BB&T

BB&T Corporation
Corporate
Communications
2400 Reynolda Road
Winston-Salem, NC
27106-4606

News Release

October 17, 2019

FOR IMMEDIATE RELEASE

Contacts:

ANALYSTS	**ANALYSTS**	**MEDIA**
Richard Baytosh	Aaron Reeves	Brian Davis
Executive Vice President	Senior Vice President	Senior Vice President
Investor Relations	Investor Relations	Corporate Communications
(336) 733-0732	*(336) 733-2874*	*Media@BBT.com*

BB&T reports earnings of $735 million, or $0.95 per diluted share

WINSTON-SALEM, N.C. — BB&T Corporation (NYSE: BBT) today reported earnings for the third quarter of 2019. Net income available to common shareholders was $735 million, down 6.8 percent, compared with the third quarter last year. Earnings per diluted common share were $0.95 for the third quarter of 2019, a decrease of 5.9 percent compared with the same period last year. Results for the third quarter produced an annualized return on average assets (ROA) of 1.41 percent, an annualized return on average common shareholders' equity (ROCE) of 10.04 percent, and an annualized return on tangible common shareholders' equity (ROTCE) of 16.03 percent.

Adjusted net income available to common shareholders was $832 million, or $1.07 per diluted share, excluding merger-related and restructuring charges of $34 million ($26 million after-tax), incremental operating expenses related to the merger of $52 million ($40 million after-tax) and an after-tax charge of $46 million related to the redemption of preferred stock, partially offset by the after-tax impact from the sale of residential mortgage loans of $15 million. Adjusted diluted earnings per common share increased $0.04 compared to the third quarter of 2018. Adjusted results produced an annualized ROA of 1.50 percent, an annualized ROCE of 11.36 percent and an annualized ROTCE of 18.07 percent.

"We are pleased to report strong results for the third quarter, with improved adjusted earnings driven by stronger revenues and lower credit costs," said Chairman and Chief Executive Officer Kelly S. King. "While average loans held for investment decreased 4.8 percent, this result was due to our strategic decision to sell approximately $4 billion in mortgage loans during the quarter. Excluding this sale, our company generated robust loan growth of 6.5 percent on an annualized basis compared with last quarter.

"In addition, we enjoyed 2.5 percent taxable-equivalent revenue growth compared with the third quarter last year led by strong results from our fee income-generating businesses, including insurance, mortgage banking and investment banking and brokerage, as well as a resilient net interest margin in this challenging rate environment. This was due in part to lower deposit costs, which peaked last quarter.

"We continue to make significant progress laying the groundwork for our exciting merger of equals with SunTrust," said King. "We are very pleased the shareholders of both companies strongly supported the merger at their respective meetings earlier this quarter. Importantly, we have named approximately 75 percent of leadership roles for the Truist organization, so we are well prepared as we look forward to closing the merger."

Third Quarter 2019 Performance Highlights

- Earnings per diluted common share were $0.95
  - Adjusted diluted earnings per share were $1.07
  - ROA was 1.41 percent; adjusted ROA was 1.50 percent
  - ROCE was 10.04 percent; adjusted ROCE was 11.36 percent
  - ROTCE was 16.03 percent; adjusted ROTCE was 18.07 percent

- Taxable-equivalent revenues were $3.0 billion, up $73 million from the third quarter of 2018
  - Noninterest income increased $64 million, up 5.2 percent
  - Insurance income increased $39 million, up 8.7 percent
  - Mortgage banking income increased $33 million, up 41.8 percent
  - Fee income ratio was 43.4 percent, compared to 42.3 percent
  - Net interest margin was 3.37 percent, down five basis points from the second quarter of 2019

- Noninterest expense was $1.8 billion, up $98 million compared to the third quarter of 2018
  - Excluding merger-related and restructuring charges and incremental operating expenses related to the merger; adjusted noninterest expenses were up 1.7 percent
  - GAAP efficiency ratio was 61.3 percent, compared to 59.5 percent
  - Adjusted efficiency ratio was 57.1 percent, compared to 57.3 percent

- Average loans and leases held for investment were $148.7 billion, down $1.8 billion, or 4.8 percent annualized compared to the second quarter of 2019
  - Adjusted for the sale of $4.3 billion of residential mortgage loans, average loans held for investment increased 6.5 percent annualized
  - Average commercial and industrial loans increased $1.2 billion, or 7.6 percent annualized
  - Average residential mortgage loans decreased $3.7 billion, or 45.2 percent annualized; adjusted for the sale average residential mortgage loans increased 7.4 percent annualized
  - Average indirect loans increased $483 million, or 10.7 percent annualized

- Average deposits were up $2.1 billion, or 5.2 percent annualized, compared to the prior quarter
  - Average noninterest-bearing deposits decreased $180 million, or 1.4 percent annualized
  - Average noninterest-bearing deposits represent 32.4 percent of total deposits, compared to 32.9 percent in the prior quarter
  - Cost of average interest-bearing deposits was 0.99 percent, down three basis points
  - Cost of average total deposits was 0.67 percent, down one basis point

- Asset quality remains excellent
  - Nonperforming assets were 0.22 percent of total assets; lower than levels in 2006
  - Loans 90 days or more past due and still accruing were 0.27 percent of loans held for investment, unchanged compared to the prior quarter
  - Net charge-offs were 0.41 percent of average loans and leases, up three basis points compared to the prior quarter
  - The allowance for loan loss coverage ratio was 3.52 times nonperforming loans and leases held for investment, versus 3.46 times in the prior quarter
  - The allowance for loan and lease losses was 1.05 percent of loans and leases held for investment, unchanged compared to the prior quarter

- Capital levels remained strong across the board
  - Common equity tier 1 to risk-weighted assets was 10.6 percent
  - Tier 1 risk-based capital was 12.2 percent
  - Total capital was 14.7 percent
  - Leverage capital was 10.3 percent

EARNINGS HIGHLIGHTS

(dollars in millions, except per share data)	3Q19	2Q19	3Q18	Change 3Q19 vs. 2Q19	Change 3Q19 vs. 3Q18
Net income available to common shareholders	$ 735	$ 842	$ 789	$ (107)	$ (54)
Diluted earnings per common share	0.95	1.09	1.01	(0.14)	(0.06)
Net interest income - taxable equivalent	$ 1,723	$ 1,714	$ 1,714	$ 9	$ 9
Noninterest income	1,303	1,352	1,239	(49)	64
Total taxable-equivalent revenue	$ 3,026	$ 3,066	$ 2,953	$ (40)	$ 73
Less taxable-equivalent adjustment	23	24	27		
Total revenue	$ 3,003	$ 3,042	$ 2,926		
Return on average assets	1.41%	1.55%	1.49%	(0.14)%	(0.08)%
Return on average risk-weighted assets	1.75	1.92	1.85	(0.17)	(0.10)
Return on average common shareholders' equity	10.04	11.98	11.69	(1.94)	(1.65)
Return on average tangible common shareholders' equity (1)	16.03	19.45	19.74	(3.42)	(3.71)
Net interest margin - taxable equivalent	3.37	3.42	3.47	(0.05)	(0.10)

(1) Excludes certain items as detailed in the non-GAAP reconciliations in the Quarterly Performance Summary.

Third Quarter 2019 compared to Second Quarter 2019

Total taxable-equivalent revenues were $3.0 billion for the third quarter of 2019, a decrease of $40 million compared to the prior quarter, primarily driven by a decrease of $49 million in noninterest income.

The net interest margin was 3.37 percent for the third quarter, down five basis points compared to the prior quarter. Three basis points of the decrease was due to the residential mortgage loan sale and the reinvestment into securities during the current quarter. Average earning assets increased $2.6 billion, which primarily reflects a $2.8 billion increase in average securities and a $485 million increase in average total loans and leases. The increase in average total loans and leases was impacted by the sale of $4.3 billion of residential mortgage loans during the third quarter. Average other earning assets decreased $701 million due to lower average trading securities. Average interest-bearing liabilities increased $1.6 billion, driven by an increase of $2.3 billion in average interest-bearing deposits, partially offset by a decrease of $625 million in average long-term debt.

The yield on the total loan portfolio for the third quarter was 4.98 percent, down seven basis points compared to the prior quarter, primarily due to the impact on variable rate loans from the decrease in short-term rates. The yield on the average securities portfolio for the third quarter was 2.60 percent, down two basis points compared to the prior quarter.

The average cost of total deposits was 0.67 percent, down one basis point compared to the prior quarter. The average cost of interest-bearing deposits was 0.99 percent, down three basis points compared to the prior quarter. The average rate on long-term debt was 3.42 percent, up nine basis points compared to the prior quarter. The average rate on short-term borrowings was 2.55 percent, up 15 basis points compared to the prior quarter. The increases in rates on short-term borrowings and long-term debt were due to higher costs from hedging activities.

The provision for credit losses was $117 million, and net charge-offs were $153 million for the third quarter, compared to $172 million and $142 million, respectively, for the prior quarter. The decrease in the provision for credit losses was primarily due to the sale of residential mortgage loans and a decrease in the reserve for unfunded commitments.

Noninterest income was $1.3 billion, a decrease of $49 million compared to the prior quarter. Insurance income decreased $79 million primarily due to seasonality. Mortgage banking income was essentially flat compared to the prior quarter, as increases from production and servicing related revenues in the residential and commercial mortgage banking businesses of $24 million were offset by a decline of $25 million for the net valuation of mortgage services rights valuation adjustments in the prior quarter. Other income increased $35 million, primarily due to a $23 million increase in income related to assets for certain post-employment benefits, which is offset by higher personnel expense, and an increase from client derivatives.

Noninterest expense was $1.8 billion for the third quarter, up $89 million compared to the prior quarter. Noninterest expense includes $34 million of merger-related and restructuring charges primarily related to the merger of equals with SunTrust and $52 million of incremental operating expenses related to the merger. Excluding these items, noninterest expense was up $35 million.

Personnel expense increased $41 million compared to the prior quarter. Excluding an increase of $35 million in incremental operating expenses related to the merger, personnel expense increased $6 million. This includes a $23 million increase for certain post-employment benefits expense, which is offset by higher noninterest income. Production-based incentives expense and equity-based compensation decreased compared to the prior quarter. Professional services expense increased $16 million partially due to incremental operating expenses related to the merger. Other expense increased $20 million due to higher advertising and marketing expenses and other sundry items.

The provision for income taxes was $218 million for the third quarter, compared to $234 million for the prior quarter. The effective tax rate for the third quarter was 20.8 percent, compared to 20.9 percent for the prior quarter.

Third Quarter 2019 compared to Third Quarter 2018

Total taxable-equivalent revenues were $3.0 billion for the third quarter of 2019, an increase of $73 million compared to the earlier quarter, which reflects an increase of $9 million in taxable-equivalent net interest income and an increase of $64 million in noninterest income.

Net interest margin was 3.37 percent, down ten basis points compared to the earlier quarter. Average earning assets increased $7.2 billion. The increase in average earning assets reflects a $4.6 billion increase in average total loans and leases and a $2.6 billion increase in average securities. Average interest-bearing liabilities increased $7.1 billion compared to the earlier quarter. Average interest-bearing deposits increased $6.4 billion and average short-term borrowings increased $2.3 billion, while average long-term debt decreased $1.6 billion. The yield on the total loan portfolio for the third quarter of 2019 was 4.98 percent, up 15 basis points compared to the earlier quarter, reflecting the impact of rate increases. The yield on the average securities portfolio was 2.60 percent, up 13 basis points compared to the earlier period.

The average cost of total deposits was 0.67 percent, up 24 basis points compared to the earlier quarter. The average cost of interest-bearing deposits was 0.99 percent, up 33 basis points compared to the earlier quarter. The average rate on long-term debt was 3.42 percent, up 43 basis points compared to the earlier quarter. The average rate on short-term borrowings was 2.55 percent, up 61 basis points compared to the earlier quarter. The higher rates on interest-bearing liabilities reflect the impact of rate increases.

The provision for credit losses was $117 million, compared to $135 million for the earlier quarter. The decrease in the provision for credit losses was primarily due to the residential mortgage loan sale in the current quarter. Net charge-offs for the third quarter of 2019 totaled $153 million compared to $127 million in the earlier quarter.

