JULY 20, 2005

FINANCIAL RESULTS

Second Quarter 2005

JPMorganChase

Second Quarter 2005 Earnings

- Investment Bank - weak trading results; strong fees
- Good momentum in Card Services, Treasury & Securities Services, Consumer & Small Business Banking and Asset & Wealth Management – double-or triple-digit earnings growth
- Merger saves on track to achieve $2.2bn run-rate by 4Q05 ($440mm cumulative in 2Q05)
- Wholesale and consumer credit quality remain strong
- Litigation reserves increased; Enron class-action litigation settled
- Capital strength with Tier 1 estimate of 8.2%

2Q05 Earnings – GAAP Comparison

($ in millions, except per share)	2Q05	1Q05	Heritage JPMC 2Q04
Reported Net Income	$994	$2,264	($548)
Non-Operating Charges (after-tax)	1,334	648	2,354
Operating Earnings	$2,328	$2,912	$1,806
Reported EPS	$0.28	$0.63	($0.27)
Operating EPS	$0.66	$0.81	$0.85

Non-Operating Charges (After-Tax)

	2Q05	1Q05	2Q04
Merger Costs	$173	$90	$60
Litigation Charge	1,161	558	2,294
Total	$1,334	$648	$2,354

2Q05 LOB Operating Earnings – GAAP Comparison

		$ O/(U)	
			Heritage JPMC
($ in millions)	2Q05	1Q05	2Q04
Investment Bank	$606	($719)	($38)
Retail Financial Services	980	(8)	584
Card Services	542	20	366
Commercial Banking	174	(69)	109
Treasury & Securities Services	229	(16)	128
Asset & Wealth Management	283	7	184
Corporate	(486)	201	(811)
Total Firm	$2,328	($584)	$522

Proforma Discussion

The proforma combined historical lines of business information presents the business segments of the company as if these segments had existed as of the earliest date indicated. For further information regarding the proforma combined historical financial information, including reconciliation to JPMC GAAP financial information, see information furnished pursuant to Regulation FD by JPMC on Form 8-K dated October 1, 2004, as amended on October 20, 2004, January 19, 2005, April 20, 2005 and July 20, 2005.

2Q05 Proforma Operating Performance Comparison

($ in millions)	2Q05	$ O/(U) 1Q05	$ O/(U) 2Q04
Revenue (FTE)[1]	$13,900	($840)	($876)
Credit Costs[1]	1,517	173	(89)
Expenses	8,748	(144)	(91)
Earnings	$2,328	($584)	($459)
EPS	$0.66	($0.15)	($0.11)

Quarterly Results[2]	2Q05	1Q05	2Q04
Return on Equity	9%	11%	11%
Return on Equity-Net of GW	15%	19%	18%

[1] Operating basis excludes merger costs and non-operating litigation charges incurred in 2Q05, 1Q05 and 2Q04 and presents revenues and credit costs without the effect of credit card securitizations. All references to credit costs refer to managed provision for credit losses

[2] Actual numbers for all periods, not over/under

LOB Operating Earnings – Proforma Comparison

		$ O/(U)		% O/(U)	
($ in millions)	2Q05	1Q05	2Q04	1Q05	2Q04
Investment Bank	$606	($719)	($410)	(54%)	(40%)
Retail Financial Services	980	(8)	42[1]	(1%)	4%[1]
Card Services	542	20	133	4%	33%
Commercial Banking	174	(69)	(60)	(28%)	(26%)
Treasury & Securities Services	229	(16)	126	(7%)	122%
Asset & Wealth Management	283	7	93	3%	49%
Corporate	(486)	201	(383)	29%	NM
Total Firm	$2,328	($584)	($459)	(20%)	(16%)

[1] Change from 2Q04 includes the impact of non-core portfolio actions related to the sale of Bank One's brokered home equity portfolio. The pre-tax impact was $74mm, the after-tax impact was $46mm. Excluding the impact of these actions the change versus 2Q04 would have been $88mm or 10%

Investment Bank – Proforma Comparison

($ in millions)	2Q05	$O/(U) 1Q05	$O/(U) 2Q04
Revenues	$2,750	($1,430)	($647)
Investment Bkg.	965	(20)	28
Fixed Income Mkts	1,418	(871)	(397)
Equities Markets	72	(484)	(122)
Credit Portfolio	295	(55)	(156)
Credit Costs	(343)	23	(28)
Expenses	2,178	(347)	3
Earnings	$606	($719)	($410)
Key Statistics[1]	**2Q05**	**1Q05**	**2Q04**
ROE	12%	27%	20%
Overhead	79%	60%	64%
Comp./Rev.	43%	39%	37%
VAR ($mm)[2]	$102	$70	NA

[1] Actual numbers for all periods, not over/under
[2] Average Trading and Credit Portfolio VAR

