JPMORGAN CHASE & CO.

# 4Q23 Financial Results

January 12, 2024

# Agenda

|   |                                 | Page |
|---|---------------------------------|------|
| 1 | 4Q23 and FY23 Financial Results | 1    |
| 2 | Financial Outlook               | 10   |
| 3 | Notes                           | 13   |

## 4Q23 Financial highlights

ROTCE<sup>1</sup> 15%

CET1 capital ratios  $^2$  Std.  $15.0\%~\rm |~Adv.~15.0\%$  Total Loss-Absorbing Capacity  $^2$  \$514B

Std. RWA $^3$  \$1.7T Cash and marketable securities  $^4$  \$1.4T Average loans \$1.3T

### **Income statement**

- 4Q23 net income of \$9.3B and EPS of \$3.04
  - Excluding significant items<sup>5</sup>, 4Q23 net income of \$12.1B, EPS of \$3.97 and ROTCE of 19%
- Managed revenue of \$39.9B<sup>6</sup>
- Expense of \$24.5B and managed overhead ratio of 61%<sup>6</sup>

### Balance sheet

- Loans: average loans of \$1.3T up 17% YoY and 1% QoQ
  - Ex. FR<sup>7</sup>, average loans of \$1.2T up 4% YoY and 1% QoQ
- Deposits: average deposits of \$2.4T flat YoY and up 1% QoQ
  - Ex. FR, average deposits of \$2.3T down 3% YoY and up 1% QoQ
- CET1 capital of \$251B<sup>2</sup>
  - Standardized and Advanced CET1 capital ratios of 15.0%<sup>2</sup>

### **Capital distributed**

- Common dividend of \$3.1B or \$1.05 per share
- \$2.0B of common stock net repurchases8
- Net payout LTM of 41%<sup>8,9</sup>

### SIGNIFICANT ITEMS (\$MM, EXCLUDING EPS)

|   | Pretax    | Net income | <u>EPS</u> |
|---|-----------|------------|------------|
| FDIC special assessment in Corporate          | (\$2,882) | (\$2,186)  | (\$0.74)   |
| Net investment securities losses in Corporate | (\$743)   | (\$563)    | (\$0.19)   |

<sup>&</sup>lt;sup>1</sup> See note 4 on slide 13

<sup>&</sup>lt;sup>2</sup> Represents the estimated Basel III common equity Tier 1 ("CET1") capital and ratio and Total Loss-Absorbing Capacity for the current period. See note 1 on slide 14

<sup>&</sup>lt;sup>3</sup> Standardized risk-weighted assets ("RWA"). Estimated for the current period. See note 1 on slide 14

<sup>&</sup>lt;sup>4</sup> Cash and marketable securities represents HQLA and unencumbered marketable securities. Estimated for the current period. See note 2 on slide 14

<sup>&</sup>lt;sup>5</sup> See note 3 on slide 13

<sup>&</sup>lt;sup>6</sup> See note 1 on slide 13

<sup>&</sup>lt;sup>7</sup> On May 1, 2023, JPMorgan Chase acquired certain assets and assumed certain liabilities of First Republic. All references in this presentation to "ex. FR" or "FR impact" refer to excluding or including the relevant effects of the First Republic acquisition, as well as subsequent related business and activities, as applicable

<sup>&</sup>lt;sup>8</sup> Includes the net impact of employee issuances. Excludes excise tax and commissions cost

<sup>&</sup>lt;sup>9</sup> Last twelve months ("LTM")

# 4Q23 Financial results<sup>1</sup>

|                               |   |              |                              |              | 4Q23    |           |        | ex. FR \$ 0 | )/(U)    |
|-------------------------------|---|--------------|------------------------------|--------------|---------|-----------|--------|-------------|----------|
|                               |   |              |                              | Re           | ported  | FR impact | ex. FR | 3Q23        | 4Q22     |
| Net interest income           |   |              |                              |              | \$24.2  | \$1.3     | \$22.8 | \$1.4       | \$2.5    |
| Noninterest revenue           |   |              |                              |              | 15.8    | 0.5       | 15.2   | (1.8)       | (0.0)    |
| Managed revenue <sup>1</sup>  | \$B                                     | 4Q23         | 3Q23                         | 4Q22         | 39.9    | 1.9       | 38.1   | (0.4)       | 2.5      |
| Expense                       | Net charge-offs Reserve build/(release) | \$2.2<br>0.6 | \$1.5<br>(0.1)               | \$0.9<br>1.4 | 24.5    | 0.9       | 23.6   | 2.7         | 4.6      |
| Credit costs                  | Credit costs                            | \$2.8        | \$1.4                        | \$2.3        | 2.8     | 0.1       | 2.6    | 1.2         | 0.3      |
| Net income                    |   |              | 4Q23 Tax                     |              | > \$9.3 | \$0.6     | \$8.7  | (\$3.4)     | (\$2.3)  |
| Net income applicable         | to common stockholde                    |              | ffective rate<br>naged rate: |              | \$8.9   | \$0.6     | \$8.2  | (\$3.4)     | (\$2.4)  |
| EPS – diluted                 |   |              |                              |              | \$3.04  | \$0.22    | \$2.82 | (\$1.15)    | (\$0.75) |
| ROE <sup>2</sup>              |   | 4Q23         | ROE                          | O/H ratio    | 12%     | 1%        | 11%    | 16%         | 16%      |
| ROTCE <sup>2,3</sup>          |   | CCB<br>CIB   | 33%<br>9%                    | 52%<br>62%   | 15      | 1         | 14     | 20          | 20       |
| Overhead ratio – mana         | aged <sup>1,2</sup>                     | CB<br>AWM    | 21%<br>28%                   | 35%<br>66%   | 61      | (1)       | 62     | 54          | 53       |
| Memo:                         |   |              |                              |              |         |           |        |             |          |
| NII excluding Marke           | ets <sup>4</sup>                        |              |                              |              | \$23.6  | \$1.3     | \$22.2 | \$0.5       | \$2.2    |
| NIR excluding Mark            | ets <sup>4</sup>                        |              |                              |              | 10.6    | 0.5       | 10.0   | (0.1)       | 0.1      |
| Markets revenue               |   |              |                              |              | 5.8     | -         | 5.8    | (0.8)       | 0.1      |
| Managed revenue <sup>1</sup>  |   |              |                              |              | 39.9    | 1.9       | 38.1   | (0.4)       | 2.5      |
| Adjusted expense <sup>5</sup> |   |              |                              |              | \$24.3  | \$0.9     | \$23.4 | \$3.2       | \$4.4    |
| Adjusted overhead r           | atio <sup>1,2,5</sup>                   |              |                              |              | 61%     | (1)%      | 62%    | 53%         | 53%      |