Noninterest income for the third quarter of 2019 increased $64 million compared to the earlier quarter. Insurance income increased $39 million due to higher production. Mortgage banking income increased $33 million primarily due to higher production revenues from both residential and commercial mortgage banking businesses. Investment banking brokerage fees and commissions increased $14 million due to higher managed account fees and higher investment banking transaction revenues. Other income decreased $29 million primarily due to a decrease in income from SBIC private equity investments.

Noninterest expense for the third quarter of 2019 was up $98 million compared to the earlier quarter. Merger-related and restructuring charges increased $16 million, as the current quarter included charges in connection with the announced merger of equals with SunTrust, whereas the earlier quarter included charges associated with facilities optimization and the Regions Insurance acquisition. The current quarter also included $52 million of incremental operating expenses related to the merger. Excluding these charges, noninterest expense was up $30 million, or 1.7 percent compared to the earlier quarter.

Personnel expense increased $57 million compared to the earlier quarter. Excluding an increase of $39 million in incremental operating expenses related to the merger, personnel expense increased $18 million compared to the earlier quarter. The remaining increase in personnel expense was primarily due to an increase in production-based incentive expense. Professional services expense increased $14 million primarily due to incremental operating expenses related to the merger. Regulatory charges decreased $17 million, primarily the result of the deposit insurance fund reaching the targeted level. Other expense increased $35 million due to higher non-service related pension expense, higher operating charge-offs, higher advertising and marketing expenses and other sundry items.

The provision for income taxes was $218 million for the third quarter of 2019, compared to $210 million for the earlier quarter. This produced an effective tax rate for the third quarter of 2019 of 20.8 percent, compared to 20.0 percent for the earlier quarter.

LOANS AND LEASES

(dollars in millions)

Average balances	3Q19	2Q19	Change	% Change (annualized)
Commercial:				
Commercial and industrial	$ 63,768	$ 62,563	$ 1,205	7.6%
CRE	20,767	20,748	19	0.4
Lease financing	2,260	2,122	138	25.8
Total commercial	86,795	85,433	1,362	6.3
Retail:				
Residential mortgage	28,410	32,066	(3,656)	(45.2)
Direct	11,468	11,506	(38)	(1.3)
Indirect	18,362	17,879	483	10.7
Total retail	58,240	61,451	(3,211)	(20.7)
Revolving credit	3,218	3,151	67	8.4
PCI	411	432	(21)	(19.3)
Total loans and leases held for investment	$148,664	$150,467	$ (1,803)	(4.8)

Average loans held for investment for the third quarter of 2019 were $148.7 billion, down $1.8 billion or 4.8 percent annualized compared to the second quarter of 2019. Excluding the sale of $4.3 billion of residential mortgages in the third quarter, average loans held for investment increased 6.5 percent annualized compared to the second quarter of 2019.

Average commercial and industrial loans increased $1.2 billion driven by strong growth in mortgage warehouse lending, premium finance, corporate banking and equipment finance.

Average residential mortgage loans held for investment decreased $3.7 billion primarily due to the sale of $4.3 billion of residential mortgage loans. Excluding the sale, average residential mortgage loans increased 7.4 percent annualized compared to the prior quarter.

Average indirect retail loans increased $483 million. The increase was across all categories of indirect lending. Growth was led by power sports, recreational and automobile lending.

DEPOSITS

(dollars in millions)

Average balances	3Q19	2Q19	Change	% Change (annualized)
Noninterest-bearing deposits	$ 52,500	$ 52,680	$ (180)	(1.4)%
Interest checking	27,664	27,708	(44)	(0.6)
Money market and savings	64,920	63,394	1,526	9.6
Time deposits	16,643	15,730	913	23.0
Foreign office deposits - interest-bearing	265	379	(114)	(119.3)
Total deposits	$161,992	$159,891	$ 2,101	5.2

Average deposits for the third quarter were $162.0 billion, up $2.1 billion compared to the prior quarter. Average money market and savings deposits increased $1.5 billion and average time deposits increased $913 million primarily due to increases in commercial balances.

Noninterest-bearing deposits represented 32.4 percent of total average deposits for the third quarter, compared to 32.9 percent for the prior quarter and 34.4 percent for the same quarter a year ago. The cost of average total deposits was 0.67 percent for the third quarter, down one basis point compared to the prior quarter. The cost of average interest-bearing deposits was 0.99 percent for the third quarter, down three basis points compared to the prior quarter.

SEGMENT RESULTS

(dollars in millions)

				Change 3Q19 vs.	
Segment Net Income	3Q19	2Q19	3Q18	2Q19	3Q18
Community Banking Retail and Consumer Finance	$ 446	$ 445	$ 396	$ 1	$ 50
Community Banking Commercial	338	319	311	19	27
Financial Services and Commercial Finance	185	169	149	16	36
Insurance Holdings	61	111	43	(50)	18
Other, Treasury & Corporate	(202)	(159)	(60)	(43)	(142)
Total net income	$ 828	$ 885	$ 839	$ (57)	$ (11)

Third Quarter 2019 compared to Second Quarter 2019

Community Banking Retail and Consumer Finance ("CB-Retail")

CB-Retail serves retail clients by offering a variety of loan and deposit products, payment services, bankcard products and other financial services by connecting clients to a wide range of financial products and services. CB-Retail includes Dealer Retail Services, which originates loans on an indirect basis to consumers for the purchase of automobiles, boats and recreational vehicles. Additionally, CB-Retail includes specialty finance lending, small equipment leasing and other products for consumers. CB-Retail also includes Residential Mortgage Banking, which originates and purchases mortgage loans to either hold for investment or sell to third parties. BB&T generally retains the servicing rights to loans sold. Mortgage products include fixed and adjustable-rate government guaranteed and conventional loans used for the purpose of constructing, purchasing or refinancing residential properties. Substantially all of the properties are owner-occupied. Residential Mortgage Banking also includes Mortgage Warehouse Lending, which provides short-term lending solutions to finance first-lien residential mortgages held-for-sale by independent mortgage companies.

CB-Retail net income was $446 million for the third quarter of 2019, a slight increase compared to the prior quarter. Segment net interest income increased $36 million primarily due to higher credit spreads on loans, higher loans held for sale balances and an additional day in the current quarter. Noninterest income decreased $15 million primarily due to decreases in mortgage banking income resulting from net residential mortgage servicing rights valuation adjustments in the prior quarter. The allocated provision for credit losses decreased $8 million primarily due to declines in average loan balances resulting from the residential mortgage portfolio sale, partially offset by increased incurred loss estimates in various retail portfolios and seasonally higher net charge-offs. Noninterest expense increased $27 million primarily due to incremental operating expenses related to the merger in the current quarter.

CB-Retail average loans and leases held for investment decreased $2.5 billion, or 14.5 percent on an annualized basis, compared to the prior quarter. The decrease was primarily driven by decreases in average residential mortgage loans of $3.7 billion due to the residential mortgage portfolio sale, partially offset by increases in average mortgage warehouse lending of $652 million and average indirect lending of $483 million.

CB-Retail average total deposits decreased $141 million, or 0.7 percent on an annualized basis, compared to the prior quarter. The decrease was primarily driven by declines in average interest checking of $425 million, or 11.5 percent annualized, partially offset by growth in time deposits of $186 million, or 6.6 percent annualized, noninterest-bearing deposits of $51 million, or 1.2 percent annualized, and money market and savings of $47 million, or 0.5 percent annualized.

Community Banking Commercial ("CB-Commercial")

CB-Commercial serves large, medium and small business clients by offering a variety of loan and deposit products and connecting clients to the combined organization's broad array of financial services. CB-Commercial includes CRE lending, commercial and industrial lending, corporate banking, asset-based lending, dealer inventory financing, tax-exempt financing, cash management and treasury services, and commercial deposit products.

CB-Commercial net income was $338 million for the third quarter of 2019, an increase of $19 million compared to the prior quarter. The allocated provision for credit losses decreased $27 million primarily due to decreased incurred loss estimates. Noninterest expense increased primarily due to higher allocated corporate expenses.

CB-Commercial average loans and leases held for investment decreased $109 million, or 0.8 percent on an annualized basis, compared to the prior quarter. Average commercial and industrial loans declined $165 million, or 2.0 percent annualized, while average commercial real estate loans increased $66 million, or 1.4 percent annualized.

Average total deposits increased $1.1 billion, or 7.1 percent on an annualized basis, compared to the prior quarter driven by increases in money market and savings of $762 million, or 18.8 percent annualized, and interest checking of $464 million, or 19.7 percent annualized.

Financial Services and Commercial Finance ("FS&CF")

FS&CF provides personal trust administration, estate planning, investment counseling, wealth management, asset management, corporate retirement services, capital markets and corporate banking services, specialty finance and corporate trust services to individuals, corporations, institutions, foundations and government entities. In addition, the segment includes BB&T Securities, a full-service brokerage and investment banking firm, which offers clients a variety of investment services, including discount brokerage services, equities, annuities, mutual funds and government bonds. The Corporate Banking Division originates and services large corporate relationships, syndicated lending relationships and client derivatives while the specialty finance products offered by FS&CF include equipment finance, tax-exempt financing for local governments and special-purpose entities, and full-service commercial mortgage banking lending.

FS&CF net income was $185 million for the third quarter of 2019, an increase of $16 million compared to the prior quarter. Noninterest income increased $22 million primarily due to higher commercial mortgage banking income due to higher production volumes, and client derivatives largely due to decreased valuation reserves and higher sales volumes. The allocated provision for credit losses decreased $11 million due to lower net charge-offs and decreased incurred loss estimates primarily attributable to the asset based lending portfolio. Noninterest expense increased $16 million primarily due to higher performance-based incentives, depreciation on property under operating leases and professional services in the current quarter.

FS&CF average loans and leases held for investment increased $569 million, or 7.6 percent on an annualized basis, compared to the prior quarter. The increase was primarily driven by growth in Equipment Finance of $320 million, or 38.1 percent annualized and Corporate Banking loans of $302 million, or 6.9 percent annualized.

FS&CF average total deposits increased $632 million, or 8.9 percent on an annualized basis, compared to the prior quarter primarily driven by growth in average total deposits for Corporate Banking of $408 million, or 20.8 percent annualized, and Wealth and Retirement Services of $371 million, or 8.9 percent annualized.

Insurance Holdings ("IH")

BB&T's insurance agency / brokerage network is the sixth largest in the world. IH provides property and casualty, employee benefits and life insurance to businesses and individuals. It also provides small business and corporate services, such as workers compensation and professional liability, as well as surety coverage and title insurance. In addition, IH includes commercial and retail insurance premium finance.

IH net income was $61 million for the third quarter of 2019, a decrease of $50 million compared to the prior quarter. Noninterest income decreased $79 million primarily due to seasonality. Noninterest expense decreased $9 million primarily due to lower performance-based incentives in the current quarter, which was partially offset by an increase in incremental operating expenses related to the merger.

Other, Treasury & Corporate ("OT&C")

Net income in OT&C can vary due to the changing needs of the Corporation, including the size of the investment portfolio, the need for wholesale funding and income received from derivatives used to hedge the balance sheet.

OT&C generated a net loss of $202 million for the third quarter of 2019, compared to a net loss of $159 million for the prior quarter. Segment net interest income decreased $33 million primarily due to decreases in the net charge for funds provided to other operating segments from the prior quarter. Noninterest income increased $21 million primarily due to an increase in income related to certain post-employment benefits. The allocated provision for credit losses decreased $9 million primarily due to the provision for unfunded commitments. Noninterest expense increased $51 million primarily due to higher expense related to assets for certain post-employment benefits, higher merger-related charges and other sundry items. The benefit for income taxes increased primarily due to lower net income in the current quarter.

Third Quarter 2019 compared to Third Quarter 2018

Community Banking Retail and Consumer Finance

CB-Retail net income was $446 million for the third quarter of 2019, an increase of $50 million compared to the earlier quarter. Segment net interest income increased $56 million primarily due to average loan growth and higher funding spreads on deposits, partially offset by lower credit spreads on loans. Noninterest income increased $25 million primarily due to an increase in mortgage banking income primarily resulting from an increase in saleable lock volume and portfolio sales. The allocated provision for credit losses decreased $6 million primarily due to the impact of the residential mortgage portfolio sale in the current quarter, partially offset by higher net charge-offs and incurred loss estimates in the current quarter. Noninterest expense increased $24 million primarily due to higher allocated corporate expense.

