BANCANALYSTS ASSOCIATION OF BOSTON CONFERENCE

Charlie Scharf, CEO, Retail Financial Services

November 4th, 2010

JPMorgan Chase & Co.

Retail Financial Services — Results

Net income ($ in millions)	3Q09	2Q10	3Q10	3Q10 ROE
Retail Banking	$1,043	$914	$848	
Mortgage & Auto, etc. (excluding repurchases)	698	752	1,060	
Subtotal	**$1,741**	**$1,666**	**$1,908**	**41%**
Repurchase Losses	(286)	(388)	(853)	
Real Estate Portfolios	(1,448)	(236)	(148)	
Retail Financial Services	**$7**	**$1,042**	**$907**	**13%**

- Retail Banking 3Q10 run rate fully reflects impact of NSF/OD regulatory changes
- Mortgage production revenue – high volumes and wider margins on low rates; Auto Finance record year-to-date on strong credit performance and competitive positioning
- Repurchase losses remain high; 3Q10 reserve build reflects increasing trend in Agency requests for loan files and repurchase demands
- Real Estate Portfolios run-off consistent with guidance – delinquencies remain flat QoQ; 4Q10 losses expected to remain flat to 3Q10

Retail businesses well-positioned for the current environment and significant changes ahead

- NSF/OD
- Debit Interchange
- Bureau of Consumer Financial Protection
- Economic/Housing/Credit environment
- Real Estate Portfolios Run-off
- Repurchase Losses
- Foreclosures

Agenda

NSF/OD

NSF/OD changes – March 2010

- Posting order changes – all transactions other than checks and ACH paid in order of the time stamp of the transaction (debit, ATM, teller, bill pay, etc.)
- Reduce daily maximum number of items from 6 to 3[1]
- Implement a $5 cushion
- Move to a flat $34 NSF fee
- Move to a standard $15 extended overdraft fee

Results to date

- $700mm net income impact – fully reflected in 3Q10 run rate
- More than half of regular users chose debit card overdraft coverage
  - Opt-in rates[2]
    - Regular users 53%
    - Occasional users 41%
    - Infrequent users 23%
- Higher customer satisfaction for opt-in customers
  - % Top Box - Overall customer satisfaction October vs. April 2010[3]
    - Opt-in – ~20% improvement
    - Opt-out – flat
    - Opt-in satisfaction ~30% better than Opt-out
- Lower attrition for opt-in customers
- Better business going forward

[1] Change implemented in January 2010

[2] Regular users of Debit Card Overdraft Coverage represent customers who use this service 10+ times per year. Occasional users of Debit Card Overdraft Coverage represent customers who use this service 4-9 times per year. Infrequent users of Debit Card Overdraft Coverage represent customers who use this service < 4 times per year

[3] % Top Box reflects % of customers who chose “10” out of a 10 point scale for overall satisfaction in customer survey, October 2010

Debit interchange

- The Durbin Amendment will likely have negative consequences for consumers and set a bad precedent for business
- The legislation will likely result in:
  - A transfer of value from lower mass market consumers to merchants
  - Higher banking costs for lower mass market consumers
  - Some portion of lower mass market consumers exiting the banking system
  - Potentially less innovation and functionality in banking services
- We operate from a position of strength:
  - Customers from many segments (28% of customers with >$100,000 in financial assets)
  - Broad, superior product set (i.e., credit cards, investments, deposits, loans, treasury services)
  - Nationwide footprint (over 5,000 branches and 16,000 ATMs in 23 states)
  - Innovation in technology (e.g., Quick Deposit)
  - Willingness and ability to adapt and change
- We will be appropriately paid for the services we provide

Product changes

- De-emphasize debit
  - Changed banker and branch manager compensation (September/October 2010)
  - Stop issuing new debit rewards cards (February 2011)
  - Eliminate debit usage as a way for new customers to have monthly checking account fee waived (February 2011)
- Change current checking products (February 2011)
  - New ways for customers to bank without a monthly service fee – more emphasis on broader relationships and balances
  - Higher fees for customers who do not maintain sufficient balances or do enough business with us
- Introduce new product line based on extensive customer research and market testing (2H11/2012)
  - Ongoing extensive customer research: focus groups, ideation sessions, and analytical research
  - 10+ market tests in 1H11

Consistent with principles of the Bureau of Consumer Financial Protection

Agenda

Real Estate Portfolios losses

Net charge-offs, excluding purchased credit-impaired portfolio ($ in millions)	3Q09	4Q09	1Q10	2Q10	3Q10
Home Equity	$1,142	$1,177	$1,126	$796	$730
Prime Mortgage[1]	533	597	476	273	266
Subprime Mortgage	422	452	457	282	206
Total Real Estate Portfolios	**$2,097**	**$2,226**	**$2,059**	**$1,351**	**$1,202**

