

JPMORGAN CHASE & Co.

EARNINGS RELEASE FINANCIAL SUPPLEMENT

SECOND QUARTER 2020

JPMORGAN CHASE & CO.
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- (a) Refer to the Glossary of Terms and Acronyms on pages 293–299 of JPMorgan Chase & Co.’s (the “Firm’s”) Annual Report on Form 10-K for the year ended December 31, 2019 (the “2019 Form 10-K”) and the Glossary of Terms and Acronyms and Line of Business Metrics on pages 171-176 and pages 177-179, respectively, of the Firm’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.

JPMORGAN CHASE & CO.
CONSOLIDATED FINANCIAL HIGHLIGHTS
(in millions, except per share and ratio data)

JPMORGAN CHASE & CO.

SELECTED INCOME STATEMENT DATA	QUARTERLY TRENDS						SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change 2019
						1Q20	2Q19			
Reported Basis										
Total net revenue (a)	\$ 32,980	\$ 28,192	\$ 28,285	\$ 29,291	\$ 28,747	17%	15%	\$ 61,172	\$ 57,823	6%
Total noninterest expense (a)	16,942	16,791	16,293	16,372	16,256	1	4	33,733	32,604	3
Pre-provision profit (b)	16,038	11,401	11,992	12,919	12,491	41	28	27,439	25,219	9
Provision for credit losses	10,473	8,285	1,427	1,514	1,149	26	NM	18,758	2,644	NM
NET INCOME	4,687	2,865	8,520	9,080	9,652	64	(51)	7,552	18,831	(60)
Managed Basis (c)										
Total net revenue (a)	33,817	29,010	29,165	30,014	29,481	17	15	62,827	59,285	6
Total noninterest expense (a)	16,942	16,791	16,293	16,372	16,256	1	4	33,733	32,604	3
Pre-provision profit (b)	16,875	12,219	12,872	13,642	13,225	38	28	29,094	26,681	9
Provision for credit losses	10,473	8,285	1,427	1,514	1,149	26	NM	18,758	2,644	NM
NET INCOME	4,687	2,865	8,520	9,080	9,652	64	(51)	7,552	18,831	(60)
EARNINGS PER SHARE DATA										
Net income: Basic	\$ 1.39	\$ 0.79	\$ 2.58	\$ 2.69	\$ 2.83	76	(51)	\$ 2.17	\$ 5.48	(60)
Diluted	1.38	0.78	2.57	2.68	2.82	77	(51)	2.17	5.46	(60)
Average shares: Basic	3,076.3	3,095.8	3,140.7	3,198.5	3,250.6	(1)	(5)	3,086.1	3,274.3	(6)
Diluted	3,081.0	3,100.7	3,148.5	3,207.2	3,259.7	(1)	(5)	3,090.8	3,283.9	(6)
MARKET AND PER COMMON SHARE DATA										
Market capitalization	\$ 286,658	\$ 274,323	\$ 429,913	\$ 369,133	\$ 357,479	4	(20)	\$ 286,658	\$ 357,479	(20)
Common shares at period-end	3,047.6	3,047.0	3,084.0	3,136.5	3,197.5	—	(5)	3,047.6	3,197.5	(5)
Book value per share	76.91	75.88	75.98	75.24	73.88	1	4	76.91	73.88	4
Tangible book value per share ("TBVPS") (b)	61.76	60.71	60.98	60.48	59.52	2	4	61.76	59.52	4
Cash dividends declared per share	0.90	0.90	0.90	0.90	0.80	—	13	1.80	1.60	13
FINANCIAL RATIOS (d)										
Return on common equity ("ROE")	7%	4%	14%	15%	16%			6%	16%	
Return on tangible common equity ("ROTCE") (b)	9	5	17	18	20			7	20	
Return on assets	0.58	0.40	1.22	1.30	1.41			0.50	1.40	
CAPITAL RATIOS (e)										
Common equity Tier 1 ("CET1") capital ratio	12.4% (f)	11.5%	12.4%	12.3%	12.2%			12.4% (f)	12.2%	
Tier 1 capital ratio	14.3 (f)	13.3	14.1	14.1	14.0			14.3 (f)	14.0	
Total capital ratio	16.6 (f)	15.5	16.0	15.9	15.8			16.6 (f)	15.8	
Tier 1 leverage ratio	6.9 (f)	7.5	7.9	7.9	8.0			6.9 (f)	8.0	
Supplementary leverage ratio ("SLR")	6.8 (f)	6.0	6.3	6.3	6.4			6.8 (f)	6.4	

Effective January 1, 2020, the Firm adopted the Financial Instruments – Credit Losses ("CECL") accounting guidance, which resulted in a net increase to the allowance for credit losses of \$4.3 billion and a decrease to retained earnings of \$2.7 billion. Refer to Note 1 – Basis of Presentation on pages 85-86 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.
- (b) Pre-provision profit, TBVPS and ROTCE are each non-GAAP financial measures. Tangible common equity ("TCE") is also a non-GAAP financial measure; refer to page 9 for a reconciliation of common stockholders' equity to TCE. Refer to page 28 for a further discussion of these measures.
- (c) Refer to Reconciliation from Reported to Managed Basis on page 7 for a further discussion of managed basis.
- (d) Quarterly ratios are based upon annualized amounts.
- (e) The capital metrics reflect relief provided by the Federal Reserve Board in response to the COVID-19 pandemic, including neutralization of the effects of the Firm's participation in the various programs and facilities established by the U.S. government. For the periods ended June 30, 2020 and March 31, 2020, the impact of the CECL capital transition provisions resulted in an increase to CET1 capital of \$6.5 billion and \$4.3 billion, respectively. As of June 30, 2020, the SLR reflects the temporary exclusions of U.S. Treasury securities and deposits at Federal Reserve Banks. Refer to Regulatory Developments Relating to the COVID-19 Pandemic on pages 10-11 and Capital Risk Management on pages 39-44 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for additional information. Refer to Capital Risk Management on pages 85-92 of the Firm's 2019 Form 10-K for additional information on the Firm's capital metrics.
- (f) Estimated.

CONSOLIDATED FINANCIAL HIGHLIGHTS, CONTINUED

(In millions, except ratio and headcount data)

	QUARTERLY TRENDS						SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			
SELECTED BALANCE SHEET DATA (period-end)										
Total assets	\$ 3,213,115	\$ 3,139,431	\$ 2,687,379	\$ 2,764,661	\$ 2,727,379	2%	18%	\$ 3,213,115	\$ 2,727,379	18%
Loans:										
Consumer, excluding credit card loans (a)	308,917	295,627	298,001	300,407	315,705	4	(2)	308,917	315,705	(2)
Credit card loans	141,656	154,021	168,924	159,571	157,576	(8)	(10)	141,656	157,576	(10)
Wholesale loans (a)	527,945	565,727	492,844	485,240	483,608	(7)	9	527,945	483,608	9
Total Loans	978,518	1,015,375	959,769	945,218	956,889	(4)	2	978,518	956,889	2
Deposits:										
U.S. offices:										
Noninterest-bearing	529,729	448,195	395,667	393,522	394,237	18	34	529,729	394,237	34
Interest-bearing	1,061,093	1,026,603	876,156	844,137	841,397	3	26	1,061,093	841,397	26
Non-U.S. offices:										
Noninterest-bearing	22,752	22,192	20,087	21,455	20,419	3	11	22,752	20,419	11
Interest-bearing	317,455	339,019	270,521	266,147	268,308	(6)	18	317,455	268,308	18
Total deposits	1,931,029	1,836,009	1,562,431	1,525,261	1,524,361	5	27	1,931,029	1,524,361	27
Long-term debt	317,003	299,344	291,498	296,472	288,869	6	10	317,003	288,869	10
Common stockholders' equity	234,403	231,199	234,337	235,985	236,222	1	(1)	234,403	236,222	(1)
Total stockholders' equity	264,466	261,262	261,330	264,348	263,215	1	—	264,466	263,215	—
Loans-to-deposits ratio	51%	55%	61%	62%	63%			51%	63%	
Headcount	256,710	256,720	256,981	257,444	254,983	—	1	256,710	254,983	1
95% CONFIDENCE LEVEL - TOTAL VaR (b)										
Average VaR	\$ 130	\$ 59	\$ 37	\$ 39	\$ 46	120	183			
LINE OF BUSINESS NET REVENUE (c)										
Consumer & Community Banking (d)	\$ 12,217	\$ 13,112	\$ 13,749	\$ 13,958	\$ 13,484	(7)	(9)	\$ 25,329	\$ 26,927	(6)
Corporate & Investment Bank	16,352	9,948	9,647	9,522	9,831	64	66	26,300	19,865	32
Commercial Banking	2,392	2,178	2,297	2,274	2,285	10	5	4,570	4,698	(3)
Asset & Wealth Management	3,610	3,606	3,700	3,568	3,559	—	1	7,216	7,048	2
Corporate	(754)	166	(228)	692	322	NM	NM	(588)	747	NM
TOTAL NET REVENUE	\$ 33,817	\$ 29,010	\$ 29,165	\$ 30,014	\$ 29,481	17	15	\$ 62,827	\$ 59,285	6
LINE OF BUSINESS NET INCOME/(LOSS)										
Consumer & Community Banking	\$ (176)	\$ 191	\$ 4,214	\$ 4,245	\$ 4,157	NM	NM	\$ 15	\$ 8,104	(100)
Corporate & Investment Bank	5,464	1,988	2,938	2,831	2,946	175	85	7,452	6,206	20
Commercial Banking	(691)	147	944	943	1,002	NM	NM	(544)	2,062	NM
Asset & Wealth Management	658	664	785	668	719	(1)	(8)	1,322	1,380	(4)
Corporate	(568)	(125)	(361)	393	828	(354)	NM	(693)	1,079	NM
NET INCOME	\$ 4,687	\$ 2,865	\$ 8,520	\$ 9,080	\$ 9,652	64	(51)	\$ 7,552	\$ 18,831	(60)

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. The prior period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) In conjunction with the adoption of CECL on January 1, 2020, the Firm reclassified risk-rated business banking and auto dealer loans held in CCB from the consumer, excluding credit card portfolio segment to the wholesale portfolio segment. Prior periods have been revised to conform with the current presentation.
- (b) Effective January 1, 2020, the Firm refined the scope of VaR to exclude positions related to the risk management of interest rate exposure from changes in the Firm's own credit spread on fair value option elected liabilities, and included these positions in other-sensitivity based measures. In the absence of this refinement, the average Total VaR for the three months ended June 30, 2020 and March 31, 2020 would have been different by \$(8) million and \$6 million, respectively.
- (c) Refer to Reconciliation from Reported to Managed Basis on page 7 for a further discussion of managed basis.
- (d) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.

CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share and ratio data)

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
REVENUE										
Investment banking fees	\$ 2,850	\$ 1,866	\$ 1,843	\$ 1,967	\$ 1,851	53%	54%	\$ 4,716	\$ 3,691	28%
Principal transactions	7,621	2,937	2,779	3,449	3,714	159	105	10,558	7,790	36
Lending- and deposit-related fees (a)	1,431	1,706	1,772	1,671	1,624	(16)	(12)	3,137	3,183	(1)
Asset management, administration and commissions (a)	4,266	4,540	4,301	4,306	4,264	(6)	—	8,806	8,301	6
Investment securities gains	26	233	123	78	44	(89)	(41)	259	57	354
Mortgage fees and related income	917	320	474	887	279	187	229	1,237	675	83
Card income (b)	974	995	1,335	1,233	1,281	(2)	(24)	1,969	2,508	(21)
Other income	1,042	1,156	1,492	1,472	1,292	(10)	(19)	2,198	2,767	(21)
Noninterest revenue	19,127	13,753	14,119	15,063	14,349	39	33	32,880	28,972	13
Interest income	16,112	19,161	19,927	21,121	21,603	(16)	(25)	35,273	42,992	(18)
Interest expense	2,259	4,722	5,761	6,893	7,205	(52)	(69)	6,981	14,141	(51)
Net interest income	13,853	14,439	14,166	14,228	14,398	(4)	(4)	28,292	28,851	(2)
TOTAL NET REVENUE	32,980	28,192	28,285	29,291	28,747	17	15	61,172	57,823	6
Provision for credit losses	10,473	8,285	1,427	1,514	1,149	26	NM	18,758	2,644	NM
NONINTEREST EXPENSE										
Compensation expense	9,509	8,895	8,088	8,583	8,547	7	11	18,404	17,484	5
Occupancy expense	1,080	1,066	1,084	1,110	1,060	1	2	2,146	2,128	1
Technology, communications and equipment expense	2,590	2,578	2,585	2,494	2,378	—	9	5,168	4,742	9
Professional and outside services	1,999	2,028	2,226	2,056	2,212	(1)	(10)	4,027	4,251	(5)
Marketing (b)	481	800	847	895	777	(40)	(38)	1,281	1,609	(20)
Other expense (c)	1,283	1,424	1,463	1,234	1,282	(10)	—	2,707	2,390	13
TOTAL NONINTEREST EXPENSE	16,942	16,791	16,293	16,372	16,256	1	4	33,733	32,604	3
Income before income tax expense	5,565	3,116	10,565	11,405	11,342	79	(51)	8,681	22,575	(62)
Income tax expense	878	251	2,045	2,325	1,690	(e)	250	1,129	3,744	(e)
NET INCOME	\$ 4,687	\$ 2,865	\$ 8,520	\$ 9,080	\$ 9,652	64	(51)	\$ 7,552	\$ 18,831	(60)
NET INCOME PER COMMON SHARE DATA										
Basic earnings per share	\$ 1.39	\$ 0.79	\$ 2.58	\$ 2.69	\$ 2.83	76	(51)	\$ 2.17	\$ 5.48	(60)
Diluted earnings per share	1.38	0.78	2.57	2.68	2.82	77	(51)	2.17	5.46	(60)
FINANCIAL RATIOS										
Return on common equity (d)	7%	4%	14%	15%	16%			6%	16%	
Return on tangible common equity (d)(e)	9	5	17	18	20			7	20	
Return on assets (d)	0.58	0.40	1.22	1.30	1.41			0.50	1.40	
Effective income tax rate	15.8	8.1	19.4	20.4	14.9	(f)		13.0	16.6	(f)
Overhead ratio	51	60	58	56	57			55	56	

(a) In the first quarter of 2020, the Firm reclassified certain fees from asset management, administration and commissions to lending- and deposit-related fees. Prior-period amounts were revised to conform with the current presentation.