Community Banking Commercial

CB-Commercial net income was $338 million for the third quarter of 2019, an increase of $27 million compared to the earlier quarter. Segment net interest income increased $17 million primarily driven by higher funding spreads, partially offset by lower credit spreads on loans and declines in average loans. Noninterest income increased compared to the earlier quarter primarily due to higher referral fees and service charges on deposits in the current quarter. The allocated provision for credit losses decreased primarily due to lower incurred loss estimates, partially offset by higher net charge-offs. Noninterest expense decreased primarily due to lower allocated corporate expenses, partially offset by lower credits for capitalized employee costs.

Financial Services and Commercial Finance

FS&CF net income was $185 million for the third quarter of 2019, an increase of $36 million compared to the earlier quarter. Segment net interest income increased $17 million primarily driven by average loan growth and higher funding spreads, partially offset by lower credit spreads on loans. Noninterest income increased $43 million primarily due to client derivatives, an increase in investment banking and brokerage fees and commissions related to an increase in managed account fees; and higher commercial mortgage banking income. Noninterest expense increased $15 million primarily due to higher performance-based incentives in the current quarter.

Insurance Holdings

IH net income was $61 million for the third quarter of 2019, an increase of $18 million compared to the earlier quarter. Noninterest income increased $39 million primarily due to higher production. Noninterest expense increased $19 million primarily due to commissions on higher production and incremental operating expenses related to the merger.

Other, Treasury & Corporate

OT&C generated a net loss of $202 million in the third quarter of 2019, compared to a net loss of $60 million in the earlier quarter. Segment net interest income decreased $82 million primarily due to increases in the net credit for funds provided to other operating segments and rates on long-term debt. Noninterest income decreased $49 million primarily due to a decrease in income from SBIC private equity investments and income related to assets for certain post-employment benefits. The allocated provision for credit losses decreased $5 million primarily due to the provision for unfunded commitments. Noninterest expense increased $43 million primarily due to higher merger-related charges and other sundry items. The benefit for income taxes increased $27 million primarily due to a higher pre-tax loss, partially offset by a higher tax benefit from discrete items in the earlier quarter.

CAPITAL RATIOS	3Q19	2Q19	1Q19	4Q18	3Q18
Risk-based:	(preliminary)				
Common equity Tier 1	10.6%	10.4%	10.3%	10.2%	10.2%
Tier 1	12.2	12.0	12.0	11.8	11.9
Total	14.7	14.2	14.2	13.8	13.9
Leverage	10.3	10.2	10.1	9.9	10.0

Capital levels remained strong at September 30, 2019. BB&T declared common dividends of $0.450 per share during the third quarter of 2019, this represents an 11.1 percent increase compared to the prior quarter. The dividend and total payout ratios for the third quarter of 2019 were 46.9 percent. As previously communicated, BB&T has suspended its share repurchase program until after the completion of the merger of equals.

BB&T issued $1.7 billion of preferred stock during the quarter and redeemed a similar amount from two higher-cost issuances. In connection with the redemptions, net income available to common shareholders was reduced by $46 million to recognize the difference in the redemption price and the carrying value.

BB&T's average modified liquidity coverage ratio was approximately 139 percent for the three months ended September 30, 2019, compared to the regulatory minimum of 100 percent. In addition, the liquid asset buffer, which is defined as high quality unencumbered liquid assets as a percentage of total assets, was 18.2 percent at September 30, 2019.

ASSET QUALITY

(dollars in millions)	3Q19	2Q19	1Q19	4Q18	3Q18
Total nonperforming assets	$ 509	$ 523	$ 584	$ 585	$ 601
Total performing TDRs	1,057	1,070	1,130	1,119	1,090
Total loans 90 days past due and still accruing	403	407	431	462	431
Total loans 30-89 days past due	992	1,016	948	1,044	1,075
Nonperforming loans and leases as a percentage of loans and leases held for investment	0.30%	0.30%	0.35%	0.35%	0.37%
Nonperforming assets as a percentage of total assets	0.22	0.23	0.26	0.26	0.27
Allowance for loan and lease losses as a percentage of loans and leases held for investment	1.05	1.05	1.05	1.05	1.05
Net charge-offs as a percentage of average loans and leases, annualized	0.41	0.38	0.40	0.38	0.35
Ratio of allowance for loan and lease losses to net charge-offs, annualized	2.59x	2.80x	2.62x	2.76x	3.05x
Ratio of allowance for loan and lease losses to nonperforming loans and leases held for investment	3.52x	3.46x	2.97x	2.99x	2.86x

Nonperforming assets totaled $509 million at September 30, 2019, down $14 million compared to June 30, 2019. Nonperforming loans and leases represented 0.30 percent of loans and leases held for investment, unchanged compared to June 30, 2019.

Performing TDRs were down $13 million during the third quarter primarily in commercial and industrial loans and residential mortgage loans, which was partially offset by an increase in indirect loans.

Loans 90 days or more past due and still accruing totaled $403 million at September 30, 2019, down slightly compared to the prior quarter. The ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.27 percent at September 30, 2019, unchanged compared to the prior quarter. Excluding government guaranteed and PCI loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.04 percent at September 30, 2019, also unchanged from the prior quarter.

Loans 30-89 days past due and still accruing totaled $992 million at September 30, 2019, down $24 million compared to the prior quarter, primarily due to a decline in residential mortgage loans, which was partially offset by an expected seasonal increase in indirect automobile lending.

Net charge-offs during the third quarter totaled $153 million, up $11 million compared to the prior quarter. As a percentage of average loans and leases, annualized net charge-offs were 0.41 percent, up three basis points compared to the prior quarter.

The allowance for loan and lease losses, excluding the allowance for PCI loans, was $1.6 billion, down $22 million compared to the prior quarter. The decrease in the allowance for loan and lease losses was primarily due to the sale of residential mortgage loans during the third quarter. As of September 30, 2019, the total allowance for loan and lease losses was 1.05 percent of loans and leases held for investment, unchanged compared to June 30, 2019.

The allowance for loan and lease losses was 3.52 times nonperforming loans and leases held for investment, compared to 3.46 times at June 30, 2019. At September 30, 2019, the allowance for loan and lease losses was 2.59 times annualized net charge-offs, compared to 2.80 times at June 30, 2019.

Earnings Presentation and Quarterly Performance Summary

To listen to BB&T's live third quarter 2019 earnings conference call at 8 a.m. ET today, please call 866-519-2796 and enter the participant code 892418. A presentation will be used during the earnings conference call and is available on our website at https://bbt.investorroom.com/webcasts-and-presentations. Replays of the conference call will be available for 30 days by dialing 888-203-1112 (access code 6759252).

The presentation, including an appendix reconciling non-GAAP disclosures, is available at https://bbt.investorroom.com/webcasts-and-presentations. BB&T's Third Quarter 2019 Quarterly Performance Summary, which contains detailed financial schedules, is available on BB&T's website at https://bbt.investorroom.com/quarterly-earnings.

About BB&T

BB&T is one of the largest financial services holding companies in the U.S. with $236.8 billion in assets and market capitalization of approximately $40.9 billion as of September 30, 2019. Building on a long tradition of excellence in community banking, BB&T offers a wide range of financial services including retail and commercial banking, investments, insurance, wealth management, asset management, mortgage, corporate banking, capital markets and specialized lending. Based in Winston-Salem, N.C., BB&T operates more than 1,700 financial centers in 15 states and Washington, D.C. and is consistently recognized for outstanding client service by Greenwich Associates for small business and middle market banking. More information about BB&T and its full line of products and services is available at BBT.com.

# # #

Capital ratios and return on risk-weighted assets are preliminary.

This news release contains financial information and performance measures determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). BB&T's management uses these "non-GAAP" measures in their analysis of the Corporation's performance and the efficiency of its operations. Management believes these non-GAAP measures provide a greater understanding of ongoing operations, enhance comparability of results with prior periods and demonstrate the effects of significant items in the current period. The Corporation believes a meaningful analysis of its financial performance requires an understanding of the factors underlying that performance. BB&T's management believes investors may find these non-GAAP financial measures useful. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Below is a listing of the types of non-GAAP measures used in this news release:

- *The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. BB&T's management uses these measures to assess the quality of capital and returns relative to balance sheet risk and believes investors may find them useful in their analysis of the Corporation.*

- *Core net interest margin is a non-GAAP measure that adjusts net interest margin to exclude the impact of purchase accounting. The interest income and average balances for PCI loans are excluded in their entirety as the accounting for these loans can result in significant and unusual trends in yields. The purchase accounting marks and related amortization for a) securities acquired from the FDIC in the Colonial Bank acquisition and b) non-PCI loans, deposits and long-term debt acquired from Susquehanna and National Penn are excluded to approximate their yields at the pre-acquisition rates. BB&T's management believes the adjustments to the calculation of net interest margin for certain assets and liabilities acquired provide investors with useful information related to the performance of BB&T's earning assets.*
- *The adjusted diluted earnings per share is non-GAAP in that it excludes merger-related and restructuring charges and other selected items, net of tax. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *The adjusted operating leverage ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *The adjusted performance ratios are non-GAAP in that they exclude merger-related and restructuring charges, selected items and, in the case of return on average tangible common shareholders' equity, amortization of intangible assets. BB&T's management uses these measures in their analysis of the Corporation's performance. BB&T's management believes these measures provide a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included in the appendix to BB&T's Third Quarter 2019 Earnings Presentation, which is available at https://bbt.investorroom.com/quarterly-earnings.

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, regarding the financial condition, results of operations, business plans and the future performance of BB&T. Forward-looking statements are not based on historical facts but instead represent management's expectations and assumptions regarding BB&T's business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances difficult to predict. BB&T's actual results may differ materially from those contemplated by the forward-looking statements. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," "could" and other similar expressions are intended to identify these forward-looking statements. Such statements are subject to factors that could cause actual results to differ materially from anticipated results. While there is no assurance any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those in the forward-looking statements include the following, without limitation, as well as the risks and uncertainties more fully discussed under Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018 and in any of BB&T's subsequent filings with the Securities and Exchange Commission:

- *risks, uncertainties and other factors relating to the merger of SunTrust with and into BB&T, including the ability to obtain regulatory approvals and meet other closing conditions to the merger, and delay in closing the merger;*
- *general economic or business conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, slower deposit and/or asset growth, and a deterioration in credit quality and/or a reduced demand for credit, insurance or other services;*
- *disruptions to the national or global financial markets, including the impact of a downgrade of U.S. government obligations by one of the credit ratings agencies, the economic instability and recessionary conditions in Europe;*

- *changes in the interest rate environment, including interest rate changes made by the Federal Reserve, the discontinuation of LIBOR as an interest rate benchmark, as well as cash flow reassessments may reduce net interest margin and/or the volumes and values of loans and deposits as well as the value of other financial assets and liabilities;*
- *competitive pressures among depository and other financial institutions may increase significantly;*
- *legislative, regulatory or accounting changes may adversely affect the businesses in which BB&T is engaged;*
- *local, state or federal taxing authorities may take tax positions that are adverse to BB&T;*
- *a reduction may occur in BB&T's credit ratings;*
- *adverse changes may occur in the securities markets;*
- *competitors of BB&T may have greater financial resources or develop products that enable them to compete more successfully than BB&T and may be subject to different regulatory standards than BB&T;*
- *cyber security risks could adversely affect BB&T's business and financial performance or reputation, and BB&T could be liable for financial losses incurred by third parties due to breaches of data shared between financial institutions;*
- *higher-than-expected costs related to information technology infrastructure or a failure to successfully implement future system enhancements could adversely impact BB&T's financial condition and results of operations and could result in significant additional costs to BB&T;*
- *natural or other disasters, including acts of terrorism, could have an adverse effect on BB&T, materially disrupting BB&T's operations or the ability or willingness of customers to access BB&T's products and services;*
- *costs related to the integration of the businesses of BB&T and its merger partners may be greater than expected;*
- *failure to execute on strategic or operational plans, including the ability to successfully complete and/or integrate mergers and acquisitions or fully achieve expected cost savings or revenue growth associated with mergers and acquisitions within the expected time frames could adversely impact financial condition and results of operations;*
- *significant litigation and regulatory proceedings could have a material adverse effect on BB&T;*
- *unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or other inquiries could result in negative publicity, protests, fines, penalties, restrictions on BB&T's operations or ability to expand its business and other negative consequences, all of which could cause reputational damage and adversely impact BB&T's financial conditions and results of operations;*
- *risks resulting from the extensive use of models;*
- *risk management measures may not be fully effective;*
- *fraud or misconduct by internal or external parties, which BB&T may not be able to prevent, detect or mitigate;*
- *deposit attrition, customer loss and/or revenue loss following completed mergers/acquisitions may exceed expectations; and*
- *widespread system outages, caused by the failure of critical internal systems or critical services provided by third parties, could adversely impact BB&T's financial condition and results of operations.*