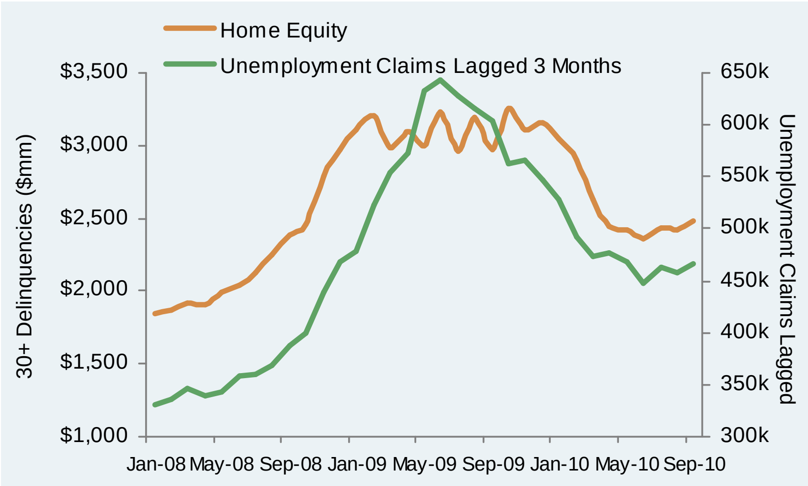
[1] Includes Option ARM

- Net charge-offs peaked in 4Q09
- The reduction in net charge-offs through 3Q10 lags the reduction in delinquencies through early 2Q10
- Given flat delinquencies in 3Q10, expect 4Q10 losses to be close to 3Q10 run rate
- October delinquencies and losses were flattish to September levels

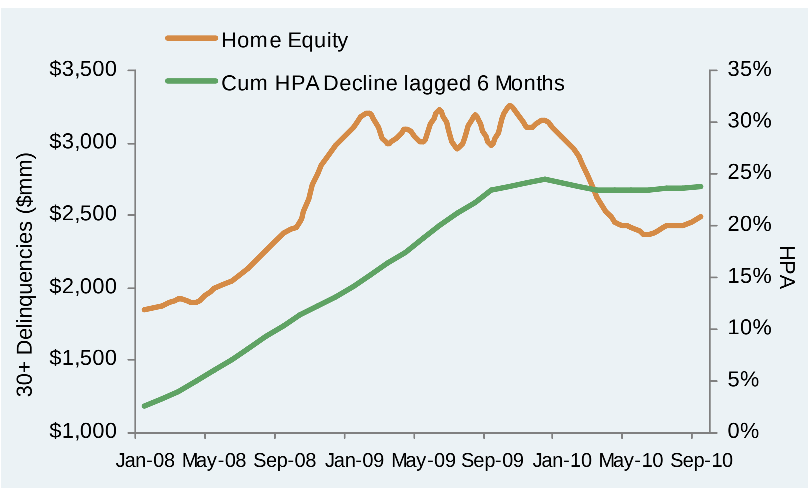
Economic indicators vs. delinquency

Heritage Chase Home Equity

Unemployment claims[1] and 30+ ($mm)



Cumulative decline in HPA lagged 6mo[2] and 30+ ($mm)



[1] Unemployment based on September forecast
[2] Portfolio Weighted & October MEDC forecast

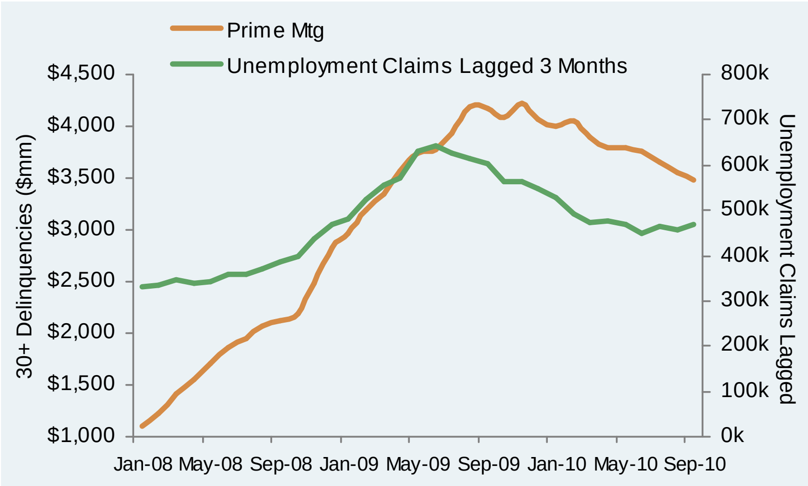
Comments

- Both Home Equity and Prime Mortgage performance are correlated to the economic environment
- In 2H09, the rate of home price deterioration slowed and new jobless claims began to improve
  - Home Equity 30+ delinquencies improved
- In 1H10, both home prices and unemployment have stabilized
  - Home Equity delinquencies have stabilized in turn
- Seasonality also a factor

Economic indicators vs. delinquency

Heritage Chase Prime Mortgage

Unemployment claims[1] and 30+ ($mm)



