# FINANCIAL RESULTS

1Q17

**April 13, 2017**

JPMorgan Chase & Co.

# 1Q17 Financial highlights

| ROTCE[1] | Common equity Tier 1[2] | Net payout LTM[3] |
|---|---|---|
| 13% | 12.4% | 69% |

- 1Q17 net income of $6.4B and EPS of $1.65
  - Managed revenue of $25.6B[4]
  - Adjusted expense of $14.8B[5] and adjusted overhead ratio of 58%[5]
- Fortress balance sheet
  - Average core loans[6] up 9% YoY and 1% QoQ
  - Basel III Fully Phased-In CET1 capital of $184B[2], Advanced and Standardized CET1 ratios of 12.4%[2]
- Delivered strong capital return
  - $4.6B[7] returned to shareholders in 1Q17, including $2.8B of net repurchases
  - Common dividend of $0.50 per share

[1] See note 2 on slide 14
[2] Represents estimated common equity Tier 1 ("CET1") capital and ratio under the Basel III Fully Phased-In capital rules to which the Firm will be subject as of January 1, 2019. See note 7 on slide 14
[3] Last twelve months ("LTM"). Net of employee issuance
[4] See note 1 on slide 14
[5] See note 3 on slide 14
[6] See note 8 on slide 14
[7] Net of employee issuance

# 1Q17 Financial results[1]

**$B, excluding EPS**

| | | $ O/(U) | |
|---|---|---|---|
| | 1Q17 | 4Q16 | 1Q16 |
| Net interest income | $12.4 | $0.3 | $0.7 |
| Noninterest revenue | 13.2 | 0.9 | 0.8 |
| Managed revenue[1] | 25.6 | 1.3 | 1.5 |
| Expense | 15.0 | 1.2 | 1.2 |
| Credit costs | 1.3 | 0.5 | (0.5) |
| Reported net income | $6.4 | ($0.3) | $0.9 |
| Net income applicable to common stockholders | $6.0 | ($0.3) | $0.9 |
| Reported EPS | $1.65 | ($0.06) | $0.30 |
| ROE[2] | 11% | 11% | 9% |
| ROTCE[2,3] | 13 | 14 | 12 |
| Overhead ratio – managed[1,2] | 59 | 57 | 57 |
| *Memo: Adjusted expense [4]* | *$14.8* | *$1.2* | *$0.9* |
| *Memo: Adjusted overhead ratio [1,2,4]* | *58%* | *56%* | *58%* |

| $B | 1Q17 | 4Q16 | 1Q16 |
|---|---|---|---|
| Net charge-offs | $1.7 | $1.3 | $1.1 |
| Reserve build/(release) | (0.3) | (0.4) | 0.7 |
| Credit costs | $1.3 | $0.9 | $1.8 |

| 1Q17 | ROE[5] | O/H ratio |
|---|---|---|
| CCB | 15% | 58% |
| CIB | 18% | 54% |
| CB | 15% | 41% |
| AWM | 16% | 84% |

- Firm NII up $720mm YoY and up $328mm QoQ with NIM up 11bps QoQ

Note: Totals may not sum due to rounding
[1] See note 1 on slide 14
[2] Actual numbers for all periods, not over/(under)
[3] See note 2 on slide 14
[4] See note 3 on slide 14
[5] Effective the first quarter of 2017, the Firm revised its method for allocating LOB equity, which includes no longer allocating for goodwill and other intangible assets. For further information, see pages 76-85 of the 2016 Annual Report on Form 10-K.

# Fortress balance sheet and capital

**$B, except per share data**

| | 1Q17 | 4Q16 | 1Q16 |
|---|---|---|---|
| Basel III Advanced Fully Phased-In[1] | | | |
| CET1 | $184 | $182 | $176 |
| CET1 ratio | 12.4% | 12.2% | 11.7% |
| Tier 1 capital | $209 | $207 | $202 |
| Tier 1 capital ratio | 14.1% | 14.0% | 13.4% |
| Total capital | $228 | $227 | $224 |
| Total capital ratio | 15.4% | 15.2% | 14.8% |
| Risk-weighted assets | $1,483 | $1,487 | $1,507 |
| Firm SLR[2] | 6.6% | 6.5% | 6.6% |
| Bank SLR[2] | 6.7 | 6.6 | 6.7 |
| HQLA[3,4] | $524 | $524 | $505 |
| Total assets (EOP) | $2,546 | $2,491 | $2,424 |
| Tangible common equity (EOP)[5] | $185 | $183 | $179 |
| Tangible book value per share[5] | $52.04 | $51.44 | $48.96 |

1Q17 Basel III Standardized Fully Phased-In of 12.4%[1]

- Firmwide total credit reserves of $14.5B
  - Wholesale reserves of $5.5B – net release of $93mm in 1Q17
  - Consumer reserves of $9.0B – net release of $246mm in 1Q17

[1] Estimated for all periods. Represents the capital rules the Firm will be subject to commencing January 1, 2019. See note 7 on slide 14
[2] Estimated for all periods. Represents the supplementary leverage rules the Firm will be subject to commencing January 1, 2018. See note 7 on slide 14
[3] High quality liquid assets ("HQLA") represents the amount of assets that qualify for inclusion in the liquidity coverage ratio
[4] Estimated for 1Q17
[5] See note 2 on slide 14