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this news release. Actual results may differ materially from those expressed in or implied by any forward-looking statement. Except to the extent required by applicable law or regulation, BB&T undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

BB&T All we see is you.™

Quarterly Performance Summary

BB&T Corporation

Third Quarter 2019

Table of Contents

Quarterly Performance Summary
BB&T Corporation

Financial Highlights

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended September 30 2019	Quarter Ended September 30 2018	% Change	Year-to-Date September 30 2019	Year-to-Date September 30 2018	% Change
Summary Income Statement						
Interest income	$ 2,241	$ 2,096	6.9 %	$ 6,668	$ 6,056	10.1%
Interest expense	518	382	35.6	1,511	1,007	50.0
Net interest income - taxable equivalent	1,723	1,714	0.5	5,157	5,049	2.1
Less: Taxable-equivalent adjustment	23	27	(14.8)	71	72	(1.4)
Net interest income	1,700	1,687	0.8	5,086	4,977	2.2
Provision for credit losses	117	135	(13.3)	444	420	5.7
Net interest income after provision for credit losses	1,583	1,552	2.0	4,642	4,557	1.9
Noninterest income	1,303	1,239	5.2	3,857	3,641	5.9
Noninterest expense	1,840	1,742	5.6	5,359	5,148	4.1
Income before income taxes	1,046	1,049	(0.3)	3,140	3,050	3.0
Provision for income taxes	218	210	3.8	629	598	5.2
Net income	828	839	(1.3)	2,511	2,452	2.4
Noncontrolling interests	3	7	(57.1)	8	13	(38.5)
Preferred stock dividends	90	43	109.3	177	130	36.2
Net income available to common shareholders	735	789	(6.8)	2,326	2,309	0.7
Per Common Share Data						
Earnings per share-basic	$ 0.96	$ 1.02	(5.9)%	$ 3.04	$ 2.98	2.0%
Earnings per share-diluted	0.95	1.01	(5.9)	3.00	2.94	2.0
Cash dividends declared	0.450	0.405	11.1	1.260	1.155	9.1
Common equity	38.07	34.90	9.1	38.07	34.90	9.1
Tangible common equity (1)	24.66	21.40	15.2	24.66	21.40	15.2
End of period shares outstanding	766,303	770,620	(0.6)	766,303	770,620	(0.6)
Weighted average shares outstanding-basic	766,167	771,562	(0.7)	765,428	775,642	(1.3)
Weighted average shares outstanding-diluted	775,791	781,867	(0.8)	774,907	786,140	(1.4)
Performance Ratios						
Return on average assets	1.41%	1.49%		1.47%	1.48%	
Return on average risk-weighted assets (current period is preliminary)	1.75	1.85		1.81	1.84	
Return on average common shareholders' equity	10.04	11.69		11.02	11.62	
Return on average tangible common shareholders' equity (2)	16.03	19.74		17.90	19.46	
Net interest margin - taxable equivalent	3.37	3.47		3.43	3.45	
Fee income ratio	43.4	42.3		43.1	42.2	
Efficiency ratio-GAAP	61.3	59.5		59.9	59.7	
Efficiency ratio-adjusted (2)	57.1	57.3		56.2	57.3	
Credit Quality						
Nonperforming assets as a percentage of:						
Assets	0.22%	0.27%		0.22%	0.27%	
Loans and leases plus foreclosed property	0.34	0.41		0.34	0.41	
Net charge-offs as a percentage of average loans and leases	0.41	0.35		0.40	0.35	
Allowance for loan and lease losses as a percentage of loans and leases held for investment	1.05	1.05		1.05	1.05	
Ratio of allowance for loan and lease losses to nonperforming loans and leases held for investment	3.52x	2.86x		3.52x	2.86x	
Average Balances						
Assets	$ 232,420	$ 222,674	4.4 %	$ 229,106	$ 221,817	3.3%
Securities (3)	48,900	46,299	5.6	47,257	47,265	—
Loans and leases	152,042	147,489	3.1	150,808	145,729	3.5
Deposits	161,992	157,271	3.0	160,650	157,362	2.1
Common shareholders' equity	29,040	26,782	8.4	28,226	26,565	6.3
Shareholders' equity	32,744	29,887	9.6	31,537	29,668	6.3
Period-End Balances						
Assets	$ 236,750	$ 222,885	6.2 %	$ 236,750	$ 222,885	6.2%
Securities (3)	54,765	45,368	20.7	54,765	45,368	20.7
Loans and leases	150,855	147,712	2.1	150,855	147,712	2.1
Deposits	162,280	154,556	5.0	162,280	154,556	5.0
Common shareholders' equity	29,177	26,895	8.5	29,177	26,895	8.5
Shareholders' equity	32,303	30,007	7.7	32,303	30,007	7.7
Capital Ratios (current quarter is preliminary)						
Risk-based:						
Common equity Tier 1	10.6%	10.2%		10.6%	10.2%	
Tier 1	12.2	11.9		12.2	11.9	
Total	14.7	13.9		14.7	13.9	
Leverage	10.3	10.0		10.3	10.0	

Applicable ratios are annualized.

(1) Represents a non-GAAP measure. See the calculations and management's reasons for using this measure in the Preliminary Capital Information - Five Quarter Trend section of this supplement.

(2) Represents a non-GAAP measure. See the calculation and management's reasons for using this measure in the Non-GAAP Reconciliations section of this supplement.

(3) Includes AFS and HTM securities. Average balances reflect both AFS and HTM securities at amortized cost. Period-end balances reflect AFS securities at fair value and HTM securities at amortized cost.

Financial Highlights - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Summary Income Statement					
Interest income	$ 2,241	$ 2,230	$ 2,197	$ 2,160	$ 2,096
Interest expense	518	516	477	431	382
Net interest income - taxable equivalent	1,723	1,714	1,720	1,729	1,714
Less: Taxable-equivalent adjustment	23	24	24	24	27
Net interest income	1,700	1,690	1,696	1,705	1,687
Provision for credit losses	117	172	155	146	135
Net interest income after provision for credit losses	1,583	1,518	1,541	1,559	1,552
Noninterest income	1,303	1,352	1,202	1,235	1,239
Noninterest expense	1,840	1,751	1,768	1,784	1,742
Income before income taxes	1,046	1,119	975	1,010	1,049
Provision for income taxes	218	234	177	205	210
Net income	828	885	798	805	839
Noncontrolling interests	3	(1)	6	7	7
Preferred stock dividends	90	44	43	44	43
Net income available to common shareholders	735	842	749	754	789
Per Common Share Data					
Earnings per share-basic	$ 0.96	$ 1.10	$ 0.98	$ 0.99	$ 1.02
Earnings per share-diluted	0.95	1.09	0.97	0.97	1.01
Cash dividends declared	0.450	0.405	0.405	0.405	0.405
Common equity	38.07	37.40	36.26	35.46	34.90
Tangible common equity (1)	24.66	23.93	22.78	21.89	21.40
End of period shares outstanding	766,303	766,010	765,920	763,326	770,620
Weighted average shares outstanding-basic	766,167	765,958	764,135	765,013	771,562
Weighted average shares outstanding-diluted	775,791	774,603	774,071	775,402	781,867
Performance Ratios					
Return on average assets	1.41%	1.55%	1.43%	1.43%	1.49%
Return on average risk-weighted assets (current quarter is preliminary)	1.75	1.92	1.78	1.77	1.85
Return on average common shareholders' equity	10.04	11.98	11.08	11.14	11.69
Return on average tangible common shareholders' equity (2)	16.03	19.45	18.36	18.77	19.74
Net interest margin - taxable equivalent	3.37	3.42	3.51	3.49	3.47
Fee income ratio	43.4	44.4	41.5	42.0	42.3
Efficiency ratio-GAAP	61.3	57.6	61.0	60.7	59.5
Efficiency ratio-adjusted (2)	57.1	55.1	56.6	56.5	57.3
Credit Quality					
Nonperforming assets as a percentage of:					
Assets	0.22%	0.23%	0.26%	0.26%	0.27%
Loans and leases plus foreclosed property	0.34	0.34	0.39	0.39	0.41
Net charge-offs as a percentage of average loans and leases	0.41	0.38	0.40	0.38	0.35
Allowance for loan and lease losses as a percentage of loans and leases held for investment	1.05	1.05	1.05	1.05	1.05
Ratio of allowance for loan and lease losses to nonperforming loans and leases held for investment	3.52x	3.46x	2.97x	2.99x	2.86x
Average Balances					
Assets	$ 232,420	$ 229,249	$ 225,573	$ 223,625	$ 222,674
Securities (3)	48,900	46,115	46,734	46,610	46,299
Loans and leases	152,042	151,557	148,790	148,457	147,489
Deposits	161,992	159,891	160,045	157,842	157,271
Common shareholders' equity	29,040	28,188	27,432	26,860	26,782
Shareholders' equity	32,744	31,301	30,541	29,965	29,887
Period-End Balances					
Assets	$ 236,750	$ 230,872	$ 227,683	$ 225,697	$ 222,885
Securities (3)	54,765	45,289	46,410	45,590	45,368
Loans and leases	150,855	153,823	149,891	150,001	147,712
Deposits	162,280	159,521	159,766	161,199	154,556
Common shareholders' equity	29,177	28,650	27,770	27,069	26,895
Shareholders' equity	32,303	31,764	30,883	30,178	30,007
Capital Ratios (current quarter is preliminary)					
Risk-based:					
Common equity Tier 1	10.6%	10.4%	10.3%	10.2%	10.2%
Tier 1	12.2	12.0	12.0	11.8	11.9
Total	14.7	14.2	14.2	13.8	13.9
Leverage	10.3	10.2	10.1	9.9	10.0

Applicable ratios are annualized.

(1) Represents a non-GAAP measure. See the calculations and management's reasons for using this measure in the Preliminary Capital Information - Five Quarter Trend section of this supplement.

(2) Represents a non-GAAP measure. See the calculation and management's reasons for using this measure in the Non-GAAP Reconciliations section of this supplement.

(3) Includes AFS and HTM securities. Average balances reflect both AFS and HTM securities at amortized cost. Period-end balances reflect AFS securities at fair value and HTM securities at amortized cost.

