



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## **FDIC Reports First Quarter 2004 Financial Results for Bank and Thrift Insurance Funds**

### **FOR IMMEDIATE RELEASE**

The Federal Deposit Insurance Corporation (FDIC) today announced that the Bank Insurance Fund (BIF) reported comprehensive income (net income plus current period unrealized gains/losses on available-for-sale securities) of \$382 million for the three months ending March 31, 2004, compared to \$332 million for the same period last year. This is primarily due to an increase of \$72 million in unrealized gains on available-for-sale securities, and a decrease of \$31 million in the estimated losses for future and actual failures and in litigation expenses. These increases in income were offset by a decrease of \$51 million in the amount that interest earnings exceeded operating expenses. As of March 31, 2004, the fund balance was \$34.2 billion, up from \$33.8 billion at year-end 2003.

The Savings Association Insurance Fund (SAIF) reported comprehensive income of \$154 million compared to \$159 million for the same period last year. Although net income decreased by \$31 million, unrealized gains on available-for-sale securities increased by \$26 million. The decline in net income primarily resulted from relatively unchanged estimated losses for future failures in the first quarter of 2004, compared to a \$21 million decrease in estimated losses for future failures for the same period last year. The SAIF had a fund balance of \$12.4 billion as of March 31, 2004, up from \$12.2 billion at year-end 2003.

Two BIF-insured institutions, Reliance Bank and Guaranty National Bank, failed during the first three months of 2004 with total assets at failure of \$104 million. One SAIF-insured institution, Dollar Savings Bank, failed during the first quarter of 2004 with total assets at failure of \$15 million.

The FSLIC Resolution Fund (FRF) reported comprehensive income of \$26 million for the quarter ending March 31, 2004.

The figures the FDIC reported are unaudited.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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