<sup>&</sup>lt;sup>1</sup> See note 1 on slide 13

<sup>&</sup>lt;sup>2</sup> Actual numbers for all periods, not over/(under)

<sup>&</sup>lt;sup>3</sup> See note 4 on slide 13

<sup>&</sup>lt;sup>4</sup> See note 2 on slide 13

<sup>&</sup>lt;sup>5</sup> See note 5 on slide 13

<sup>&</sup>lt;sup>6</sup> Reflects fully taxable-equivalent ("FTE") adjustments of \$1.4B in 4Q23

# FY23 Financial results<sup>1</sup>

|   |                                     |                   |  |         | FY2023    |         | FY2022   | ex. FR \$ O/(U) |
|---|-------------------------------------|-------------------|--|---------|-----------|---------|----------|-----------------|
|   |                                     |                   | Re                                       | ported  | FR impact | ex. FR  | Reported | FY2022          |
| Net interest income                     |                                     |                   |  | \$89.7  | \$3.7     | \$86.0  | \$67.1   | \$18.9          |
| Noninterest revenue                     |                                     |                   |  | 72.6    | 4.4       | 68.2    | 65.1     | 3.0             |
| Managed revenue <sup>1</sup>            | \$B                                 | FY202             | 3 FY2022                                 | 162.4   | 8.2       | 154.2   | 132.3    | 21.9            |
| Expense                                 | Net charge-offs Reserve build/(rele | \$6.3<br>ease) 3. | •  | 87.2    | 2.3       | 84.8    | 76.1     | 8.7             |
| Credit costs                            | Credit costs                        | \$9.              |  | 9.3     | 1.3       | 8.0     | 6.4      | 1.7             |
| Net income                              |                                     |                   | Tax rate                                 | \$49.6  | \$4.1     | \$45.4  | \$37.7   | \$7.8           |
| Net income applicable to comm           | non stockholders                    |                   | rate: 19.6%<br>ate: 24.8% <sup>1,6</sup> | \$47.8  | \$4.1     | \$43.7  | \$35.9   | \$7.8           |
| EPS – diluted                           |                                     |                   |  | \$16.23 | \$1.39    | \$14.84 | \$12.09  | \$2.75          |
| ROE <sup>2</sup>                        |                                     |                   | OE O/H ratio                             | 11/0    | 1%        | 16%     | 14%      |                 |
| ROTCE <sup>2,3</sup>                    |                                     | CIB 1             | 3% 50%<br>3% 59%                         | 21      | 2         | 19      | 18       |                 |
| Overhead ratio – managed <sup>1,2</sup> |                                     |                   | 0% 35%<br>1% 64%                         |         | (1)       | 55      | 58       |                 |
| Memo:                                   |                                     |                   |  |         |           |         |          |                 |
| NII excluding Markets 4                 |                                     |                   |  | \$90.0  | \$3.7     | \$86.3  | \$62.4   | \$24.0          |
| NIR excluding Markets 4                 |                                     |                   |  | 44.5    | 4.4       | 40.1    | 40.9     | (0.8)           |
| Markets revenue                         |                                     |                   |  | 27.8    | -         | 27.8    | 29.0     | (1.2)           |
| Managed revenue <sup>1</sup>            |                                     |                   |  | 162.4   | 8.2       | 154.2   | 132.3    | 21.9            |
| Adjusted expense <sup>5</sup>           |                                     |                   |  | \$85.7  | \$2.3     | \$83.4  | \$75.9   | \$7.5           |
| Adjusted overhead ratio 1,2,5           |                                     |                   |  | 53%     | (1)%      | 54%     | 57%      |                 |

<sup>&</sup>lt;sup>1</sup> See note 1 on slide 13

<sup>&</sup>lt;sup>2</sup> Actual numbers for all periods, not over/(under)

<sup>&</sup>lt;sup>3</sup> See note 4 on slide 13

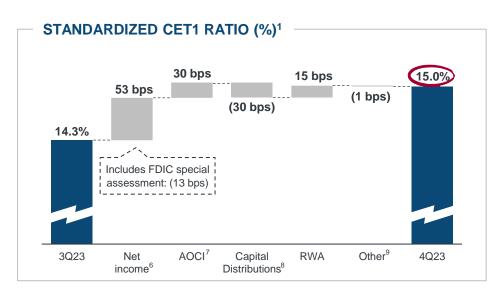
<sup>&</sup>lt;sup>4</sup> See note 2 on slide 13

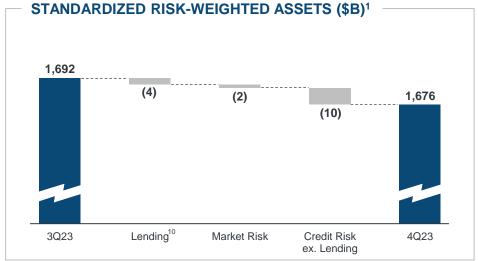
<sup>&</sup>lt;sup>5</sup> See note 5 on slide 13