# Consumer & Community Banking[1]

## $mm

| | 1Q17 | $ O/(U) 4Q16 | $ O/(U) 1Q16 |
|---|---|---|---|
| Revenue | $10,970 | ($49) | ($147) |
| Consumer & Business Banking | 4,906 | 132 | 356 |
| Mortgage Banking | 1,529 | (161) | (347) |
| Card, Commerce Solutions & Auto | 4,535 | (20) | (156) |
| Expense | 6,395 | 92 | 307 |
| Credit costs | 1,430 | 481 | 380 |
| Net charge-offs | 1,679 | 480 | 629 |
| Change in allowance | (249) | 1 | (249) |
| Net income | $1,988 | ($376) | ($502) |

## Key drivers/statistics ($B)[2]

| | 1Q17 | 4Q16 | 1Q16 |
|---|---|---|---|
| EOP Equity[3] | $51.0 | $51.0 | $51.0 |
| ROE[3] | 15% | 17% | 19% |
| Overhead ratio | 58 | 57 | 55 |
| Average loans | $466.8 | $466.9 | $445.8 |
| Average deposits | 622.9 | 607.2 | 562.3 |
| CCB households (mm) | 60.4 | 60.0 | 58.5 |
| Active mobile customers (mm) | 27.3 | 26.5 | 23.8 |
| Debit & credit card sales volume | $208.4 | $219.0 | $187.2 |

- Average deposits up 11% YoY
- Average loans up 5% YoY and core loans up 11%
- CCB households up 1.9mm YoY
- Active mobile customers of 27.3mm, up 14% YoY

## Financial performance

- Net income of $2.0B, down 20% YoY
- Revenue of $11.0B, down 1% YoY, on Card new account origination costs and lower net servicing revenue, largely offset by higher NII on higher balances and higher Auto lease income
- Expense of $6.4B, up 5% YoY, driven by higher auto lease depreciation and business growth
- Credit costs of $1.4B, up $380mm YoY, driven by a write-down in the student loan portfolio and higher Card net charge-offs

## Key drivers/statistics ($B) – detail by business

| | 1Q17 | 4Q16 | 1Q16 |
|---|---|---|---|
| **Consumer & Business Banking** | | | |
| Average Business Banking loans | $22.5 | $22.2 | $21.1 |
| Business Banking loan originations | 1.7 | 1.6 | 1.7 |
| Client investment assets (EOP) | 245.1 | 234.5 | 220.0 |
| Deposit margin | 1.88% | 1.80% | 1.86% |
| **Mortgage Banking** | | | |
| Average loans | $233.0 | $234.2 | $226.4 |
| Loan originations[4] | 22.4 | 29.1 | 22.4 |
| EOP total loans serviced | 836.3 | 846.6 | 898.7 |
| Net charge-off rate[5,6] | 0.10% | 0.10% | 0.13% |
| **Card, Commerce Solutions & Auto** | | | |
| Card average loans | $137.2 | $136.2 | $127.3 |
| Auto average loans and leased assets | 79.1 | 77.9 | 70.9 |
| Auto loan and lease originations | 8.0 | 8.0 | 9.6 |
| Card net charge-off rate | 2.94% | 2.67% | 2.62% |
| Card Services net revenue rate | 10.15 | 10.14 | 11.81 |
| Credit Card sales volume[7] | $139.7 | $148.5 | $121.7 |
| Merchant processing volume | 274.3 | 284.9 | 247.5 |

[1] See note 1 on slide 14
For additional footnotes see slide 15

# Corporate & Investment Bank[1]

## $mm

| | 1Q17 | $ O/(U) 4Q16 | $ O/(U) 1Q16 |
|---|---|---|---|
| Corporate & Investment Bank revenue | $9,536 | $1,075 | $1,401 |
| Investment banking revenue | 1,651 | 164 | 420 |
| Treasury Services | 981 | 31 | 97 |
| Lending | 389 | 43 | 87 |
| **Total Banking** | 3,021 | 238 | 604 |
| Fixed Income Markets | 4,215 | 846 | 618 |
| Equity Markets | 1,606 | 456 | 30 |
| Securities Services | 916 | 29 | 35 |
| Credit Adjustments & Other | (222) | (494) | 114 |
| **Total Markets & Investor Services** | 6,515 | 837 | 797 |
| Expense | 5,121 | 949 | 313 |
| Credit costs | (96) | 102 | (555) |
| Net income | $3,241 | ($190) | $1,262 |
| **Key drivers/statistics ($B)[2]** | | | |
| EOP equity[3] | $70.0 | $64.0 | $64.0 |
| ROE[3] | 18% | 20% | 11% |
| Overhead ratio | 54 | 49 | 59 |
| Comp/revenue | 29 | 20 | 32 |
| IB fees ($mm) | $1,812 | $1,612 | $1,321 |
| Average loans | 113.7 | 118.0 | 111.9 |
| Average client deposits[4] | 391.7 | 390.8 | 358.9 |
| Assets under custody ($T) | 21.4 | 20.5 | 20.3 |
| ALL/EOP loans ex-conduits and trade[5,6,7] | 1.91% | 1.86% | 2.11% |
| Net charge-off/(recovery) rate[7] | (0.07) | 0.10 | 0.17 |
| Average VaR ($mm)[8] | $25 | $39 | $55 |