(b) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.

(c) Included Firmwide legal expense/(benefit) of \$118 million, \$197 million, \$241 million, \$10 million and \$69 million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively, and \$315 million and \$(12) million for the six months ended June 30, 2020 and June 30, 2019 respectively.

(d) Quarterly ratios are based upon annualized amounts.

(e) Refer to page 28 for further discussion of ROTCE.

(f) The three and six months ended June 30, 2019 included income tax benefits of \$768 million and \$874 million, respectively, due to the resolution of certain tax audits.

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Jun 30, 2020 Change	
						Mar 31, 2020	Jun 30, 2019
ASSETS							
Cash and due from banks	\$ 20,544	\$ 24,001	\$ 21,704	\$ 21,215	\$ 23,164	(14)%	(11)%
Deposits with banks	473,185	343,533	241,927	235,382	244,874	38	93
Federal funds sold and securities purchased under resale agreements	256,980	248,580	249,157	257,391	267,864	3	(4)
Securities borrowed	142,704	139,839	139,758	138,336	130,661	2	9
Trading assets:							
Debt and equity instruments	451,196	466,932	361,337	440,298	470,495	(3)	(4)
Derivative receivables	74,846	81,648	49,766	55,577	52,878	(8)	42
Available-for-sale ("AFS") securities	485,883	399,944	350,699	353,421	276,357	21	76
Held-to-maturity ("HTM") securities, net of allowance for credit losses (a)	72,908	71,200	47,540	40,830	30,907	2	136
Investment securities, net of allowance for credit losses (a)	558,791	471,144	398,239	394,251	307,264	19	82
Loans	978,518	1,015,375	959,769	945,218	956,889	(4)	2
Less: Allowance for loan losses	32,092	23,244	13,123	13,235	13,166	38	144
Loans, net of allowance for loan losses	946,426	992,131	946,646	931,983	943,723	(5)	—
Accrued interest and accounts receivable	72,260	122,064	72,861	88,988	88,399	(41)	(18)
Premises and equipment	26,301	25,882	25,813	25,117	24,665	2	7
Goodwill, MSRs and other intangible assets	51,669	51,867	53,341	53,078	53,302	—	(3)
Other assets	138,213	171,810	126,830	123,045	120,090	(20)	15
TOTAL ASSETS	\$ 3,213,115	\$ 3,139,431	\$ 2,687,379	\$ 2,764,661	\$ 2,727,379	2	18
LIABILITIES							
Deposits	\$ 1,931,029	\$ 1,836,009	\$ 1,562,431	\$ 1,525,261	\$ 1,524,361	5	27
Federal funds purchased and securities loaned or sold under repurchase agreements	235,647	233,207	183,675	247,766	201,683	1	17
Short-term borrowings	48,014	51,909	40,920	48,893	59,890	(8)	(20)
Trading liabilities:							
Debt and equity instruments	107,735	119,109	75,569	90,553	106,160	(10)	1
Derivative payables	57,477	65,087	43,708	47,790	41,479	(12)	39
Accounts payable and other liabilities	230,916	253,874	210,407	225,063	216,137	(9)	7
Beneficial interests issued by consolidated VIEs	20,828	19,630	17,841	18,515	25,585	6	(19)
Long-term debt	317,003	299,344	291,498	296,472	288,869	6	10
TOTAL LIABILITIES	2,948,649	2,878,169	2,426,049	2,500,313	2,464,164	2	20
STOCKHOLDERS' EQUITY							
Preferred stock	30,063	30,063	26,993	28,363 (b)	26,993	—	11
Common stock	4,105	4,105	4,105	4,105	4,105	—	—
Additional paid-in capital	88,125	87,857	88,522	88,512	88,359	—	—
Retained earnings	221,732	220,226	223,211	217,888	212,093	1	5
Accumulated other comprehensive income/(loss)	8,789	7,418	1,569	1,800	1,114	18	NM
Shares held in RSU Trust, at cost	(11)	(21)	(21)	(21)	(21)	48	48
Treasury stock, at cost	(88,337)	(88,386)	(83,049)	(76,299)	(69,428)	—	(27)
TOTAL STOCKHOLDERS' EQUITY	264,466	261,262	261,330	264,348	263,215	1	—
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,213,115	\$ 3,139,431	\$ 2,687,379	\$ 2,764,661	\$ 2,727,379	2	18

(a) Upon adoption of the CECL accounting guidance, HTM securities are presented net of an allowance for credit losses. At June 30, 2020 and March 31, 2020, the allowance for credit losses on HTM securities was \$23 million and \$19 million, respectively.

(b) Included \$1.4 billion, which was redeemed on October 30, 2019, as previously announced on September 26, 2019.

CONDENSED AVERAGE BALANCE SHEETS AND ANNUALIZED YIELDS

(in millions, except rates)

AVERAGE BALANCES	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change	
										2019	
ASSETS											
Deposits with banks	\$ 477,895	\$ 279,748	\$ 272,648	\$ 267,578	\$ 289,838	71%	65%	\$ 378,821	\$ 290,058	31%	
Federal funds sold and securities purchased under resale agreements	244,306	253,403	248,170	276,721	288,781	(4)	(15)	248,856	288,631	(14)	
Securities borrowed	141,328	136,127	135,374	139,939	126,157	4	12	138,728	124,820	11	
Trading assets - debt instruments	380,442	346,911	323,554	339,198	351,716	10	8	363,676	337,209	8	
Investment securities	500,254	421,529	394,002	343,134	281,232	19	78	460,891	270,376	70	
Loans	997,558	962,820	948,298	947,280	954,854	4	4	980,189	961,400	2	
All other interest-earning assets (a)	78,072	65,194	55,695	51,304	46,516	20	68	71,633	46,611	54	
Total interest-earning assets	2,819,855	2,465,732	2,377,741	2,365,154	2,339,094	14	21	2,642,794	2,319,105	14	
Trading assets - equity and other instruments	99,115	114,479	114,112	113,980	120,545	(13)	(18)	106,797	114,605	(7)	
Trading assets - derivative receivables	79,298	66,309	52,860	57,062	52,659	20	51	72,803	52,591	38	
All other noninterest-earning assets	231,000	243,712	232,557	228,856	226,757	(5)	2	237,356	225,734	5	
TOTAL ASSETS	\$ 3,229,268	\$ 2,890,232	\$ 2,777,270	\$ 2,765,052	\$ 2,739,055	12	18	\$ 3,059,750	\$ 2,712,035	13	
LIABILITIES											
Interest-bearing deposits	\$ 1,375,213	\$ 1,216,555	\$ 1,154,716	\$ 1,123,452	\$ 1,104,051	13	25	\$ 1,295,884	\$ 1,092,228	19	
Federal funds purchased and securities loaned or sold under repurchase agreements	276,815	243,922	235,481	239,698	227,313	13	22	260,368	218,240	19	
Short-term borrowings (b)	45,297	37,288	39,936	44,814	58,262	21	(22)	41,292	62,643	(34)	
Trading liabilities - debt and other interest-bearing liabilities (c)	207,322	192,950	170,049	183,369	191,655	7	8	200,138	187,590	7	
Beneficial interests issued by consolidated VIEs	20,331	18,048	19,390	21,123	26,713	13	(24)	19,189	24,782	(23)	
Long-term debt	269,336	243,996	248,521	248,985	246,053	10	9	256,666	247,171	4	
Total interest-bearing liabilities	2,194,314	1,952,759	1,868,093	1,861,441	1,854,047	12	18	2,073,537	1,832,654	13	
Noninterest-bearing deposits	515,304	419,631	413,582	407,428	408,243	23	26	467,467	403,880	16	
Trading liabilities - equity and other instruments	33,797	30,721	28,197	31,310	30,170	10	12	32,259	32,440	(1)	
Trading liabilities - derivative payables	63,178	54,990	44,361	45,987	40,233	15	57	59,084	39,902	48	
All other noninterest-bearing liabilities	158,204	168,195	162,490	155,032	146,343	(6)	8	163,200	144,553	13	
TOTAL LIABILITIES	2,964,797	2,626,296	2,516,723	2,501,198	2,479,036	13	20	2,795,547	2,453,429	14	
Preferred stock	30,063	29,406	27,669	28,241	26,993	2	11	29,734	27,059	10	
Common stockholders' equity	234,408	234,530	232,878	235,613	233,026	—	1	234,469	231,547	1	
TOTAL STOCKHOLDERS' EQUITY	264,471	263,936	260,547	263,854	260,019	—	2	264,203	258,606	2	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,229,268	\$ 2,890,232	\$ 2,777,270	\$ 2,765,052	\$ 2,739,055	12	18	\$ 3,059,750	\$ 2,712,035	13	
AVERAGE RATES (d)											
INTEREST-EARNING ASSETS											
Deposits with banks	0.06 %	0.82 %	1.00 %	1.33 %	1.57 %			0.34 %	1.60 %		
Federal funds sold and securities purchased under resale agreements	0.99	1.74	2.05	2.21	2.33			1.37	2.32		
Securities borrowed (e)	(0.50)	0.45	0.81	1.23	1.48			(0.03)	1.40		
Trading assets - debt instruments	2.50	2.87	3.03	3.12	3.34			2.67	3.41		
Investment securities	2.03	2.48	2.65	2.92	3.28			2.24	3.32		
Loans	4.30	5.00	5.11	5.29	5.36			4.64	5.39		
All other interest-earning assets (a)	0.92	2.58	3.45	4.27	4.07			1.68	4.03		
Total interest-earning assets	2.31	3.14	3.35	3.56	3.73			2.70	3.76		
INTEREST-BEARING LIABILITIES											
Interest-bearing deposits	0.10	0.52	0.67	0.85	0.88			0.30	0.85		
Federal funds purchased and securities loaned or sold under repurchase agreements	0.19	1.30	1.77	2.05	2.16			0.71	2.16		
Short-term borrowings (b)	1.11	1.63	1.97	2.31	2.49			1.34	2.54		
Trading liabilities - debt and other interest-bearing liabilities (c)(e)	(0.08)	0.77	1.04	1.43	1.60			0.33	1.59		
Beneficial interests issued by consolidated VIEs	1.15	2.02	2.22	2.53	2.63			1.56	2.64		
Long-term debt	2.45	2.88	3.21	3.49	3.69			2.65	3.76		
Total interest-bearing liabilities	0.41	0.97	1.22	1.47	1.56			0.68	1.56		
INTEREST RATE SPREAD	1.90 %	2.17 %	2.13 %	2.09 %	2.17 %			2.02 %	2.20 %		
NET YIELD ON INTEREST-EARNING ASSETS	1.99 %	2.37 %	2.38 %	2.41 %	2.49 %			2.17 %	2.53 %		
Memo: Net yield on interest-earning assets excluding CIB Markets (f)	2.27 %	3.01 %	3.06 %	3.23 %	3.35 %			2.61 %	3.39 %		

(a) Includes prime brokerage-related held-for-investment customer receivables, which are classified in accrued interest and accounts receivable, and all other interest-earning assets, which are classified in other assets on the Consolidated Balance Sheets.

(b) Includes commercial paper.

(c) All other interest-bearing liabilities include prime brokerage-related customer payables.

(d) Interest includes the effect of related hedging derivatives. Taxable-equivalent amounts are used where applicable.

(e) Negative interest income and yields are related to the impact of current interest rates combined with the fees paid on client-driven securities borrowed balances. The negative interest expense related to prime brokerage customer payables is recognized in interest expense and reported within trading liabilities - debt and all other liabilities.

(f) Net yield on interest-earning assets excluding CIB Markets is a non-GAAP financial measure. Refer to page 28 for a further discussion of this measure.

RECONCILIATION FROM REPORTED TO MANAGED BASIS

(in millions, except ratios)

The Firm prepares its Consolidated Financial Statements using accounting principles generally accepted in the U.S. ("U.S. GAAP"). That presentation, which is referred to as "reported" basis, provides the reader with an understanding of the Firm's results that can be tracked consistently from year-to-year and enables a comparison of the Firm's performance with other companies' U.S. GAAP financial statements. 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. Refer to the notes on Non-GAAP Financial Measures on page 28 for additional information on managed basis.

The following summary table provides a reconciliation from reported U.S. GAAP results to managed basis.