Consolidated Statements of Income

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Sept. 30 2019	Quarter Ended Sept. 30 2018	Change $	Change %	Year-to-Date Sept. 30 2019	Year-to-Date Sept. 30 2018	Change $	Change %
Interest Income								
Interest and fees on loans and leases	$ 1,886	$ 1,772	$ 114	6.4 %	$ 5,611	$ 5,064	$ 547	10.8%
Interest and dividends on securities	315	283	32	11.3	917	868	49	5.6
Interest on other earning assets	17	14	3	21.4	69	52	17	32.7
Total interest income	2,218	2,069	149	7.2	6,597	5,984	613	10.2
Interest Expense								
Interest on deposits	271	172	99	57.6	797	438	359	82.0
Interest on short-term borrowings	54	29	25	86.2	136	72	64	88.9
Interest on long-term debt	193	181	12	6.6	578	497	81	16.3
Total interest expense	518	382	136	35.6	1,511	1,007	504	50.0
Net Interest Income	1,700	1,687	13	0.8	5,086	4,977	109	2.2
Provision for credit losses	117	135	(18)	(13.3)	444	420	24	5.7
Net Interest Income After Provision for Credit Losses	1,583	1,552	31	2.0	4,642	4,557	85	1.9
Noninterest Income								
Insurance income	487	448	39	8.7	1,563	1,365	198	14.5
Service charges on deposits	188	183	5	2.7	540	527	13	2.5
Investment banking and brokerage fees and commissions	130	116	14	12.1	372	338	34	10.1
Mortgage banking income	112	79	33	41.8	288	272	16	5.9
Trust and investment advisory revenues	71	71	—	—	209	215	(6)	(2.8)
Bankcard fees and merchant discounts	72	72	—	—	219	213	6	2.8
Checkcard fees	57	56	1	1.8	171	165	6	3.6
Operating lease income	36	37	(1)	(2.7)	106	110	(4)	(3.6)
Income from bank-owned life insurance	29	27	2	7.4	91	88	3	3.4
Securities gains (losses), net	—	—	—	—	—	1	(1)	NM
Other income	121	150	(29)	(19.3)	298	347	(49)	(14.1)
Total noninterest income	1,303	1,239	64	5.2	3,857	3,641	216	5.9
Noninterest Expense								
Personnel expense	1,161	1,104	57	5.2	3,368	3,217	151	4.7
Occupancy and equipment expense	186	189	(3)	(1.6)	557	570	(13)	(2.3)
Software expense	77	70	7	10.0	220	202	18	8.9
Outside IT services	28	33	(5)	(15.2)	87	97	(10)	(10.3)
Regulatory charges	20	37	(17)	(45.9)	57	116	(59)	(50.9)
Amortization of intangibles	29	33	(4)	(12.1)	93	97	(4)	(4.1)
Loan-related expense	26	28	(2)	(7.1)	81	83	(2)	(2.4)
Professional services	47	33	14	42.4	109	95	14	14.7
Merger-related and restructuring charges, net	34	18	16	88.9	137	70	67	95.7
Other expense	232	197	35	17.8	650	601	49	8.2
Total noninterest expense	1,840	1,742	98	5.6	5,359	5,148	211	4.1
Earnings								
Income before income taxes	1,046	1,049	(3)	(0.3)	3,140	3,050	90	3.0
Provision for income taxes	218	210	8	3.8	629	598	31	5.2
Net income	828	839	(11)	(1.3)	2,511	2,452	59	2.4
Noncontrolling interests	3	7	(4)	(57.1)	8	13	(5)	(38.5)
Preferred stock dividends	90	43	47	109.3	177	130	47	36.2
Net income available to common shareholders	$ 735	$ 789	$ (54)	(6.8)%	$ 2,326	$ 2,309	$ 17	0.7%
Earnings Per Common Share								
Basic	$ 0.96	$ 1.02	$ (0.06)	(5.9)%	$ 3.04	$ 2.98	$ 0.06	2.0%
Diluted	0.95	1.01	(0.06)	(5.9)	3.00	2.94	0.06	2.0
Weighted Average Shares Outstanding								
Basic	766,167	771,562	(5,395)	(0.7)	765,428	775,642	(10,214)	(1.3)
Diluted	775,791	781,867	(6,076)	(0.8)	774,907	786,140	(11,233)	(1.4)

NM - not meaningful

Consolidated Statements of Income - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Interest Income					
Interest and fees on loans and leases	$ 1,886	$ 1,886	$ 1,839	$ 1,830	$ 1,772
Interest and dividends on securities	315	300	302	292	283
Interest on other earning assets	17	20	32	14	14
Total interest income	2,218	2,206	2,173	2,136	2,069
Interest Expense					
Interest on deposits	271	273	253	206	172
Interest on short-term borrowings	54	50	32	39	29
Interest on long-term debt	193	193	192	186	181
Total interest expense	518	516	477	431	382
Net Interest Income	1,700	1,690	1,696	1,705	1,687
Provision for credit losses	117	172	155	146	135
Net Interest Income After Provision for Credit Losses	1,583	1,518	1,541	1,559	1,552
Noninterest Income					
Insurance income	487	566	510	487	448
Service charges on deposits	188	181	171	185	183
Investment banking and brokerage fees and commissions	130	131	111	139	116
Mortgage banking income	112	113	63	86	79
Trust and investment advisory revenues	71	70	68	70	71
Bankcard fees and merchant discounts	72	77	70	74	72
Checkcard fees	57	59	55	56	56
Operating lease income	36	35	35	35	37
Income from bank-owned life insurance	29	34	28	28	27
Securities gains (losses), net	—	—	—	2	—
Other income	121	86	91	73	150
Total noninterest income	1,303	1,352	1,202	1,235	1,239
Noninterest Expense					
Personnel expense	1,161	1,120	1,087	1,096	1,104
Occupancy and equipment expense	186	184	187	188	189
Software expense	77	71	72	70	70
Outside IT services	28	29	30	35	33
Regulatory charges	20	19	18	18	37
Amortization of intangibles	29	32	32	34	33
Loan-related expense	26	30	25	25	28
Professional services	47	31	31	43	33
Merger-related and restructuring charges, net	34	23	80	76	18
Other expense	232	212	206	199	197
Total noninterest expense	1,840	1,751	1,768	1,784	1,742
Earnings					
Income before income taxes	1,046	1,119	975	1,010	1,049
Provision for income taxes	218	234	177	205	210
Net income	828	885	798	805	839
Noncontrolling interests	3	(1)	6	7	7
Preferred stock dividends	90	44	43	44	43
Net income available to common shareholders	$ 735	$ 842	$ 749	$ 754	$ 789
Earnings Per Common Share					
Basic	$ 0.96	$ 1.10	$ 0.98	$ 0.99	$ 1.02
Diluted	0.95	1.09	0.97	0.97	1.01
Weighted Average Shares Outstanding					
Basic	766,167	765,958	764,135	765,013	771,562
Diluted	775,791	774,603	774,071	775,402	781,867

Segment Financial Performance - Preliminary

(Dollars in millions)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Community Banking Retail and Consumer Finance					
Net interest income (expense)	$ 871	$ 850	$ 843	$ 881	$ 880
Net intersegment interest income (expense)	141	126	109	87	76
Segment net interest income	1,012	976	952	968	956
Allocated provision for credit losses	115	123	130	151	121
Noninterest income	372	387	322	352	347
Noninterest expense	681	654	646	658	657
Income (loss) before income taxes	588	586	498	511	525
Provision (benefit) for income taxes	142	141	120	124	129
Segment net income (loss)	$ 446	$ 445	$ 378	$ 387	$ 396
Community Banking Commercial					
Net interest income (expense)	$ 519	$ 541	$ 536	$ 532	$ 513
Net intersegment interest income (expense)	69	47	44	59	58
Segment net interest income	588	588	580	591	571
Allocated provision for credit losses	12	39	19	14	18
Noninterest income	116	114	109	112	110
Noninterest expense	259	255	251	267	262
Income (loss) before income taxes	433	408	419	422	401
Provision (benefit) for income taxes	95	89	91	93	90
Segment net income (loss)	$ 338	$ 319	$ 328	$ 329	$ 311
Financial Services and Commercial Finance					
Net interest income (expense)	$ 196	$ 197	$ 189	$ 190	$ 171
Net intersegment interest income (expense)	18	13	21	21	26
Segment net interest income	214	210	210	211	197
Allocated provision for credit losses	3	14	1	5	5
Noninterest income	351	329	284	323	308
Noninterest expense	327	311	297	334	312
Income (loss) before income taxes	235	214	196	195	188
Provision (benefit) for income taxes	50	45	40	40	39
Segment net income (loss)	$ 185	$ 169	$ 156	$ 155	$ 149
Insurance Holdings					
Net interest income (expense)	$ 39	$ 35	$ 34	$ 32	$ 32
Net intersegment interest income (expense)	(11)	(10)	(11)	(10)	(9)
Segment net interest income	28	25	23	22	23
Allocated provision for credit losses	2	2	3	—	1
Noninterest income	491	570	515	496	452
Noninterest expense	435	444	417	415	416
Income (loss) before income taxes	82	149	118	103	58
Provision (benefit) for income taxes	21	38	30	26	15
Segment net income (loss)	$ 61	$ 111	$ 88	$ 77	$ 43
Other, Treasury & Corporate (1)					
Net interest income (expense)	$ 75	$ 67	$ 94	$ 70	$ 91
Net intersegment interest income (expense)	(217)	(176)	(163)	(157)	(151)
Segment net interest income	(142)	(109)	(69)	(87)	(60)
Allocated provision for credit losses	(15)	(6)	2	(24)	(10)
Noninterest income	(27)	(48)	(28)	(48)	22
Noninterest expense	138	87	157	110	95
Income (loss) before income taxes	(292)	(238)	(256)	(221)	(123)
Provision (benefit) for income taxes	(90)	(79)	(104)	(78)	(63)
Segment net income (loss)	$ (202)	$ (159)	$ (152)	$ (143)	$ (60)
Total BB&T Corporation					
Net interest income (expense)	$ 1,700	$ 1,690	$ 1,696	$ 1,705	$ 1,687
Net intersegment interest income (expense)	—	—	—	—	—
Segment net interest income	1,700	1,690	1,696	1,705	1,687
Allocated provision for credit losses	117	172	155	146	135
Noninterest income	1,303	1,352	1,202	1,235	1,239
Noninterest expense	1,840	1,751	1,768	1,784	1,742
Income (loss) before income taxes	1,046	1,119	975	1,010	1,049
Provision (benefit) for income taxes	218	234	177	205	210
Net income	$ 828	$ 885	$ 798	$ 805	$ 839

(1) Includes financial data from subsidiaries below the quantitative and qualitative thresholds requiring disclosure.

Consolidated Ending Balance Sheets - Five Quarter Trend

(Dollars in millions)	Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Assets					
Cash and due from banks	$ 2,027	$ 1,831	$ 1,873	$ 2,753	$ 2,123
Interest-bearing deposits with banks	866	707	751	984	748
Cash equivalents	114	148	252	143	135
Restricted cash	11	15	96	107	147
Securities available for sale at fair value	35,997	25,802	26,315	25,038	24,286
Securities held to maturity at amortized cost	18,768	19,487	20,095	20,552	21,082
Loans and leases:					
Commercial:					
Commercial and industrial	64,324	63,693	61,978	61,935	59,722
CRE	20,884	20,722	20,829	21,060	21,466
Lease financing	2,356	2,203	2,098	2,018	2,028
Retail:					
Residential mortgage	28,297	32,607	31,572	31,393	30,821
Direct	11,463	11,492	11,464	11,584	11,618
Indirect	18,461	18,209	17,523	17,425	17,468
Revolving credit	3,241	3,239	3,152	3,132	3,070
PCI	387	421	441	466	497
Total loans and leases held for investment	149,413	152,586	149,057	149,013	146,690
Loans held for sale	1,442	1,237	834	988	1,022
Total loans and leases	150,855	153,823	149,891	150,001	147,712
Allowance for loan and lease losses	(1,573)	(1,595)	(1,561)	(1,558)	(1,538)
Premises and equipment	2,022	2,029	2,078	2,118	2,154
Goodwill	9,832	9,830	9,818	9,818	9,832
Core deposit and other intangible assets	678	712	726	758	789
Mortgage servicing rights at fair value	919	970	1,036	1,108	1,179
Other assets	16,234	17,113	16,313	13,875	14,236
Total assets	$ 236,750	$ 230,872	$ 227,683	$ 225,697	$ 222,885
Liabilities					
Deposits:					
Noninterest-bearing deposits	$ 52,667	$ 52,458	$ 53,021	$ 53,025	$ 53,646
Interest checking	27,723	28,021	28,028	28,130	26,590
Money market and savings	64,454	63,972	63,739	63,467	61,597
Time deposits	16,526	15,070	14,978	16,577	12,723
Foreign office deposits - interest-bearing	910	—	—	—	—
Total deposits	162,280	159,521	159,766	161,199	154,556
Short-term borrowings	10,405	10,344	6,305	5,178	9,652
Long-term debt	25,520	22,640	24,729	23,709	23,236
Accounts payable and other liabilities	6,242	6,603	6,000	5,433	5,434
Total liabilities	204,447	199,108	196,800	195,519	192,878
Shareholders' Equity:					
Preferred stock	3,057	3,053	3,053	3,053	3,053
Common stock	3,832	3,830	3,830	3,817	3,853
Additional paid-in capital	6,931	6,889	6,843	6,849	7,221
Retained earnings	19,440	19,050	18,518	18,118	17,673
Accumulated other comprehensive loss	(1,026)	(1,119)	(1,421)	(1,715)	(1,852)
Noncontrolling interests	69	61	60	56	59
Total shareholders' equity	32,303	31,764	30,883	30,178	30,007
Total liabilities and shareholders' equity	$ 236,750	$ 230,872	$ 227,683	$ 225,697	$ 222,885

New lease accounting guidance was adopted prospectively in 1Q19 that requires lessees to recognize assets and liabilities related to certain operating leases on the balance sheet.