- Earnings down 40% YoY and 54% QoQ due to weak trading results
- IB fees remain strong
- Fixed income markets decline driven by weaker results in credit and interest rate markets
- Equity markets decline include a write-down in trading receivables and losses from a few concentrated client-driven positions
- Credit costs continue to benefit from strong credit quality and data refinements
- Increase in Comp/Rev ratio reflects current market conditions

	YTD 05		2004	
	Rank	Share	Rank	Share
Global Announced M&A	#3	22%	#2	25%
Global Syndicated Loans	#1	17%	#1	19%
Global Debt, Equity and Equity Related	#5	6%	#3	7%
Global Long Term Debt	#4	6%	#2	7%
Global Equity and Equity-Related	#4	9%	#6	6%

Source: Thomson Financial

Retail Financial Services – Business Drivers

Consumer & Small Business Bkg.	2Q05	1Q05	2Q04
Checking Accts (MM)	8.6	8.4	7.9
# of Branches	2,539	2,517	2,435
# of ATMs	6,961	6,687	6,549
Avg. Total Deposits ($B)	$174.8	$173.9	$173.3
Overhead	65%	62%	73%
Home Finance *($ in billions)*	**2Q05**	**1Q05**	**2Q04**
Mortgage loan originations	$30.9	$26.6	$47.9
Home equity originations	$15.8	$11.9	$15.3
Avg. mortgage loans retained	$47.0	$44.3	$39.9
Avg. home equity & other loans owned	$69.1	$66.5	$62.4
Net charge-off rate	0.13%	0.15%	0.27%
Auto & Education Finance	**2Q05**	**1Q05**	**2Q04**
Loans & leases receivables ($B)	56.4	60.9	64.0
Net charge-off rate	0.36%	0.60%	0.45%

- Good momentum in growth initiatives
  - -Significant progress in legacy Chase branches
  - -104 net new branches YoY
  - -475 personal bankers added YoY
  - -412 new ATMs YoY
  - -Duane Reade partnership
  - -Increase in credit card sales, up 81% YoY
- Lower mortgage originations YoY driven by market conditions
  - - Volume growth QoQ but with tighter production margins
- Continued growth in home equity across all channels led by branch originations

Retail Financial Services – Proforma Comparison

($ in millions)	2Q05	$ O/(U) 1Q05	$ O/(U) 2Q04[1]
Revenues	$3,799	($48)	($74)
Credit Costs	94	--	(81)
Expenses	2,126	(36)	(144)
Earnings	$980	($8)	$88
Consumer & Small Bus. Bkg	437	(40)	129
Home Finance	413	(29)	(5)
Auto & Education Finance	118	63	(26)
Insurance	12	(2)	(10)
MSR risk management results	$166	60	72

Key Statistics[2]	2Q05	1Q05	2Q04
ROE	30%	31%	27%
Overhead	56%	56%	59%

[1] Change from 2Q04 excludes the impact of non-core portfolio actions related to the sale of Bank One's brokered home equity portfolio
[2] Actual numbers for all periods, not over/under

- Core earnings up 10%[1] YoY driven by continued momentum in Consumer & Small Business Banking and favorable MSR risk management performance
- Strong credit quality across all businesses
- Earnings flat QoQ due to
  - absence of the tax-refund anticipation loan business
  - lower Home Finance production revenue
  - partially offset by lack of 1Q05 one-time items in Auto & Education Finance

Card Services – Proforma Comparison (Managed)

($ in millions)	2Q05	$O/(U) 1Q05	$O/(U) 2Q04
Revenues	$3,886	$107	$110
Credit Costs	1,641	5	(116)
Expenses	1,383	70	17
Earnings	$542	$20	$133

Key Statistics[1]	2Q05	1Q05	2Q04
ROE	18%	18%	14%
ROO (Pre-tax)	2.56%	2.52%	2.07%
Managed Margin	8.83%	9.13%	9.17%
Net Charge-Off Rate	4.87%	4.83%	5.56%
30 Day Delinquency Rate	3.34%	3.54%	3.72%
Avg Outstandings ($B)	$135.2	$133.6	$126.9
Charge Volume ($B)	$75.6	$70.3	$70.6
New Accts Opened (MM)	2.8	2.7	10.3

[1]Actual numbers for all periods, not over/under

- ROO of 2.56%, up 49bps YoY; earnings up 33% YoY despite litigation charge
- Revenues increased 3% YoY driven by higher loan balances and higher charge volume
- Managed margin down 30bps QoQ due to increased balances in their introductory period
- Credit quality remains strong despite the impact of new bankruptcy legislation
- Expenses up YoY and QoQ reflecting increased marketing spend and litigation charge partially offset by merger saves