	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change
										2019
OTHER INCOME										
Other income - reported	\$ 1,042	\$ 1,156	\$ 1,492	\$ 1,472	\$ 1,292	(10)%	(19)%	\$ 2,198	\$ 2,767	(21)%
Fully taxable-equivalent adjustments (a)	730	708	757	596	596	3	22	1,438	1,181	22
Other income - managed	<u>\$ 1,772</u>	<u>\$ 1,864</u>	<u>\$ 2,249</u>	<u>\$ 2,068</u>	<u>\$ 1,888</u>	(5)	(6)	<u>\$ 3,636</u>	<u>\$ 3,948</u>	(8)
TOTAL NONINTEREST REVENUE (b)										
Total noninterest revenue - reported	\$ 19,127	\$ 13,753	\$ 14,119	\$ 15,063	\$ 14,349	39	33	\$ 32,880	\$ 28,972	13
Fully taxable-equivalent adjustments (a)	730	708	757	596	596	3	22	1,438	1,181	22
Total noninterest revenue - managed	<u>\$ 19,857</u>	<u>\$ 14,461</u>	<u>\$ 14,876</u>	<u>\$ 15,659</u>	<u>\$ 14,945</u>	37	33	<u>\$ 34,318</u>	<u>\$ 30,153</u>	14
NET INTEREST INCOME										
Net interest income - reported	\$ 13,853	\$ 14,439	\$ 14,166	\$ 14,228	\$ 14,398	(4)	(4)	\$ 28,292	\$ 28,851	(2)
Fully taxable-equivalent adjustments (a)	107	110	123	127	138	(3)	(22)	217	281	(23)
Net interest income - managed	<u>\$ 13,960</u>	<u>\$ 14,549</u>	<u>\$ 14,289</u>	<u>\$ 14,355</u>	<u>\$ 14,536</u>	(4)	(4)	<u>\$ 28,509</u>	<u>\$ 29,132</u>	(2)
TOTAL NET REVENUE (b)										
Total net revenue - reported	\$ 32,980	\$ 28,192	\$ 28,285	\$ 29,291	\$ 28,747	17	15	\$ 61,172	\$ 57,823	6
Fully taxable-equivalent adjustments (a)	837	818	880	723	734	2	14	1,655	1,462	13
Total net revenue - managed	<u>\$ 33,817</u>	<u>\$ 29,010</u>	<u>\$ 29,165</u>	<u>\$ 30,014</u>	<u>\$ 29,481</u>	17	15	<u>\$ 62,827</u>	<u>\$ 59,285</u>	6
PRE-PROVISION PROFIT										
Pre-provision profit - reported	\$ 16,038	\$ 11,401	\$ 11,992	\$ 12,919	\$ 12,491	41	28	\$ 27,439	\$ 25,219	9
Fully taxable-equivalent adjustments (a)	837	818	880	723	734	2	14	1,655	1,462	13
Pre-provision profit - managed	<u>\$ 16,875</u>	<u>\$ 12,219</u>	<u>\$ 12,872</u>	<u>\$ 13,642</u>	<u>\$ 13,225</u>	38	28	<u>\$ 29,094</u>	<u>\$ 26,681</u>	9
INCOME BEFORE INCOME TAX EXPENSE										
Income before income tax expense - reported	\$ 5,565	\$ 3,116	\$ 10,565	\$ 11,405	\$ 11,342	79	(51)	\$ 8,681	\$ 22,575	(62)
Fully taxable-equivalent adjustments (a)	837	818	880	723	734	2	14	1,655	1,462	13
Income before income tax expense - managed	<u>\$ 6,402</u>	<u>\$ 3,934</u>	<u>\$ 11,445</u>	<u>\$ 12,128</u>	<u>\$ 12,076</u>	63	(47)	<u>\$ 10,336</u>	<u>\$ 24,037</u>	(57)
INCOME TAX EXPENSE										
Income tax expense - reported	\$ 878	\$ 251	\$ 2,045	\$ 2,325	\$ 1,690	250	(48)	\$ 1,129	\$ 3,744	(70)
Fully taxable-equivalent adjustments (a)	837	818	880	723	734	2	14	1,655	1,462	13
Income tax expense - managed	<u>\$ 1,715</u>	<u>\$ 1,069</u>	<u>\$ 2,925</u>	<u>\$ 3,048</u>	<u>\$ 2,424</u>	60	(29)	<u>\$ 2,784</u>	<u>\$ 5,206</u>	(47)
OVERHEAD RATIO										
Overhead ratio - reported	51 %	60 %	58 %	56 %	57 %			55 %	56 %	
Overhead ratio - managed	50	58	56	55	55			54	55	

(a) Predominantly recognized in CIB, CB and Corporate.

(b) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.

SEGMENT RESULTS - MANAGED BASIS

(in millions)

	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change	
										2019	
TOTAL NET REVENUE (fully taxable-equivalent ("FTE"))											
Consumer & Community Banking (a)	\$ 12,217	\$ 13,112	\$ 13,749	\$ 13,958	\$ 13,484	(7)%	(9)%	\$ 25,329	\$ 26,927	(6)%	
Corporate & Investment Bank	16,352	9,948	9,647	9,522	9,831	64	66	26,300	19,865	32	
Commercial Banking	2,392	2,178	2,297	2,274	2,285	10	5	4,570	4,698	(3)	
Asset & Wealth Management	3,610	3,606	3,700	3,568	3,559	—	1	7,216	7,048	2	
Corporate	(754)	166	(228)	692	322	NM	NM	(588)	747	NM	
TOTAL NET REVENUE	\$ 33,817	\$ 29,010	\$ 29,165	\$ 30,014	\$ 29,481	17	15	\$ 62,827	\$ 59,285	6	
TOTAL NONINTEREST EXPENSE											
Consumer & Community Banking (a)	\$ 6,626	\$ 7,102	\$ 6,965	\$ 7,025	\$ 6,836	(7)	(3)	\$ 13,728	\$ 13,759	—	
Corporate & Investment Bank	6,764	5,896	5,392	5,504	5,661	15	19	12,660	11,290	12	
Commercial Banking	899	988	943	940	931	(9)	(3)	1,887	1,869	1	
Asset & Wealth Management	2,506	2,659	2,650	2,622	2,596	(6)	(3)	5,165	5,243	(1)	
Corporate	147	146	343	281	232	1	(37)	293	443	(34)	
TOTAL NONINTEREST EXPENSE	\$ 16,942	\$ 16,791	\$ 16,293	\$ 16,372	\$ 16,256	1	4	\$ 33,733	\$ 32,604	3	
PRE-PROVISION PROFIT/(LOSS)											
Consumer & Community Banking	\$ 5,591	\$ 6,010	\$ 6,784	\$ 6,933	\$ 6,648	(7)	(16)	\$ 11,601	\$ 13,168	(12)	
Corporate & Investment Bank	9,588	4,052	4,255	4,018	4,170	137	130	13,640	8,575	59	
Commercial Banking	1,493	1,190	1,354	1,334	1,354	25	10	2,683	2,829	(5)	
Asset & Wealth Management	1,104	947	1,050	946	963	17	15	2,051	1,805	14	
Corporate	(901)	20	(571)	411	90	NM	NM	(881)	304	NM	
PRE-PROVISION PROFIT	\$ 16,875	\$ 12,219	\$ 12,872	\$ 13,642	\$ 13,225	38	28	\$ 29,094	\$ 26,681	9	
PROVISION FOR CREDIT LOSSES											
Consumer & Community Banking	\$ 5,828	\$ 5,772	\$ 1,207	\$ 1,311	\$ 1,120	1	420	\$ 11,600	\$ 2,434	377	
Corporate & Investment Bank	1,987	1,401	98	92	—	42	NM	3,388	87	NM	
Commercial Banking	2,431	1,010	110	67	29	141	NM	3,441	119	NM	
Asset & Wealth Management	223	94	13	44	2	137	NM	317	4	NM	
Corporate	4	8	(1)	—	(2)	(50)	NM	12	—	NM	
PROVISION FOR CREDIT LOSSES	\$ 10,473	\$ 8,285	\$ 1,427	\$ 1,514	\$ 1,149	26	NM	\$ 18,758	\$ 2,644	NM	
NET INCOME/(LOSS)											
Consumer & Community Banking	\$ (176)	\$ 191	\$ 4,214	\$ 4,245	\$ 4,157	NM	NM	\$ 15	\$ 8,104	(100)	
Corporate & Investment Bank	5,464	1,988	2,938	2,831	2,946	175	85	7,452	6,206	20	
Commercial Banking	(691)	147	944	943	1,002	NM	NM	(544)	2,062	NM	
Asset & Wealth Management	658	664	785	668	719	(1)	(8)	1,322	1,380	(4)	
Corporate	(568)	(125)	(361)	393	828	(354)	NM	(693)	1,079	NM	
TOTAL NET INCOME	\$ 4,687	\$ 2,865	\$ 8,520	\$ 9,080	\$ 9,652	64	(51)	\$ 7,552	\$ 18,831	(60)	

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. Prior period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

(a) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.

JPMORGAN CHASE & CO.
CAPITAL AND OTHER SELECTED BALANCE SHEET ITEMS
(in millions, except ratio data)

JPMORGAN CHASE & CO.

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Jun 30, 2020 Change		SIX MONTHS ENDED JUNE 30,		
						Mar 31, 2020	Jun 30, 2019	2020	2019	2020 Change 2019
CAPITAL (a)										
Risk-based capital metrics										
Standardized										
CET1 capital	\$ 190,778	(e) \$ 183,591	\$ 187,753	\$ 188,151	\$ 189,169	4%	1%			
Tier 1 capital	220,586	(e) 213,406	214,432	214,831	215,808	3	2			
Total capital	256,602	(e) 247,541	242,589	243,500	244,490	4	5			
Risk-weighted assets	1,544,281	(e) 1,598,828	1,515,869	1,527,762	1,545,101	(3)	—			
CET1 capital ratio	12.4%	(e) 11.5%	12.4%	12.3%	12.2%					
Tier 1 capital ratio	14.3	(e) 13.3	14.1	14.1	14.0					
Total capital ratio	16.6	(e) 15.5	16.0	15.9	15.8					
Advanced										
CET1 capital	\$ 190,778	(e) \$ 183,591	\$ 187,753	\$ 188,151	\$ 189,169	4	1			
Tier 1 capital	220,586	(e) 213,406	214,432	214,831	215,808	3	2			
Total capital	244,037	(e) 234,434	232,112	233,203	234,507	4	4			
Risk-weighted assets	1,454,707	(e) 1,489,134	1,397,878	1,435,693	1,449,211	(2)	—			
CET1 capital ratio	13.1%	(e) 12.3%	13.4%	13.1%	13.1%					
Tier 1 capital ratio	15.2	(e) 14.3	15.3	15.0	14.9					
Total capital ratio	16.8	(e) 15.7	16.6	16.2	16.2					
Leverage-based capital metrics										
Adjusted average assets (b)	\$ 3,176,642	(e) \$ 2,842,244	\$ 2,730,239	\$ 2,717,852	\$ 2,692,225	12	18			
Tier 1 leverage ratio	6.9%	(e) 7.5%	7.9%	7.9%	8.0%					
Total leverage exposure	3,227,809	(e) 3,535,822	3,423,431	3,404,535	3,367,154	(9)	(4)			
SLR	6.8%	(e) 6.0%	6.3%	6.3%	6.4%					
TANGIBLE COMMON EQUITY (period-end) (c)										
Common stockholders' equity	\$ 234,403	\$ 231,199	\$ 234,337	\$ 235,985	\$ 236,222	1	(1)			
Less: Goodwill	47,811	47,800	47,823	47,818	47,477	—	1			
Less: Other intangible assets	778	800	819	841	732	(3)	6			
Add: Certain deferred tax liabilities (d)	2,397	2,389	2,381	2,371	2,316	—	3			
Total tangible common equity	\$ 188,211	\$ 184,988	\$ 188,076	\$ 189,697	\$ 190,329	2	(1)			
TANGIBLE COMMON EQUITY (average) (c)										
Common stockholders' equity	\$ 234,408	\$ 234,530	\$ 232,878	\$ 235,613	\$ 233,026	—	1	\$ 234,469	\$ 231,547	1%
Less: Goodwill	47,805	47,812	47,819	47,707	47,472	—	1	47,808	47,474	1
Less: Other intangible assets	791	812	831	842	741	(3)	7	802	741	8
Add: Certain deferred tax liabilities (d)	2,393	2,385	2,375	2,344	2,304	—	4	2,388	2,296	4
Total tangible common equity	\$ 188,205	\$ 188,291	\$ 186,603	\$ 189,408	\$ 187,117	—	1	\$ 188,247	\$ 185,628	1
INTANGIBLE ASSETS (period-end)										
Goodwill	\$ 47,811	\$ 47,800	\$ 47,823	\$ 47,818	\$ 47,477	—	1			
Mortgage servicing rights	3,080	3,267	4,699	4,419	5,093	(6)	(40)			
Other intangible assets	778	800	819	841	732	(3)	6			
Total intangible assets	\$ 51,669	\$ 51,867	\$ 53,341	\$ 53,078	\$ 53,302	—	(3)			

- (a) The capital metrics reflect relief provided by the Federal Reserve Board in response to the COVID-19 pandemic, including neutralization of the effects of the Firm's participation in the various programs and facilities established by the U.S. government. For the periods ended June 30, 2020 and March 31, 2020, the impact of the CECL capital transition provisions resulted in an increase to CET1 capital of \$6.5 billion and \$4.3 billion, respectively. As of June 30, 2020, the SLR reflects the temporary exclusions of U.S. Treasury securities and deposits at Federal Reserve Banks. Refer to Regulatory Developments Relating to the COVID-19 Pandemic on pages 10-11 and Capital Risk Management on pages 39-44 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for additional information. Refer to Capital Risk Management on pages 85-92 of the Firm's 2019 Form 10-K for additional information on the Firm's capital metrics.
- (b) Adjusted average assets, for purposes of calculating the leverage ratios, includes total quarterly average assets adjusted for on-balance sheet assets that are subject to deduction from Tier 1 capital, predominantly goodwill and other intangible assets.
- (c) Refer to page 28 for further discussion of TCE.
- (d) Represents deferred tax liabilities related to tax-deductible goodwill and to identifiable intangibles created in nontaxable transactions, which are netted against goodwill and other intangibles when calculating TCE.
- (e) Estimated.