## Financial performance

- Net income of $3.2B on revenue of $9.5B
  - ROE of 18%
- Banking revenue
  - IB revenue of $1.7B, up 34% YoY, driven by higher debt and equity underwriting fees, partially offset by lower advisory fees
    - Ranked #1 in Global IB fees for 1Q17
  - Treasury Services revenue of $981mm, up 11% YoY, primarily driven by the impact of higher interest rates and operating deposits growth
  - Lending revenue of $389mm, up 29% YoY
- Markets & Investor Services revenue
  - Markets revenue of $5.8B, up 13% YoY
    - Fixed Income Markets of $4.2B, up 17% YoY, driven by Securitized Products, Rates and Credit
    - Equity Markets revenue of $1.6B, up 2% YoY
  - Securities Services revenue of $916mm, up 4% YoY
- Expense of $5.1B, up 7% YoY, largely driven by higher compensation expense
- Credit costs benefit of $96mm, largely driven by Oil & Gas and Metals & Mining

1 See note 1 on slide 14
2 Actual numbers for all periods, not over/(under)
3 Effective the first quarter of 2017, the Firm revised its method for allocating LOB equity, which includes no longer allocating for goodwill and other intangible assets. For further information, see pages 76-85 of the 2016 Annual Report on Form 10-K.
4 Client deposits and other third party liabilities pertain to the Treasury Services and Securities Services businesses
5 ALL/EOP loans as reported was 1.25%, 1.27%, and 1.37% for 1Q17, 4Q16 and 1Q16, respectively
6 See note 5 on slide 14
7 Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate and loan loss coverage ratio
8 See note 8 on slide 15

# Commercial Banking[1]

## $mm

| | 1Q17 | $ O/(U) 4Q16 | $ O/(U) 1Q16 |
|---|---|---|---|
| Revenue | $2,018 | $55 | $215 |
| Middle Market Banking | 797 | 33 | 90 |
| Corporate Client Banking | 653 | 19 | 106 |
| Commercial Term Lending | 367 | 12 | 6 |
| Real Estate Banking | 134 | 6 | 30 |
| Other | 67 | (15) | (17) |
| Expense | 825 | 81 | 112 |
| Credit costs | (37) | (161) | (341) |
| Net income | $799 | $112 | $303 |
| **Key drivers/statistics ($B)[2]** | | | |
| EOP equity[3] | $20.0 | $16.0 | $16.0 |
| ROE[3] | 15% | 16% | 11% |
| Overhead ratio | 41 | 38 | 40 |
| Gross IB Revenue ($mm) | $646 | $608 | $483 |
| Average loans | 191.5 | 188.9 | 170.3 |
| Average client deposits | 176.8 | 180.0 | 173.1 |
| Allowance for loan losses | 2.9 | 2.9 | 3.1 |
| Nonaccrual loans | 0.9 | 1.1 | 1.3 |
| Net charge-off/(recovery) rate[4] | (0.02)% | 0.11% | 0.01% |
| ALL/loans[4] | 1.49 | 1.55 | 1.79 |

[1] See note 1 on slide 14
[2] Actual numbers for all periods, not over/(under)
[3] Effective the first quarter of 2017, the Firm revised its method for allocating LOB equity, which includes no longer allocating for goodwill and other intangible assets. For further information, see pages 76-85 of the 2016 Annual Report on Form 10-K.
[4] Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate and loan loss coverage ratio
[5] CB's Commercial and Industrial (C&I) and Commercial Real Estate (CRE) groupings are generally based on client segments and do not align with regulatory definitions

## Financial performance

- Record net income of $799mm, up 61% YoY and 16% QoQ
- Record revenue of $2.0B, up 12% YoY and 3% QoQ
  - Net interest income of $1.4B, up 14% YoY and 4% QoQ
  - Gross IB revenue of $646mm, up 34% YoY and 6% QoQ
- Expense of $825mm, up 16% YoY and 11% QoQ
  - Includes $29mm of impairment on leased assets
- Credit costs benefit of $37mm
  - Net recovery rate of 2 bps
  - Net reserve release driven by Oil & Gas
- Record average loan balances of $191B, up 12% YoY and 1% QoQ
  - C&I[5] up 8% YoY and flat QoQ
  - CRE[5] up 17% YoY and 3% QoQ
- Average client deposits of $177B, up 2% YoY and down 2% QoQ





JPMorgan Chase & Co.

