    | 503,471    | 591,820    | 633,550    | 686,095    |
| Net interest income - taxable equivalent                    | 685,262    | 675,005    | 668,724    | 648,459    | 634,405    |
| Less: Taxable equivalent adjustment                         | 37,990     | 42,938     | 45,572     | 53,404     | 48,951     |
| Net interest income   | 647,272    | 632,067    | 623,152    | 595,055    | 585,454    |
| Provision for loan & lease losses                           | 56,500     | 65,000     | 45,500     | 44,298     | 33,170     |
| Net interest income after provision for loan & lease losses | 590,772    | 567,067    | 577,652    | 550,757    | 552,284    |
| Noninterest income  |            |            |            |            |            |
| Service charges on deposits                                 | 90,162     | 93,773     | 88,305     | 87,992     | 79,452     |
| Mortgage banking income                                     | 50,562     | 39,194     | 52,068     | 51,482     | 41,192     |
| Investment banking & brokerage fees & commissions           | 52,893     | 45,085     | 43,599     | 42,904     | 43,708     |
| Trust revenue   | 23,128     | 18,962     | 22,931     | 23,929     | 25,076     |
| Agency insurance commissions                                | 63,883     | 45,724     | 44,120     | 45,049     | 41,953     |
| Other insurance commissions                                 | 3,485      | 4,122      | 3,089      | 3,549      | 2,840      |
| Other nondeposit fees & commissions                         | 44,116     | 46,709     | 48,600     | 47,750     | 44,549     |
| Securities gains (losses), net                              | 13,407     | 32,257     | 3,786      | 3,576      | 3,632      |
| Other income  | 33,084     | 31,183     | 30,095     | 27,368     | 23,479     |
| Total noninterest income                                    | 374,720    | 357,009    | 336,593    | 333,599    | 305,881    |
| Noninterest expense   |            |            |            |            |            |
| Personnel expense   | 304,893    | 288,235    | 281,830    | 282,484    | 274,309    |
| Occupancy & equipment expense                               | 83,451     | 73,890     | 79,222     | 75,102     | 75,172     |
| Foreclosed property expense                                 | 341        | 1,158      | 673        | 500        | 417        |
| Amortization of intangibles                                 | 4,351      | 17,854     | 18,529     | 18,404     | 17,871     |
| Other noninterest expense                                   | 140,655    | 140,144    | 134,456    | 133,161    | 116,873    |
| Total noninterest expense                                   | 533,691    | 521,281    | 514,710    | 509,651    | 484,642    |
| Income before income taxes                                  | 431,801    | 402,795    | 399,535    | 374,705    | 373,523    |
| Provision for income taxes                                  | 122,554    | 115,049    | 116,020    | 107,278    | 112,078    |
| Income excluding nonrecurring items (1)                     | \$ 309,247 | \$ 287,746 | \$ 283,515 | \$ 267,427 | \$ 261,445 |

PER SHARE DATA  
EXCLUDING  
NONRECURRING ITEMS

|                |        |        |        |        |        |
|----------------|--------|--------|--------|--------|--------|
| (1)            |        |        |        |        |        |
| Basic earnings | \$ .67 | \$ .63 | \$ .62 | \$ .59 | \$ .58 |

|                                 | As of / For the Quarter Ended |          |          |          |          |  |
|---------------------------------|-------------------------------|----------|----------|----------|----------|--|
| Diluted earnings                | .66                           | .63      | .62      | .58      | .57      |  |
| Dividends paid on common shares | .26                           | .26      | .26      | .23      | .23      |  |
| Book value per share            | \$ 14.66                      | \$ 13.50 | \$ 13.18 | \$ 12.84 | \$ 12.41 |  |