EARNINGS PER SHARE AND RELATED INFORMATION

(in millions, except per share and ratio data)

	QUARTERLY TRENDS						SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
EARNINGS PER SHARE										
Basic earnings per share										
Net income	\$ 4,687	\$ 2,865	\$ 8,520	\$ 9,080	\$ 9,652	64%	(51)%	\$ 7,552	\$ 18,831	(60)%
Less: Preferred stock dividends	401	421	386	423	404	(5)	(1)	822	778	6
Net income applicable to common equity	4,286	2,444	8,134	8,657	9,248	75	(54)	6,730	18,053	(63)
Less: Dividends and undistributed earnings allocated to participating securities	21	13	44	51	56	62	(63)	32	108	(70)
Net income applicable to common stockholders	\$ 4,265	\$ 2,431	\$ 8,090	\$ 8,606	\$ 9,192	75	(54)	\$ 6,698	\$ 17,945	(63)
Total weighted-average basic shares outstanding	3,076.3	3,095.8	3,140.7	3,198.5	3,250.6	(1)	(5)	3,086.1	3,274.3	(6)
Net income per share	\$ 1.39	\$ 0.79	\$ 2.58	\$ 2.69	\$ 2.83	76	(51)	\$ 2.17	\$ 5.48	(60)
Diluted earnings per share										
Net income applicable to common stockholders	\$ 4,265	\$ 2,431	\$ 8,090	\$ 8,606	\$ 9,192	75	(54)	\$ 6,698	\$ 17,945	(63)
Total weighted-average basic shares outstanding	3,076.3	3,095.8	3,140.7	3,198.5	3,250.6	(1)	(5)	3,086.1	3,274.3	(6)
Add: Dilutive impact of stock appreciation rights ("SARs") and employee stock options, unvested performance share units ("PSUs") and nondividend-earning restricted stock units ("RSUs")	4.7	4.9	7.8	8.7	9.1	(4)	(48)	4.7	9.6	(51)
Total weighted-average diluted shares outstanding	3,081.0	3,100.7	3,148.5	3,207.2	3,259.7	(1)	(5)	3,090.8	3,283.9	(6)
Net income per share	\$ 1.38	\$ 0.78	\$ 2.57	\$ 2.68	\$ 2.82	77	(51)	\$ 2.17	\$ 5.46	(60)
COMMON DIVIDENDS										
Cash dividends declared per share	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.80	—	13	\$ 1.80	\$ 1.60	13
Dividend payout ratio	65%	114%	35%	33%	28%			83%	29%	
COMMON EQUITY REPURCHASE PROGRAM (a)										
Total shares of common stock repurchased	—	50.0	54.0	62.0	47.5	NM	NM	50.0	97.0	(48)
Average price paid per share of common stock	\$ —	\$ 127.92	\$ 127.24	\$ 112.07	\$ 109.83	NM	NM	\$ 127.92	\$ 106.23	20
Aggregate repurchases of common equity	—	6,397	6,871	6,949	5,210	NM	NM	6,397	10,301	(38)
EMPLOYEE ISSUANCE										
Shares issued from treasury stock related to employee stock-based compensation awards and employee stock purchase plans	0.8	13.0	1.5	1.0	1.0	(94)	(20)	13.8	18.7	(26)
Net impact of employee issuances on stockholders' equity (b)	\$ 325	\$ 398	\$ 132	\$ 232	\$ 258	(18)	26	\$ 723	\$ 606	19

(a) On June 29, 2020, the Firm announced that the Federal Reserve Board has directed the Firm to discontinue its net share repurchases, at least through the end of the third quarter of 2020.

(b) The net impact of employee issuances on stockholders' equity is driven by the cost of equity compensation awards that is recognized over the applicable vesting periods. The cost is partially offset by tax impacts related to the distribution of shares and the exercise of employee stock options and SARs.

JPMORGAN CHASE & CO.
CONSUMER & COMMUNITY BANKING
FINANCIAL HIGHLIGHTS
(in millions, except ratio data)

JPMORGAN CHASE & Co.

	QUARTERLY TRENDS						SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
INCOME STATEMENT										
REVENUE										
Lending- and deposit-related fees (a)	\$ 617	\$ 972	\$ 1,032	\$ 1,026	\$ 971	(37)%	(36)%	\$ 1,589	\$ 1,880	(15)%
Asset management, administration and commissions (a)	536	585	609	606	620	(8)	(14)	1,121	1,201	(7)
Mortgage fees and related income (b)	917	320	474	886	279	187	229	1,237	675	83
Card income (c)	733	709	983	905	913	3	(20)	1,442	1,775	(19)
All other income	1,313	1,373	1,396	1,383	1,321	(4)	(1)	2,686	2,611	3
Noninterest revenue	4,116	3,959	4,494	4,806	4,104	4	—	8,075	8,142	(1)
Net interest income (b)	8,101	9,153	9,255	9,152	9,380	(11)	(14)	17,254	18,785	(8)
TOTAL NET REVENUE	12,217	13,112	13,749	13,958	13,484	(7)	(9)	25,329	26,927	(6)
Provision for credit losses	5,828	5,772	1,207	1,311	1,120	1	420	11,600	2,434	377
NONINTEREST EXPENSE										
Compensation expense	2,557	2,597	2,497	2,544	2,531	(2)	1	5,154	5,097	1
Noncompensation expense (c)(d)	4,069	4,505	4,468	4,481	4,305	(10)	(5)	8,574	8,662	(1)
TOTAL NONINTEREST EXPENSE	6,626	7,102	6,965	7,025	6,836	(7)	(3)	13,728	13,759	—
Income/(loss) before income tax expense/(benefit)	(237)	238	5,577	5,622	5,528	NM	NM	1	10,734	(100)
Income tax expense/(benefit)	(61)	47	1,363	1,377	1,371	NM	NM	(14)	2,630	NM
NET INCOME/(LOSS)	\$ (176)	\$ 191	\$ 4,214	\$ 4,245	\$ 4,157	NM	NM	\$ 15	\$ 8,104	(100)
REVENUE BY LINE OF BUSINESS										
Consumer & Business Banking	\$ 5,107	\$ 6,091	\$ 6,537	\$ 6,782	\$ 6,897	(16)	(26)	\$ 11,198	\$ 13,558	(17)
Home Lending (b)	1,687	1,161	1,250	1,465	1,118	45	51	2,848	2,464	16
Card & Auto (c)	5,423	5,860	5,962	5,711	5,469	(7)	(1)	11,283	10,905	3
MORTGAGE FEES AND RELATED INCOME DETAILS:										
Net production revenue (b)	742	319	327	738	353	133	110	1,061	553	92
Net mortgage servicing revenue (e)	175	1	147	148	(74)	NM	NM	176	122	44
Mortgage fees and related income	\$ 917	\$ 320	\$ 474	\$ 886	\$ 279	187	229	\$ 1,237	\$ 675	83
FINANCIAL RATIOS										
ROE	(2) %	1 %	31 %	31 %	31 %			(1) %	31 %	
Overhead ratio	54	54	51	50	51			54	51	

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. Prior-period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) In the first quarter of 2020, the Firm reclassified certain fees from asset management, administration and commissions to lending- and deposit-related fees. Prior-period amounts were revised to conform with the current presentation.
- (b) Net production revenue in the third quarter of 2019 included approximately \$350 million of gains on the sale of certain mortgage loans that were predominantly offset by a charge in net interest income for the unwind of the related internal funding from Treasury and Chief Investment Office ("CIO") associated with these loans. The charge reflects the net present value of that funding and is recognized as interest income in Treasury and CIO. Refer to footnote (a) in Corporate on page 23 and Funds Transfer Pricing ("FTP") on page 61 of the Firm's 2019 Form 10-K for further information.
- (c) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.
- (d) Included depreciation expense on leased assets of \$1.1 billion for the three months ended June 30, 2020, March 31, 2020, December 31, 2019 and \$1.0 billion and \$957 million for the three months ended September 30, 2019, and June 30, 2019, respectively, and \$2.2 billion and \$1.9 billion for the six months ended June 30, 2020 and 2019, respectively.
- (e) Included MSR risk management results of \$79 million, \$(90) million, \$35 million, \$53 million and \$(244) million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively, and \$(11) million and \$(253) million for the six months ended June 30, 2020 and 2019, respectively.

JPMORGAN CHASE & CO.
CONSUMER & COMMUNITY BANKING
FINANCIAL HIGHLIGHTS, CONTINUED
(in millions, except headcount data)

JPMORGAN CHASE & CO.

	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change	
									2019	2019	
SELECTED BALANCE SHEET DATA (period-end)											
Total assets	\$ 492,251	\$ 506,147	\$ 532,538	\$ 525,223	\$ 536,758	(3)%	(8)%	\$ 492,251	\$ 536,758	(8)%	
Loans:											
Consumer & Business Banking	46,910 (b)	27,709	27,199	26,699	26,616	69	76	46,910 (b)	26,616	76	
Home Lending	188,576	196,401	199,799	203,339	219,533	(4)	(14)	188,576	219,533	(14)	
Card	141,656	154,021	168,924	159,571	157,576	(8)	(10)	141,656	157,576	(10)	
Auto	59,287	61,468	61,522	61,410	62,073	(4)	(4)	59,287	62,073	(4)	
Total loans	436,429	439,599	457,444	451,019	465,798	(1)	(6)	436,429	465,798	(6)	
Deposits	876,991	775,068	718,354	701,111	695,096	13	26	876,991	695,096	26	
Equity	52,000	52,000	52,000	52,000	52,000	—	—	52,000	52,000	—	
SELECTED BALANCE SHEET DATA (average)											
Total assets	\$ 498,140	\$ 517,213	\$ 525,863	\$ 530,649	\$ 534,612	(4)	(7)	\$ 507,676	\$ 540,296	(6)	
Loans:											
Consumer & Business Banking	41,198	27,261	26,820	26,550	26,570	51	55	34,230	26,529	29	
Home Lending	192,716	198,042	201,599	213,372	224,685	(3)	(14)	195,379	231,778	(16)	
Card	142,377	162,660	162,112	158,168	153,746	(12)	(7)	152,518	152,447	—	
Auto	60,306	60,893	61,100	61,371	62,236	(1)	(3)	60,599	62,498	(3)	
Total loans	436,597	448,856	451,631	459,461	467,237	(3)	(7)	442,726	473,252	(6)	
Deposits	831,996	733,648	707,953	693,943	690,892	13	20	782,822	685,980	14	
Equity	52,000	52,000	52,000	52,000	52,000	—	—	52,000	52,000	—	
Headcount (a)	122,089	122,081	123,115	123,532	123,580	—	(1)	122,089	123,580	(1)	

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. Prior-period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) During the second quarter of 2020, certain technology and support functions, comprising approximately 850 staff, were transferred from AWM to CCB as part of the ongoing reorganization of the U.S. Wealth Management business.
(b) At June 30, 2020, included \$19.9 billion of loans under the Paycheck Protection Program ("PPP"). Refer to page 11 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information on the PPP.

JPMORGAN CHASE & CO.
CONSUMER & COMMUNITY BANKING
FINANCIAL HIGHLIGHTS, CONTINUED
(in millions, except ratio data)

JPMORGAN CHASE & CO.

	QUARTERLY TRENDS								SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change 2019	
						1Q20	2Q19				
CREDIT DATA AND QUALITY STATISTICS											
Nonaccrual loans (a)(b)	\$ 4,407	(e) \$ 4,008	\$ 3,018	\$ 3,099	\$ 3,142	10%	40%	\$ 4,407	(e) \$ 3,142	40%	
Net charge-offs/(recoveries)											
Consumer & Business Banking	60	74	92	79	66	(19)	(9)	134	125	7	
Home Lending	(5)	(122)	(23)	(42)	(28)	96	82	(127)	(33)	(285)	
Card	1,178	1,313	1,231	1,175	1,240	(10)	(5)	2,491	2,442	2	
Auto	45	48	57	49	42	(6)	7	93	100	(7)	
Total net charge-offs/(recoveries)	\$ 1,278	\$ 1,313	\$ 1,357	\$ 1,261	\$ 1,320	(3)	(3)	\$ 2,591	\$ 2,634	(2)	
Net charge-off/(recovery) rate											
Consumer & Business Banking	0.59 %	1.09 %	1.36 %	1.18 %	1.00 %			0.79 %	0.95 %		
Home Lending	(0.01)	(0.25)	(0.05)	(0.08)	(0.05)			(0.13)	(0.03)		
Card	3.33	3.25	3.01	2.95	3.24			3.28	3.23		
Auto	0.30	0.32	0.37	0.32	0.27			0.31	0.32		
Total net charge-off/(recovery) rate	1.18	1.18	1.20	1.10	1.14			1.18	1.13		
30+ day delinquency rate											
Home Lending (c)(d)	1.30 % (f)	1.48 %	1.58 %	1.63 %	1.55 %			1.30 % (f)	1.55 %		
Card	1.71 (f)	1.96	1.87	1.84	1.71			1.71 (f)	1.71		
Auto	0.54 (f)	0.89	0.94	0.88	0.82			0.54 (f)	0.82		
90+ day delinquency rate - Card	0.93 (f)	1.02	0.95	0.90	0.87			0.93 (f)	0.87		
Allowance for loan losses											
Consumer & Business Banking	\$ 1,370	\$ 882	\$ 746	\$ 746	\$ 796	55	72	\$ 1,370	\$ 796	72	
Home Lending	2,957	2,137	1,890	2,159	2,302	38	28	2,957	2,302	28	
Card	17,800	14,950	5,683	5,583	5,383	19	231	17,800	5,383	231	
Auto	1,044	732	465	465	465	43	125	1,044	465	125	
Total allowance for loan losses	\$ 23,171	\$ 18,701	\$ 8,784	\$ 8,953	\$ 8,946	24	159	\$ 23,171	\$ 8,946	159	

- (a) At June 30, 2020 and March 31, 2020, nonaccrual loans included \$1.3 billion and \$970 million of PCD loans, respectively. Prior to the adoption of CECL, nonaccrual loans excluded PCI loans as the Firm recognized interest income on each pool of PCI loans as each of the pools was performing.
- (b) At June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019 and June 30, 2019, nonaccrual loans excluded mortgage loans 90 or more days past due and insured by U.S. government agencies of \$561 million, \$616 million, \$961 million, \$1.6 billion and \$1.8 billion, respectively. These amounts have been excluded based upon the government guarantee.
- (c) At June 30, 2020 and March 31, 2020, the 30+ day delinquency rates included PCD loans. The rates prior to January 1, 2020 were revised to include the impact of PCI loans.
- (d) At June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019 and June 30, 2019, excluded mortgage loans insured by U.S. government agencies of \$826 million, \$1.0 billion, \$1.7 billion, \$2.7 billion and \$2.9 billion, respectively, that are 30 or more days past due. These amounts have been excluded based upon the government guarantee.
- (e) Generally excludes loans that were under payment deferral programs offered in response to the COVID-19 pandemic.
- (f) At June 30, 2020, the principal balance of loans in Home Lending, Card and Auto under payment deferral programs offered in response to the COVID-19 pandemic and are still within their deferral period were \$18.2 billion, \$4.4 billion and \$12.3 billion, respectively. Loans that are performing according to their modified terms are generally not considered delinquent.

