

Bank One To Provide Financing For Customers Of Carsdirect.Com, One-Stop Online Auto Purchase Company

PHOENIX, Ariz., May 17, 1999 -- BANK ONE CORPORATION (NYSE: ONE), the nation's fifth largest bank and one of the nation's largest independent automotive lenders, today announced that it will provide loan and lease financing for customers of CarsDirect.com, an online automobile retailer that enables consumers to select, finance and purchase vehicles via their personal computer.

"CarsDirect.com represents the smartest strategic application of e-commerce in auto sales," said Don Winkler, Chairman and CEO of Finance One Corporation, the Bank One subsidiary that includes automotive finance. "Business models are rapidly changing and Bank One is investing heavily in numerous eCommerce initiatives to be on the leading edge," Winkler added. "In our auto finance business, it's imperative that both Bank One and our dealer partners leverage a competitive Internet presence. CarsDirect.com gives us the type of dynamic electronic relationship we need to meet the demands of the wired consumer segment."

The CarsDirect.com initiative reflects Bank One's increasing emphasis on electronic commerce. Other recent Bank One eCommerce initiatives include reintroducing today its website, www.bankone.com, as a new and improved financial supersite; creating a full-service financial center for Excite, Inc.'s 17 million monthly users; enabling consumers in 50 states to receive conditional approval for home equity loans within 50 seconds; becoming one of five banks on America Online's banking center; offering electronic tax preparation and filing; and offering electronic bill delivery to its online bill payment service. Bank One's First USA credit card unit sold more than 300,000 credit cards over the Internet in 1998. In addition, the Bank has numerous partnerships with on-line loan brokers, and websites for mortgage and education loans.

"Bank One will work with CarsDirect.com to establish the company's preferred dealer network, which will supply the new vehicles for CarsDirect.com's buyers, perform the pre-delivery services, acquire trade-ins, and provide warranty repair and service," Winkler said.

In developing an answer to the eCommerce challenge, Bank One focused on three things: protecting its dealer relationships, finding a good technology partner, and providing what the online buyer is looking for in terms of service, convenience and pricing.

Here's how the transaction works:

- * Prospective car buyers go to the CarsDirect.com web site, www.carsdirect.com, and select the vehicle and options they want from a choice of more than 2,500 makes and models produced by every major manufacturer.
- * Consumers then click through the financing package and receive virtually instant approval for the auto financing, insurance, and delivery to their home - all via their personal computer. The transaction can take as little as 20 minutes.
- * The pre-sold deal is then routed to a participating local dealer who prepares the vehicle for delivery or pickup.

"eCommerce is a rapidly expanding segment of the automobile industry, and we will provide a means for the dealers, our traditional customers, to participate in a significant way," said Edward Tinsley, president and CEO of Banc One Credit Company, the auto finance subsidiary of Bank One. "We expect that eCommerce will drive changes in the automotive market over the next several years."

Tinsley said dealers will benefit five ways under the program by:

- * recording incremental sales without the marketing or sales costs usually associated with automobile transactions (participating dealers will not be charged sign-up, monthly or referral fees),
- * having the right of first refusal on buying trade-ins, strengthening their inventory for the profitable sales of previously owned cars,
- * attracting additional warranty service and repair work,
- * collecting income from add-ons, as well as fees from vehicle preparation, documentation and other delivery-related services, and

* establishing long-term relationships with new customers.

"This strategy literally drives deals from the information superhighway right to the dealers," Winkler said.

CarsDirect.com has received significant financial backing from Goldman Sachs, MCD Partners, Foundation Capital and idealab!, the eCommerce business incubator that launched eToys, Ticketmaster, CitySearch and Free-PC.

BANK ONE CORPORATION (NYSE: ONE), headquartered in Chicago, is the nation's fifth largest bank holding company, with assets of more than \$250 billion. Bank One offers a full range of financial services to commercial and business customers and consumers. Information about Bank One can be accessed on the Internet at www.bankone.com, Bank One's revitalized Web site.