Average Balance Sheets

(Dollars in millions)	Quarter Ended September 30 2019	Quarter Ended September 30 2018	Change $	Change %	Year-to-Date September 30 2019	Year-to-Date September 30 2018	Change $	Change %
Assets								
Securities at amortized cost (1):								
U.S. Treasury	$ 2,240	$ 3,561	$ (1,321)	(37.1)%	$ 2,731	$ 3,546	$ (815)	(23.0)%
U.S. government-sponsored entities (GSE)	2,449	2,399	50	2.1	2,436	2,390	46	1.9
Mortgage-backed securities issued by GSE	43,415	39,111	4,304	11.0	41,202	39,894	1,308	3.3
States and political subdivisions	566	849	(283)	(33.3)	583	1,036	(453)	(43.7)
Non-agency mortgage-backed	198	340	(142)	(41.8)	271	356	(85)	(23.9)
Other	32	39	(7)	(17.9)	34	43	(9)	(20.9)
Total securities	48,900	46,299	2,601	5.6	47,257	47,265	(8)	—
Other earning assets	2,466	2,412	54	2.2	2,612	2,287	325	14.2
Loans and leases:								
Commercial:								
Commercial and industrial	63,768	59,900	3,868	6.5	62,576	59,363	3,213	5.4
CRE	20,767	21,496	(729)	(3.4)	20,806	21,480	(674)	(3.1)
Lease financing	2,260	1,941	319	16.4	2,135	1,892	243	12.8
Retail:								
Residential mortgage	28,410	30,500	(2,090)	(6.9)	30,604	29,538	1,066	3.6
Direct	11,468	11,613	(145)	(1.2)	11,489	11,694	(205)	(1.8)
Indirect	18,362	17,282	1,080	6.2	17,863	17,002	861	5.1
Revolving credit	3,218	2,947	271	9.2	3,160	2,859	301	10.5
PCI	411	518	(107)	(20.7)	433	569	(136)	(23.9)
Total loans and leases held for investment	148,664	146,197	2,467	1.7	149,066	144,397	4,669	3.2
Loans held for sale	3,378	1,292	2,086	161.5	1,742	1,332	410	30.8
Total loans and leases	152,042	147,489	4,553	3.1	150,808	145,729	5,079	3.5
Total earning assets	203,408	196,200	7,208	3.7	200,677	195,281	5,396	2.8
Nonearning assets	29,012	26,474	2,538	9.6	28,429	26,536	1,893	7.1
Total assets	$ 232,420	$ 222,674	$ 9,746	4.4 %	$ 229,106	$ 221,817	$ 7,289	3.3 %
Liabilities and Shareholders' Equity								
Deposits:								
Noninterest-bearing deposits	$ 52,500	$ 54,174	$ (1,674)	(3.1)%	$ 52,489	$ 53,847	$ (1,358)	(2.5)%
Interest checking	27,664	26,655	1,009	3.8	27,665	26,962	703	2.6
Money market and savings	64,920	62,957	1,963	3.1	63,885	62,256	1,629	2.6
Time deposits	16,643	13,353	3,290	24.6	16,256	13,720	2,536	18.5
Foreign office deposits - interest-bearing	265	132	133	100.8	355	577	(222)	(38.5)
Total deposits	161,992	157,271	4,721	3.0	160,650	157,362	3,288	2.1
Short-term borrowings	8,307	6,023	2,284	37.9	7,443	5,609	1,834	32.7
Long-term debt	22,608	24,211	(1,603)	(6.6)	23,027	23,845	(818)	(3.4)
Accounts payable and other liabilities	6,769	5,282	1,487	28.2	6,449	5,333	1,116	20.9
Total liabilities	199,676	192,787	6,889	3.6	197,569	192,149	5,420	2.8
Shareholders' equity	32,744	29,887	2,857	9.6	31,537	29,668	1,869	6.3
Total liabilities and shareholders' equity	$ 232,420	$ 222,674	$ 9,746	4.4 %	$ 229,106	$ 221,817	$ 7,289	3.3 %

New lease accounting guidance was adopted prospectively in 1Q19 that requires lessees to recognize assets and liabilities related to certain operating leases on the balance sheet.

Average balances exclude basis adjustments for fair value hedges.

(1) Includes AFS and HTM securities.

Average Balance Sheets - Five Quarter Trend

(Dollars in millions)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Assets					
Securities at amortized cost (1):					
U.S. Treasury	$ 2,240	$ 2,662	$ 3,302	$ 4,555	$ 3,561
U.S. government-sponsored entities (GSE)	2,449	2,440	2,418	2,408	2,399
Mortgage-backed securities issued by GSE	43,415	40,112	40,044	38,566	39,111
States and political subdivisions	566	566	620	725	849
Non-agency mortgage-backed	198	302	315	326	340
Other	32	33	35	30	39
Total securities	48,900	46,115	46,734	46,610	46,299
Other earning assets	2,466	3,167	2,197	2,146	2,412
Loans and leases:					
Commercial:					
Commercial and industrial	63,768	62,563	61,370	60,553	59,900
CRE	20,767	20,748	20,905	21,301	21,496
Lease financing	2,260	2,122	2,021	1,990	1,941
Retail:					
Residential mortgage	28,410	32,066	31,370	31,103	30,500
Direct	11,468	11,506	11,493	11,600	11,613
Indirect	18,362	17,879	17,337	17,436	17,282
Revolving credit	3,218	3,151	3,110	3,070	2,947
PCI	411	432	455	486	518
Total loans and leases held for investment	148,664	150,467	148,061	147,539	146,197
Loans held for sale	3,378	1,090	729	918	1,292
Total loans and leases	152,042	151,557	148,790	148,457	147,489
Total earning assets	203,408	200,839	197,721	197,213	196,200
Nonearning assets	29,012	28,410	27,852	26,412	26,474
Total assets	$ 232,420	$ 229,249	$ 225,573	$ 223,625	$ 222,674
Liabilities and Shareholders' Equity					
Deposits:					
Noninterest-bearing deposits	$ 52,500	$ 52,680	$ 52,283	$ 53,732	$ 54,174
Interest checking	27,664	27,708	27,622	26,921	26,655
Money market and savings	64,920	63,394	63,325	62,261	62,957
Time deposits	16,643	15,730	16,393	14,682	13,353
Foreign office deposits - interest-bearing	265	379	422	246	132
Total deposits	161,992	159,891	160,045	157,842	157,271
Short-term borrowings	8,307	8,367	5,624	6,979	6,023
Long-term debt	22,608	23,233	23,247	23,488	24,211
Accounts payable and other liabilities	6,769	6,457	6,116	5,351	5,282
Total liabilities	199,676	197,948	195,032	193,660	192,787
Shareholders' equity	32,744	31,301	30,541	29,965	29,887
Total liabilities and shareholders' equity	$ 232,420	$ 229,249	$ 225,573	$ 223,625	$ 222,674

New lease accounting guidance was adopted prospectively in 1Q19 that requires lessees to recognize assets and liabilities related to certain operating leases on the balance sheet.

Average balances exclude basis adjustments for fair value hedges.

(1) Includes AFS and HTM securities.

Average Balances and Rates - Quarters

(Dollars in millions)	September 30, 2019 (1) Average Balances	September 30, 2019 Interest Income/ Expense	September 30, 2019 (2) Yields/ Rates	June 30, 2019 (1) Average Balances	June 30, 2019 Interest Income/ Expense	June 30, 2019 (2) Yields/ Rates
Assets						
Securities at amortized cost (3):						
U.S. Treasury	$ 2,240	$ 11	2.04%	$ 2,662	$ 14	2.04%
U.S. government-sponsored entities (GSE)	2,449	14	2.25	2,440	13	2.25
Mortgage-backed securities issued by GSE	43,415	279	2.57	40,112	258	2.57
States and political subdivisions	566	5	3.44	566	6	4.37
Non-agency mortgage-backed	198	9	18.77	302	10	13.28
Other	32	—	3.67	33	1	3.85
Total securities	48,900	318	2.60	46,115	302	2.62
Other earning assets	2,466	17	2.67	3,167	20	2.59
Loans and leases:						
Commercial:						
Commercial and industrial	63,768	671	4.18	62,563	679	4.35
CRE	20,767	256	4.88	20,748	260	5.03
Lease financing	2,260	18	3.17	2,122	17	3.29
Retail:						
Residential mortgage	28,410	285	4.02	32,066	321	4.00
Direct	11,468	166	5.75	11,506	166	5.80
Indirect	18,362	372	8.04	17,879	356	7.99
Revolving credit	3,218	78	9.61	3,151	74	9.39
PCI	411	25	24.23	432	24	21.63
Total loans and leases held for investment	148,664	1,871	5.00	150,467	1,897	5.05
Loans held for sale	3,378	35	4.16	1,090	11	4.17
Total loans and leases	152,042	1,906	4.98	151,557	1,908	5.05
Total earning assets	203,408	2,241	4.38	200,839	2,230	4.45
Nonearning assets	29,012			28,410		
Total assets	$ 232,420			$ 229,249		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest checking	$ 27,664	47	0.67	$ 27,708	45	0.65
Money market and savings	64,920	156	0.95	63,394	163	1.03
Time deposits	16,643	67	1.62	15,730	63	1.58
Foreign office deposits - interest-bearing	265	1	2.13	379	2	2.43
Total interest-bearing deposits	109,492	271	0.99	107,211	273	1.02
Short-term borrowings	8,307	54	2.55	8,367	50	2.40
Long-term debt	22,608	193	3.42	23,233	193	3.33
Total interest-bearing liabilities	140,407	518	1.47	138,811	516	1.49
Noninterest-bearing deposits	52,500			52,680		
Accounts payable and other liabilities	6,769			6,457		
Shareholders' equity	32,744			31,301		
Total liabilities and shareholders' equity	$ 232,420			$ 229,249		
Average interest-rate spread			2.91			2.96
Net interest income/ net interest margin		$ 1,723	3.37%		$ 1,714	3.42%
Taxable-equivalent adjustment		$ 23			$ 24	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Yields are on a taxable-equivalent basis utilizing the marginal income tax rates for the periods presented.

(3) Includes AFS and HTM securities.