JPMORGAN CHASE & CO.
CONSUMER & COMMUNITY BANKING
FINANCIAL HIGHLIGHTS, CONTINUED
(in millions, except ratio data and where otherwise noted)

JPMORGAN CHASE & CO.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
BUSINESS METRICS										
Number of:										
Branches	4,923	4,967	4,976	4,949	4,970	(1)%	(1)%	4,923	4,970	(1)%
Active digital customers (in thousands) (a)	54,471	53,799	52,421	51,843	51,032	1	7	54,471	51,032	7
Active mobile customers (in thousands) (b)	39,024	38,236	37,297	36,510	35,392	2	10	39,024	35,392	10
Debit and credit card sales volume (in billions)	\$ 237.6	\$ 266.0	\$ 295.6	\$ 282.2	\$ 281.5	(11)	(16)	\$ 503.6	\$ 536.6	(6)
Consumer & Business Banking										
Average deposits	\$ 813,153	\$ 718,909	\$ 691,696	\$ 678,281	\$ 676,663	13	20	\$ 766,031	\$ 672,617	14
Deposit margin	1.52 %	2.06 %	2.28 %	2.47 %	2.60 %			1.77 %	2.61 %	
Business banking origination volume	\$ 23,042 (f)	\$ 1,491	\$ 1,827	\$ 1,550	\$ 1,741	NM	NM	\$ 24,533 (f)	\$ 3,221	NM
Client investment assets	356,143	322,999	358,036	337,915	328,141	10	9	356,143	328,141	9
Home Lending (in billions)										
Mortgage origination volume by channel										
Retail	\$ 18.0	\$ 14.1	\$ 16.4	\$ 14.2	\$ 12.5	28	44	\$ 32.1	\$ 20.4	57
Correspondent	6.2	14.0	16.9	18.2	12.0	(56)	(48)	20.2	19.1	6
Total mortgage origination volume (c)	\$ 24.2	\$ 28.1	\$ 33.3	\$ 32.4	\$ 24.5	(14)	(1)	\$ 52.3	\$ 39.5	32
Total loans serviced (period-end)	\$ 683.7	\$ 737.8	\$ 761.4	\$ 774.8	\$ 780.1	(7)	(12)	\$ 683.7	\$ 780.1	(12)
Third-party mortgage loans serviced (period-end)	482.4	505.0	520.8	535.8	526.6	(4)	(8)	482.4	526.6	(8)
MSR carrying value (period-end)	3.1	3.3	4.7	4.4	5.1	(6)	(39)	3.1	5.1	(39)
Ratio of MSR carrying value (period-end) to third-party mortgage loans serviced (period-end)	0.64 %	0.65 %	0.90 %	0.82 %	0.97 %			0.64 %	0.97 %	
MSR revenue multiple (d)	2.29x	2.10x	2.73x	2.41x	2.69x			2.21x	2.77x	
Credit Card										
Credit card sales volume, excluding Commercial Card (in billions)	\$ 148.5	\$ 179.1	\$ 204.2	\$ 193.6	\$ 192.5	(17)	(23)	327.6	365.0	(10)
Net revenue rate (e)	11.02 %	10.54 %	10.65 %	10.40 %	10.31 %			10.76 %	10.43 %	
Auto										
Loan and lease origination volume (in billions)	\$ 7.7	\$ 8.3	\$ 8.5	\$ 9.1	\$ 8.5	(7)	(9)	\$ 16.0	\$ 16.4	(2)
Average auto operating lease assets	22,579	23,081	22,427	21,765	21,314	(2)	6	22,830	21,074	8

(a) Users of all web and/or mobile platforms who have logged in within the past 90 days.

(b) Users of all mobile platforms who have logged in within the past 90 days.

(c) Firmwide mortgage origination volume was \$28.3 billion, \$31.9 billion, \$37.4 billion, \$35.8 billion and \$26.3 billion for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019 and June 30, 2019, respectively, and \$60.2 billion and \$42.7 billion for the six months ended June 30, 2020 and 2019, respectively.

(d) Represents the ratio of MSR carrying value (period-end) to third-party mortgage loans serviced (period-end) divided by the ratio of annualized loan servicing-related revenue to third-party mortgage loans serviced (average).

(e) In the second quarter of 2020, the Firm reclassified certain spend-based credit card reward costs from marketing expense to be a reduction of card income, with no effect on net income. Prior-period amounts were revised to conform with the current presentation.

(f) Included \$21.5 billion of origination volume under the PPP for the three and six months ended June 30, 2020. Refer to page 11 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information on the PPP.

JPMORGAN CHASE & CO.
CORPORATE & INVESTMENT BANK
FINANCIAL HIGHLIGHTS
(in millions, except ratio data)

JPMORGAN CHASE & CO.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
INCOME STATEMENT										
REVENUE										
Investment banking fees	\$ 2,847	\$ 1,907	\$ 1,904	\$ 1,981	\$ 1,846	49%	54%	\$ 4,754	\$ 3,690	29%
Principal transactions	7,400	3,188	2,932	3,418	3,885	132	90	10,588	8,049	32
Lending- and deposit-related fees (a)	500	450	462	398	412	11	21	950	808	18
Asset management, administration and commissions (a)	1,146	1,261	1,059	1,160	1,112	(9)	3	2,407	2,179	10
All other income	380	35	622	397	405	NM	(6)	415	770	(46)
Noninterest revenue	12,273	6,841	6,979	7,354	7,660	79	60	19,114	15,496	23
Net interest income	4,079	3,107	2,668	2,168	2,171	31	88	7,186	4,369	64
TOTAL NET REVENUE (b)	16,352	9,948	9,647	9,522	9,831	64	66	26,300	19,865	32
Provision for credit losses	1,987	1,401	98	92	—	42	NM	3,388	87	NM
NONINTEREST EXPENSE										
Compensation expense	3,997	3,006	2,377	2,873	2,839	33	41	7,003	5,930	18
Noncompensation expense	2,767	2,890	3,015	2,631	2,822	(4)	(2)	5,657	5,360	6
TOTAL NONINTEREST EXPENSE	6,764	5,896	5,392	5,504	5,661	15	19	12,660	11,290	12
Income before income tax expense	7,601	2,651	4,157	3,926	4,170	187	82	10,252	8,488	21
Income tax expense	2,137	663	1,219	1,095	1,224	222	75	2,800	2,282	23
NET INCOME	\$ 5,464	\$ 1,988	\$ 2,938	\$ 2,831	\$ 2,946	175	85	\$ 7,452	\$ 6,206	20
FINANCIAL RATIOS										
ROE	27%	9%	14%	13%	14%			18%	15%	
Overhead ratio	41	59	56	58	58			48	57	
Compensation expense as percentage of total net revenue	24	30	25	30	29			27	30	
REVENUE BY BUSINESS										
Investment Banking	\$ 3,401	\$ 886	\$ 1,823	\$ 1,871	\$ 1,776	284	91	\$ 4,287	\$ 3,521	22
Wholesale Payments	1,356	1,359	1,433	1,361	1,402	—	(3)	2,715	2,817	(4)
Lending	270	350	250	253	260	(23)	4	620	518	20
Total Banking	5,027	2,595	3,506	3,485	3,438	94	46	7,622	6,856	11
Fixed Income Markets	7,338	4,993	3,446	3,557	3,690	47	99	12,331	7,415	66
Equity Markets	2,380	2,237	1,508	1,517	1,728	6	38	4,617	3,469	33
Securities Services	1,097	1,074	1,061	1,034	1,045	2	5	2,171	2,059	5
Credit Adjustments & Other (c)	510	(951)	126	(71)	(70)	NM	NM	(441)	66	NM
Total Markets & Securities Services	11,325	7,353	6,141	6,037	6,393	54	77	18,678	13,009	44
TOTAL NET REVENUE	\$ 16,352	\$ 9,948	\$ 9,647	\$ 9,522	\$ 9,831	64	66	\$ 26,300	\$ 19,865	32

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. Prior period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) In the first quarter of 2020, the Firm reclassified certain fees from asset management, administration and commissions to lending- and deposit-related fees. Prior period amounts were revised to conform with the current presentation.
- (b) Includes tax-equivalent adjustments, predominantly due to income tax credits related to alternative energy investments; income tax credits and amortization of the cost of investments in affordable housing projects; as well as tax-exempt income from municipal bonds of \$686 million, \$667 million, \$646 million, \$527 million and \$547 million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively and \$1.4 billion and \$1.1 billion for the six months ended June 30, 2020 and 2019, respectively.
- (c) Consists primarily of credit valuation adjustments ("CVA") managed centrally within CIB and funding valuation adjustments ("FVA") on derivatives and certain components of fair value option elected liabilities. Results are presented net of associated hedging activities and net of CVA and FVA amounts allocated to Fixed Income Markets and Equity Markets.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
SELECTED BALANCE SHEET DATA (period-end)										
Assets	\$ 1,080,761	\$ 1,217,459	\$ 914,705	\$ 1,030,396	\$ 976,430	(11)%	11%	\$ 1,080,761	\$ 976,430	11%
Loans:										
Loans retained (a)	140,770	165,376	121,733	118,290	123,074	(15)	14	140,770	123,074	14
Loans held-for-sale and loans at fair value	10,241	9,326	10,112	8,324	6,838	10	50	10,241	6,838	50
Total loans	151,011	174,702	131,845	126,614	129,912	(14)	16	151,011	129,912	16
Equity	80,000	80,000	80,000	80,000	80,000	—	—	80,000	80,000	—
SELECTED BALANCE SHEET DATA (average)										
Assets	\$ 1,167,807	\$ 1,082,820	\$ 994,152	\$ 1,011,246	\$ 1,000,517	8	17	1,125,314	\$ 984,165	14
Trading assets - debt and equity instruments	450,507	427,316	398,604	415,450	421,775	5	7	438,911	401,656	9
Trading assets - derivative receivables	76,710	55,133	45,153	48,266	48,815	39	57	65,922	49,707	33
Loans:										
Loans retained (a)	154,038	128,838	119,412	119,007	124,194	20	24	141,438	125,585	13
Loans held-for-sale and loans at fair value	8,399	9,818	9,708	8,344	7,763	(14)	8	9,108	8,186	11
Total loans	162,437	138,656	129,120	127,351	131,957	17	23	150,546	133,771	13
Equity	80,000	80,000	80,000	80,000	80,000	—	—	80,000	80,000	—
Headcount	60,950	60,245	60,013	60,028	59,111	1	3	60,950	59,111	3
CREDIT DATA AND QUALITY STATISTICS										
Net charge-offs/(recoveries)	\$ 204	\$ 55	\$ 43	\$ 38	\$ 72	271	183	\$ 259	\$ 102	154
Nonperforming assets:										
Nonaccrual loans:										
Nonaccrual loans retained (b)	1,195	689	308	712	569	73	110	1,195	569	110
Nonaccrual loans held-for-sale and loans at fair value	250	138	95	262	370	81	(32)	250	370	(32)
Total nonaccrual loans	1,445	827	403	974	939	75	54	1,445	939	54
Derivative receivables	108	85	30	26	39	27	177	108	39	177
Assets acquired in loan satisfactions	35	43	70	75	58	(19)	(40)	35	58	(40)
Total nonperforming assets	1,588	955	503	1,075	1,036	66	53	1,588	1,036	53
Allowance for credit losses:										
Allowance for loan losses	3,440	1,422	1,202	1,171	1,131	142	204	3,440	1,131	204
Allowance for lending-related commitments	1,233	1,468	848	824	807	(16)	53	1,233	807	53
Total allowance for credit losses	4,673	2,890	2,050	1,995	1,938	62	141	4,673	1,938	141
Net charge-off/(recovery) rate (a)(c)	0.53%	0.17%	0.14%	0.13%	0.23%			0.37%	0.16%	
Allowance for loan losses to period-end loans retained (a)	2.44	0.86	0.99	0.99	0.92			2.44	0.92	
Allowance for loan losses to period-end loans retained, excluding trade finance and conduits (d)	3.27	1.11	1.31	1.33	1.27			3.27	1.27	
Allowance for loan losses to nonaccrual loans retained (a)(b)	288	206	390	164	199			288	199	
Nonaccrual loans to total period-end loans	0.96	0.47	0.31	0.77	0.72			0.96	0.72	

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB as part of the Firm's Wholesale Payments business. The prior period amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) Loans retained includes credit portfolio loans, loans held by consolidated Firm-administered multi-seller conduits, trade finance loans, other held-for-investment loans and overdrafts.
(b) Allowance for loan losses of \$340 million, \$317 million, \$110 million, \$207 million and \$147 million were held against nonaccrual loans at June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively.
(c) Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate.
(d) Management uses allowance for loan losses to period-end loans retained, excluding trade finance and conduits, a non-GAAP financial measure, to provide a more meaningful assessment of CIB's allowance coverage ratio.

CORPORATE & INVESTMENT BANK

FINANCIAL HIGHLIGHTS, CONTINUED

(in millions, except where otherwise noted)

BUSINESS METRICS	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
Advisory	\$ 602	\$ 503	\$ 702	\$ 506	\$ 525	20%	15%	\$ 1,105	\$ 1,169	(5)%
Equity underwriting	977	331	382	514	505	195	93	1,308	770	70
Debt underwriting	1,268	1,073	820	961	816	18	55	2,341	1,751	34
Total investment banking fees	\$ 2,847	\$ 1,907	\$ 1,904	\$ 1,981	\$ 1,846	49	54	\$ 4,754	\$ 3,690	29
Client deposits and other third-party liabilities (average) (a)	607,902	514,464	485,037	471,328	458,237	18	33	561,183	451,185	24
Merchant processing volume (in billions) (b)	371.9	374.8	402.9	380.5	371.6	(1)	—	\$ 746.7	\$ 728.1	3
Assets under custody ("AUC") (period-end) (in billions)	\$ 27,447	\$ 24,409	\$ 26,831	\$ 25,695	\$ 25,450	12	8	\$ 27,447	\$ 25,450	8
95% Confidence Level - Total CIB VaR (average) (c)										
CIB trading VaR by risk type: (d)										
Fixed income	\$ 129	\$ 60	\$ 39	\$ 37	\$ 39	115	231			
Foreign exchange	9	7	5	6	7	29	29			
Equities	27	20	18	22	25	35	8			
Commodities and other	32	10	7	8	9	220	256			
Diversification benefit to CIB trading VaR (e)	(69)	(40)	(32)	(34)	(36)	(73)	(92)			
CIB trading VaR (d)	128	57	37	39	44	125	191			
Credit portfolio VaR (f)	22	9	5	5	5	144	340			
Diversification benefit to CIB VaR (e)	(23)	(8)	(5)	(6)	(5)	(188)	(360)			
CIB VaR	\$ 127	\$ 58	\$ 37	\$ 38	\$ 44	119	189			

(a) Client deposits and other third-party liabilities pertain to the Wholesale Payments and Securities Services businesses.