# Asset & Wealth Management[1]

| $mm | | $ O/(U) | |
|---|---|---|---|
| | 1Q17 | 4Q16 | 1Q16 |
| Revenue | $3,087 | $ – | $115 |
| Asset Management | 1,487 | (63) | (12) |
| Wealth Management | 1,600 | 63 | 127 |
| Expense | 2,580 | 405 | 505 |
| Credit costs | 18 | 29 | 5 |
| Net income | $385 | ($201) | ($202) |
| **Key drivers/statistics ($B)[2]** | | | |
| EOP equity[3] | $9.0 | $9.0 | $9.0 |
| ROE[3] | 16% | 25% | 25% |
| Pretax margin | 16 | 30 | 30 |
| Assets under management (AUM) | $1,841 | $1,771 | $1,676 |
| Client assets | 2,548 | 2,453 | 2,323 |
| Average loans | 118.3 | 115.1 | 110.5 |
| Average deposits | 158.8 | 158.3 | 150.6 |

[1] See note 1 on slide 14
[2] Actual numbers for all periods, not over/(under)
[3] Effective the first quarter of 2017, the Firm revised its method for allocating LOB equity, which includes no longer allocating for goodwill and other intangible assets. For further information, see pages 76-85 of the 2016 Annual Report on Form 10-K.

## Financial performance

- Net income of $385mm, down 34% YoY and down 34% QoQ
- Revenue of $3.1B, up 4% YoY and flat QoQ
- Expense of $2.6B, up 24% YoY and up 19% QoQ, driven by higher legal expense
- Record AUM of $1.8T, up 10% YoY and up 4% QoQ
- Record client assets of $2.5T, up 10% YoY and up 4% QoQ
- Net inflows of $8B into long-term products and net inflows of $1B into liquidity products
- Record average loan balances of $118.3B, up 7% YoY and up 3% QoQ
- Record average deposit balances of $158.8B, up 5% YoY and up slightly QoQ
- Solid investment performance
  - 77% of mutual fund AUM ranked in the 1st or 2nd quartiles over 5 years

# Corporate[1]

**$mm**

| | | $ O/(U) | |
|---|---|---|---|
| | 1Q17 | 4Q16 | 1Q16 |
| Treasury and CIO | ($67) | $130 | $44 |
| Other Corporate | 102 | 246 | 23 |
| Net income | $35 | $376 | $67 |

[1] See note 1 on slide 14

**Financial performance**

**Treasury and CIO**

- Net loss of $67mm in 1Q17, up $130mm QoQ, reflecting higher rates

**Other Corporate**

- Net income of $102mm, benefited from the release of certain legal reserves

# Outlook

**Firmwide**

- Expect 2Q17 net interest income to be up ~$400mm QoQ and 2017 net interest income to be up ~$4.5B YoY based upon the implied curve
- Expect 2017 adjusted expense to be ~$58B
- Expect 2017 net charge-offs to be $5B+/-[1]

[1] 2017 net charge-off outlook excludes the impact of the write-down of the student loan portfolio to its estimated fair value as a result of transferring it to held-for-sale in 1Q17

# Agenda





JPMorgan Chase & Co.

# Select leadership positions

## Consumer & Community Banking

### Consumer & Business Banking

- Consumer deposit volume has grown at more than twice the industry average since 2012[1]
- #1 in active mobile users among large bank peers[2]
- #1 in Consumer Retail Banking nationally for the fifth consecutive year, according to TNS, and winner of four TNS Choice awards in 2017

### Mortgage Banking

- #2 mortgage originator and servicer[3]

### Card, Commerce Solutions & Auto

- #1 U.S. credit card issuer[4]
- #1 U.S. co-brand credit card issuer[5]
- #2 merchant acquirer[6]

## Corporate & Investment Bank

| League table results – wallet share | 1Q17 | | FY2016 | |
|---|---|---|---|---|
| | Rank | Share | Rank | Share |
| *Based on fees[7]:* | | | | |
| **Global Debt, Equity & Equity-related** | **1** | **7.7 %** | **1** | **7.2 %** |
| U.S. Debt, Equity & Equity-related | 1 | 10.7 % | 1 | 11.9 % |
| **Global Long-term Debt[8]** | **1** | **7.7 %** | **1** | **6.9 %** |
| U.S. Long-term Debt[8] | 2 | 10.0 % | 2 | 11.1 % |
| **Global Equity & Equity-related[9]** | **1** | **7.8 %** | **1** | **7.6 %** |
| U.S. Equity & Equity-related[9] | 1 | 11.7 % | 1 | 13.3 % |
| **Global M&A[10]** | **2** | **8.8 %** | **2** | **8.4 %** |
| U.S. M&A[10] | 2 | 10.1 % | 2 | 10.0 % |
| **Global Loan Syndications** | **1** | **10.7 %** | **1** | **9.3 %** |
| U.S. Loan Syndications | 1 | 11.9 % | 2 | 11.8 % |
| **Global IB fees[7,11]** | **1** | **8.5 %** | **1** | **8.0 %** |

## Commercial Banking

- #1 in perceived customer satisfaction[12]
- #1 U.S. multifamily lender[13]
- Top 3 in overall Middle Market and Asset Based Lending Bookrunner[14]
- #1 cash management overall satisfaction and #1 cash management market penetration[15]

