

Banc of America Capital Access Funds

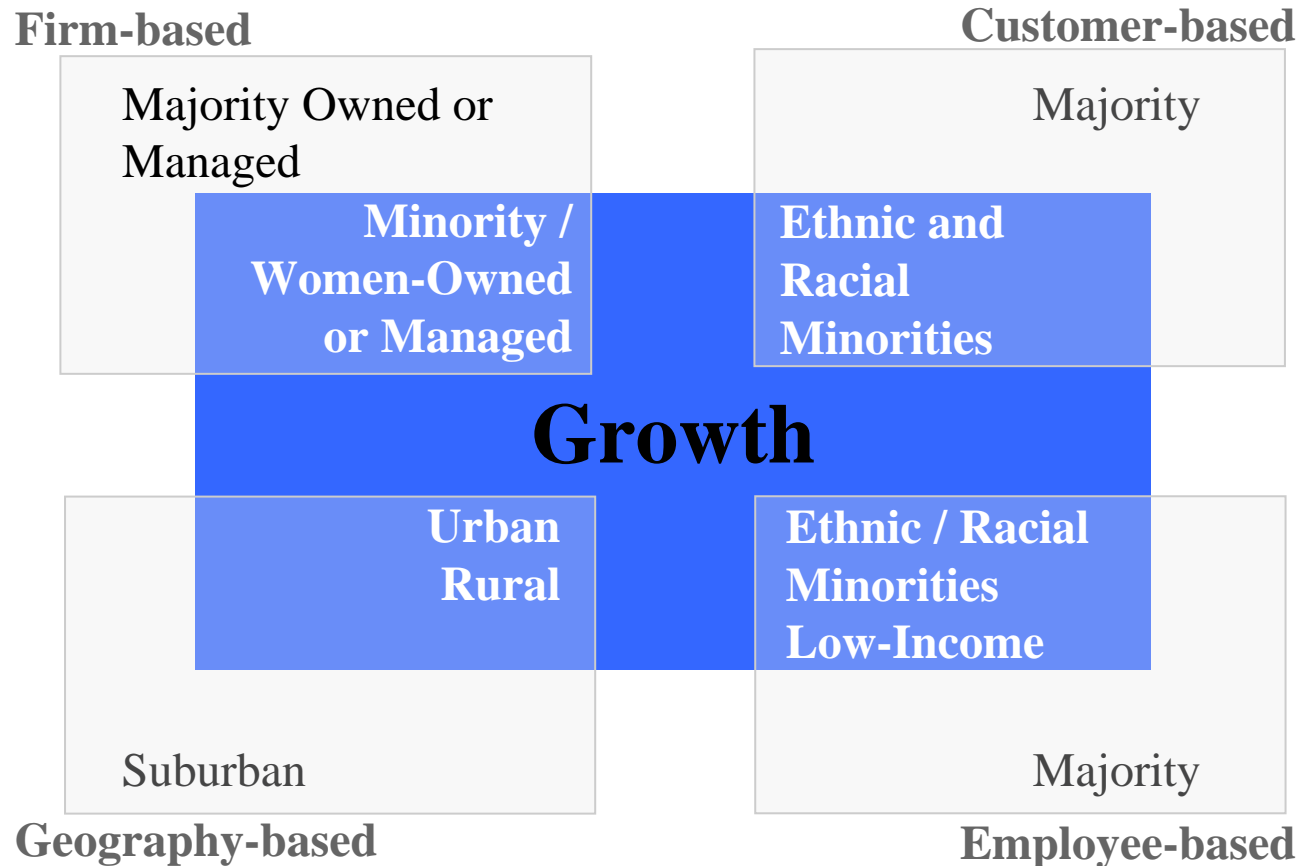
Presentation to CRA Conference

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Banc of America Capital Access Funds