(b) Represents total merchant processing volume across CIB, CCB and CB.

(c) Effective January 1, 2020, the Firm refined the scope of VaR to exclude positions related to the risk management of interest rate exposure from changes in the Firm's own credit spread on fair value option elected liabilities, and included these positions in other-sensitivity based measures. In the absence of this refinement, the average VaR for each of the following reported components would have been different by the following amounts: CIB fixed income of \$(11) million and \$4 million, CIB Trading VaR \$(11) million and \$5 million and CIB VaR \$(8) million and \$6 million for the three months ended June 30, 2020 and March 31, 2020, respectively.

(d) CIB trading VaR includes substantially all market-making and client-driven activities, as well as certain risk management activities in CIB, including credit spread sensitivity to CVA. Refer to VaR measurement on pages 121–123 of the Firm's 2019 Form 10-K, and pages 67-69 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

(e) Average portfolio VaR was less than the sum of the VaR of the components described above, which is due to portfolio diversification. The diversification effect reflects the fact that the risks were not perfectly correlated.

(f) Credit portfolio VaR includes the derivative CVA, hedges of the CVA and hedges of the retained loan portfolio, which are reported in principal transactions revenue. This VaR does not include the retained loan portfolio, which is not reported at fair value.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
INCOME STATEMENT										
REVENUE										
Lending- and deposit-related fees (a)	\$ 297	\$ 261	\$ 256	\$ 228	\$ 224	14%	33%	\$ 558	\$ 457	22%
All other income (a)	518	360	437	438	399	44	30	878	899	(2)
Noninterest revenue	815	621	693	666	623	31	31	1,436	1,356	6
Net interest income	1,577	1,557	1,604	1,608	1,662	1	(5)	3,134	3,342	(6)
TOTAL NET REVENUE (b)	2,392	2,178	2,297	2,274	2,285	10	5	4,570	4,698	(3)
Provision for credit losses	2,431	1,010	110	67	29	141	NM	3,441	119	NM
NONINTEREST EXPENSE										
Compensation expense	430	472	444	454	438	(9)	(2)	902	887	2
Noncompensation expense	465	513	499	486	493	(9)	(6)	978	982	—
Amortization of intangibles	4	3	—	—	—	33	NM	7	—	NM
TOTAL NONINTEREST EXPENSE	899	988	943	940	931	(9)	(3)	1,887	1,869	1
Income/(loss) before income tax expense/(benefit)	(938)	180	1,244	1,267	1,325	NM	NM	(758)	2,710	NM
Income tax expense/(benefit)	(247)	33	300	324	323	NM	NM	(214)	648	NM
NET INCOME/(LOSS)	\$ (691)	\$ 147	\$ 944	\$ 943	\$ 1,002	NM	NM	\$ (544)	\$ 2,062	NM
Revenue by product										
Lending	\$ 1,127	\$ 954	\$ 1,027	\$ 1,006	\$ 1,012	18	11	\$ 2,081	\$ 2,024	3
Wholesale payments	917	991	1,021	1,017	1,063	(7)	(14)	1,908	2,167	(12)
Investment banking (c)	256	235	211	226	193	9	33	491	482	2
Other	92	(2)	38	25	17	NM	441	90	25	260
Total Commercial Banking net revenue (b)	\$ 2,392	\$ 2,178	\$ 2,297	\$ 2,274	\$ 2,285	10	5	\$ 4,570	\$ 4,698	(3)
Investment banking revenue, gross (d)	\$ 851	\$ 686	\$ 634	\$ 700	\$ 592	24	44	\$ 1,537	\$ 1,410	9
Revenue by client segment										
Middle Market Banking	\$ 866	\$ 946	\$ 934	\$ 925	\$ 961	(8)	(10)	\$ 1,812	\$ 1,935	(6)
Corporate Client Banking	859	681	759	767	744	26	15	1,540	1,595	(3)
Commercial Real Estate Banking	566	541	537	547	538	5	5	1,107	1,085	2
Other	101	10	67	35	42	NM	140	111	83	34
Total Commercial Banking net revenue (b)	\$ 2,392	\$ 2,178	\$ 2,297	\$ 2,274	\$ 2,285	10	5	\$ 4,570	\$ 4,698	(3)
FINANCIAL RATIOS										
ROE	(14) %	2 %	16 %	16 %	17 %			(6) %	18 %	
Overhead ratio	38	45	41	41	41			41	40	

In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB and the revenue and expense of the business is reported across CCB, CIB and CB based primarily on client relationship. In conjunction with this realignment, treasury services product revenue has been renamed wholesale payments. Prior period revenue and expense amounts were revised to conform with the current presentation. Refer to Business segment changes on page 21 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information.

- (a) In the first quarter of 2020, the Firm reclassified certain fees from asset management, administration and commissions (which are included in all other income) to lending- and deposit-related fees. Prior period amounts were revised to conform with the current presentation.
- (b) Total net revenue included tax-equivalent adjustments from income tax credits related to equity investments in designated community development entities and in entities established for rehabilitation of historic properties, as well as tax-exempt income related to municipal financing activities of \$80 million, \$81 million, \$152 million, \$114 million and \$100 million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively, and \$161 million and \$194 million for the six months ended June 30, 2020 and 2019, respectively.
- (c) Includes CB's share of revenue from investment banking products sold to CB clients through the CIB.
- (d) Refer to page 60 of the Firm's 2019 Form 10-K for discussion of revenue sharing.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,			
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change	
						1Q20	2Q19				
SELECTED BALANCE SHEET DATA (period-end)											
Total assets	\$ 234,934	\$ 247,786	\$ 220,514	\$ 222,483	\$ 220,712	(5)%	6%	\$ 234,934	\$ 220,712	6%	
Loans:											
Loans retained	223,192	232,254	207,287	209,448	208,323	(4)	7	223,192	208,323	7	
Loans held-for-sale and loans at fair value	917	1,112	1,009	3,187	1,284	(18)	(29)	917	1,284	(29)	
Total loans	\$ 224,109	\$ 233,366	\$ 208,296	\$ 212,635	\$ 209,607	(4)	7	\$ 224,109	\$ 209,607	7	
Equity	22,000	22,000	22,000	22,000	22,000	—	—	22,000	22,000	—	
Period-end loans by client segment											
Middle Market Banking	\$ 64,211 (c)	\$ 60,317	\$ 54,188	\$ 54,298	\$ 56,346	6	14	\$ 64,211 (c)	\$ 56,346	14	
Corporate Client Banking	56,182	69,540	51,165	55,976	51,500	(19)	9	56,182	51,500	9	
Commercial Real Estate Banking	103,117	102,799	101,951	101,326	100,751	—	2	103,117	100,751	2	
Other	599	710	992	1,035	1,010	(16)	(41)	599	1,010	(41)	
Total Commercial Banking loans	\$ 224,109 (c)	\$ 233,366	\$ 208,296	\$ 212,635	\$ 209,607	(4)	7	\$ 224,109 (c)	\$ 209,607	7	
SELECTED BALANCE SHEET DATA (average)											
Total assets	\$ 247,512	\$ 226,071	\$ 219,891	\$ 218,620	\$ 218,760	9	13	\$ 236,792	\$ 218,530	8	
Loans:											
Loans retained	233,044	209,988	208,776	207,286	206,771	11	13	221,516	205,623	8	
Loans held-for-sale and loans at fair value	502	1,831	1,036	963	701	(73)	(28)	1,167	1,165	—	
Total loans	\$ 233,546	\$ 211,819	\$ 209,812	\$ 208,249	\$ 207,472	10	13	\$ 222,683	\$ 206,788	8	
Client deposits and other third-party liabilities	236,968	188,808	182,546	172,714	168,247	26	41	212,888	167,756	27	
Equity	22,000	22,000	22,000	22,000	22,000	—	—	22,000	22,000	—	
Average loans by client segment											
Middle Market Banking	\$ 66,279	\$ 56,045	\$ 54,114	\$ 54,806	\$ 57,155	18	16	\$ 61,162	\$ 56,940	7	
Corporate Client Banking	63,308	53,032	53,187	51,389	48,656	19	30	58,170	48,400	20	
Commercial Real Estate Banking	103,516	101,526	101,542	101,044	100,671	2	3	102,521	100,469	2	
Other	443	1,216	969	1,010	990	(64)	(55)	830	979	(15)	
Total Commercial Banking loans	\$ 233,546	\$ 211,819	\$ 209,812	\$ 208,249	\$ 207,472	10	13	\$ 222,683	\$ 206,788	8	
Headcount	11,802	11,779	11,629	11,501	11,248	—	5	11,802	11,248	5	
CREDIT DATA AND QUALITY STATISTICS											
Net charge-offs/(recoveries)	\$ 79	\$ 100	\$ 89	\$ 45	\$ 15	(21)	427	\$ 179	\$ 26	NM	
Nonperforming assets											
Nonaccrual loans:											
Nonaccrual loans retained (a)	1,377	793	498	659	614	74	124	1,377	614	124	
Nonaccrual loans held-for-sale and loans at fair value	—	—	—	—	—	—	—	—	—	—	
Total nonaccrual loans	1,377	793	498	659	614	74	124	1,377	614	124	
Assets acquired in loan satisfactions	24	24	25	19	20	—	20	24	20	20	
Total nonperforming assets	1,401	817	523	678	634	71	121	1,401	634	121	
Allowance for credit losses:											
Allowance for loan losses	4,830	2,680	2,780	2,759	2,756	80	75	4,830	2,756	75	
Allowance for lending-related commitments	707	505	293	293	274	40	158	707	274	158	
Total allowance for credit losses	5,537	3,185	3,073	3,052	3,030	74	83	5,537	3,030	83	
Net charge-off/(recovery) rate (b)	0.14 %	0.19 %	0.17 %	0.09 %	0.03 %			0.16 %	0.03 %		
Allowance for loan losses to period-end loans retained	2.16	1.15	1.34	1.32	1.32			2.16	1.32		
Allowance for loan losses to nonaccrual loans retained (a)	351	338	558	419	449			351	449		
Nonaccrual loans to period-end total loans	0.61	0.34	0.24	0.31	0.29			0.61	0.29		

(a) Allowance for loan losses of \$287 million, \$175 million, \$114 million, \$119 million and \$125 million was held against nonaccrual loans retained at June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively.

(b) Loans held-for-sale and loans at fair value were excluded when calculating the net charge-off/(recovery) rate.

(c) At June 30, 2020, total loans included \$6.5 billion of loans under the PPP, of which \$6.3 billion was in Middle Market Banking. Refer to page 11 of the Firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 for further information on the PPP.

	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change
										2019
INCOME STATEMENT										
REVENUE										
Asset management, administration and commissions	\$ 2,589	\$ 2,706	\$ 2,654	\$ 2,574	\$ 2,568	(4)%	1%	\$ 5,295	\$ 4,984	6%
All other income	131	3	173	139	115	NM	14	134	292	(54)
Noninterest revenue	2,720	2,709	2,827	2,713	2,683	—	1	5,429	5,276	3
Net interest income	890	897	873	855	876	(1)	2	1,787	1,772	1
TOTAL NET REVENUE	3,610	3,606	3,700	3,568	3,559	—	1	7,216	7,048	2
Provision for credit losses	223	94	13	44	2	137	NM	317	4	NM
NONINTEREST EXPENSE										
Compensation expense	1,315	1,411	1,446	1,391	1,406	(7)	(6)	2,726	2,868	(5)
Noncompensation expense	1,191	1,248	1,204	1,231	1,190	(5)	—	2,439	2,375	3
TOTAL NONINTEREST EXPENSE	2,506	2,659	2,650	2,622	2,596	(6)	(3)	5,165	5,243	(1)
Income before income tax expense	881	853	1,037	902	961	3	(8)	1,734	1,801	(4)
Income tax expense	223	189	252	234	242	18	(8)	412	421	(2)
NET INCOME	\$ 658	\$ 664	\$ 785	\$ 668	\$ 719	(1)	(8)	\$ 1,322	\$ 1,380	(4)
REVENUE BY LINE OF BUSINESS										
Asset Management	\$ 1,780	\$ 1,740	\$ 1,892	\$ 1,816	\$ 1,785	2	—	\$ 3,520	\$ 3,546	(1)
Wealth Management	1,830	1,866	1,808	1,752	1,774	(2)	3	3,696	3,502	6
TOTAL NET REVENUE	\$ 3,610	\$ 3,606	\$ 3,700	\$ 3,568	\$ 3,559	—	1	\$ 7,216	\$ 7,048	2
FINANCIAL RATIOS										
ROE	24 %	25 %	29 %	24 %	27 %			24 %	26 %	
Overhead ratio	69	74	72	73	73			72	74	
Pretax margin ratio:										
Asset Management	30	24	30	25	25			26	24	
Wealth Management	19	24	26	25	29			22	27	
Asset & Wealth Management	24	24	28	25	27			24	26	
Headcount (a)	22,949	23,830	24,191	24,228	23,683	(4)	(3)	22,949	23,683	(3)
Number of Wealth Management client advisors	2,869	2,878	2,890	2,872	2,735	—	5	2,869	2,735	5

(a) During the second quarter of 2020, certain technology and support functions, comprising approximately 850 staff, were transferred from AWM to CCB as part of the ongoing reorganization of the U.S. Wealth Management business.