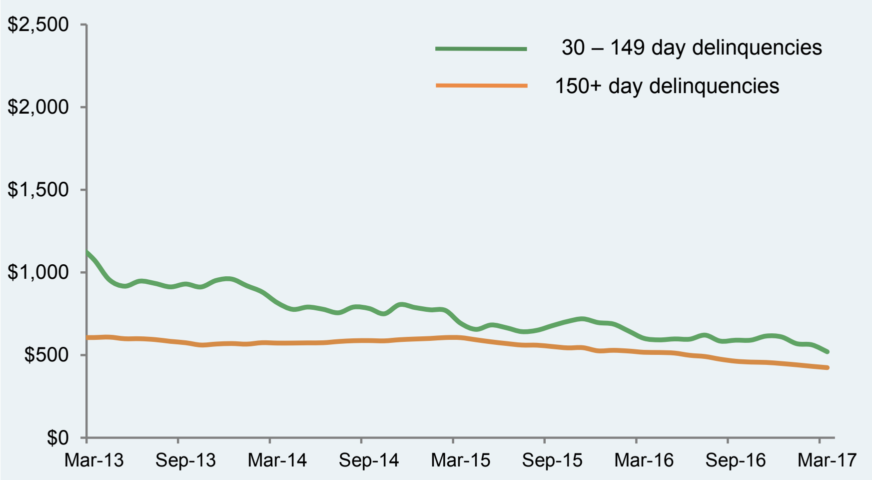
## Asset & Wealth Management

- #1 Private Bank overall in North America[16]
- Asset Management Company of the Year, Asia[17]

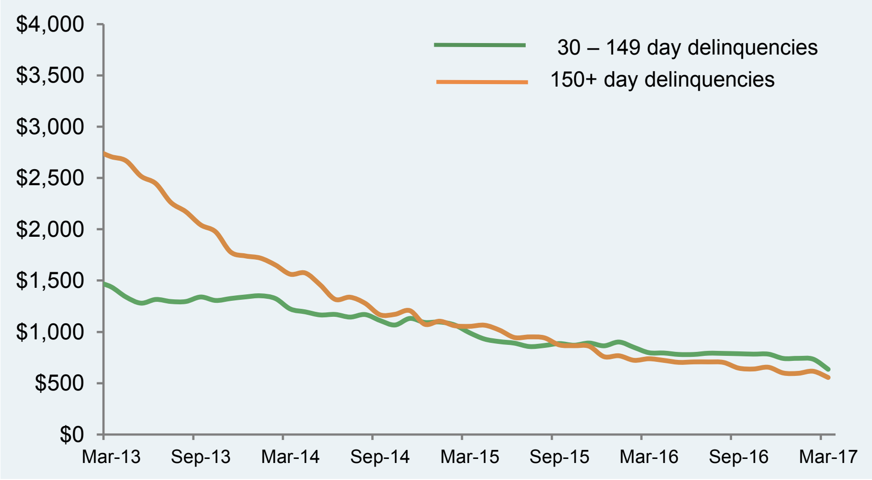
For footnoted information see slide 16

# Consumer credit – Delinquency trends[1]

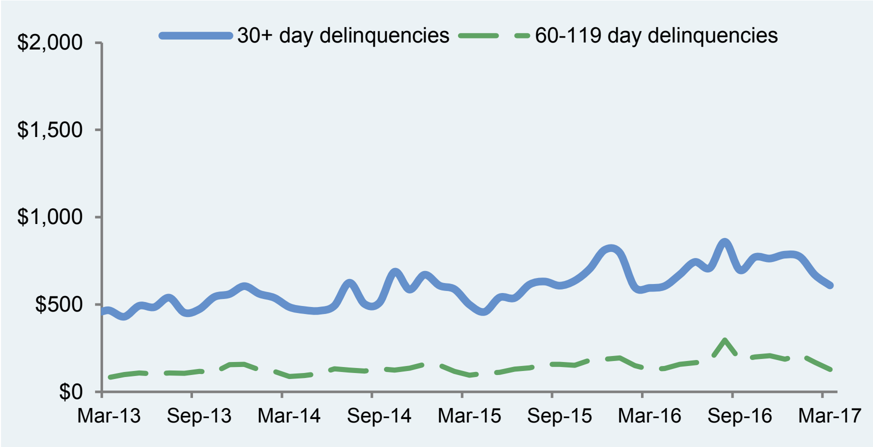
### Home equity delinquency trend ($mm)



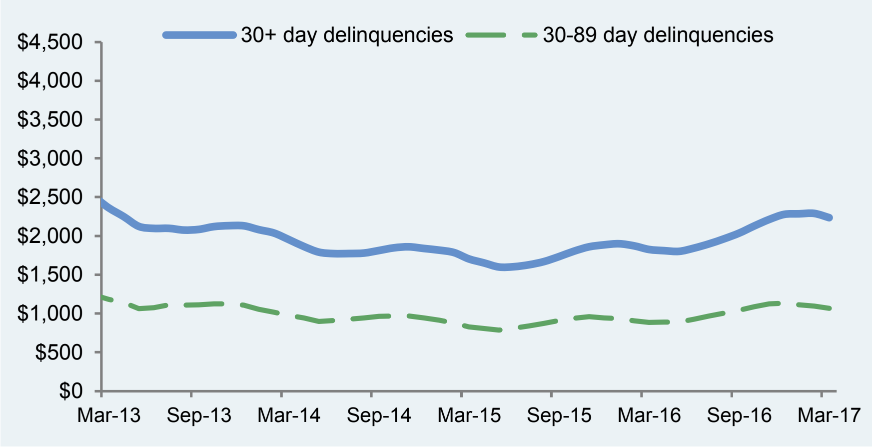

### Residential mortgage delinquency trend ($mm)[2]




### Auto delinquency trend ($mm)[3]




### Credit card delinquency trend ($mm)




Note: Home equity and residential mortgage exclude Asset & Wealth Management, Corporate and government-insured loans