RATIOS EXCLUDING  
NONRECURRING ITEMS

|   |       |       |       |       |       |  |
|---|-------|-------|-------|-------|-------|--|
| (1)   |       |       |       |       |       |  |
| Return on average assets  | 1.75% | 1.62% | 1.62% | 1.58% | 1.58% |  |
| Return on average equity  | 19.39 | 18.56 | 19.05 | 18.95 | 19.32 |  |
| Return on average realized equity (2)                                       | 20.32 | 19.89 | 20.00 | 19.74 | 19.90 |  |
| Net yield on earning assets (taxable equivalent)                            | 4.26  | 4.20  | 4.19  | 4.16  | 4.14  |  |
| Efficiency (taxable equivalent) (3)   | 50.5  | 50.3  | 51.3  | 52.0  | 51.7  |  |
| Noninterest income as a percentage of total income (taxable equivalent) (3) | 35.1  | 34.5  | 33.2  | 33.7  | 32.3  |  |
| Equity as a percentage of total assets end of period                        | 9.4   | 8.7   | 8.5   | 8.5   | 8.3   |  |
| Average earning assets as a percentage of average total assets              | 90.6  | 90.7  | 91.4  | 91.7  | 91.9  |  |
| Average loans & leases as a percentage of average deposits                  | 104.7 | 105.7 | 106.0 | 104.3 | 105.3 |  |

CASH BASIS  
PERFORMANCE  
EXCLUDING  
NONRECURRING ITEMS

|  |            |            |            |            |            |  |
|--|------------|------------|------------|------------|------------|--|
| (1)(4)   |            |            |            |            |            |  |
| Earnings excluding nonrecurring items          | \$ 311,951 | \$ 304,526 | \$ 300,643 | \$ 285,243 | \$ 278,753 |  |
| Diluted earnings per share                     | .67        | .66        | .65        | .62        | .61        |  |
| Return on average tangible assets              | 1.80%      | 1.73%      | 1.73%      | 1.72%      | 1.71%      |  |
| Return on average tangible equity              | 23.46      | 22.87      | 23.57      | 24.00      | 24.23      |  |
| Return on average realized tangible equity (2) | 24.82      | 24.81      | 24.94      | 24.91      | 25.09      |  |
| Efficiency ratio (taxable equivalent) (3)      | 50.1       | 48.6       | 49.6       | 50.2       | 49.8       |  |

- NOTES: Applicable ratios are annualized.
- (1) Net nonrecurring items totaled \$.4 million, \$9.8 million, \$61.5 million, \$30.2 million and \$24.9 million, net of tax, for the quarters ended March 31, 2002, December 31, 2001, September 30, 2001, June 30, 2001 and March 31, 2001, respectively.
  - (2) Excludes the effect on average shareholders' equity of unrealized gains (losses) on securities available for sale.
  - (3) Excludes securities gains (losses), foreclosed property expense, provisions for the impairment of mortgage servicing rights and nonrecurring items.
  - (4) Cash basis performance excludes the effect on earnings of amortization expense applicable to intangible assets and the unamortized balances of intangibles from assets and equity

## QUARTERLY PERFORMANCE SUMMARY

BB&T Corporation (NYSE:BBT)

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### As of / For the Quarter Ended

| (Dollars in thousands)        | 3/31/02       | 12/31/01      | 9/30/01       | 6/30/01       | 3/31/01       |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|
| SELECTED BALANCE SHEET DATA   |               |               |               |               |               |
| End of period balances        |               |               |               |               |               |
| Securities available for sale | \$ 17,515,228 | \$ 16,621,684 | \$ 16,679,755 | \$ 15,370,474 | \$ 15,244,516 |
| Securities held to maturity   | 44,189        | 40,496        | 38,379        | 308,846       | 438,199       |
| Trading securities            | 143,976       | 97,675        | 116,523       | 120,381       | 187,218       |
| Total securities              | 17,703,393    | 16,759,855    | 16,834,657    | 15,799,701    | 15,869,933    |
| Commercial loans & leases     | 28,139,248    | 25,959,142    | 25,532,901    | 25,102,074    | 24,587,877    |
| Consumer loans                | 11,962,560    | 11,214,193    | 11,278,277    | 11,228,486    | 11,124,471    |
| Revolving credit loans        | 953,956       | 951,319       | 908,868       | 892,969       | 860,396       |
| Mortgage loans                | 9,100,813     | 9,318,519     | 9,429,390     | 9,803,743     | 9,588,919     |
| Total loans & leases          | 50,156,577    | 47,443,173    | 47,149,436    | 47,027,272    | 46,161,663    |