<sup>&</sup>lt;sup>6</sup> Reflects fully taxable-equivalent ("FTE") adjustments of \$4.3B in 2023

### Fortress balance sheet

|   | 4Q23    | 3Q23    | 4Q22               |
|---|---------|---------|--------------------|
| Risk-based capital metrics <sup>1</sup>     |         |         |                    |
| CET1 capital                                | \$251   | \$242   | \$219              |
| CET1 capital ratio – Standardized           | 15.0%   | 14.3%   | 13.2%              |
| CET1 capital ratio – Advanced               | 15.0    | 14.5    | 13.6               |
| Basel III Standardized RWA                  | \$1,676 | \$1,692 | \$1,654            |
| Leverage-based capital metric <sup>2</sup>  |         |         |                    |
| Firm SLR                                    | 6.1%    | 6.0%    | 5.6%               |
| Liquidity metrics <sup>3</sup>              |         |         |                    |
| Firm LCR                                    | 113%    | 112%    | 112%               |
| Bank LCR                                    | 129     | 123     | 151                |
| Total excess HQLA                           | \$309   | \$252   | \$437              |
| HQLA and unencumbered marketable securities | 1,447   | 1,386   | 1,429 <sup>4</sup> |
| Balance sheet metrics                       |         |         |                    |
| Total assets (EOP)                          | \$3,875 | \$3,898 | \$3,666            |
| Deposits (average)                          | 2,372   | 2,356   | 2,380              |
| Tangible book value per share <sup>5</sup>  | 86.08   | 82.04   | 73.12              |





Note: Totals may not sum due to rounding

<sup>&</sup>lt;sup>1</sup> Estimated for the current period. See note 1 on slide 14

<sup>&</sup>lt;sup>2</sup> Estimated for the current period. Represents the supplementary leverage ratio ("SLR")

<sup>&</sup>lt;sup>3</sup> Estimated for the current period. Liquidity Coverage Ratio ("LCR") represents the average LCR for the Firm and JPMorgan Chase Bank, N.A. ("Bank"). See note 2 on slide 14

<sup>&</sup>lt;sup>4</sup> See note 4 on slide 14

<sup>&</sup>lt;sup>5</sup> See note 4 on slide 13

<sup>&</sup>lt;sup>6</sup> Reflects Net Income Applicable to Common Equity

<sup>&</sup>lt;sup>7</sup> Excludes AOCI on cash flow hedges and DVA related to structured notes

<sup>&</sup>lt;sup>8</sup> Includes net share repurchases and common dividends

<sup>&</sup>lt;sup>9</sup> Primarily a reduction in CET1 capital deductions

<sup>&</sup>lt;sup>10</sup> Includes Loans and Commitments

# Consumer & Community Banking<sup>1</sup>

### **SELECTED INCOME STATEMENT DATA (\$MM)**

| _  |          | 4Q23      |          | ex. FR \$ O/(U) |         |  |
|--|----------|-----------|----------|-----------------|---------|--|
| -  | Reported | FR impact | ex. FR   | 3Q23            | 4Q22    |  |
| Revenue                                  | \$18,097 | \$1,091   | \$17,006 | (\$1)           | \$1,213 |  |
| Banking & Wealth Management <sup>2</sup> | 10,877   | 745       | 10,132   | (209)           | 550     |  |
| Home Lending                             | 1,161    | 346       | 814      | (87)            | 230     |  |
| Card Services & Auto                     | 6,059    | -         | 6,059    | 294             | 432     |  |
| Expense <sup>2</sup>                     | 9,336    | 599       | 8,737    | 215             | 825     |  |
| Credit costs                             | 2,189    | 15        | 2,174    | 726             | 329     |  |
| Net charge-offs (NCOs)                   | 1,638    | 2         | 1,636    | 237             | 791     |  |
| Change in allowance                      | 551      | 13        | 538      | 489             | (462)   |  |
| Net income                               | \$4,788  | \$362     | \$4,425  | (\$882)         | (\$131) |  |

### KEY DRIVERS / STATISTICS (\$B)<sup>3</sup>

|   |          | * * *     |         |         |         |
|---|----------|-----------|---------|---------|---------|
| _   |          | 4Q23      |         | ex.     | FR      |
| _   | Reported | FR impact | ex. FR  | 3Q23    | 4Q22    |
| Average equity                                | \$55.5   | \$3.5     | \$52.0  | \$52.0  | \$50.0  |
| ROE   | 33%      | 0%        | 33%     | 40%     | 35%     |
| Overhead ratio                                | 52       | 0         | 51      | 50      | 50      |
| Average loans                                 | \$571.2  | \$94.5    | \$476.7 | \$470.0 | \$448.5 |
| Average deposits                              | 1,092.4  | 42.9      | 1,049.6 | 1,076.8 | 1,142.5 |
| Active mobile customers (mm) <sup>4</sup>     | 53.8     | n.a.      | 53.8    | 53.2    | 49.7    |
| Debit & credit card sales volume <sup>5</sup> | \$441.0  | \$0.5     | \$440.5 | \$425.8 | \$411.1 |

- Ex. FR:
  - Average loans up 6% YoY and 1% QoQ
  - Average deposits down 8% YoY and 3% QoQ
    - EOP deposits down 7% YoY and 2% QoQ
  - Active mobile customers up 8% YoY
  - Debit & credit card sales volume up 7% YoY
  - Client investment assets up 25% YoY and 9% QoQ

Note: Totals may not sum due to rounding

1 See note 1 on slide 13; 2 See note 3 on slide 14

For additional footnotes see slide 15

### FINANCIAL PERFORMANCE (ex. FR)

- Net income of \$4.4B, down 3% YoY
- Revenue of \$17.0B, up 8% YoY, predominantly driven by higher net interest income
- Expense of \$8.7B, up 10% YoY, largely driven by higher compensation, including an increase in employees, primarily in bankers, advisors and technology, and wage inflation, as well as continued investments in marketing and technology
- Credit costs of \$2.2B
  - NCOs of \$1.6B, up \$791mm YoY, predominantly driven by continued normalization in Card Services
  - Net reserve build of \$538mm was driven by loan growth in Card Services