[1] Excludes purchased credit-impaired and held-for-sale loans

[2] Residential mortgage includes prime (including option adjustable rate mortgages ("ARMs")) and subprime loans

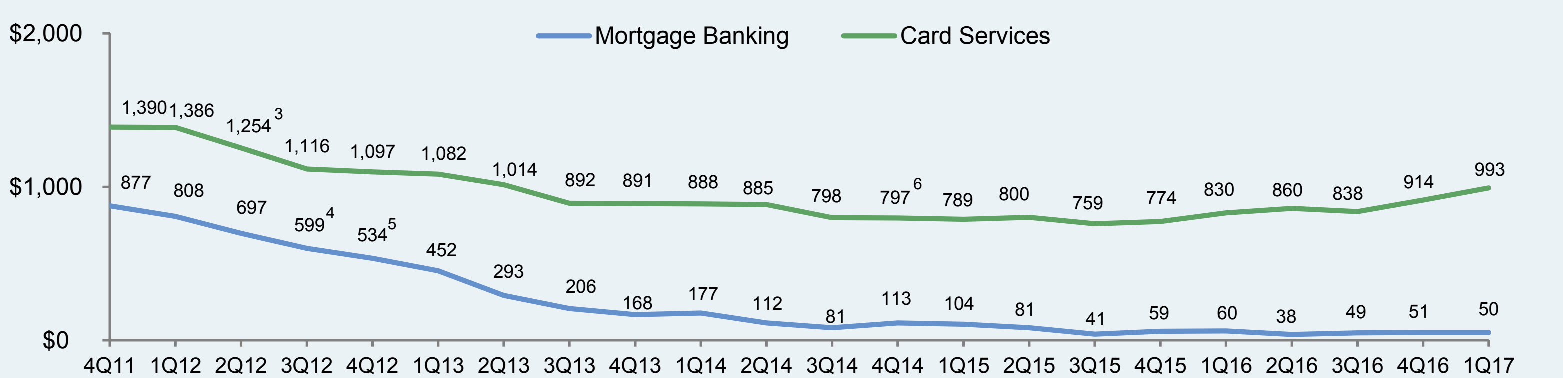
[3] Excludes operating lease assets

# Mortgage Banking and Card Services – Coverage ratios[1]

## Mortgage Banking and Card Services credit data ($mm)

| | 1Q17 | 4Q16 | 1Q16 | O/(U) 1Q16 |
|---|---|---|---|---|
| **Mortgage Banking (NCI)** | | | | |
| Net charge-offs | $50 | $51 | $60 | ($10) |
| NCO rate | 0.10% | 0.10% | 0.13% | (3) bps |
| Allowance for loan losses | $1,328 | $1,328 | $1,588 | ($260) |
| ALL/annualized NCOs[2] | 664% | 651% | 662% | |
| ALL/nonaccrual loans retained | 35 | 33 | 35 | |
| **Card Services** | | | | |
| Net charge-offs | $993 | $914 | $830 | $163 |
| NCO rate | 2.94% | 2.67% | 2.62% | 32 bps |
| Allowance for loan losses | $4,034 | $4,034 | $3,434 | $600 |
| ALL/annualized NCOs[2] | 102% | 110% | 103% | |

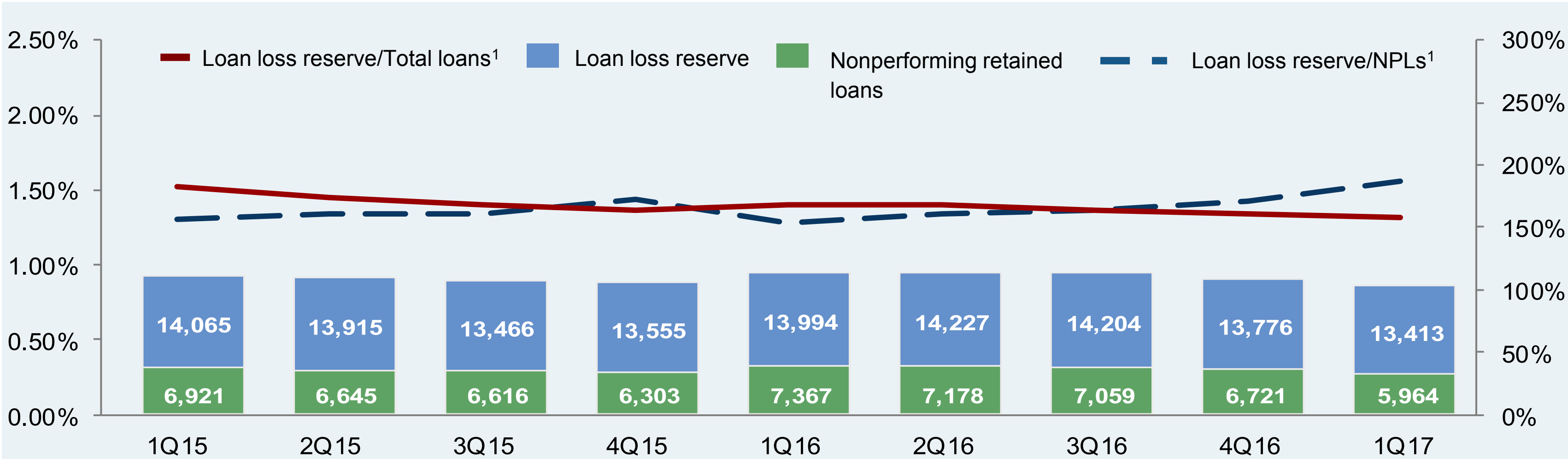
## NCOs ($mm)