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As of / For the Quarter Ended

|                                    |               |               |               |               |               |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Allowance for loan & lease losses  | 705,905       | 644,418       | 634,552       | 610,171       | 601,788       |
| Other earning assets               | 333,035       | 360,789       | 370,912       | 506,263       | 532,472       |
| Total earning assets               | 67,924,614    | 64,087,088    | 63,685,851    | 62,923,591    | 62,153,135    |
| Total assets                       | 74,949,720    | 70,869,945    | 70,309,046    | 68,811,370    | 67,859,827    |
| Noninterest-bearing deposits       | 7,142,729     | 6,939,640     | 6,356,051     | 6,419,145     | 6,096,581     |
| Savings & interest checking        | 3,287,663     | 3,013,702     | 3,094,104     | 3,263,459     | 3,295,178     |
| Money rate savings                 | 14,894,883    | 13,902,088    | 13,156,255    | 12,768,711    | 12,481,532    |
| CDs and other time deposits        | 23,145,964    | 20,877,845    | 22,607,819    | 22,499,458    | 22,056,193    |
| Total deposits                     | 48,471,239    | 44,733,275    | 45,214,229    | 44,950,773    | 43,929,484    |
| Short-term borrowed funds          | 6,043,367     | 6,649,100     | 5,923,442     | 5,704,614     | 6,001,435     |
| Long-term debt                     | 11,444,091    | 11,721,076    | 11,408,329    | 10,864,249    | 10,912,235    |
| Total interest-bearing liabilities | 58,815,968    | 56,163,811    | 56,189,949    | 55,100,491    | 54,746,573    |
| Total shareholders' equity         | 7,055,418     | 6,150,209     | 5,969,828     | 5,855,699     | 5,624,614     |
| Goodwill                           | 1,463,532     | 879,903       | 792,689       | 804,916       | 797,494       |
| Core deposit & other intangibles   | 104,411       | 54,456        | 42,950        | 41,721        | 43,030        |
| Total intangibles                  | 1,567,943     | 934,359       | 835,639       | 846,637       | 840,524       |
| Mortgage servicing rights          | 386,386       | 359,037       | 340,746       | 295,527       | 237,978       |
| Negative goodwill                  | \$ --         | \$ 9,780      | \$ 10,465     | \$ 11,143     | \$ 12,704     |
| <hr/>                              |               |               |               |               |               |
| Average balances                   |               |               |               |               |               |
| Securities, at amortized cost      | \$ 16,482,625 | \$ 16,239,595 | \$ 16,015,660 | \$ 15,542,138 | \$ 15,742,659 |
| Commercial loans & leases          | 26,352,170    | 25,801,611    | 25,497,844    | 25,083,430    | 24,655,245    |
| Consumer loans                     | 11,387,897    | 11,249,000    | 11,278,665    | 11,112,264    | 11,021,870    |
| Revolving credit loans             | 944,465       | 919,501       | 897,121       | 871,586       | 851,899       |
| Mortgage loans                     | 9,148,681     | 9,452,120     | 9,510,234     | 9,348,150     | 8,770,706     |
| Total loans & leases               | 47,833,213    | 47,422,232    | 47,183,864    | 46,415,430    | 45,299,720    |
| Other earning assets               | 454,518       | 354,614       | 437,959       | 453,386       | 478,978       |
| Total earning assets               | 64,770,356    | 64,016,441    | 63,637,483    | 62,410,954    | 61,521,357    |
| Total assets                       | 71,481,681    | 70,610,330    | 69,590,582    | 68,087,219    | 66,955,391    |
| Noninterest-bearing deposits       | 6,498,552     | 6,560,631     | 6,319,783     | 6,119,524     | 5,817,639     |
| Savings & interest checking        | 3,201,268     | 3,240,975     | 3,313,821     | 3,398,441     | 3,496,877     |
| Money rate savings                 | 13,721,226    | 13,208,472    | 12,654,015    | 12,371,408    | 11,756,965    |
| CDs and other time deposits        | 22,276,868    | 21,864,320    | 22,237,050    | 22,628,040    | 21,956,161    |
| Total deposits                     | 45,697,914    | 44,874,398    | 44,524,669    | 44,517,413    | 43,027,642    |
| Short-term borrowed funds          | 5,930,689     | 6,427,523     | 6,451,865     | 5,572,755     | 6,604,135     |