Average Balances and Rates - Quarters

(Dollars in millions)	March 31, 2019 (1) Average Balances	March 31, 2019 Interest Income/ Expense	March 31, 2019 (2) Yields/ Rates	December 31, 2018 (1) Average Balances	December 31, 2018 Interest Income/ Expense	December 31, 2018 (2) Yields/ Rates	September 30, 2018 (1) Average Balances	September 30, 2018 Interest Income/ Expense	September 30, 2018 (2) Yields/ Rates
Assets									
Securities at amortized cost (3):									
U.S. Treasury	$ 3,302	$ 16	2.01%	$ 4,555	$ 25	2.11%	$ 3,561	$ 15	1.80%
U.S. government-sponsored entities (GSE)	2,418	14	2.24	2,408	14	2.24	2,399	13	2.23
Mortgage-backed securities issued by GSE	40,044	258	2.58	38,566	241	2.50	39,111	239	2.45
States and political subdivisions	620	6	3.73	725	6	3.53	849	10	3.50
Non-agency mortgage-backed	315	10	12.51	326	10	11.50	340	8	11.32
Other	35	—	3.96	30	—	4.51	39	1	3.79
Total securities	46,734	304	2.60	46,610	296	2.53	46,299	286	2.47
Other earning assets	2,197	33	6.01	2,146	14	2.54	2,412	15	2.52
Loans and leases:									
Commercial:									
Commercial and industrial	61,370	656	4.33	60,553	645	4.23	59,900	612	4.04
CRE	20,905	261	5.06	21,301	261	4.88	21,496	260	4.80
Lease financing	2,021	17	3.33	1,990	18	3.64	1,941	17	3.04
Retail:									
Residential mortgage	31,370	324	4.13	31,103	319	4.10	30,500	313	4.08
Direct	11,493	163	5.75	11,600	164	5.56	11,613	155	5.34
Indirect	17,337	338	7.91	17,436	335	7.69	17,282	335	7.56
Revolving credit	3,110	73	9.49	3,070	72	9.39	2,947	63	9.47
PCI	455	20	17.99	486	26	20.49	518	26	20.14
Total loans and leases held for investment	148,061	1,852	5.06	147,539	1,840	4.96	146,197	1,781	4.83
Loans held for sale	729	8	4.38	918	10	4.66	1,292	14	4.28
Total loans and leases	148,790	1,860	5.06	148,457	1,850	4.96	147,489	1,795	4.83
Total earning assets	197,721	2,197	4.49	197,213	2,160	4.36	196,200	2,096	4.24
Nonearning assets	27,852			26,412			26,474		
Total assets	$ 225,573			$ 223,625			$ 222,674		
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest checking	$ 27,622	40	0.59	$ 26,921	34	0.49	$ 26,655	28	0.45
Money market and savings	63,325	150	0.96	62,261	125	0.80	62,957	109	0.68
Time deposits	16,393	60	1.50	14,682	45	1.22	13,353	34	0.98
Foreign office deposits - interest-bearing	422	3	2.43	246	2	2.22	132	1	1.93
Total interest-bearing deposits	107,762	253	0.95	104,110	206	0.78	103,097	172	0.66
Short-term borrowings	5,624	32	2.32	6,979	39	2.18	6,023	29	1.94
Long-term debt	23,247	192	3.30	23,488	186	3.19	24,211	181	2.99
Total interest-bearing liabilities	136,633	477	1.41	134,577	431	1.28	133,331	382	1.14
Noninterest-bearing deposits	52,283			53,732			54,174		
Accounts payable and other liabilities	6,116			5,351			5,282		
Shareholders' equity	30,541			29,965			29,887		
Total liabilities and shareholders' equity	$ 225,573			$ 223,625			$ 222,674		
Average interest-rate spread			3.08			3.08			3.10
Net interest income/ net interest margin		$ 1,720	3.51%		$ 1,729	3.49%		$ 1,714	3.47%
Taxable-equivalent adjustment		$ 24			$ 24			$ 27	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Yields are on a taxable-equivalent basis utilizing the marginal income tax rates for the periods presented.

(3) Includes AFS and HTM securities.

Average Balances and Rates - Year-To-Date

(Dollars in millions)	Year-to-Date September 30, 2019 (1) Average Balances	September 30, 2019 Interest Income/ Expense	September 30, 2019 (2) Yields/ Rates	September 30, 2018 (1) Average Balances	September 30, 2018 Interest Income/ Expense	September 30, 2018 (2) Yields/ Rates
Assets						
Securities at amortized cost (3):						
U.S. Treasury	$ 2,731	$ 41	2.03%	$ 3,546	$ 47	1.79%
U.S. government-sponsored entities (GSE)	2,436	41	2.25	2,390	40	2.23
Mortgage-backed securities issued by GSE	41,202	795	2.57	39,894	728	2.44
States and political subdivisions	583	17	3.85	1,036	29	3.71
Non-agency mortgage-backed	271	29	14.34	356	32	12.06
Other	34	1	3.83	43	1	3.05
Total securities	47,257	924	2.61	47,265	877	2.48
Other earning assets	2,612	70	3.57	2,287	53	3.09
Loans and leases:						
Commercial:						
Commercial and industrial	62,576	2,006	4.28	59,363	1,729	3.89
CRE	20,806	777	4.99	21,480	746	4.64
Lease financing	2,135	52	3.26	1,892	43	3.03
Retail:						
Residential mortgage	30,604	930	4.05	29,538	893	4.03
Direct	11,489	495	5.77	11,694	446	5.11
Indirect	17,863	1,066	7.98	17,002	950	7.45
Revolving credit	3,160	225	9.50	2,859	197	9.19
PCI	433	69	21.20	569	82	19.40
Total loans and leases held for investment	149,066	5,620	5.04	144,397	5,086	4.71
Loans held for sale	1,742	54	4.17	1,332	40	4.01
Total loans and leases	150,808	5,674	5.03	145,729	5,126	4.70
Total earning assets	200,677	6,668	4.44	195,281	6,056	4.14
Nonearning assets	28,429			26,536		
Total assets	$ 229,106			$ 221,817		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest checking	$ 27,665	132	0.64	$ 26,962	82	0.41
Money market and savings	63,885	469	0.98	62,256	262	0.56
Time deposits	16,256	190	1.57	13,720	87	0.84
Foreign office deposits - interest-bearing	355	6	2.36	577	7	1.60
Total interest-bearing deposits	108,161	797	0.99	103,515	438	0.57
Short-term borrowings	7,443	136	2.44	5,609	72	1.72
Long-term debt	23,027	578	3.35	23,845	497	2.78
Total interest-bearing liabilities	138,631	1,511	1.46	132,969	1,007	1.01
Noninterest-bearing deposits	52,489			53,847		
Accounts payable and other liabilities	6,449			5,333		
Shareholders' equity	31,537			29,668		
Total liabilities and shareholders' equity	$ 229,106			$ 221,817		
Average interest-rate spread			2.98			3.13
Net interest income/ net interest margin		$ 5,157	3.43%		$ 5,049	3.45%
Taxable-equivalent adjustment		$ 71			$ 72	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Yields are on a taxable-equivalent basis utilizing the marginal income tax rates for the periods presented.

(3) Includes AFS and HTM securities.

Credit Quality

(Dollars in millions)	Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Nonperforming Assets					
Nonaccrual loans and leases:					
Commercial:					
Commercial and industrial	$ 172	$ 193	$ 196	$ 200	$ 238
CRE	29	33	75	65	46
Lease financing	2	2	1	3	6
Retail:					
Residential mortgage	106	104	121	119	120
Direct	56	54	53	53	55
Indirect	82	75	80	82	72
Total nonaccrual loans and leases held for investment (1)	447	461	526	522	537
Foreclosed real estate	33	36	33	35	39
Other foreclosed property	29	26	25	28	25
Total nonperforming assets(1)	$ 509	$ 523	$ 584	$ 585	$ 601
Performing Troubled Debt Restructurings (TDRs) (2)					
Commercial:					
Commercial and industrial	$ 69	$ 84	$ 63	$ 65	$ 56
CRE	7	8	9	10	12
Retail:					
Residential mortgage	570	581	669	656	643
Direct	52	53	54	55	56
Indirect	328	315	306	305	295
Revolving credit	31	29	29	28	28
Total performing TDRs (2)(3)	$ 1,057	$ 1,070	$ 1,130	$ 1,119	$ 1,090
Loans 90 Days or More Past Due and Still Accruing					
Retail:					
Residential mortgage	$ 347	$ 350	$ 377	$ 405	$ 367
Direct	7	10	7	7	6
Indirect	9	7	5	6	6
Revolving credit	16	14	14	14	12
PCI	24	26	28	30	40
Total loans 90 days past due and still accruing	$ 403	$ 407	$ 431	$ 462	$ 431
Loans 30-89 Days Past Due					
Commercial:					
Commercial and industrial	$ 34	$ 32	$ 36	$ 34	$ 35
CRE	1	3	3	5	4
Lease financing	1	5	3	1	1
Retail:					
Residential mortgage	432	480	478	456	510
Direct	54	58	67	61	59
Indirect	423	393	316	436	418
Revolving credit	31	28	27	28	27
PCI	16	17	18	23	21
Total loans 30-89 days past due	$ 992	$ 1,016	$ 948	$ 1,044	$ 1,075

Excludes loans held for sale.

(1) Sales of nonperforming loans totaled $42 million, $48 million, $30 million, $30 million and $20 million for the quarter ended September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018 and September 30, 2018, respectively.

(2) Excludes TDRs that are nonperforming totaling $115 million, $135 million, $178 million, $176 million and $176 million at September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018 and September 30, 2018, respectively. These amounts are included in total nonperforming assets.

(3) Sales of performing TDRs, which were primarily residential mortgage loans, totaled $39 million, $120 million, $33 million, $15 million and $34 million for the quarter ended September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018 and September 30, 2018, respectively.

Credit Quality

(Dollars in millions)	As of/For the Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Allowance for Credit Losses					
Beginning balance	$ 1,689	$ 1,659	$ 1,651	$ 1,648	$ 1,640
Provision for credit losses (excluding PCI loans)	117	172	156	147	141
Provision (benefit) for PCI loans	—	—	(1)	(1)	(6)
Charge-offs:					
Commercial:					
Commercial and industrial	(28)	(22)	(17)	(18)	(28)
CRE	(2)	(18)	(8)	(5)	—
Lease financing	(1)	—	(1)	(1)	(1)
Retail:					
Residential mortgage	(3)	(5)	(5)	(8)	(4)
Direct	(22)	(22)	(18)	(18)	(17)
Indirect	(106)	(91)	(109)	(108)	(94)
Revolving credit	(27)	(25)	(26)	(22)	(20)
PCI	—	—	—	—	(2)
Total charge-offs	(189)	(183)	(184)	(180)	(166)
Recoveries:					
Commercial:					
Commercial and industrial	5	8	6	7	13
CRE	3	3	1	4	1
Lease financing	1	—	—	—	—
Retail:					
Residential mortgage	—	—	1	1	—
Direct	6	7	6	5	6
Indirect	15	19	17	15	15
Revolving credit	6	4	6	5	4
Total recoveries	36	41	37	37	39
Net charge-offs	(153)	(142)	(147)	(143)	(127)
Ending balance	$ 1,653	$ 1,689	$ 1,659	$ 1,651	$ 1,648
Allowance for Credit Losses:					
Allowance for loan and lease losses (excluding PCI loans)	$ 1,565	$ 1,587	$ 1,553	$ 1,549	$ 1,528
Allowance for PCI loans	8	8	8	9	10
Reserve for unfunded lending commitments	80	94	98	93	110
Total	$ 1,653	$ 1,689	$ 1,659	$ 1,651	$ 1,648

(Dollars in millions)	As of/For the Year-to-Date Period Ended Sept. 30 2019	2018
Allowance for Credit Losses		
Beginning balance	$ 1,651	$ 1,609
Provision for credit losses (excluding PCI loans)	445	436
Provision (benefit) for PCI loans	(1)	(16)
Charge-offs:		
Commercial:		
Commercial and industrial	(67)	(74)
CRE	(28)	(8)
Lease financing	(2)	(3)
Retail:		
Residential mortgage	(13)	(13)
Direct	(62)	(53)
Indirect	(306)	(283)
Revolving credit	(78)	(62)
PCI	—	(2)
Total charge-offs	(556)	(498)
Recoveries:		
Commercial:		
Commercial and industrial	19	32
CRE	7	4
Lease financing	1	1
Retail:		
Residential mortgage	1	1
Direct	19	18
Indirect	51	47
Revolving credit	16	14
Total recoveries	114	117
Net charge-offs	(442)	(381)
Ending balance	$ 1,653	$ 1,648

Credit Quality

	As of/For the Quarter Ended				
	Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Asset Quality Ratios					
Loans 30-89 days past due and still accruing as a percentage of loans and leases	0.66%	0.67%	0.64%	0.70%	0.73%
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.27	0.27	0.29	0.31	0.29
Nonperforming loans and leases as a percentage of loans and leases	0.30	0.30	0.35	0.35	0.37
Nonperforming assets as a percentage of:					
Total assets	0.22	0.23	0.26	0.26	0.27
Loans and leases plus foreclosed property	0.34	0.34	0.39	0.39	0.41
Net charge-offs as a percentage of average loans and leases	0.41	0.38	0.40	0.38	0.35
Allowance for loan and lease losses as a percentage of loans and leases	1.05	1.05	1.05	1.05	1.05
Ratio of allowance for loan and lease losses to:					
Net charge-offs	2.59X	2.80X	2.62X	2.76X	3.05X
Nonperforming loans and leases	3.52X	3.46X	2.97X	2.99X	2.86X
Asset Quality Ratios (Excluding Government Guaranteed and PCI)					
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.04%	0.04%	0.04%	0.04%	0.04%

	As of/For the Year-to-Date Period Ended Sept. 30	
	2019	2018
Asset Quality Ratios		
Net charge-offs as a percentage of average loans and leases	0.40%	0.35%
Ratio of allowance for loan and lease losses to net charge-offs	2.66X	3.02X

Applicable ratios are annualized. Loans and leases exclude loans held for sale.