[1] See note 6 on slide 14
[2] Net charge-offs annualized (NCOs are multiplied by 4)
[3] 2Q12 adjusted net charge-offs for Card Services were $1,254mm or 4.05%; excluding the effect of a change in charge-off policy for troubled debt restructurings; 2Q12 reported net charge-offs were $1,345mm or 4.35%
[4] 3Q12 adjusted net charge-offs for Mortgage Banking exclude the effect of an incremental $825mm of net charge-offs based on regulatory guidance
[5] 4Q12 adjusted net charge-offs for Mortgage Banking reflects a full quarter of normalized Chapter 7 Bankruptcy discharge activity, which exclude one-time adjustments related to the adoption of Chapter 7 Bankruptcy discharge regulatory guidance
[6] 4Q14 adjusted net charge-offs for Card Services were $797mm or 2.48% excluding losses from portfolio exits; 4Q14 reported net charge-offs were $858mm or 2.69%

# Firmwide – Coverage ratios[1]

$mm




## JPM Credit Summary

| | 1Q17 | 4Q16 | 1Q16 |
|---|---|---|---|
| **Consumer, ex. credit card** | | | |
| LLR/Total loans | 0.81% | 0.88% | 0.98% |
| LLR/NPLs | 60 | 61 | 59 |
| **Credit Card** | | | |
| LLR/Total loans | 2.99% | 2.85% | 2.73% |
| **Wholesale** | | | |
| LLR/Total loans | 1.15% | 1.18% | 1.32% |
| LLR/NPLs | 283 | 233 | 218 |
| **Firmwide** | | | |
| LLR/Total loans | 1.31% | 1.34% | 1.40% |
| LLR/NPLs (ex. credit card) | 119 | 111 | 107 |
| LLR/NPLs | 187 | 171 | 153 |

[1] See note 4 on slide 14

## Comments

- $13.4B of loan loss reserves at March 31, 2017, down $0.6B from $14.0B in the prior year quarter. Both wholesale and consumer credit quality are relatively stable
- Nonperforming loan loss coverage ratio (ex. credit card) of 119%[1]

# Notes

**Notes on non-GAAP financial measures**

1. In addition to analyzing the Firm's results on a reported basis, management reviews the Firm's results, including the overhead ratio, and the results of the lines of business on a "managed" basis, which are non-GAAP financial measures. The Firm's definition of managed basis starts with the reported U.S. GAAP results and includes certain reclassifications to present total net revenue for the Firm (and each of the business segments) on a fully taxable-equivalent ("FTE") 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 non-GAAP financial measures allow management to assess the comparability of revenue 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, see page 7 of the Earnings Release Financial Supplement.

2. 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 MSRs), net of related deferred tax liabilities. For a reconciliation from common stockholders' equity to TCE, see page 9 of the Earnings Release Financial Supplement. ROTCE measures the Firm's net income applicable to common equity as a percentage of average TCE. TBVPS represents the Firm's TCE at period-end divided by common shares at period-end. Book value per share was $64.68, $64.06 and $61.28 at March 31, 2017, December 31, 2016 and March 31, 2016, respectively. TCE, ROTCE, and TBVPS are meaningful to the Firm, as well as investors and analysts, in assessing the Firm's use of equity.

3. Adjusted expense and adjusted overhead ratio are non-GAAP financial measures. Adjusted expense excludes Firmwide legal expense/(benefit) of $218 million, $230 million and $(46) million for the three months ended March 31, 2017, December 31, 2016 and March 31, 2016, respectively. The adjusted overhead ratio measures the Firm's adjusted expense as a percentage of managed revenues. 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.

4. The ratios of the allowance for loan losses to end-of-period loans retained and allowance for loan losses to nonperforming loans exclude the following: loans accounted for at fair value and loans held-for-sale; purchased credit-impaired ("PCI") loans; and the allowance for loan losses related to PCI loans. Additionally, net charge-offs and net charge-off rates exclude the impact of PCI loans.

5. The CIB provides certain non-GAAP financial measures, as such measures are used by management to assess the underlying performance of the business:
   - The ratio of the allowance for loan losses to end-of-period loans is calculated excluding the impact of consolidated Firm-administered multi-seller conduits and trade finance loans, to provide a more meaningful assessment of CIB's allowance coverage ratio

6. Net charge-offs for Mortgage Banking and Card Services may be adjusted for significant items, as indicated. These adjusted charge-offs are non-GAAP financial measures used by management to facilitate comparisons with prior periods.