### KEY DRIVERS / STATISTICS (\$B) – DETAIL BY BUSINESS

|   | 4Q23     |           |         | ex.     | ex. FR  |  |  |
|---|----------|-----------|---------|---------|---------|--|--|
|   | Reported | FR impact | ex. FR  | 3Q23    | 4Q22    |  |  |
| Banking & Wealth Management                 |          |           |         |         |         |  |  |
| Business Banking average loans <sup>6</sup> | \$19.5   | -         | \$19.5  | \$19.5  | \$20.5  |  |  |
| Business Banking loan originations          | 1.1      | -         | 1.1     | 1.3     | 1.1     |  |  |
| Client investment assets (EOP)              | 951.1    | 144.6     | 806.5   | 741.7   | 647.1   |  |  |
| Deposit margin                              | 2.82%    | 0.03%     | 2.79%   | 2.85%   | 2.48%   |  |  |
| Home Lending                                |          |           |         |         |         |  |  |
| Average loans                               | \$261.4  | \$91.1    | \$170.3 | \$172.9 | \$174.5 |  |  |
| Loan originations <sup>7</sup>              | 7.2      | 0.4       | 6.8     | 10.3    | 6.7     |  |  |
| Third-party mortgage loans serviced (EOP)   | 631.2    | 2.9       | 628.3   | 634.9   | 584.3   |  |  |
| Net charge-off/(recovery) rate              | 0.01%    | (0.00)%   | 0.01%   | (0.04)% | (0.08)% |  |  |
| Card Services & Auto                        |          |           |         |         |         |  |  |
| Card Services average loans                 | \$202.7  | -         | \$202.7 | \$195.2 | \$177.0 |  |  |
| Auto average loans and leased assets        | 86.8     | -         | 86.8    | 85.1    | 80.0    |  |  |
| Auto loan and lease originations            | 9.9      | -         | 9.9     | 10.2    | 7.5     |  |  |
| Card Services net charge-off rate           | 2.79%    | -         | 2.79%   | 2.49%   | 1.62%   |  |  |
| Card Services net revenue rate              | 9.82     | -         | 9.82    | 9.60    | 10.06   |  |  |
| Card Services sales volume <sup>5</sup>     | \$307.2  | -         | \$307.2 | \$296.2 | \$284.8 |  |  |

# Corporate & Investment Bank<sup>1</sup>

### **SELECTED INCOME STATEMENT DATA (\$MM)**

|          | ¢ 0//  |  |  |
|----------|--|--|--|
|          | \$ O/(   | U)   |  |
| 4Q23     | 3Q23   | 4Q22   |  |
| \$10,958 | (\$772)  | \$360  |  |
| 1,576    | (37)   | 187  |  |
| 2,332    | 238  | 212  |  |
| 150      | (141)  | (173)  |  |
| 4,058    | 60   | 226  |  |
| 4,033    | (481)  | 294  |  |
| 1,778    | (289)  | (153)  |  |
| 1,191    | (21)   | 32   |  |
| (102)    | (41)   | (39)   |  |
| 6,900    | (832)  | 134  |  |
| 6,774    | (669)  | 279  |  |
| 210      | 395  | 69   |  |
| \$2,524  | (\$568)  | (\$790)  |  |
|          | \$10,958 1,576 2,332 150 4,058 4,033 1,778 1,191 (102) 6,900 6,774 210 | 4Q23         3Q23           \$10,958         (\$772)           1,576         (37)           2,332         238           150         (141)           4,058         60           4,033         (481)           1,778         (289)           1,191         (21)           (102)         (41)           6,900         (832)           6,774         (669)           210         395 |  |

### KEY DRIVERS / STATISTICS (\$B)3

|   | 4Q23    | 3Q23    | 4Q22    |
|---|---------|---------|---------|
| Equity                                      | \$108.0 | \$108.0 | \$103.0 |
| ROE   | 9%      | 11%     | 12%     |
| Overhead ratio                              | 62      | 63      | 61      |
| Comp/revenue                                | 31      | 29      | 29      |
| IB fees (\$mm)                              | \$1,654 | \$1,717 | \$1,467 |
| Average loans                               | 233.3   | 232.9   | 225.8   |
| Average client deposits <sup>4</sup>        | 660.8   | 638.1   | 649.7   |
| Merchant processing volume <sup>5</sup>     | 639     | 610     | 583     |
| Assets under custody (\$T)                  | 32.4    | 29.7    | 28.6    |
| Net charge-off/(recovery) rate <sup>6</sup> | 0.25%   | 0.09%   | 0.02%   |
| Average VaR (\$mm)                          | \$32    | \$38    | \$60    |
|   |         |         |         |

#### FINANCIAL PERFORMANCE

- Net income of \$2.5B, down 24% YoY; revenue of \$11.0B, up 3% YoY
- Banking revenue
  - IB revenue of \$1.6B, up 13% YoY
    - IB fees up 13% YoY, predominantly driven by higher debt and equity underwriting fees
  - Payments revenue of \$2.3B, up 10% YoY
    - Excluding the net impact of equity investments, which included higher markdowns in the prior year, revenue was flat, as fee growth was predominantly offset by higher deposit-related client credits
  - Lending revenue of \$150mm, down 54% YoY, driven by mark-to-market losses on hedges of retained loans, partially offset by higher net interest income
- Markets & Securities Services revenue
  - Markets revenue of \$5.8B, up 2% YoY
    - Fixed Income Markets revenue of \$4.0B, up 8% YoY, driven by higher revenue in the Securitized Products Group<sup>7</sup>, partially offset by lower revenue in Rates
    - Equity Markets revenue of \$1.8B, down 8% YoY, driven by lower revenue in Derivatives and Cash
  - Securities Services revenue of \$1.2B, up 3% YoY
- Expense of \$6.8B, up 4% YoY, predominantly driven by the timing of revenue-related compensation
- Credit costs were \$210mm
  - NCOs of \$121mm
  - Net reserve build of \$89mm

