



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-228-88 (12-8-88)

FDIC CHAIRMAN ANNOUNCES SALE OF CONTINENTAL ILLINOIS STOCK

L. William Seidman, Chairman of the Federal Deposit Insurance Corporation, is pleased to announce the sale today of 50 million shares of common stock of Continental Illinois Corporation to an underwriting syndicate lead-managed by Goldman, Sachs & Co., Merrill Lynch Capital Markets, Shearson Lehman Hutton Inc. and Dean Witter Capital Markets.

The public offering price was \$5.25 per share, which will result in net proceeds to the FDIC of \$250 million, after underwriting discounts. This will be a partial recovery to the FDIC of the cost of the 1984 assistance transaction between the FDIC and Continental Illinois.

The underwriters have the option to purchase up to an additional 7,500,000 shares to cover over-allotments, if any.

The FDIC also has agreed to sell approximately 5.2 million shares directly to Continental Illinois' Employee Stock Ownership Plan at \$5.25 per share for \$27.2 million.

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