(Dollars in millions)	September 30, 2019 Current Status		Past Due 30-89 Days		Past Due 90+ Days		Total
Troubled Debt Restructurings							
Performing TDRs: (1)							
Commercial:							
Commercial and industrial	$ 69	100.0%	$ —	—%	$ —	—%	$ 69
CRE	7	100.0	—	—	—	—	7
Retail:							
Residential mortgage	313	54.9	105	18.4	152	26.7	570
Direct	49	94.2	3	5.8	—	—	52
Indirect	270	82.3	58	17.7	—	—	328
Revolving credit	27	87.1	3	9.7	1	3.2	31
Total performing TDRs (1)	735	69.5	169	16.0	153	14.5	1,057
Nonperforming TDRs (2)	49	42.6	10	8.7	56	48.7	115
Total TDRs (1)(2)	$ 784	66.9%	$ 179	15.3%	$ 209	17.8%	$ 1,172

	Quarter Ended				
	Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Net Charge-offs as a Percentage of Average Loans and Leases:					
Commercial:					
Commercial and industrial	0.14%	0.09%	0.07%	0.06%	0.11%
CRE	(0.02)	0.30	0.13	0.02	(0.02)
Lease financing	0.11	0.03	0.10	0.17	0.16
Retail:					
Residential mortgage	0.04	0.06	0.05	0.10	0.05
Direct	0.55	0.53	0.42	0.43	0.38
Indirect	1.95	1.63	2.15	2.14	1.79
Revolving credit	2.65	2.56	2.64	2.25	2.11
PCI	—	—	—	—	1.53
Total loans and leases	0.41	0.38	0.40	0.38	0.35

Applicable ratios are annualized.

(1) Past due performing TDRs are included in past due disclosures.

(2) Nonperforming TDRs are included in nonaccrual loan disclosures.

Capital Information - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	As of/For the Quarter Ended				
	Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Selected Capital Information	(preliminary)				
Risk-based capital:					
Common equity tier 1	$ 19,903	$ 19,435	$ 18,848	$ 18,405	$ 18,325
Tier 1	22,959	22,486	21,899	21,456	21,376
Total	27,668	26,693	26,078	24,963	24,979
Risk-weighted assets	187,623	187,523	183,060	181,260	179,195
Average quarterly tangible assets	223,298	220,514	217,247	215,872	214,498
Risk-based capital ratios:					
Common equity tier 1	10.6%	10.4%	10.3%	10.2%	10.2%
Tier 1	12.2	12.0	12.0	11.8	11.9
Total	14.7	14.2	14.2	13.8	13.9
Leverage capital ratio	10.3	10.2	10.1	9.9	10.0
Equity as a percentage of total assets	13.6	13.8	13.6	13.4	13.5
Common equity per common share	$ 38.07	$ 37.40	$ 36.26	$ 35.46	$ 34.90
Calculations of Tangible Common Equity and Related Measures: (1)					
Total shareholders' equity	$ 32,303	$ 31,764	$ 30,883	$ 30,178	$ 30,007
Less:					
Preferred stock	3,057	3,053	3,053	3,053	3,053
Noncontrolling interests	69	61	60	56	59
Intangible assets, net of deferred taxes	10,281	10,317	10,326	10,360	10,407
Tangible common equity	$ 18,896	$ 18,333	$ 17,444	$ 16,709	$ 16,488
Outstanding shares at end of period (in thousands)	766,303	766,010	765,920	763,326	770,620
Tangible Common Equity Per Common Share	$ 24.66	$ 23.93	$ 22.78	$ 21.89	$ 21.40

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. BB&T's management uses these measures to assess the quality of capital and returns relative to balance sheet risk and believes investors may find them useful in their analysis of the Corporation. These measures are not necessarily comparable to similar measures that may be presented by other companies.

Selected Items, Selected Mortgage Banking Information & Additional Information

(Dollars in millions)		Favorable (Unfavorable) Pre-Tax	Favorable (Unfavorable) After-Tax at Marginal Rate
Selected Items			
Third Quarter 2019			
Incremental operating expenses related to the merger:			
Personnel expense		$ (39)	
Professional services		(12)	
Other expense		(1)	
Total		$ (52)	$ (40)
Redemption of preferred shares	Preferred stock dividends	$ (46)	$ (46)
Allowance release related to residential mortgage portfolio sale	Provision for credit losses	$ 16	$ 12
Gain on residential mortgage portfolio sale	Mortgage banking income	4	3
Impact of mortgage portfolio sale		$ 20	$ 15
Second Quarter 2019			
Incremental operating expenses related to the merger:			
Personnel expense		$ (4)	
Professional services		(5)	
Total		$ (9)	$ (7)
First Quarter 2019			
Incremental operating expenses related to the merger:			
Professional services		$ (1)	
Other expense		(1)	
Total		$ (2)	$ (1)
Fourth Quarter 2018			
None		N/A	N/A
Third Quarter 2018			
None		N/A	N/A
Second Quarter 2018			
None		N/A	N/A
First Quarter 2018			
None		N/A	N/A

(Dollars in millions, except per share data)	As of/For the Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018
Mortgage Banking Income					
Residential mortgage production revenue	$ 50	$ 37	$ 20	$ 22	$ 29
Residential mortgage servicing revenue	64	62	61	65	63
Realization of expected residential MSR cash flows	(36)	(38)	(33)	(37)	(35)
Commercial mortgage production revenue	26	20	11	28	20
Commercial mortgage servicing revenue	10	9	10	9	10
Realization of expected commercial MSR cash flows	(7)	(7)	(7)	(7)	(7)
Mortgage banking income before MSR valuation	107	83	62	80	80
Income statement impact of mortgage servicing rights valuation:					
MSRs fair value increase (decrease)	(79)	(52)	(54)	(55)	35
MSRs hedge gains (losses)	84	82	55	61	(36)
Net MSRs valuation	5	30	1	6	(1)
Total mortgage banking income	$ 112	$ 113	$ 63	$ 86	$ 79
Other Mortgage Banking Information					
Residential mortgage loan originations	$ 5,274	$ 4,735	$ 2,383	$ 2,735	$ 4,265
Residential mortgage servicing portfolio (1):					
Loans serviced for others	87,147	85,060	86,119	87,270	88,323
Bank-owned loans serviced	29,122	32,852	31,861	31,335	31,137
Total servicing portfolio	116,269	117,912	117,980	118,605	119,460
Weighted-average coupon rate on mortgage loans serviced for others	4.09%	4.07%	4.06%	4.04%	4.03%
Weighted-average servicing fee on mortgage loans serviced for others	0.280	0.279	0.278	0.277	0.277
Additional Information					
Derivatives notional amount	$ 72,100	$ 64,967	$ 72,998	$ 67,738	$ 68,400
Fair value of derivatives, net	641	489	158	(1)	(253)
Common stock prices:					
High	53.85	51.76	52.45	52.11	53.08
Low	44.98	46.53	42.79	40.68	48.41
End of period	53.37	49.13	46.53	43.32	48.54
Banking offices	1,789	1,787	1,871	1,879	1,958
ATMs	2,376	2,376	2,503	2,573	2,764
FTEs	34,723	34,771	35,334	35,852	36,233

(1) Amounts reported are unpaid principal balance.

Non-GAAP Reconciliations

(Dollars in millions)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018	Year-to-Date Sept. 30 2019	Sept. 30 2018
Efficiency Ratio (1)							
Efficiency Ratio Numerator - Noninterest Expense - GAAP	$ 1,840	$ 1,751	$ 1,768	$ 1,784	$ 1,742	$ 5,359	$ 5,148
Amortization of intangibles	(29)	(32)	(32)	(34)	(33)	(93)	(97)
Merger-related and restructuring charges, net	(34)	(23)	(80)	(76)	(18)	(137)	(70)
Incremental operating expenses related to the merger	(52)	(9)	(2)	—	—	(63)	—
Efficiency Ratio Numerator - Adjusted	$ 1,725	$ 1,687	$ 1,654	$ 1,674	$ 1,691	$ 5,066	$ 4,981
Efficiency Ratio Denominator - Revenue (2) - GAAP	$ 3,003	$ 3,042	$ 2,898	$ 2,940	$ 2,926	$ 8,943	$ 8,618
Taxable equivalent adjustment	23	24	24	24	27	71	72
Securities (gains) losses, net	—	—	—	(2)	—	—	(1)
Gain on residential mortgage portfolio sale	(4)	—	—	—	—	(4)	—
Efficiency Ratio Denominator - Adjusted	$ 3,022	$ 3,066	$ 2,922	$ 2,962	$ 2,953	$ 9,010	$ 8,689
Efficiency Ratio - GAAP	61.3%	57.6%	61.0%	60.7%	59.5%	59.9%	59.7%
Efficiency Ratio - Adjusted	57.1	55.1	56.6	56.5	57.3	56.2	57.3

(1) The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges. These measures are not necessarily comparable to similar measures that may be presented by other companies.
(2) Revenue is defined as net interest income plus noninterest income.

(Dollars in millions)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018	Year-to-Date Sept. 30 2019	Sept. 30 2018
Return on Average Tangible Common Shareholders' Equity (1)							
Net income available to common shareholders	$ 735	$ 842	$ 749	$ 754	$ 789	$ 2,326	$ 2,309
Plus: Amortization of intangibles, net of tax	22	24	25	25	26	71	74
Tangible net income available to common shareholders	$ 757	$ 866	$ 774	$ 779	$ 815	$ 2,397	$ 2,383
Average common shareholders' equity	$ 29,040	$ 28,188	$ 27,432	$ 26,860	$ 26,782	$ 28,226	$ 26,565
Less: Average intangible assets, net of deferred taxes	10,298	10,326	10,343	10,391	10,409	10,322	10,194
Average tangible common shareholders' equity	$ 18,742	$ 17,862	$ 17,089	$ 16,469	$ 16,373	$ 17,904	$ 16,371
Return on average common shareholders' equity	10.04%	11.98%	11.08%	11.14%	11.69%	11.02%	11.62%
Return on average tangible common shareholders' equity	16.03	19.45	18.36	18.77	19.74	17.90	19.46

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. BB&T's management uses these measures to assess the quality of capital and returns relative to balance sheet risk and believes investors may find them useful in their analysis of the Corporation. These measures are not necessarily comparable to similar measures that may be presented by other companies.

(Dollars in millions, except per share data)	Quarter Ended Sept. 30 2019	June 30 2019	March 31 2019	Dec. 31 2018	Sept. 30 2018	Year-to-Date Sept. 30 2019	Sept. 30 2018
Diluted EPS (1)							
Net income available to common shareholders - GAAP	$ 735	$ 842	$ 749	$ 754	$ 789	$ 2,326	$ 2,309
Merger-related and restructuring charges	26	19	64	59	13	109	52
Incremental operating expenses related to the merger	40	7	1	—	—	48	—
Securities gains (losses), net	—	—	—	(1)	—	—	(1)
Redemption of preferred shares	46	—	—	—	—	46	—
Allowance release related to residential mortgage portfolio sale	(12)	—	—	—	—	(12)	—
Gain on residential mortgage portfolio sale	(3)	—	—	—	—	(3)	—
Net income available to common shareholders - adjusted	$ 832	$ 868	$ 814	$ 812	$ 802	$ 2,514	$ 2,360
Weighted average shares outstanding - diluted	775,791	774,603	774,071	775,402	781,867	774,907	786,140
Diluted EPS - GAAP	$ 0.95	$ 1.09	$ 0.97	$ 0.97	$ 1.01	$ 3.00	$ 2.94
Diluted EPS - adjusted	1.07	1.12	1.05	1.05	1.03	3.25	3.00

(1) The adjusted diluted earnings per share is non-GAAP in that it excludes merger-related and restructuring charges and other selected items, net of tax. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.