**Notes on key performance measures**

7. Estimated as of March 31, 2017. The Basel III supplementary leverage ratio ("SLR"), which becomes effective for the Firm on January 1, 2018, and the Basel III Advanced Fully Phased-In Common equity Tier 1 ("CET1"), Tier 1, and Total capital, and CET1, Tier 1, and Total Capital ratios, which become effective for the Firm on January 1, 2019, are each considered key regulatory capital measures. These measures are used by management, bank regulators, investors and analysts to assess and monitor the Firm's capital position. For additional information on these measures, see Capital Risk Management on pages 76-85 of the Firm's Annual Report on Form 10-K for the year ended December 31, 2016.

8. Core loans represent loans considered central to the Firm's ongoing businesses; core loans exclude loans classified as trading assets, runoff portfolios, discontinued portfolios and portfolios the Firm has an intent to exit.

# Notes

**Additional Notes on slide 4 – Consumer & Community Banking**

2. Actual numbers for all periods, not over/(under)
3. Effective the first quarter of 2017, the Firm revised its method for allocating LOB equity, which includes no longer allocating for goodwill and other intangible assets. For further information, see pages 76-85 of the 2016 Annual Report on Form 10-K.
4. Firmwide mortgage origination volume was $25.6B, $33.5B and $24.4B, for 1Q17, 4Q16 and 1Q16, respectively
5. Excludes purchased credit-impaired (PCI) write-offs of $24mm, $32mm and $47mm for 1Q17, 4Q16 and 1Q16, respectively. See note 4 on slide 14
6. Excludes the impact of PCI loans. See note 4 on slide 14
7. Excludes Commercial Card

**Additional Note on slide 5 – Corporate & Investment Bank**

8. During the third quarter of 2016 the Firm refined the scope of positions included in risk management VaR. In particular, certain private equity positions in CIB were removed from the VaR calculation. In the absence of this refinement, average CIB VaR, without diversification, would have been higher by the following amounts: $2 million and $5 million for the three months ended March 31, 2017 and December 31, 2016, respectively. Additionally, during the first quarter of 2017, the Firm refined the historical proxy time series inputs to certain VaR models to more appropriately reflect the risk exposure from certain asset-backed products. In the absence of this enhancement, the average CIB VaR, without diversification, would have been higher by $3 million for the three months ended March 31, 2017.

# Notes

**Notes on slide 10 – Select leadership positions**

1. FDIC 2016 Summary of Deposits survey per SNL Financial. Excludes all branches with $500mm+ in deposits in any of the last ten years (excluded branches are assumed to include a significant level of commercial deposits or are headquarter branches for direct banks). Includes all commercial banks, credit unions, savings banks, and savings institutions as defined by the FDIC
2. Active mobile users based on disclosures by peers in 4Q16
3. Inside Mortgage Finance as of 4Q16 for Servicer and Originator rankings
4. Based on 4Q16 sales volume and loans outstanding disclosures by peers (C, BAC, COF, AXP, DFS) and internal JPMorgan Chase estimates. Sales volume excludes private label and Commercial Card. AXP reflects the U.S. Consumer segment and internal JPMorgan Chase estimates for AXP's U.S. small business sales. Outstandings exclude private label, AXP Charge Card, and Citi Retail Cards
5. "Credit Card Monitor 2017: Cobrand Market Shares by Issuer," Phoenix, for 12-month period ending January 2017. Based on card accounts, revolving balance dollars and spending dollars
6. The Nilson Report, Issue 1105, March 2017. Data as of 2016. Chase is the #1 wholly-owned merchant acquirer in the U.S. When volume from JVs and revenue share arrangements are included in First Data's volume, First Data holds the #1 share position in the U.S.
7. Reflects ranking of revenue wallet and market share. Source: Wallet from Dealogic Media Manager Cortex as of April 3, 2017
8. Long-term debt rankings include investment-grade, high-yield, supranational, sovereigns, agencies, covered bonds, asset-backed securities ("ABS") and mortgage-backed securities ("MBS"); and exclude money market, short-term debt and U.S. municipal securities
9. Global Equity and Equity-related ranking includes rights offerings and Chinese A-Shares
10. Global M&A reflects the removal of any withdrawn transactions. U.S. M&A revenue wallet represents wallet from client parents based in the U.S.
11. Global Investment Banking fees exclude money market, short-term debt and shelf deals
12. CFO Magazine's Commercial Banking Survey 2016
13. SNL Financial based on FDIC data as of 12/31/16
14. Thomson Reuters as of 1Q17
15. In the $20-$500mm footprint. Greenwich Associates as of 2016
16. Euromoney 2017 rankings
17. The Asset, May 2016

# 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, 2016 which has been filed with the Securities and Exchange Commission and is available on JPMorgan Chase & Co.'s website (http://investor.shareholder.com/jpmorganchase/sec.cfm), and on the Securities and Exchange Commission's website (www.sec.gov). JPMorgan Chase & Co. does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.*