|                                    | As of / For the Quarter Ended |              |              |              |              |
|------------------------------------|-------------------------------|--------------|--------------|--------------|--------------|
| Long-term debt                     | 11,572,254                    | 11,492,851   | 11,174,903   | 10,975,583   | 10,465,027   |
| Total interest-bearing liabilities | 56,702,305                    | 56,234,141   | 55,831,654   | 54,946,227   | 54,279,165   |
| Total shareholders' equity         | \$ 6,469,084                  | \$ 6,150,335 | \$ 5,903,303 | \$ 5,659,565 | \$ 5,487,154 |

## RISK-BASED CAPITAL

(1)

| Risk-based capital:               |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Tier 1                            | \$ 5,371,990 | \$ 5,002,896 | \$ 4,829,647 | \$ 4,828,028 | \$ 4,628,313 |
| Total                             | 7,201,714    | 6,796,958    | 6,613,329    | 5,950,114    | 5,860,999    |
| Risk-weighted assets              | 53,800,991   | 50,972,300   | 50,130,294   | 49,587,717   | 48,396,432   |
| Average quarterly tangible assets | 69,705,579   | 69,262,888   | 68,411,234   | 67,464,682   | 65,781,373   |
| Risk-based capital ratios:        |              |              |              |              |              |
| Tier 1                            | 10.0%        | 9.8%         | 9.6%         | 9.7%         | 9.6%         |
| Total                             | 13.4         | 13.3         | 13.2         | 12.0         | 12.1         |
| Leverage capital ratio            | 7.7          | 7.2          | 7.1          | 7.2          | 7.0          |

NOTES: All items referring to loans & leases include loans held for sale & are net of unearned income.

(1) Current quarter information is estimated.

## QUARTERLY PERFORMANCE SUMMARY

BB&amp;T Corporation (NYSE:BBT)

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## As of / For the Quarter Ended

(Dollars in thousands)

## ASSET QUALITY ANALYSIS

Allowance For Loan &amp; Lease

Losses

|                               | 3/31/02    | 12/31/01   | 9/30/01    | 6/30/01    | 3/31/01    |
|-------------------------------|------------|------------|------------|------------|------------|
| Beginning balance             | \$ 644,418 | \$ 634,552 | \$ 610,171 | \$ 601,788 | \$ 578,107 |
| Allowance for acquired loans, | 61,177     | 9,047      | --         | 9,470      | 10,566     |

## As of / For the Quarter Ended

net

|                                   |            |            |            |            |            |
|-----------------------------------|------------|------------|------------|------------|------------|
| Provision for loan & lease losses | 56,500     | 65,000     | 68,500     | 48,798     | 42,020     |
| Charge-offs                       | (67,206)   | (76,082)   | (54,885)   | (59,750)   | (40,512)   |
| Recoveries                        | 11,016     | 11,901     | 10,766     | 9,865      | 11,607     |
| Net charge-offs                   | (56,190)   | (64,181)   | (44,119)   | (49,885)   | (28,905)   |
| Ending balance                    | \$ 705,905 | \$ 644,418 | \$ 634,552 | \$ 610,171 | \$ 601,788 |

## Nonperforming Assets

|                           |            |            |            |            |            |
|---------------------------|------------|------------|------------|------------|------------|
| Nonaccrual loans & leases | \$ 354,916 | \$ 316,607 | \$ 266,384 | \$ 244,711 | \$ 203,710 |
| Foreclosed real estate    | 46,687     | 39,106     | 34,601     | 27,725     | 41,132     |
| Other foreclosed property | 20,734     | 17,858     | 17,733     | 20,494     | 22,946     |
| Restructured loans        | --         | --         | 183        | 521        | 2,574      |
| Nonperforming assets      | \$ 422,337 | \$ 373,571 | \$ 318,901 | \$ 293,451 | \$ 270,362 |

|   |            |            |           |           |           |
|---|------------|------------|-----------|-----------|-----------|
| Loans 90 days or more past due & still accruing   | \$ 100,962 | \$ 101,778 | \$ 93,968 | \$ 84,399 | \$ 83,001 |
| Loans 90 days or more past due & still accruing as a percentage of total loans and leases | .20 %      | .21 %      | .20 %     | .18 %     | .18 %     |