	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change
										2019
SELECTED BALANCE SHEET DATA (period-end)										
Total assets	\$ 183,189	\$ 186,102	\$ 182,004	\$ 174,226	\$ 172,149	(2)%	6%	\$ 183,189	\$ 172,149	6%
Loans	165,299	166,058	160,535	153,245	149,877	—	10	165,299	149,877	10
Deposits	169,537	168,561	147,804	138,439	136,225	1	24	169,537	136,225	24
Equity	10,500	10,500	10,500	10,500	10,500	—	—	10,500	10,500	—
SELECTED BALANCE SHEET DATA (average)										
Total assets	\$ 182,318	\$ 183,316	\$ 176,925	\$ 171,121	\$ 167,544	(1)	9	\$ 182,817	\$ 167,452	9
Loans	163,440	161,823	156,106	150,486	146,494	1	12	162,631	145,953	11
Deposits	168,573	150,631	143,059	138,822	140,317	12	20	159,602	139,282	15
Equity	10,500	10,500	10,500	10,500	10,500	—	—	10,500	10,500	—
CREDIT DATA AND QUALITY STATISTICS										
Net charge-offs	(2)	\$ 2	\$ 4	\$ 26	\$ (3)	NM	33	\$ —	\$ 1	NM
Nonaccrual loans	775	304	116	176	127	155	NM	775	127	NM
Allowance for credit losses:										
Allowance for loan losses	648	438	354	350	331	48	96	648	331	96
Allowance for lending-related commitments	28	14	19	16	17	100	65	28	17	65
Total allowance for credit losses	676	452	373	366	348	50	94	676	348	94
Net charge-off/(recovery) rate	— %	— %	0.01 %	0.07 %	(0.01) %			— %	— %	
Allowance for loan losses to period-end loans	0.39	0.26	0.22	0.23	0.22			0.39	0.22	
Allowance for loan losses to nonaccrual loans	84	144	305	199	261			84	261	
Nonaccrual loans to period-end loans	0.47	0.18	0.07	0.11	0.08			0.47	0.08	

						Jun 30, 2020		SIX MONTHS ENDED JUNE 30,		
	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Change		2020	2019	2020 Change 2019
						Mar 31, 2020	Jun 30, 2019			
CLIENT ASSETS										
Assets by asset class										
Liquidity	\$ 707	\$ 618	\$ 542	\$ 505	\$ 481	14%	47%	\$ 707	\$ 481	47%
Fixed income	629	586	602	590	543	7	16	629	543	16
Equity	457	369	474	437	441	24	4	457	441	4
Multi-asset and alternatives	718	666	746	714	713	8	1	718	713	1
TOTAL ASSETS UNDER MANAGEMENT	2,511	2,239	2,364	2,246	2,178	12	15	2,511	2,178	15
Custody/brokerage/administration/deposits	859	763	862	815	820	13	5	859	820	5
TOTAL CLIENT ASSETS	\$ 3,370	\$ 3,002	\$ 3,226	\$ 3,061	\$ 2,998	12	12	\$ 3,370	\$ 2,998	12
Memo:										
Alternatives client assets (a)	\$ 188	\$ 188	\$ 185	\$ 183	\$ 177	—	6	\$ 188	\$ 177	6
Assets by client segment										
Private Banking	\$ 677	\$ 617	\$ 672	\$ 636	\$ 617	10	10	\$ 677	\$ 617	10
Institutional	1,218	1,097	1,074	1,029	991	11	23	1,218	991	23
Retail	616	525	618	581	570	17	8	616	570	8
TOTAL ASSETS UNDER MANAGEMENT	\$ 2,511	\$ 2,239	\$ 2,364	\$ 2,246	\$ 2,178	12	15	\$ 2,511	\$ 2,178	15
Private Banking	\$ 1,500	\$ 1,355	\$ 1,504	\$ 1,424	\$ 1,410	11	6	\$ 1,500	\$ 1,410	6
Institutional	1,249	1,118	1,099	1,051	1,013	12	23	1,249	1,013	23
Retail	621	529	623	586	575	17	8	621	575	8
TOTAL CLIENT ASSETS	\$ 3,370	\$ 3,002	\$ 3,226	\$ 3,061	\$ 2,998	12	12	\$ 3,370	\$ 2,998	12
Assets under management rollforward										
Beginning balance	\$ 2,239	\$ 2,364	\$ 2,246	\$ 2,178	\$ 2,096			\$ 2,364	\$ 1,987	
Net asset flows:										
Liquidity	95	75	37	24	4			170	(1)	
Fixed income	17	1	9	41	37			18	56	
Equity	11	(1)	(1)	(2)	(1)			10	(7)	
Multi-asset and alternatives	1	(2)	6	1	—			(1)	(3)	
Market/performance/other impacts	148	(198)	67	4	42			(50)	146	
Ending balance	\$ 2,511	\$ 2,239	\$ 2,364	\$ 2,246	\$ 2,178			\$ 2,511	\$ 2,178	
Client assets rollforward										
Beginning balance	\$ 3,002	\$ 3,226	\$ 3,061	\$ 2,998	\$ 2,897			\$ 3,226	\$ 2,733	
Net asset flows	138	85	58	59	52			223	61	
Market/performance/other impacts	230	(309)	107	4	49			(79)	204	
Ending balance	\$ 3,370	\$ 3,002	\$ 3,226	\$ 3,061	\$ 2,998			\$ 3,370	\$ 2,998	

(a) Represents assets under management, as well as client balances in brokerage accounts.

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change
						1Q20	2Q19			2019
INCOME STATEMENT										
REVENUE										
Principal transactions	\$ (2)	\$ (113)	\$ (234)	\$ 10	\$ (175)	98%	99 %	\$ (115)	\$ (237)	51%
Investment securities gains	26	233	123	78	44	(89)	(41)	259	57	354
All other income	(91)	211	(6)	32	6	NM	NM	120	63	90
Noninterest revenue	(67)	331	(117)	120	(125)	NM	46	264	(117)	NM
Net interest income (a)	(687)	(165)	(111)	572	447	(316)	NM	(852)	864	NM
TOTAL NET REVENUE (b)	(754)	166	(228)	692	322	NM	NM	(588)	747	NM
Provision for credit losses	4	8	(1)	—	(2)	(50)	NM	12	—	NM
NONINTEREST EXPENSE (c)	147	146	343	281	232	1	(37)	293	443	(34)
Income/(loss) before income tax expense/(benefit)	(905)	12	(570)	411	92	NM	NM	(893)	304	NM
Income tax expense/(benefit)	(337)	137	(209)	18	(736) (f)	NM	54	(200)	(775) (f)	74
NET INCOME/(LOSS)	\$ (568)	\$ (125)	\$ (361)	\$ 393	\$ 828	(354)	NM	\$ (693)	\$ 1,079	NM
MEMO:										
TOTAL NET REVENUE										
Treasury and CIO (a)	(671)	169	102	801	618	NM	NM	(502)	1,129	NM
Other Corporate	(83)	(3)	(330)	(109)	(296)	NM	72	(86)	(382)	77
TOTAL NET REVENUE	\$ (754)	\$ 166	\$ (228)	\$ 692	\$ 322	NM	NM	\$ (588)	\$ 747	NM
NET INCOME/(LOSS)										
Treasury and CIO	(550)	83	22	576	462	NM	NM	(467)	796	NM
Other Corporate	(18)	(208)	(383)	(183)	366	91	NM	(226)	283	NM
TOTAL NET INCOME/(LOSS)	\$ (568)	\$ (125)	\$ (361)	\$ 393	\$ 828	(354)	NM	\$ (693)	\$ 1,079	NM
SELECTED BALANCE SHEET DATA (period-end)										
Total assets	\$ 1,221,980	\$ 981,937	\$ 837,618	\$ 812,333	\$ 821,330	24	49	\$ 1,221,980	\$ 821,330	49
Loans	1,670	1,650	1,649	1,705	1,695	1	(1)	1,670	1,695	(1)
Headcount	38,920	38,785	38,033	38,155	37,361	—	4	38,920	37,361	4
SUPPLEMENTAL INFORMATION										
TREASURY and CIO										
Investment securities gains	\$ 26	\$ 233	\$ 123	\$ 78	\$ 44	(89)	(41)%	\$ 259	\$ 57	354%
Available-for-sale securities (average)	426,470	372,954	350,100	305,894	248,612	14	72	399,712	237,669	68
Held-to-maturity securities (average)	71,713	46,673	42,125	35,494	30,929	54	132	59,193	31,005	91
Investment securities portfolio (average)	\$ 498,183	\$ 419,627	\$ 392,225	\$ 341,388	\$ 279,541	19	78	\$ 458,905	\$ 268,674	71
Available-for-sale securities (period-end)	483,752	397,891	348,876	351,599	274,533	22	76	483,752	274,533	76
Held-to-maturity securities, net of allowance for credit losses (period-end) (d)(e)	72,908	71,200	47,540	40,830	30,907	2	136	72,908	30,907	136
Investment securities portfolio, net of allowance for credit losses (period-end) (d)	\$ 556,660	\$ 469,091	\$ 396,416	\$ 392,429	\$ 305,440	19	82	\$ 556,660	\$ 305,440	82

- (a) Net interest income in the third quarter of 2019 included income related to the unwind of the internal funding provided by Treasury and CIO to CCB upon the sale of certain mortgage loans. Refer to footnote (b) in CCB on page 11 for further information.
- (b) Included tax-equivalent adjustments, driven by tax-exempt income from municipal bonds, of \$63 million, \$61 million, \$73 million, \$74 million and \$81 million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019 and June 30, 2019, respectively, and \$124 million and \$167 million for the six months ended June 30, 2020 and 2019, respectively.
- (c) Included legal expense/(benefit) of \$(12) million, \$(20) million, \$(25) million, \$(32) million and \$(67) million for the three months ended June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively, and \$(32) million and \$(157) million for the six months ended June 30, 2020 and 2019, respectively.
- (d) Upon adoption of the CECL accounting guidance, HTM securities are presented net of an allowance for credit losses. At June 30, 2020 and March 31, 2020, the allowance for credit losses on HTM securities was \$23 million and \$19 million, respectively.
- (e) During the first quarter of 2020, the Firm transferred \$26.1 billion of U.S. government-sponsored enterprise and government agency mortgage-backed securities from AFS to HTM for capital management purposes.
- (f) The three and six months ended June 30, 2019 included income tax benefits of \$742 million and \$825 million, respectively, due to the resolution of certain tax audits.

JPMORGAN CHASE & CO.
CREDIT-RELATED INFORMATION
(in millions)

JPMORGAN CHASE & CO.

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Jun 30, 2020	
						Change Mar 31, 2020	Change Jun 30, 2019
CREDIT EXPOSURE							
Consumer, excluding credit card loans (a)							
Loans retained	\$ 307,005	\$ 293,779	\$ 294,999	\$ 295,586	\$ 314,675	5	(2)
Loans held-for-sale	1,912	1,848	3,002	4,821	1,030	3	86
Total consumer, excluding credit card loans	308,917	295,627	298,001	300,407	315,705	4	(2)
Credit card loans							
Loans retained	141,656	154,021	168,924	159,571	157,568	(8)	(10)
Loans held-for-sale	—	—	—	—	8	—	NM
Total credit card loans	141,656	154,021	168,924	159,571	157,576	(8)	(10)
Total consumer loans	450,573	449,648	466,925	459,978	473,281	—	(5)
Wholesale loans (b)							
Loans retained	516,787	555,289	481,678	473,730	475,485	(7)	9
Loans held-for-sale and loans at fair value	11,158	10,438	11,166	11,510	8,123	7	37
Total wholesale loans	527,945	565,727	492,844	485,240	483,608	(7)	9
Total loans	978,518	1,015,375	959,769	945,218	956,889	(4)	2
Derivative receivables	74,846	81,648	49,766	55,577	52,878	(8)	42
Receivables from customers and other (c)	22,403	33,376	33,706	32,236	27,414	(33)	(18)
Total credit-related assets	1,075,767	1,130,399	1,043,241	1,033,031	1,037,181	(5)	4
Lending-related commitments							
Consumer, excluding credit card	45,348	41,535	40,169	41,697	40,132	9	13
Credit card (d)	673,836	681,442	650,720	645,880	633,970	(1)	6
Wholesale	405,946	358,485	413,310	405,470	403,767	13	1
Total lending-related commitments	1,125,130	1,081,462	1,104,199	1,093,047	1,077,869	4	4
Total credit exposure	\$ 2,200,897	\$ 2,211,861	\$ 2,147,440	\$ 2,126,078	\$ 2,115,050	—	4
Memo: Total by category							
Consumer exposure (e)	\$ 1,169,757	\$ 1,172,625	\$ 1,157,814	\$ 1,147,573	\$ 1,147,404	—	2
Wholesale exposures (f)	1,031,140	1,039,236	989,626	978,505	967,646	(1)	7
Total credit exposure	\$ 2,200,897	\$ 2,211,861	\$ 2,147,440	\$ 2,126,078	\$ 2,115,050	—	4

Effective January 1, 2020, the Firm adopted the CECL accounting guidance. In conjunction with the adoption of CECL, the Firm reclassified risk-rated business banking and auto dealer loans and commitments held in CCB from the consumer, excluding credit card portfolio segment to the wholesale portfolio segment. Prior periods have been revised to conform with the current presentation.

- (a) Includes scored loans held in CCB, scored mortgage and home equity loans held in AWM, and scored mortgage loans held in Corporate.
(b) Includes loans held in CIB, CB, AWM, Corporate as well as risk-rated business banking and auto dealer loans held in CCB for which the wholesale methodology is applied for determining the allowance for loan losses.
(c) Primarily represents brokerage-related held-for-investment customer receivables, which are classified in accrued interest and accounts receivable on the Consolidated balance sheets.
(d) Also includes commercial card lending-related commitments primarily in CB and CIB.
(e) Represents total consumer loans, lending-related commitments, and receivables from customers and other.
(f) Represents total wholesale loans, lending-related commitments, derivative receivables, and receivables from customers and other.