<sup>&</sup>lt;sup>1</sup> See note 1 on slide 13

<sup>&</sup>lt;sup>2</sup> See note 3 on slide 14

For additional footnotes see slide 15

# Commercial Banking<sup>1</sup>

| SELECTED INCOME ST             |          | •         |         |                 |       |
|--------------------------------|----------|-----------|---------|-----------------|-------|
| -                              | 4Q23     |           |         | ex. FR \$ O/(U) |       |
| -                              | Reported | FR impact | ex. FR  | 3Q23            | 4Q22  |
| Revenue                        | \$4,016  | \$361     | \$3,655 | (\$10)          | \$251 |
| Middle Market Banking          | 1,898    | 75        | 1,823   | 40              | 204   |
| Corporate Client Banking       | 1,164    | 2         | 1,162   | (46)            | 53    |
| Commercial Real Estate Banking | 939      | 284       | 655     | 7               | (11   |
| Other                          | 15       | -         | 15      | (11)            | 5     |
| Expense                        | 1,395    | 27        | 1,368   | 11              | 114   |
| Credit costs                   | 366      | 97        | 269     | 205             | (15   |
| Net income                     | \$1,653  | \$180     | \$1,473 | (\$217)         | \$50  |

| — KEY DRIVERS / STATIS  | STICS (\$B)2 |                      |         |         |                      |
|---|--------------|----------------------|---------|---------|----------------------|
|   |              | 4Q23                 |         |         | R                    |
|   | Reported     | FR impact            | ex. FR  | 3Q23    | 4Q22                 |
| Average equity  | \$30.0       | \$1.5                | \$28.5  | \$28.5  | \$25.0               |
| ROE   | 21%          | 1%                   | 20%     | 23%     | 22%                  |
| Overhead ratio  | 35           | (3)                  | 37      | 37      | 37                   |
| Payments revenue (\$mm)   | \$2,045      | \$65                 | \$1,980 | \$2,045 | \$1,937 <sup>3</sup> |
| Investment Banking and Markets revenue, gross (\$mm) <sup>4</sup> | \$924        | -                    | \$924   | \$821   | \$700                |
| Average loans <sup>5</sup>  | 281.0        | 39.0                 | 242.0   | 244.0   | 235.3                |
| Average client deposits   | 267.8        | 5.7                  | 262.1   | 262.1   | 278.9                |
| Allowance for loan losses   | 5.0          | 0.7                  | 4.3     | 4.2     | 3.3                  |
| Nonaccrual loans  | 0.8          | 0.1                  | 0.7     | 0.9     | 0.8                  |
| Net charge-off/(recovery) rate <sup>6</sup>                       | 0.18%        | (0.03)% <sup>7</sup> | 0.21%   | 0.08%   | 0.06%                |
| ALL/loans <sup>6</sup>  | 1.80         | (0.01)               | 1.81    | 1.72    | 1.42                 |

Note: Totals may not sum due to rounding

<sup>1</sup> See note 1 on slide 13

For additional footnotes see slide 15

### FINANCIAL PERFORMANCE (ex. FR)

- Net income of \$1.5B, up 4% YoY
- Revenue of \$3.7B, up 7% YoY, largely driven by higher net interest income, where the impact of rates was partially offset by lower deposit balances
  - Payments revenue of \$2.0B, up 2% YoY, reflecting fee growth, largely offset by higher deposit-related client credits
  - Investment Banking and Markets revenue, gross of \$924mm, up 32% YoY, primarily reflecting increased capital markets and M&A activity
- Expense of \$1.4B, up 9% YoY, driven by an increase in employees, including front office and technology investments, as well as higher volume-related expense, including the impact of new client acquisition
- Credit costs of \$269mm
  - NCOs of \$127mm
  - Net reserve build of \$142mm, driven by a deterioration in the outlook related to commercial real estate valuations
- Average loans of \$242B, up 3% YoY and down 1% QoQ
  - C&I<sup>8</sup> up 1% YoY and down 2% QoQ
  - CRE<sup>8</sup> up 4% YoY and flat QoQ
- Average deposits of \$262B, down 6% YoY, primarily driven by lower non-operating deposits
  - Flat QoQ, as client balances are seasonally higher at yearend

# Asset & Wealth Management<sup>1</sup>

|                     | 4Q23     |           | ex. FR \$ O/(U) |         |        |
|---------------------|----------|-----------|-----------------|---------|--------|
|                     | Reported | FR impact | ex. FR          | 3Q23    | 4Q22   |
| Revenue             | \$5,095  | \$432     | \$4,663         | \$94    | \$75   |
| Asset Management    | 2,403    | -         | 2,403           | 239     | 245    |
| Global Private Bank | 2,692    | 432       | 2,260           | (145)   | (170   |
| Expense             | 3,388    | 33        | 3,355           | 234     | 333    |
| Credit costs        | (1)      | 13        | (14)            | (32)    | (46    |
| Net income          | \$1,217  | \$292     | \$925           | (\$150) | (\$209 |

| KEY DRIVERS / STATISTICS | (\$B) <sup>2</sup> |
|--------------------------|--------------------|
|                          |                    |

| _                               | 4Q23     |           |         | ex. FR  |         |
|---------------------------------|----------|-----------|---------|---------|---------|
| -                               | Reported | FR impact | ex. FR  | 3Q23    | 4Q22    |
| Average equity                  | \$17.0   | \$1.0     | \$16.0  | \$16.0  | \$17.0  |
| ROE                             | 28%      | 6%        | 22%     | 26%     | 26%     |
| Pretax margin                   | 34       | 5         | 28      | 31      | 33      |
| Assets under management ("AUM") | \$3,422  | -         | \$3,422 | \$3,186 | \$2,766 |
| Client assets                   | 5,012    | 12        | 5,000   | 4,644   | 4,048   |
| Average loans                   | 227.0    | 11.7      | 215.3   | 210.8   | 214.2   |
| Average deposits                | 226.6    | 11.2      | 215.4   | 202.0   | 237.0   |