Returns-driven fund-of-funds targeting underserved markets

People and places that have historically lacked access to capital



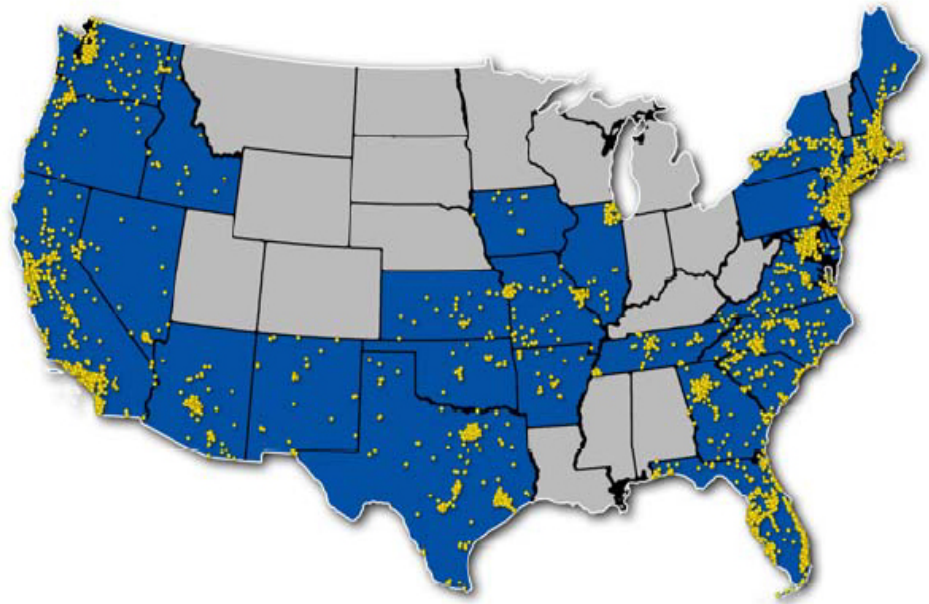
Source: Adapted from In Your Own Backyard, Gregory B. Fairchild, Council of Urban Investors Institute.. Word growth added in center by BACAF.

Returns-driven fund-of-funds targeting underserved markets

with the markets on which we focus.

Bank of America Footprint

- 93% of Hispanics
- 86% of Asians
- 77% of African Americans



Underserved Markets Thesis - Growth Opportunity

BACAF believes that the growth in the emerging manager and underserved markets universe, combined with a lack of investment in the space, offers investors promising prospects for financial returns and diversification opportunities.

Demographic Shift

- African Americans, Hispanics, and Asians will comprise approximately 32% of the overall population in 2008
- These same ethnic groups account for 75% of the U.S. population growth between 2000 and 2008
- 20% of Americans under 30 are Hispanic

Business Formation

- 850,000 businesses are in the inner city, accounting for 8% of all U.S. businesses
- 82% of U.S. inner city populations are ethnic minority
- 1 of 3 new American businesses is Hispanic owned or managed

Growth in Purchasing Power

- The U.S. ethnic minority population has \$1.6 trillion in purchasing power and is an increasingly affluent consumer market
- Ethnic groups account for 13% of the purchasing power in the U.S.
- Hispanic purchasing power posted a compound annual growth rate of 7.7%, nearly 3x the 2.8% growth rate for all U.S. disposable income
- On their own, U.S. ethnic groups would represent the 6th largest economy in the world

Source: US Census Bureau (2004);
Hispan Telligence, U.S. Hispanic Purchasing Power

Social Benchmarking

BACAF works with the University of North Carolina Center for Community Capital to catalogue and analyze its social impact data. First fund of funds firm to benchmark its social impact.

Employment

- As of December 31, 2006, the Funds' underlying 65 companies employed 28,454 people for an average of 452 employees per company
- Annual payroll for these companies exceeded \$498.2 MM
- Through the end of 2006, the combined workforces of the companies were 37.8% ethnic/minority and 55.1% female
- For companies with 100 or fewer employees, 76.9% of their employees are offered health insurance

Benchmarking & Measuring Impact

- Gathering data at the Fund and Company level to study the benefits gained through underlying investments
- Kauffman Foundation funded study by University of North Carolina at Chapel Hill, a nationally recognized leader in this area

Underserved Indicators

As of December 31, 2006, 72.3% of the 65 portfolio companies funded met one or more of BACAF's definitions of "underserved." Two thirds satisfied two or more of BACAF's definition of underserved.

- 22 were located in a low-to-moderate income or rural geography
- 24 were either ethnic minority owned and/or have an ethnic minority CEO; 13 were ethnic minority owned
- 3 had women CEOs; 27 companies had some female ownership
- 16 or 84% of BACAF's 19 funds as of December 31, 2007 had at least one ethnic minority or female Partner. 13 or 68% of these funds have more than one ethnic minority or female partner

The Value-Add Platform

BACAF leverages the resources and relationships of Bank of America

Deal sourcing introductions.

- BACAF introduces funds to groups within Bank of America, in an effort to increase the likelihood of developing successful businesses.

Research information.

- BACAF, through Banc of America Securities' Global Markets Research & Information Platform, provides a full service web-based research and information platform to all portfolio funds.

Connecting companies.

- BACAF creates platform building opportunities, provides exit assistance and opportunities for companies, and hosts several annual conferences that benefit companies, funds, and investors.

Procurement and multicultural supplier development.

- BACAF introduces portfolio companies to Bank of America's internal procurement partners and suppliers.