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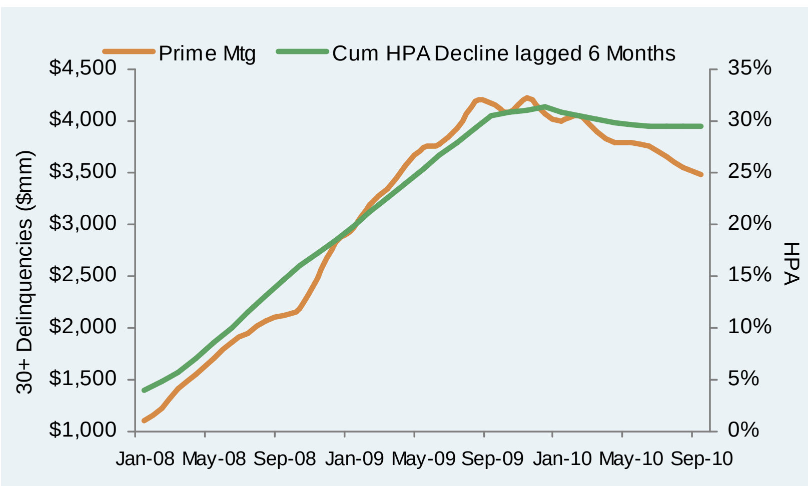


[1] Unemployment based on September forecast
[2] Portfolio Weighted & October MEDC forecast

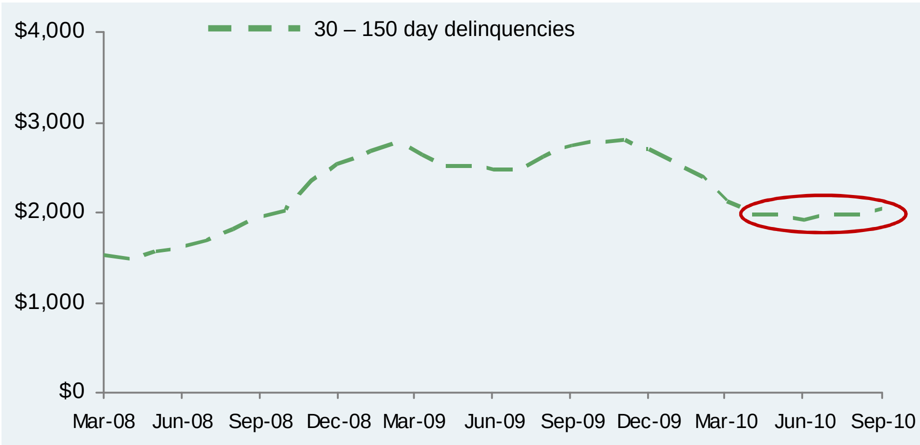
Comments

- Prime Mortgage is less sensitive to unemployment – strongly correlated to home price changes
- Chase portfolio weighted home prices have been stable to modestly improving over the last few quarters
  - Prime 30+ delinquencies also showing modest improvement

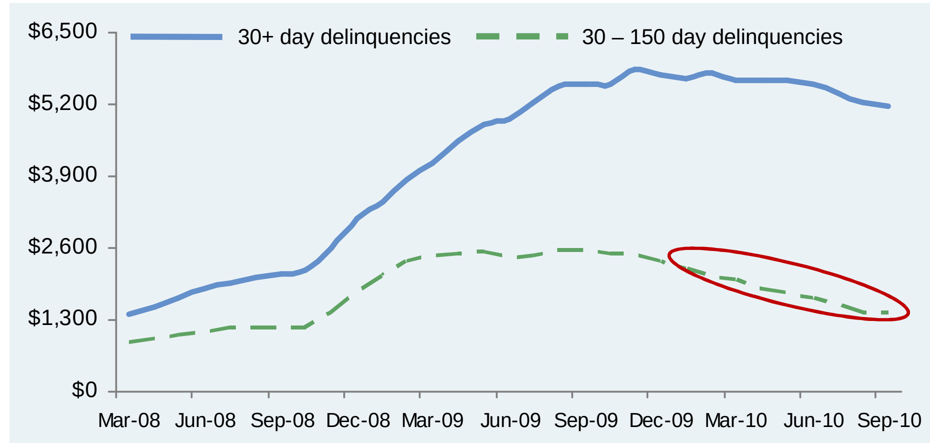
Consumer credit — delinquency trends

Excluding purchased credit-impaired loans

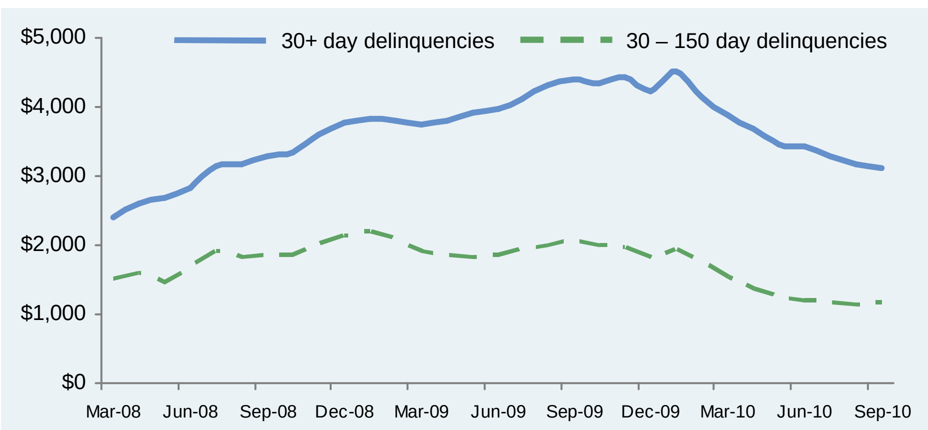
Home Equity delinquency trend ($ in millions)