### FINANCIAL PERFORMANCE (ex. FR)

- Net income of \$925mm, down 18% YoY
- Revenue of \$4.7B, up 2% YoY, driven by higher management fees on strong net inflows and higher average market levels, predominantly offset by lower net interest income on lower deposit margins and balances, partially offset by wider loan spreads
- Expense of \$3.4B, up 11% YoY, largely driven by higher compensation, including performance-based incentives, continued growth in private banking advisor teams, the impacts of closing the J.P. Morgan Asset Management China acquisition and continued investments in Global Shares
- AUM of \$3.4T and client assets of \$5.0T were each up 24%
   YoY, driven by continued net inflows and higher market levels
  - For the quarter, AUM had long-term net inflows of \$12B and liquidity net inflows of \$49B
- Average loans of \$215B, up 1% YoY and up 2% QoQ
- Average deposits of \$215B, down 9% YoY
  - Up 7% QoQ, driven by inflows generated by targeted pricing and product offering initiatives

<sup>&</sup>lt;sup>1</sup> See note 1 on slide 13

<sup>&</sup>lt;sup>2</sup> Actual numbers for all periods, not over/(under)

# Corporate<sup>1</sup>

| Net income/(loss)   | (\$875)  | (\$187)   | (\$689) | (\$1,600)       | (\$1,270) |
|---------------------|----------|-----------|---------|-----------------|-----------|
| Credit costs        | (2)      | -         | (2)     | (49)            | 12        |
| Expense             | 3,593    | 231       | 3,362   | 2,907           | 3,023     |
| Noninterest revenue | (668)    | 19        | (687)   | (181)           | (572)     |
| Net interest income | 2,445    | (23)      | 2,468   | 482             | 1,170     |
| Revenue             | \$1,777  | (\$4)     | \$1,780 | \$300           | \$597     |
|                     | Reported | FR impact | ex. FR  | 3Q23            | 4Q22      |
|                     | 4Q23     |           |         | ex. FR \$ O/(U) |           |

CELECTED INCORRE CTATERAENT DATA (CRARA)

### FINANCIAL PERFORMANCE (ex. FR)

- Revenue was \$1.8B, up \$597mm YoY
  - Net interest income was \$2.5B, up \$1.2B YoY, driven by the impact of higher rates and balance sheet mix
  - Noninterest revenue was a net loss of \$687mm,
     compared with a net loss of \$115mm in the prior year
    - The current quarter included net investment securities losses of \$743mm
  - The prior year quarter included a \$914mm gain on the sale of Visa B shares, largely offset by \$874mm of net investment securities losses
- Expense of \$3.4B, up \$3.0B YoY, predominantly driven by the FDIC special assessment

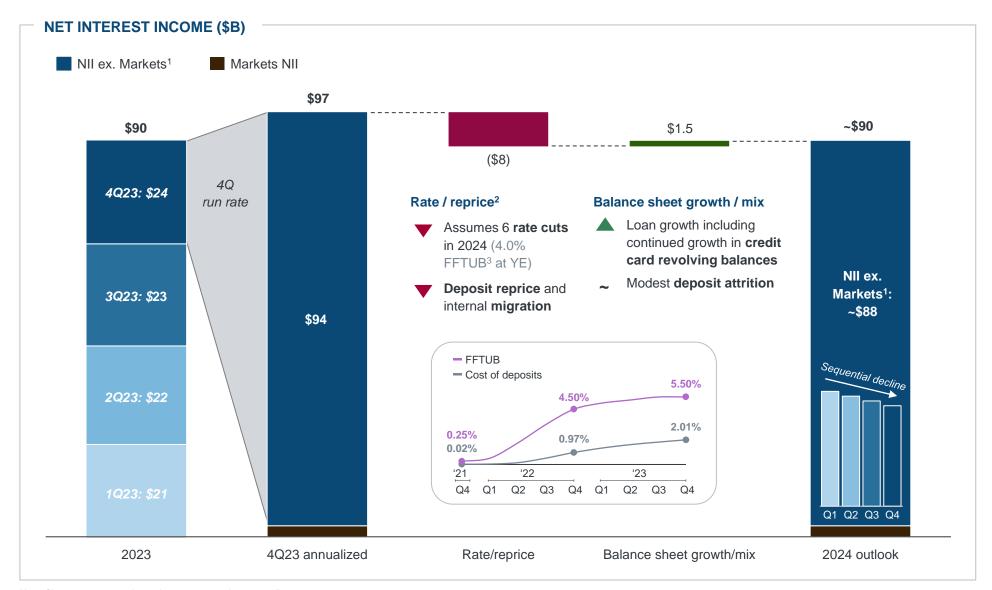
Note: Totals may not sum due to rounding

<sup>1</sup> See note 1 on slide 13

# Agenda

|   |                                 | Page |
|---|---------------------------------|------|
| 1 | 4Q23 and FY23 Financial Results | 1    |
| 2 | Financial Outlook               | 10   |
| 3 | Notes                           | 13   |