Commercial Banking – Proforma Comparison

		$O/(U)	
($ in millions)	2Q05	1Q05	2Q04
Revenues	$900	$50	$34
Middle Market	594	22	32
Corporate Banking	138	15	4
Real Estate	131	12	(4)
Other	37	1	2
Credit Costs	142	148	124
Expenses	473	15	2
Earnings	$174	($69)	($60)
Key Statistics[1]	**2Q05**	**1Q05**	**2Q04**
ROE	21%	29%	28%
Overhead	53%	54%	54%
Net Charge-Off Rate	(0.02%)	0.02%	0.24%
Avg Loans & Leases ($B)	$51.2	$50.0	$49.7
Avg Liability Balances[2] ($B)	$72.5	$71.6	$69.8

[1] Actual numbers for all periods, not over/under
[2] Includes deposits and deposits swept to on-balance sheet liabilities

- Earnings down 26% YoY driven by an increase in provision for credit losses
- Revenue growth of 4% YoY and 6% QoQ primarily driven by increased liability and loan balances, higher liability spreads and strong IB revenue, partially offset by lower loan spreads
- Middle Market revenue increased YoY and QoQ driven by TS and Lending revenue. Corporate Banking reflects increased IB revenue from prior quarter
- Credit costs reflect refinement in data used to estimate allowances. Credit quality remains strong
- Loans up YoY and QoQ primarily driven by strong growth in Middle Market

Treasury & Securities Services – Proforma Comparison

($ in millions)	2Q05	$O/(U) 1Q05	$O/(U) 2Q04
Revenues	$1,588	$106	$220
Treasury Services	682	64	98
Investor Services	544	36	74
Institutional Trust Svcs	362	6	48
Expenses	1,194	129	19
Earnings	$229	($16)	$126
Key Statistics[1]	**2Q05**	**1Q05**	**2Q04**
ROE	48%	52%	22%
Pretax Margin	22%	26%	11%
TSS Firmwide Revenue	$2,220	$2,101	$1,948
TSS Firmwide OH Ratio	66%	63%	72%
TS Firmwide Revenue	$1,314	$1,237	$1,164
Avg. Liability Balances ($B)[2]	$164.0	$154.7	$132.7
Assets under Custody ($T)	$10.2	$10.2[3]	$8.1
Corp. Trust Securities under Admin ($T)	$6.7	$6.7	$6.5

[1] Actual numbers for all periods, not over/under
[2] Includes deposits swept to on-balance sheet liabilities
[3] Includes an estimated $400 billion of assets under custody from ITS as of 3/31/2005

- Revenues up 16% YoY due to spread widening, balance growth, new business volume and the impact of the Vastera acquisition, partially offset by lower balance deficiency fees and lack of one-time gain on sale of business
- Revenues up 7% QoQ due to the strong dividend season in Europe and the impact of the Vastera acquisition
- Expenses up 12% QoQ primarily reflecting charges associated with the termination of a client contract coupled with the impact of the Vastera acquisition
- Liability balances increased 24% YoY. Assets under custody increased 19%[3] YoY (excluding ITS assets under custody)

Asset & Wealth Management – Proforma Comparison

($ in millions)	2Q05	$O/(U) 1Q05	$O/(U) 2Q04
Revenues	$1,343	($18)	$158
Credit Costs	(20)	(13)	(15)
Expenses	917	(17)	23
Earnings	$283	$7	$93
Key Statistics[1]	**2Q05**	**1Q04**	**2Q04**
ROE	47%	47%	32%
Pre-tax Margin	33%	32%	25%
Assets under Supervision($B)	$1,093	$1,092	$1,010
Assets under Mgmt($B)	$783	$790	$751
Average Loans ($B)	$26.6	$26.4	$24.9
Average Deposits ($B)	$40.8	$42.0	$37.0

[1] Actual numbers for all periods, not over/under

- Earnings up 49% YoY due to net asset inflows, higher deposit and loan balances and market appreciation
- Earnings up 3% QoQ due to net asset inflows, lower compensation expenses and credit costs, partially offset by the timing of performance fee contracts and lower tax preparation fees
- Net asset inflows driven by growth in equity and alternative assets, retail flows from third party distribution and growth in 401(k)
- Deposit balances up 10% YoY and loan balances up 7% YoY

Corporate – Proforma Comparison

($ in millions)	2Q05	$O/(U) 1Q05	$O/(U) 2Q04
Earnings by Unit			
Private Equity	$122	($315)	($28)
Treasury	(323)	505	(287)
Ongoing Treasury	(327)	(43)	(325)
Securities Gains/(Losses)	4	548	38
Other Corporate	(285)	11	(68)
Total	($486)	$201	($383)
Private Equity Gains	$300	($489)	($92)