CREDIT-RELATED INFORMATION, CONTINUED

(in millions, except ratio data)

JPMORGAN CHASE & CO.

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Jun 30, 2020	
						Change Mar 31, 2020	Change Jun 30, 2019
NONPERFORMING ASSETS (a)							
Consumer nonaccrual loans (b)(c)	\$ 4,246	\$ 3,877	\$ 2,928	\$ 2,986	\$ 3,077	10%	38%
Wholesale nonaccrual loans							
Loans retained	3,423	1,957	1,057	1,703	1,423	75	141
Loans held-for-sale and loans at fair value	375	138	95	262	370	172	1
Total wholesale nonaccrual loans	3,798	2,095	1,152	1,965	1,793	81	112
Total nonaccrual loans	8,044 (e)	5,972	4,080	4,951	4,870	35	65
Derivative receivables	108	85	30	26	39	27	177
Assets acquired in loan satisfactions	288	364	387	366	351	(21)	(18)
Total nonperforming assets	8,440	6,421	4,497	5,343	5,260	31	60
Wholesale lending-related commitments (d)	762	619	474 (f)	446	465	23	64
Total nonperforming exposure	\$ 9,202	\$ 7,040	\$ 4,971	\$ 5,789	\$ 5,725	31	61
NONACCRUAL LOAN-RELATED RATIOS (e)							
Total nonaccrual loans to total loans (c)	0.82%	0.59%	0.43%	0.52%	0.51%		
Total consumer, excluding credit card nonaccrual loans to total consumer, excluding credit card loans (c)	1.37	1.31	0.98	0.99	0.97		
Total wholesale nonaccrual loans to total wholesale loans	0.72	0.37	0.23	0.40	0.37		

(a) At June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, nonperforming assets excluded: (1) mortgage loans insured by U.S. government agencies of \$561 million, \$616 million, \$961 million, \$1.6 billion and \$1.8 billion, respectively, that are 90 or more days past due; and (2) real estate owned ("REO") insured by U.S. government agencies of \$13 million, \$29 million, \$41 million, \$50 million and \$56 million, respectively. These amounts have been excluded based upon the government guarantee. In addition, the Firm's policy is generally to exempt credit card loans from being placed on nonaccrual status as permitted by regulatory guidance issued by the Federal Financial Institutions Examination Council ("FFIEC"). Refer to Note 12 of the Firm's 2019 Form 10-K for additional information on the Firm's credit card nonaccrual and charge-off policies.

(b) Included nonaccrual loans held-for-sale of \$2 million, \$2 million, and \$31 million at December 31, 2019, September 30, 2019, and June 30, 2019, respectively. There were no nonaccrual loans held-for-sale in all other periods presented.

(c) At June 30, 2020 and March 31, 2020, nonaccrual loans included \$1.3 billion and \$970 million of PCD loans, respectively. Prior to the adoption of CECL, nonaccrual loans excluded PCI loans as the Firm recognized interest income on each pool of PCI loans as each of the pools was performing.

(d) Represents commitments that are risk rated as nonaccrual.

(e) Generally excludes loans that were under payment deferral or granted other assistance, including amendments or waivers of financial covenants in response to the COVID-19 pandemic.

(f) The prior period amount has been revised to conform with the current period presentation.

CREDIT-RELATED INFORMATION, CONTINUED

(in millions, except ratio data)

	QUARTERLY TRENDS							SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	2Q20 Change		2020	2019	2020 Change 2019
						1Q20	2Q19			
SUMMARY OF CHANGES IN THE ALLOWANCES										
ALLOWANCE FOR LOAN LOSSES										
Beginning balance	\$ 23,244	\$ 17,295 (a)	\$ 13,235	\$ 13,166	\$ 13,533	34%	72%	\$ 17,295	\$ 13,445	29%
Net charge-offs:										
Gross charge-offs	1,877	1,902	1,788	1,676	1,704	(1)	10	3,779	3,346	13
Gross recoveries collected	(317)	(433)	(294)	(305)	(301)	27	(5)	(750)	(582)	(29)
Net charge-offs	1,560	1,469	1,494	1,371	1,403	6	11	3,029	2,764	10
Write-offs of PCI loans	NA	NA	19 (b)	43 (b)	39 (b)	NM	NM	NA	89 (b)	NM
Provision for loan losses	10,407	7,418	1,401	1,479	1,077	40	NM	17,825	2,569	NM
Other	1	—	—	4	(2)	NM	NM	1	5	(80)
Ending balance	\$ 32,092	\$ 23,244	\$ 13,123	\$ 13,235	\$ 13,166	38	144	\$ 32,092	\$ 13,166	144
ALLOWANCE FOR LENDING-RELATED COMMITMENTS										
Beginning balance	\$ 2,147	\$ 1,289 (a)	\$ 1,165	\$ 1,129	\$ 1,058	67	103	\$ 1,289	\$ 1,055	22
Provision for lending-related commitments	62	858	26	35	72	(93)	(14)	920	75	NM
Other	—	—	—	1	(1)	—	NM	—	(1)	NM
Ending balance	\$ 2,209	\$ 2,147	\$ 1,191	\$ 1,165	\$ 1,129	3	96	\$ 2,209	\$ 1,129	96
Total allowance for credit losses	\$ 34,301	\$ 25,391	\$ 14,314	\$ 14,400	\$ 14,295	35	140	\$ 34,301	\$ 14,295	140
NET CHARGE-OFF/(RECOVERY) RATES										
Consumer retained, excluding credit card loans	0.11%	(0.01)%	0.15%	0.11%	0.09%			0.05%	0.11%	
Credit card retained loans	3.33	3.25	3.01	2.95	3.24			3.28	3.23	
Total consumer retained loans	1.14	1.15	1.16	1.08	1.11			1.14	1.10	
Wholesale retained loans	0.22	0.13	0.13	0.10	0.08			0.18	0.06	
Total retained loans	0.64	0.62	0.63	0.58	0.60			0.63	0.59	
Memo: Average retained loans										
Consumer retained, excluding credit card loans	\$ 304,179	\$ 294,156	\$ 295,258	\$ 304,385	\$ 319,424	3	(5)	\$ 299,169	\$ 326,418	(8)
Credit card retained loans	142,377	162,660	162,112	158,166	153,736	(12)	(7)	152,518	152,435	—
Total average retained consumer loans	446,556	456,816	457,370	462,551	473,160	(2)	(6)	451,687	478,853	(6)
Wholesale retained loans	540,248	491,819	476,402	469,942	472,049	10	14	516,032	471,999	9
Total average retained loans	\$ 986,804	\$ 948,635	\$ 933,772	\$ 932,493	\$ 945,209	4	4	\$ 967,719	\$ 950,852	2

(a) Upon the adoption of the CECL accounting guidance on January 1, 2020, the Firm recognized a net increase of \$4.3 billion ("day 1 impact") to the allowance for credit losses, of which \$4.2 billion relates to the allowance for loan losses and \$98 million relates to the allowance for lending-related commitments.

(b) Prior to the adoption of CECL, write-offs of PCI loans were recorded against the allowance for loan losses when actual losses for a pool exceeded estimated losses that were recorded as purchase accounting adjustments at the time of acquisition. A write-off of a PCI loan was recognized when the underlying loan was removed from a pool.

	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Jun 30, 2020 Change	
						Mar 31, 2020	Jun 30, 2019
ALLOWANCE COMPONENTS AND RATIOS							
ALLOWANCE FOR LOAN LOSSES							
Consumer, excluding credit card							
Asset-specific (a)	\$ 263	\$ 223	\$ 75	\$ 88	\$ 87	18%	202%
Portfolio-based	4,609	3,231	1,476	1,475	1,538	43	200
PCI	NA	NA	987	1,256	1,299	NM	NM
Total consumer, excluding credit card	4,872	3,454	2,538	2,819	2,924	41	67
Credit card							
Asset-specific (b)	642	530	477	488	472	21	36
Portfolio-based	17,158	14,420	5,206	5,095	4,911	19	249
Total credit card	17,800	14,950	5,683	5,583	5,383	19	231
Total consumer	22,672	18,404	8,221	8,402	8,307	23	173
Wholesale							
Asset-specific (c)	757	556	295	399	346	36	119
Portfolio-based	8,663	4,284	4,607	4,434	4,513	102	92
Total wholesale	9,420	4,840	4,902	4,833	4,859	95	94
Total allowance for loan losses	32,092	23,244	13,123	13,235	13,166	38	144
Allowance for lending-related commitments	2,209	2,147	1,191	1,165	1,129	3	96
Total allowance for credit losses	\$ 34,301	\$ 25,391	\$ 14,314	\$ 14,400	\$ 14,295	35	140
CREDIT RATIOS							
Consumer, excluding credit card allowance, to total consumer, excluding credit card retained loans	1.59%	1.18%	0.86%	0.95%	0.93%		
Credit card allowance to total credit card retained loans	12.57	9.71	3.36	3.50	3.42		
Wholesale allowance to total wholesale retained loans	1.82	0.87	1.02	1.02	1.02		
Wholesale allowance to total wholesale retained loans, excluding trade finance and conduits (d)	1.95	0.93	1.08	1.08	1.10		
Total allowance to total retained loans	3.32	2.32	1.39	1.42	1.39		
Consumer, excluding credit card allowance, to consumer, excluding credit card retained nonaccrual loans (e)	115	89	87	94	96		
Total allowance, excluding credit card allowance, to retained nonaccrual loans, excluding credit card nonaccrual loans (e)	186	142	187	163	174		
Wholesale allowance to wholesale retained nonaccrual loans	275	247	464	284	341		
Total allowance to total retained nonaccrual loans	418	398	329	282	295		

(a) Includes modified PCD loans and loans that have been modified or are reasonably expected to be modified in a troubled debt restructuring ("TDR").

(b) The asset-specific credit card allowance for loan losses relates to loans that have been modified or are reasonably expected to be modified in a TDR; the Firm calculates this allowance based on the loans' original contractual interest rates and does not consider any incremental penalty rates.

(c) Includes risk-rated loans that have been placed on nonaccrual status and loans that have been modified or are reasonably expected to be modified in a TDR.

(d) Management uses allowance for loan losses to period-end loans retained, excluding CIB's trade finance and conduits, a non-GAAP financial measure, to provide a more meaningful assessment of the wholesale allowance coverage ratio.

(e) Refer to footnote (a) on page 25 for information on the Firm's nonaccrual policy for credit card loans.

NON-GAAP FINANCIAL MEASURES

Non-GAAP Financial Measures

- (a) 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 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 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.
- (b) **Pre-provision profit** is a non-GAAP financial measure which represents total net revenue less noninterest expense. The Firm believes that this financial measure is useful in assessing the ability of a lending institution to generate income in excess of its provision for credit losses.
- (c) **TCE, ROTCE, and 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. 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. TCE, ROTCE, and TBVPS are utilized by the Firm, as well as investors and analysts, in assessing the Firm's use of equity.
- (d) The ratio of the wholesale and CIB's **allowance for loan losses to period-end loans retained, excluding trade finance and conduits**, is calculated excluding loans accounted for at fair value, loans held-for-sale, CIB's trade finance loans and consolidated Firm-administered multi-seller conduits, as well as their related allowances, to provide a more meaningful assessment of the respective allowance coverage ratio.
- (e) In addition to reviewing net interest income and the net yield on a managed basis, management also reviews these metrics excluding CIB's Markets businesses to assess the performance of the Firm's lending, investing (including asset-liability management) and deposit-raising activities. The resulting metrics are referred to as non-markets related net interest income and net yield. CIB's Markets businesses are Fixed Income Markets and Equity Markets. Management believes that disclosure of non-markets related net interest income and net yield provide investors and analysts with other measures by which to analyze the non-markets-related business trends of the Firm and provides a comparable measure to other financial institutions that are primarily focused on lending, investing and deposit-raising activities.

QUARTERLY TRENDS

(in millions, except rates)	QUARTERLY TRENDS					2Q20 Change		SIX MONTHS ENDED JUNE 30,		
	2Q20	1Q20	4Q19	3Q19	2Q19	1Q20	2Q19	2020	2019	2020 Change
Net interest income - reported	\$ 13,853	\$ 14,439	\$ 14,166	\$ 14,228	\$ 14,398	(4)%	(4)%	\$ 28,292	\$ 28,851	(2)%
Fully taxable-equivalent adjustments	107	110	123	127	138	(3)	(22)	217	281	(23)
Net interest income - managed basis (a)	\$ 13,960	\$ 14,549	\$ 14,289	\$ 14,355	\$ 14,536	(4)	(4)	\$ 28,509	\$ 29,132	(2)
Less: CIB Markets net interest income	2,536	1,596	1,149	723	624	59	306	4,132	1,248	231
Net interest income excluding CIB Markets (a)	\$ 11,424	\$ 12,953	\$ 13,140	\$ 13,632	\$ 13,912	(12)	(18)	\$ 24,377	\$ 27,884	(13)
Average interest-earning assets	\$ 2,819,855	\$ 2,465,732	\$ 2,377,741	\$ 2,365,154	\$ 2,339,094	14	21	\$ 2,642,794	\$ 2,319,105	14
Less: Average CIB Markets interest-earning assets	795,677	736,035	676,763	690,593	673,480	8	18	765,856	661,397	16
Average interest-earning assets excluding CIB Markets	\$ 2,024,178	\$ 1,729,697	\$ 1,700,978	\$ 1,674,561	\$ 1,665,614	17	22	\$ 1,876,938	\$ 1,657,708	13
Net yield on average interest-earning assets - managed basis	1.99%	2.37%	2.38%	2.41%	2.49%			2.17%	2.53%	
Net yield on average CIB Markets interest-earning assets	1.28	0.87	0.67	0.42	0.37			1.08	0.38	
Net yield on average interest-earning assets excluding CIB Markets	2.27	3.01	3.06	3.23	3.35			2.61	3.39	

(a) Interest includes the effect of related hedges. Taxable-equivalent amounts are used where applicable.