Prime Mortgage delinquency trend ($ in millions)



Subprime Mortgage delinquency trend ($ in millions)

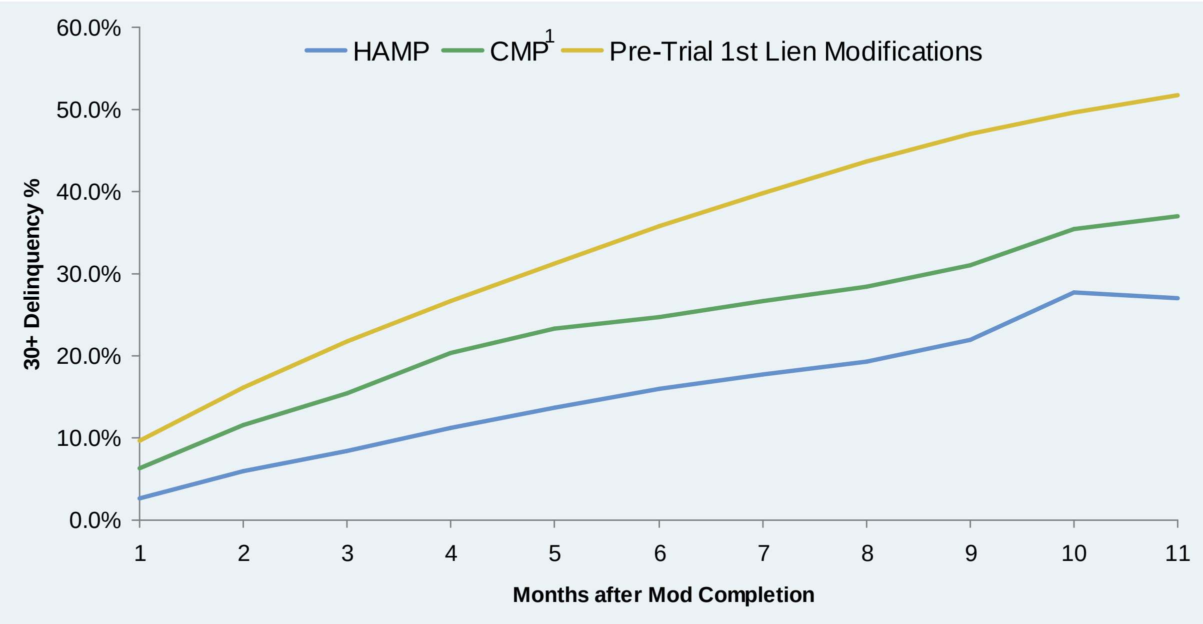


Comments

- Home Equity delinquencies flat to modest deterioration
- Prime Mortgage delinquencies flat to modest improvement

HAMP and Chase modification programs performance: total serviced portfolio

Performance of modified loans (Includes permanent modifications through Sept '10)



	Modifications	
Months	HAMP	CMP[1]
Sep-09	179	208
Oct-09	428	331
Nov-09	905	615
Dec-09	4,968	2,022
Jan-10	6,041	1,961
Feb-10	7,616	781
Mar-10	11,402	767
Apr-10	10,272	4,794
May-10	11,333	5,733
Jun-10	9,429	4,868
Jul-10	3,535	3,736
Aug-10	4,989	5,864
Sep-10	4,459	3,941
TOTAL	**75,556**	**35,621**

Pre-trial 1st Lien Modifications	
4Q08	37,031
1Q09	33,618
TOTAL	**70,649**

[1] CMP = Chase modification programs, excluding a recent Option ARM modification program for on-balance sheet loans

- Both HAMP and Chase proprietary modifications since July 2009 show better performance than historical modifications with no trial period; consistent with industry performance data
- The majority of modifications were completed in 1Q10/2Q10 and have not yet fully seasoned, but performance-to-date is encouraging
- Reduction in borrower payments is the most significant driver in improving re-default rates

Economic/Housing/Credit environment

Real Estate Portfolios NCOs

- 3Q10 NCOs of $1.2B
- $4.9B annualized 3Q10 losses

Outlook as of 3Q10

- Quarterly losses could be:
  - $1B for Home Equity
  - $0.4B for Prime Mortgage
  - $0.4B for Subprime Mortgage

Allowance as of 9/30/10

- Non credit-impaired: $11.3B

- Reserve and outlook considers possible further deterioration and reflects uncertainty
- If home prices and unemployment stay at current levels, losses will remain lower than our current guidance and consistent with 3Q10 run rate
  - This could lead to reduction in reserves potentially beginning in the next couple of quarters
- Risks of outside influence remain today
- Credit-impaired portfolios will require more reserves if delinquencies and severities do not improve
  - If delinquencies and severities remain flat - additional impairment over the next two years could be $3B+/-