# We expect ~\$88B in NII ex. Markets for 2024, as loan growth partially offsets lower rates



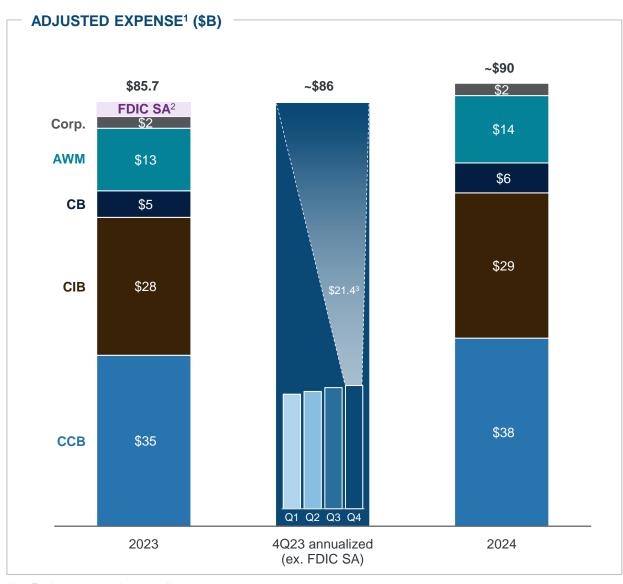
Note: Charts are not to scale; totals may not sum due to rounding

<sup>&</sup>lt;sup>1</sup> See note 2 on slide 13

<sup>&</sup>lt;sup>2</sup> Outlook is based on implied rate curve as of January 11, 2024

<sup>&</sup>lt;sup>3</sup> Federal Funds target upper bound (FFTUB)

# Our 2024 expense outlook is ~\$90B



### **2024 DRIVERS**

- Business-growth-driven hiring, primarily in front office
- Increase in technology spend associated with investments and higher business volumes, net of efficiencies
- Continued investments in the business
  - Marketing
  - Bankers, Advisors & Branches
- Higher market-dependent volume- and revenue-related expense
- Annualization of First Republic, with significantly lower 2024 exit run rate
- Residual inflationary pressures

<sup>&</sup>lt;sup>1</sup> See note 5 on slide 13

<sup>&</sup>lt;sup>2</sup> 2023 FDIC special assessment

<sup>&</sup>lt;sup>3</sup> Represents a non-GAAP financial measure calculated as 4Q23 Adjusted expense of \$24.3B less the FDIC special assessment ("SA") of \$2.9B

# Outlook<sup>1</sup>

### **FIRMWIDE**

Expect FY2024 net interest income of  $\sim \$90B$ , market dependent

Expect FY2024 net interest income excluding Markets of  $\sim \$88B$ , market dependent

Expect FY2024 adjusted expense of  $\sim \$90B$ , market dependent

- Adjusted expense excludes Firmwide legal expense

Expect FY2024 Card Services NCO rate of < 3.50%

<sup>&</sup>lt;sup>1</sup> See notes 1, 2 and 5 on slide 13

# Agenda

|   |                                 | Page |
|---|---------------------------------|------|
| 1 | 4Q23 and FY23 Financial Results | 1    |
| 2 | Financial Outlook               | 10   |
| 3 | Notes                           | 13   |

### Notes on non-GAAP financial measures

- 1. In addition to analyzing the Firm's results on a reported basis, management reviews Firmwide results, including the overhead ratio, on a "managed" basis; these Firmwide managed basis results are non-GAAP financial measures. The Firm also reviews the results of the lines of business on a managed basis. The Firm's definition of managed basis starts, in each case, with the reported U.S. GAAP results and includes certain reclassifications to present total net revenue for the Firm and each of the reportable business segments on a fully taxable-equivalent basis. Accordingly, revenue from investments that receive tax credits and tax-exempt securities is presented in the managed results on a basis comparable to taxable investments and securities. These financial measures allow management to assess the comparability of revenue from year-to-year arising from both taxable and tax-exempt sources. The corresponding income tax impact related to tax-exempt items is recorded within income tax expense. These adjustments have no impact on net income as reported by the Firm as a whole or by the lines of business. For a reconciliation of the Firm's results from a reported to managed basis, refer to page 7 of the Earnings Release Financial Supplement. There are no reclassifications associated with FR managed revenue
- 2. In addition to reviewing net interest income ("NII") and noninterest revenue ("NIR") on a managed basis, management also reviews these metrics excluding CIB Markets ("Markets", which is composed of Fixed Income Markets and Equity Markets). Markets revenue consists of principal transactions, fees, commissions and other income, as well as net interest income. These metrics, which exclude Markets, are non-GAAP financial measures. Management reviews these metrics to assess the performance of the Firm's lending, investing (including asset-liability management) and deposit-raising activities, apart from any volatility associated with Markets activities. In addition, management also assesses Markets business performance on a total revenue basis as offsets may occur across revenue lines. For example, securities that generate net interest income may be risk-managed by derivatives that are reflected at fair value in principal transactions revenue. Management believes these measures provide investors and analysts with alternative measures to analyze the revenue trends of the Firm. For a reconciliation of NII and NIR from reported to excluding Markets, refer to page 29 of the Earnings Release Financial Supplement. For additional information on Markets revenue, refer to page 70 of the Firm's 2022 Form 10-K
- 3. Fourth-quarter 2023 net income, earnings per share and ROTCE excluding significant items are non-GAAP financial measures. Significant items collectively refer to the FDIC special assessment of \$2.9B and net investment securities losses of \$743mm. Excluding these significant items resulted in an increase of \$2.7B (after tax) to reported net income from \$9.3B to \$12.1B; an increase of \$0.93 per share to reported EPS from \$3.04 to \$3.97; and an increase of approximately 4% to ROTCE from 15% to 19%. Management believes these measures provide useful information to investors and analysts in assessing the Firm's results
- 4. Tangible common equity ("TCE"), return on tangible common equity ("ROTCE") and tangible book value per share ("TBVPS"), are each non-GAAP financial measures. TCE represents the Firm's common stockholders' equity (i.e., total stockholders' equity less preferred stock) less goodwill and identifiable intangible assets (other than mortgage servicing rights), net of related deferred tax liabilities. For a reconciliation from common stockholders' equity to TCE, refer to page 10 of the Earnings Release Financial Supplement. ROTCE measures the Firm's net income applicable to common equity as a percentage of average TCE. ROTCE ex. FR uses the same average TCE. TBVPS represents the Firm's TCE at period-end divided by common shares at period-end. Book value per share was \$104.45, \$100.30 and \$90.29 at December 31, 2023, September 30, 2023 and December 31, 2022, respectively. TCE, ROTCE and TBVPS are utilized by the Firm, as well as investors and analysts, in assessing the Firm's use of equity
- Adjusted expense and adjusted overhead ratio are each non-GAAP financial measures. Adjusted expense represents noninterest expense excluding Firmwide legal expense of \$175mm, \$665mm and \$27mm for the three months ended December 31, 2023, September 30, 2023 and December 31, 2022, respectively; and \$1.4B and \$266mm for the full year 2023 and 2022, respectively. There was no legal expense excluded from FR adjusted expense for the three months ended December 31, 2023 and September 30, 2023, and for the full year 2023. The adjusted overhead ratio measures the Firm's adjusted expense as a percentage of managed net revenue. Management believes this information helps investors understand the effect of these items on reported results and provides an alternate presentation of the Firm's performance