($ in billions)	2Q05	1Q05	2Q04
Avg. Treasury Invst Portfolio[1]	$43.7	$65.6	$85.5
EOP Private Equity Portfolio[1]	$6.4	$7.2	$8.6

[1] Actual numbers for all periods, not over/under

- Private equity gains reflect the realization of two large investments
- Treasury results reflect impact of treasury portfolio repositioning
- Other Corporate down QoQ as retained expense for tech & ops and staff are offset with merger saves, vendor negotiations and productivity initiatives

Merger Milestones

Completed - 2005 YTD

- ✓ 1/05 – Technology insourcing
- ✓ 1/05 – Merger of payroll & benefit systems
- ✓ 2/05 – Merger of mutual funds
- ✓ 4/05 – Trade finance
- ✓ 4/05 – Began roll-out of branding changes
- ✓ 5/05 – Treasury Services clearing conversions
- ✓ 5/05 – Strategic Data Center mainframe migration
- ✓ 7/05 – Document image archive conversion
- ✓ 7/05 – Private Bank custody conversion
- ✓ 7/05 – PCS brokerage conversion
- ✓ 7/05 – IB US treasuries migration

Upcoming

- Chase card conversion (31mm accounts)
- Launch of corporate internet sites (6mm customers)
- Texas market integration (Estimated timeframe: 3Q05) and Tri-state market integration
  - Lending platforms
  - Deposit systems
  - Check processing
  - Retail channels

Outlook

- Investment Bank
  - IB fee pipeline: continues to be strong
  - Trading: expect better environment than 2Q
  - Credit portfolio: lower gains from loan workouts and loan sales
  - Credit: returning to normal over time
  - Comp/Rev. ratio: based on current market conditions
- Retail Financial Services
  - Margin: deposit margin pressure
  - MSR hedging gains/losses: do not plan for ($272mm 1H05)
  - Credit: stable with seasonal pattern
- Card
  - Margin: fairly stable but competitive pressure
  - Credit : stable next two quarters; bankruptcy & FFIEC
- Private Equity
- Expenses: modest increases in areas of investment

Disclaimer

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of JPMorgan Chase'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's results to differ materially from those described in the forward-looking statements can be found in the Quarterly Report on Form 10-Q for the quarter ended March 31, 2005, and in the 2004 Annual Report on Form 10-K for the year ended December 31, 2004 of JPMorgan Chase each filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission's Internet site (http://www.sec.gov).

APPENDIX

2Q05 Operating Results[1] – Heritage JPMC Comparison

JPMorgan Chase ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$13,900	$4,724	51%
Credit Costs	1,517	828	120%
Expenses	8,748	3,035	53%
Operating Earnings	$2,328	$522	29%
ROE[2]	9%	15%	

Investment Bank ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$2,750	($189)	(6%)
Credit Costs	(343)	(215)	(168%)
Expenses	2,178	122	6%
Operating Earnings	$606	($38)	(6%)
ROE[2]	12%	18%	

Retail Financial Services ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$3,799	$1,964	107%
Credit Costs	94	16	21%
Expenses	2,126	995	88%
Operating Earnings	$980	$584	147%
ROE[2]	30%	32%	

Card Services (Managed, $mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$3,886	$2,299	145%
Credit Costs	1,641	893	119%
Expenses	1,383	818	145%
Operating Earnings	$542	$366	208%
ROE[2]	18%	21%	

[1] Operating basis excludes merger costs and non-operating litigation charges incurred in 2Q05 and 2Q04 and presents revenues and credit costs without the effect of credit card securitizations. All references to credit costs refer to managed provision for credit losses

[2] Actual numbers for all periods, not over/under.

2Q05 Operating Results[1] – Heritage JPMC Comparison

Commercial Banking ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$900	$566	169%
Credit Costs	142	123	NM
Expenses	473	270	133%
Operating Earnings	$174	$109	168%
ROE[2]	21%	35%	

Treasury & Securities Services ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$1,588	$495	45%
Credit Costs	2	(1)	(33%)
Expenses	1,194	250	26%
Operating Earnings	$229	$128	127%
ROE[2]	48%	13%	

Asset & Wealth Management ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	$1,343	$515	62%
Credit Costs	(20)	(16)	(400%)
Expenses	917	236	35%
Operating Earnings	$283	$184	186%
ROE[2]	47%	7%	

Corporate ($mm)

		2Q04 O/(U) Heritage JPMC	
	2Q05	$	%
Revenue	($366)	($926)	NM
Credit Costs	1	28	NM
Expenses	477	344	259%
Operating Earnings	($486)	($811)	NM

[1] Operating basis excludes merger costs and non-operating litigation charges incurred in 2Q05 and 2Q04 and presents revenues and credit costs without the effect of credit card securitizations. All references to credit costs refer to managed provision for credit losses

[2] Actual numbers for all periods, not over/under.