## Asset Quality Ratios

|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Nonaccrual and restructured loans & leases as a percentage of total loans & leases | .71 % | .67 % | .57 % | .52 % | .45 % |
|--|-------|-------|-------|-------|-------|

Nonperforming assets as a percentage of:

|   |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|
| Total assets                            | .56 | .53 | .45 | .43 | .40 |
| Loans & leases plus foreclosed property | .84 | .79 | .68 | .62 | .58 |

Net charge-offs as a percentage of

|   |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|
| average loans & leases  | .48 | .54 | .37 | .43 | .26 |
| Net charge-offs excluding specialized lending as a percentage of average loans & leases (1) | .37 | .46 | .30 | .37 | .20 |

Allowance for loan &amp; lease

losses as

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| a percentage of loans & leases                 | 1.41   | 1.36   | 1.35   | 1.30   | 1.30   |
| Ratio of allowance for loan & lease losses to: |        |        |        |        |        |
| Net charge-offs                                | 3.10 x | 2.53 x | 3.63 x | 3.05 x | 5.13 x |



## As of / For the Quarter Ended

|   |      |      |      |      |      |
|---|------|------|------|------|------|
| Nonaccrual and restructured<br>loans & leases | 1.99 | 2.04 | 2.38 | 2.49 | 2.92 |
|---|------|------|------|------|------|

## For the Quarter Ended

|  |         |          |         |         |         |
|--|---------|----------|---------|---------|---------|
|  | 3/31/02 | 12/31/01 | 9/30/01 | 6/30/01 | 3/31/01 |
|--|---------|----------|---------|---------|---------|

ANNUALIZED INTEREST YIELDS /  
RATES (2)

## Interest income:

|                    |        |        |        |        |        |
|--------------------|--------|--------|--------|--------|--------|
| Securities & other | 6.49 % | 6.77 % | 6.87 % | 7.09 % | 7.20 % |
| Loans & leases     | 7.14   | 7.52   | 8.24   | 8.63   | 9.19   |

|                      |      |      |      |      |      |
|----------------------|------|------|------|------|------|
| Total earning assets | 6.97 | 7.33 | 7.88 | 8.23 | 8.66 |
|----------------------|------|------|------|------|------|

## Interest expense:

|                           |      |      |      |      |      |
|---------------------------|------|------|------|------|------|
| Interest-bearing deposits | 2.69 | 3.27 | 3.96 | 4.41 | 4.88 |
| Short-term borrowed funds | 1.81 | 2.19 | 3.44 | 4.19 | 5.45 |
| Long-term debt            | 5.19 | 5.27 | 5.49 | 5.60 | 5.79 |

|                                    |      |      |      |      |      |
|------------------------------------|------|------|------|------|------|
| Total interest-bearing liabilities | 3.10 | 3.55 | 4.21 | 4.62 | 5.12 |
|------------------------------------|------|------|------|------|------|

|                             |        |        |        |        |        |
|-----------------------------|--------|--------|--------|--------|--------|
| Net yield on earning assets | 4.26 % | 4.20 % | 4.19 % | 4.16 % | 4.14 % |
|-----------------------------|--------|--------|--------|--------|--------|

- NOTES: All items referring to loans & leases include loans held for sale & are net of unearned income.
- Excludes net charge-offs and average loans from BB&T's consumer (1) finance subsidiaries.
- Excludes nonrecurring items. Fully taxable equivalent yields.
- (2) Securities yields calculated based on amortized cost.