### Additional notes

- 1. Reflects the Current Expected Credit Losses ("CECL") capital transition provisions. Beginning January 1, 2022, the \$2.9B CECL capital benefit is being phased out at 25% per year over a three-year period. As of December 31, 2023 and September 30, 2023, CET1 capital and Total Loss-Absorbing Capacity reflected the remaining \$1.4B CECL benefit; as of December 31, 2022, CET1 capital reflected a \$2.2B benefit. Refer to Capital Risk Management on pages 48-53 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 and on pages 86-96 of the Firm's 2022 Form 10-K for additional information
- 2. Total excess high-quality liquid assets ("HQLA") represent the average eligible unencumbered liquid assets that are in excess of what is required to meet the estimated Firm and Bank total net cash outflows over a prospective 30 calendar-day period of significant stress under the LCR rule. HQLA and unencumbered marketable securities, includes end-of-period HQLA, excluding regulatory prescribed haircuts under the LCR rule where applicable, for both the Firm and the excess HQLA-eligible securities included as part of the excess liquidity at JPMorgan Chase Bank, N.A., which are not transferable to non-bank affiliates and thus excluded from the Firm's LCR. Also includes other end-of-period unencumbered marketable securities, such as equity and debt securities. Does not include borrowing capacity at Federal Home Loan Banks and the discount window at the Federal Reserve Bank. Refer to Liquidity Risk Management on pages 54-61 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 and on pages 97-104 of the Firm's 2022 Form 10-K for additional information
- 3. In the first quarter of 2023, the allocations of revenue and expense to CCB associated with a Merchant Services revenue sharing agreement were discontinued and are now retained in Payments in CIB. Prior-period amounts have been revised to conform with the current presentation
- 4. The 4Q22 prior-period amount has been revised to conform with the current presentation, which uses end-of-period HQLA and end-of-period unencumbered marketable securities. Previous presentations used average Firm HQLA (consistent with the LCR metric) and end-of-period unencumbered marketable securities

### Additional notes on slides 5-7

#### Slide 5 – Consumer & Community Banking

- 3. Actual numbers for all periods, not over/(under)
- 4. Users of all JPMorgan Chase mobile platforms who have logged in within the past 90 days. Excludes First Republic
- 5. Excludes Commercial Card
- 6. Includes the impact of loans originated under the PPP. For further information, refer to page 13 of the Earnings Release Financial Supplement
- 7. Firmwide mortgage origination volume was \$8.6B, \$13.0B and \$8.5B for the three months ended December 31, 2023, September 30, 2023 and December 31, 2022, respectively

#### Slide 6 - Corporate & Investment Bank

- 3. Actual numbers for all periods, not over/(under)
- 4. Client deposits and other third-party liabilities pertain to the Payments and Securities Services businesses
- 5. Represents Firmwide merchant processing volume
- 6. Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate
- 7. Securitized Products Group is comprised of Securitized Products and Tax Oriented Investments

#### Slide 7 - Commercial Banking

- 2. Actual numbers for all periods, not over/(under)
- 3. In the third quarter of 2023, certain revenue from CIB Markets products was reclassified from payments to investment banking. Prior-period amounts have been revised to conform with the current presentation
- 4. Includes gross revenues earned by the Firm that are subject to a revenue sharing arrangement between CB and the CIB for Investment Banking and Markets' products sold to CB clients. This includes revenues related to fixed income and equity markets products. Refer to page 61 of the Firm's 2022 Form 10-K for discussion of revenue sharing
- 5. Includes the impact of loans originated under the PPP. For further information, refer to page 20 of the Earnings Release Financial Supplement
- 6. Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate and loan loss coverage ratio
- 7. Note that FR net charge-offs were a net recovery of \$1mm in CB in 4Q23; the FR impact to the net charge-off rate is negative due to the addition of FR loans to the overall denominator and the net recovery
- 8. Commercial and Industrial ("C&I") and Commercial Real Estate ("CRE") groupings for CB are generally based on client segments and do not align with regulatory definitions

# Forward-looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of JPMorgan Chase & Co.'s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause JPMorgan Chase & Co.'s actual results to differ materially from those described in the forward-looking statements can be found in JPMorgan Chase & Co.'s Annual Report on Form 10-K for the year ended December 31, 2022, and Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023, which have been filed with the Securities and Exchange Commission and is available on JPMorgan Chase & Co.'s website (https://jpmorganchaseco.gcs-web.com/financial-information/sec-filings), and on the Securities and Exchange Commission's website (www.sec.gov). JPMorgan Chase & Co. does not undertake to update any forward-looking statements.