Agenda

Real Estate Portfolios run-off

Real Estate Portfolios EOP Loans as of 09/30/10 ($ in billions)	NCI[2]	PCI[3]	Total
Home Equity[1]	$92.6	$25.0	$117.6
Prime Mortgage	42.9	17.9	60.8
Option Arms	8.4	26.4	34.8
Subprime	12.0	5.5	17.5
Total	**$155.9**	**$74.8**	**$230.7**
100% runoff			
WaMu	$45.1	$74.8	$119.9
Chase subprime	10.0	N/A	10.0
Subtotal	**$55.1**	**$74.8**	**$129.9**
Signficant runoff - Chase Home Equity	**$75.5**	**N/A**	**$75.5**
Partial runoff - Chase Prime	**$25.3**	**N/A**	**$25.3**

[1] Home Equity includes other loans of $0.9B, $0.8B from hChase and $0.1B from hWaMu
[2] NCI = Non credit-impaired
[3] PCI = Purchased credit-impaired

- Real Estate Portfolios expected to run-off between 10% - 15% per annum
- ~80% + / - of total Real Estate Portfolios (including hWaMu) will run-off over time
  - Over 50% of the Real Estate Portfolios is hWaMu
  - Current Home Equity production is materially different than historical production – current production levels will not replace liquidation

Real Estate Portfolios simulation

Real Estate Portfolios — simulated average loan balance run-off and net income ($ in millions)

	2009	2010	2011	2012	2013	2017
Balances ($B)	$270	$234	$202	$176	$153	$89
Net interest income	$6,550	$5,300	$4,600	$4,000	$3,500	$2,000
Net charge-offs	8,325	5,750 +/-	4,500 - 7,500	3,500 - 6,500	2,000 - 3,000	250 +/-
Changes in reserves	5,225	1,233				
Expense	1,850	1,650	1,500	1,200	1,000	500
Net income / (loss)	**($5,450)**	**($2,000) +/-**	**($750) - ($2,500)**	**($500) - ($2,000)**	**$0 +/-**	**$750 +/-**

Note: Simulated balance run-off and net interest income based on the net 3Q10 liquidation rate and NIM %.

- Future reserve actions not simulated
- Real Estate Portfolios have contributed significant net losses in 2009/2010 YTD
- Although NII will decline as portfolio runs down, expense and credit losses will also decline
  - As a result, the net losses today will become a modest positive contribution to earnings over time
- As portfolio runs off, ~$1B of capital per year could be freed up and re-deployed – timing is impacted by pro-cyclicality of capital rules

Retail Financial Services NII

Funding model and investment of interest rate mismatch

- Retail Banking deposits and Business Banking and Auto loans will grow, but loan growth will not replace Real Estate Portfolios run-off
- Deposit NII is not dependent on retail/consumer loan growth
  - Loans and deposits do not subsidize each other
  - Loans and deposits pay and earn swap rates plus credit spread
- Mortgage Banking balance sheet outlook is stable and self-funding
- Liquidity benefit to firm (not RFS) from deposit generation

Interest rate sensitivity

- In low and flat rate environment, low re-investment rates compress deposit margin and reduce RFS NII
- RFS benefits from changing/rising rates or steepening curve as this will increase the value of deposits

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Repurchase liability roll forward and outlook

Repurchase reserve roll forward ($ in millions)

	4Q09	1Q10	2Q10	3Q10	FY 2010	FY 2011
Beginning RFS Balance	$906	$1,448	$1,642	$1,997		
Provision	672	432	667	1,464		
Losses realized	(130)	(238)	(312)	(461)	($1.2 B+/-)	($1.0B - $1.2B+/-)
Ending RFS repurchase reserve	**$1,448**	**$1,642**	**$1,997**	**$3,000**		
Plus: EMC	$257	$340	$335	$307		
Ending JPMC repurchase reserve	**$1,705**	**$1,982**	**$2,332**	**$3,307**		

- The Firm resolved and/or limited repurchase risks associated with certain hWaMu loan sales — minimal future risk
- Focus of remaining repurchase risk is hChase and EMC GSE loan sales 2005 to 2008
- Credit standards and underwriting processes enhanced by mid-2008
- Numbers do not include litigation reserves

Outlook

- Assessment of risk and liability is based on actual experience
- Reserve for both demands received and probable future demands
- Expect demands and realized losses to remain elevated through 2011
- Loss realization rate of $250-$350mm/quarter over next several quarters
- We will begin to reduce reserves when we have more confidence regarding potential future risks

Repurchase demands by vintage

Repurchase demand characteristics and file requests ($ in millions, UPB)