## QUARTERLY PERFORMANCE SUMMARY

BB&amp;T Corporation (NYSE:BBT)

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For the Three Months Ended Increase (Decrease)

**For the Three Months Ended Increase (Decrease)**

| (Dollars in thousands)   | 3/31/02              | 3/31/01              | \$                  | %           |
|--|----------------------|----------------------|---------------------|-------------|
| <b>SELECTED BALANCES<br/>EXCLUDING PURCHASE<br/>ACQUISITIONS (1)</b> |                      |                      |                     |             |
| Average Balances   |                      |                      |                     |             |
| Commercial loans & leases  | \$ 27,969,607        | \$ 26,519,614        | \$ 1,449,993        | 5.5%        |
| Consumer loans   | 11,884,736           | 11,742,611           | 142,125             | 1.2         |
| Revolving credit loans   | 963,688              | 882,230              | 81,458              | 9.2         |
| Mortgage loans (2)   | 10,239,377           | 10,241,732           | (2,355)             | --          |
| <b>Total loans &amp; leases</b>                                      | <b>51,057,408</b>    | <b>49,386,187</b>    | <b>1,671,221</b>    | <b>3.4</b>  |
| Noninterest-bearing deposits (3)                                     | 7,165,204            | 6,457,941            | 707,263             | 11.0        |
| <b>Interest-bearing transaction<br/>accounts</b>                     |                      |                      |                     |             |
|  | 17,987,496           | 16,585,341           | 1,402,155           | 8.5         |
| CD's and other time deposits   | 23,612,089           | 24,272,245           | (660,156)           | (2.7)       |
| <b>Total deposits</b>  | <b>\$ 48,764,789</b> | <b>\$ 47,315,527</b> | <b>\$ 1,449,262</b> | <b>3.1%</b> |

**For the Three Months  
Ended Increase (Decrease)**

| (Dollars in thousands)   | 3/31/02    | 3/31/01    | \$        | %      |
|--|------------|------------|-----------|--------|
| <b>SELECTED RECURRING<br/>INCOME STATEMENT ITEMS<br/>EXCLUDING PURCHASE<br/>ACQUISITIONS (1)</b> |            |            |           |        |
| Net interest income - taxable<br>equivalent  | \$ 669,208 | \$ 634,405 | \$ 34,803 | 5.5%   |
| Noninterest income   |            |            |           |        |
| Service charges on deposits  | 88,212     | 79,452     | 8,760     | 11.0   |
| Mortgage banking income (4)  | 49,939     | 41,192     | 8,747     | 21.2   |
| Investment banking & brokerage<br>fees & commissions   | 52,772     | 43,708     | 9,064     | 20.7   |
| Trust revenue  | 22,192     | 25,076     | (2,884)   | (11.5) |
| Agency insurance commissions   | 46,685     | 41,953     | 4,732     | 11.3   |
| Other insurance commissions  | 3,398      | 2,840      | 558       | 19.6   |
| Other nondeposit fees &<br>commissions   | 43,253     | 44,549     | (1,296)   | (2.9)  |
| Securities gains (losses), net (4)   | 13,413     | 3,632      | 9,781     | NM     |
| Other income   | 31,955     | 23,479     | 8,476     | 36.1   |
| Total noninterest income   | 351,819    | 305,881    | 45,938    | 15.0   |
| Noninterest expense  |            |            |           |        |
| Personnel expense  | 286,128    | 274,309    | 11,819    | 4.3    |
| Occupancy & equipment expense  | 81,035     | 75,172     | 5,863     | 7.8    |
| Other noninterest expense  | 137,486    | 135,161    | 2,325     | 1.7    |
| Total noninterest expense  | \$ 504,649 | \$ 484,642 | \$ 20,007 | 4.1%   |

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- NOTES: (1) Amounts adjusted to exclude growth that resulted from the timing of acquisitions purchased during 2002 and 2001.
- (2) Excludes the impact of mortgage loan securitization programs in 2001.
- (3) Excludes the impact of the outsourcing of official checks in both 2002 and 2001.
- (4) Mortgage banking income includes a \$9.8 million provision for the impairment of mortgage servicing rights in the 1st quarter of 2002. Securities gains (losses), net also includes a \$9.8 million gain to offset this provision
- NM - not meaningful.

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**S I G N A T U R E**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BB&T CORPORATION  
(Registrant)

By: /S/ SHERRY A. KELLETT

Sherry A. Kellett  
Senior Executive Vice President and Controller  
(Principal Accounting Officer)

Date: April 11, 2002