

EXHIBIT 2
Proposed Alternative
XYZ Commercial Bank
Statement of Cash Flows for the Year Ended December 31, 2003
(Amounts in millions)

CORE ACTIVITIES	Proposed
INCOME STATEMENT ACTIVITIES	
Net Income	\$ 135
Provision for credit losses	80
Depreciation and amortization	13
Provision for deferred taxes	6
Loss on sale of securities	3
Change in accruals and other, net	<u>(87)</u>
Cash provided by income statement activities	<u>\$ 150</u>
LENDING ACTIVITIES	
Net increase in loans	(\$ 316)
Proceeds from sales of loans	186
Net decrease in loans held-for-sale	<u>\$ 66</u>
Cash used in lending activities	<u>(\$ 64)</u>
DEPOSITOR ACTIVITIES	
Net increase in deposits	\$ 408
TRADING ACTIVITIES	
Net increase in trading account assets	(\$ 366)
Net increase in trading account liabilities	271
Purchase of investments	(1,819)
Proceeds from sales and maturities of investments	1,771
Increase in federal funds sold under resale agreements	(135)
Net decr. in federal funds purchased under repurchase agreements	(62)
Net increase in deposits at interest with banks	<u>(33)</u>
Cash used in trading activities	<u>(\$ 373)</u>
Cash provided by core activities	<u>\$ 121</u>
INVESTING ACTIVITIES	
Capital expenditures	(\$ 16)
Sales of property, plant, and equipment	13
Business acquisitions	<u>(215)</u>
	<u>(\$ 218)</u>
FINANCING ACTIVITIES	
Net increase in commercial paper and funds borrowed	\$ 44
Proceeds from issuance of long-term debt	385
Repayment of long-term debt	(266)
Dividends paid	<u>(42)</u>
	<u>\$ 121</u>
Net change in cash and equivalents	<u>\$ 24</u>