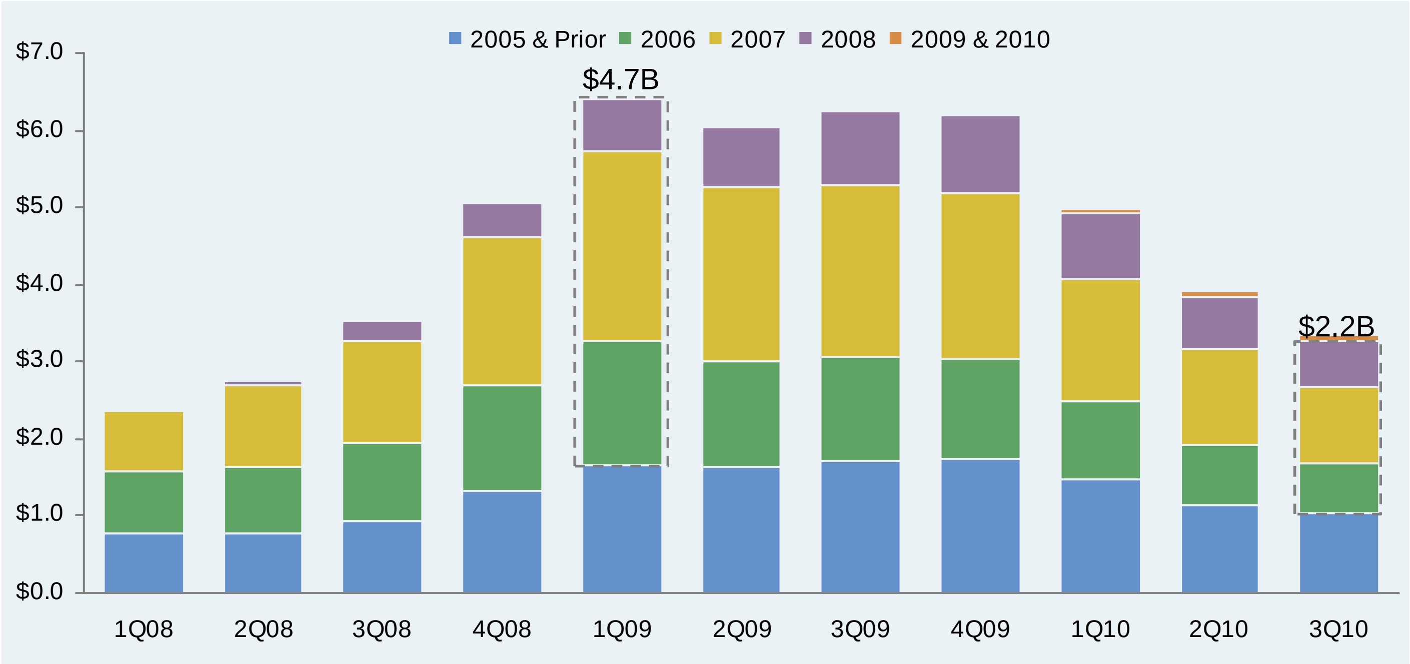
	FY 08	FY 09	YTD 10	3Q09	4Q09	1Q10	2Q10	3Q10
Pre 2005	$121	$99	$82	$26	$12	$16	$35	$31
2005	253	197	211	48	40	50	94	67
2006	1,002	899	608	159	166	189	234	185
2007	541	1,433	1,422	378	425	403	521	498
2008	103	371	475	102	157	98	186	191
Post 2008	-	43	119	12	26	20	53	46
Total repurchase demands[1]	**$2,020**	**$3,042**	**$2,917**	**$725**	**$826**	**$776**	**$1,123**	**$1,018**
Total file requests[2]	**$4,577**	**$9,249**	**$8,136**	**$2,360**	**$2,210**	**$2,310**	**$2,716**	**$3,110**

[1] Demands include hChase and hEMC GSE and private whole loan sales. Demands are predominantly GSE driven. Demands do not include mortgage insurance rescissions which have not yet resulted in a repurchase demand.
[2] File requests include hChase and hEMC GSE and private whole loans. File requests are predominantly GSE driven. File requests exclude those from mortgage insurers.

- ~ 90% of demands continue to come from 2006-2008 vintages
- Demand levels in 2Q10 and 3Q10 increased vs. the trend over the previous several quarters - very high
- File requests increased during 2010

Chase new GSE delinquencies

Chase and hEMC GSE new to 90 DPD by origination vintage ($ in billions, UPB)

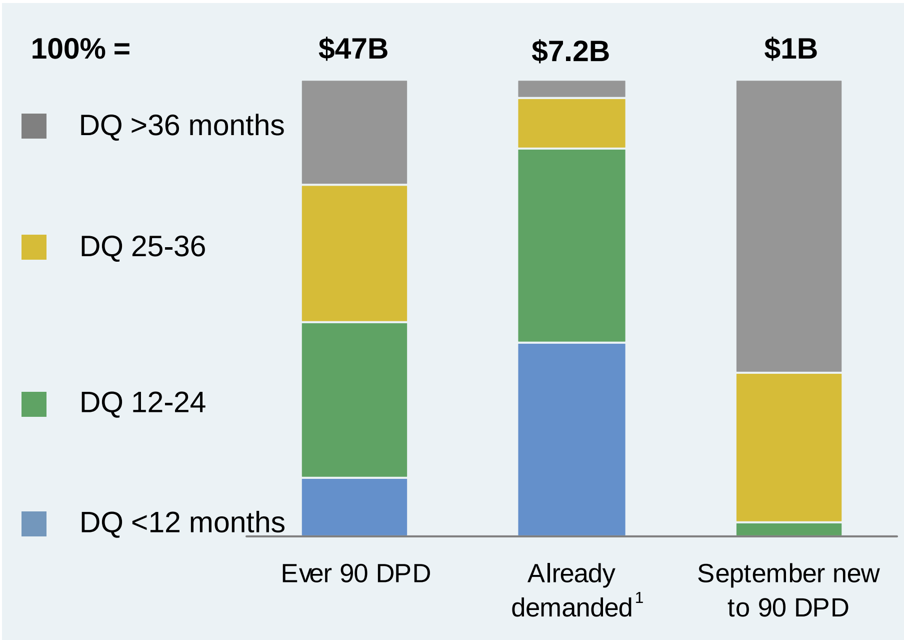


Note: Excludes private whole loan sales

- New delinquencies have decreased significantly from 2009 peaks, including reductions in the worst vintages
- We expect file requests and demands to reduce, on a lagged basis, as population of delinquent loans decreases and newer additions to delinquency have better seasoning

Chase new GSE delinquencies

Months from origination that loans went delinquent, hChase and hEMC GSE ’05-’08



[1]Already demanded includes all vintages

Note: Excludes private whole loan sales

- Of $7.2B in life-to-date demands on hChase and hEMC GSE loans, we have:
  - Remaining demand pipeline of $1.0B
  - Cured $3.2B or ~50% of finalized demands
  - Repurchased $3.0B or ~50% of finalized demands; on which $1.5B or ~50% of realized losses

- More recent additions to 90 DPD have longer histories of payment; we believe loans going delinquent after 24 months of origination are at lower risk of repurchase

Repurchase risk— GSE exposure

Chase and hEMC GSE exposure ($ in billions)

	Analyst research			Chase
	Low	Average	High	
hChase + hEMC 2005-2008 Loans Sold				$383
Ever 90+ Delinquencies to date				$47
Ever 90+ Delinquencies rate %				12%
Analyst estimates				
Projected Lifetime 90+ Delinquency Rate (%)	NM	13%	19%	
Projected Demand Rate (%)	25%	30%	40%	
Projected Repurchase Rate (%)	40%	50%	55%	
Projected Severity (%)		50%		
Projected lifetime losses	$2	$4	$8	
Realized Losses (through 3Q10)				$2
Reserves (as of 9/30/10)				$3
Total Repurchase Losses + Reserves				$5

Note: Five analyst reports were used to calculate the analyst average

- Analyst estimates do not explicitly contemplate recoveries from third parties
  - ~40% of demands relate to loans originated by 3rd parties, a portion of which we are able to recover from correspondents that are still in business and able to pay

Private label — Repurchase risk exposure

Firmwide private label securities issued ($ in billions)

	Total Securities Issued	Issued Pre-2005	Issued 2005-2008
JPMC	$139	$27	$112
Bear Stearns	257	77	180
WaMu	277	112	165
Total	**$673**	**$216**	**$457**

Source: Loan Performance System and Intex

Private securities by product ($ in billions)

	Issued 2005-2008	Ever 90+	Life-to-date Losses
Prime Mortgage	$122	13%	$2
Alt A	90	32%	7
Option ARM	110	35%	9
Subprime	135	41%	27
Total	**$457**	**30%**	**$45**

Source: Loan Performance System and Intex

- ~70% of loans underlying deals were low doc/no doc loans
  - > 75% of losses-to-date are driven by low doc/no doc loans
- 45% of losses-to-date from loans that paid for 25+ months before delinquency
- Only 5% losses-to-date from Prime Mortgage loans

Private label — Repurchase risk exposure

Agency

- Two investors with direct access to loan files
- Large dedicated repurchase teams
- Specific and uniform conforming loan standards
- No materiality threshold for underwriting breach
- Warrant that loans are free from borrower fraud

Private

- Generally 25%, and sometimes 50%, of certificate holders – sometimes by tranche – must agree to instruct trustee to request loan files
- Trustees may require evidence of breaches in order to act
- Significant variation in underwriting standards and reps and warranties by deal
- Typically underwriting guidelines expressly contemplate exceptions
- Loan types disclosed in PSA and prospectus (e.g., documentation status, concentrations, non-owner occupied)
- In most cases, burden of proof that underwriting breach "materially and adversely" affected value of the loan
- Typically do not warrant that loans are free from borrower fraud
- Expensive to perform loan level reviews – investors generally bear the cost
- Lengthy timeline to repurchase

Private label — Analyst estimates of repurchase risk

Analyst Estimates ($ in billions)	GSE		Privates		
	Medium	High	Low	Medium	High
Projected Lifetime Delinquency Rate	13%	19%	NM	32%[1]	46%
Projected Demand Rate	30%	40%	20%	24%	25%
Projected Repurchase Rate	50%	55%	20%	33%	50%
Projected Severity	50%		50%		
Implied Loss Range	**$4 - $8**		**$3**	**$6**	**$13**

Note: Five analyst reports were used to calculate the analyst average for GSEs. Six analyst reports were used to calculate the analyst average for Privates

[1] The analyst medium was below actual delinquencies; actual delinquencies used as medium

- The private label analyses appear to assume processes and standards similar to GSE repurchase experience
- Processes and standards are very different

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Foreclosure issues

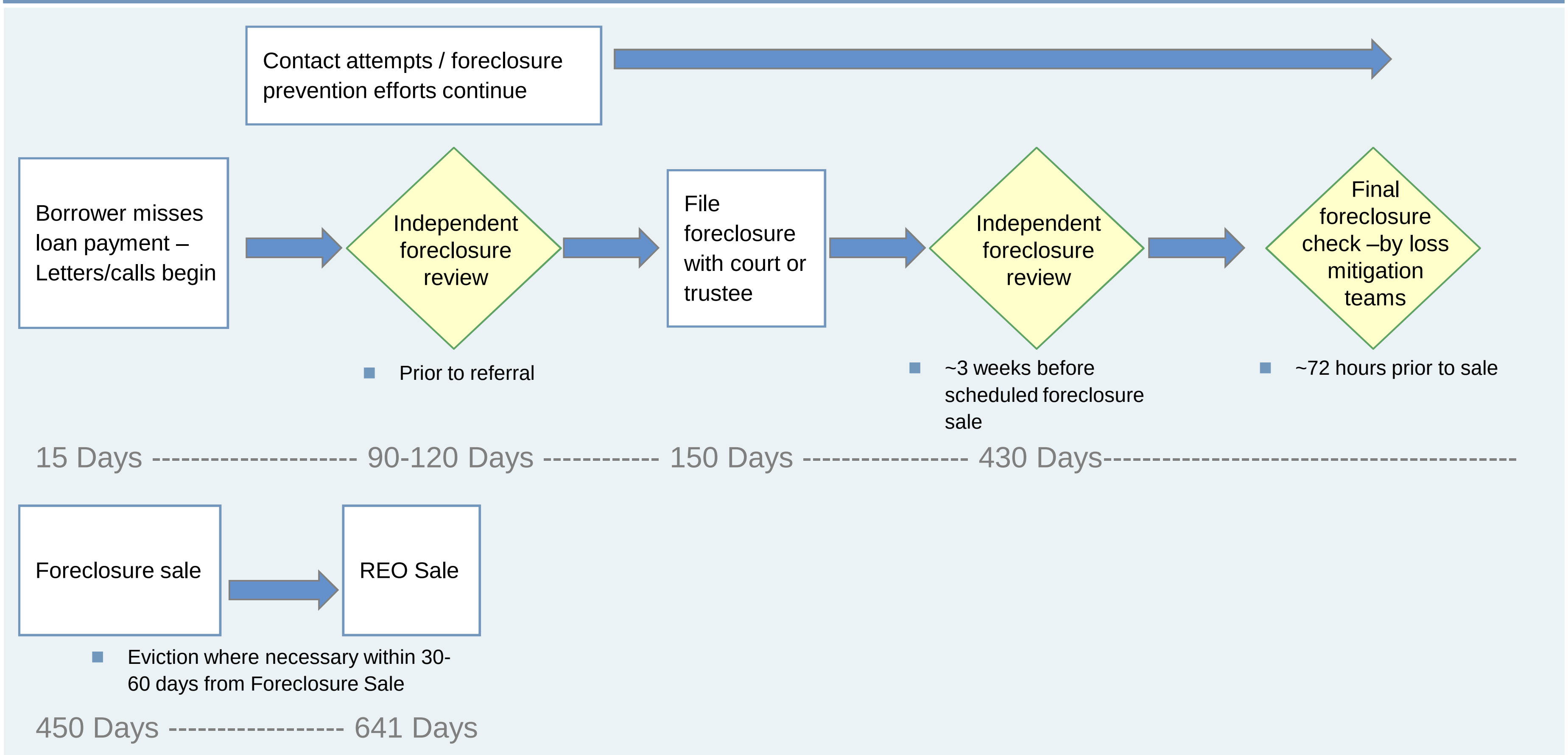
- Problems identified in foreclosure process
  - Affidavits completed without personal knowledge by signer of all information in filing
  - Documents notarized without being properly witnessed
- Misconceptions
  - Liens not properly transferred
  - Defects in title transfer compromise title insurance
  - Foreclosures being pursued too aggressively and completed without sufficient review
  - Borrowers who are current have been foreclosed upon; foreclosure decisions are not supported by underlying facts and circumstances
  - Servicers were not willing or able to staff up to cope with volumes

Foreclosure issues – Facts

- Decisions to foreclose are based upon materially accurate information
  - Underlying borrower details and loan status (name of borrower(s), borrower has defaulted and delinquency status, property address, amount of indebtedness) are correctly reflected on our systems
  - These facts and circumstances supported decisions to foreclose but if we become aware of any exceptions, we will fix them
  - We have multiple checks and controls through the foreclosure process to confirm sufficient contact and modification efforts have been made and foreclosure decisions are appropriate
- Mortgage Electronic Registration Systems (MERS) registry: Chase stopped foreclosing in the name of MERS in mid-2006; hWamu 2008
  - We assign mortgage out of MERS' name and into the holder's name before foreclosure

Foreclosure issues – Facts

A Robust Process – Significant efforts are made to prevent foreclosures



- Foreclosure is a last resort and we make significant efforts to help borrowers stay in their homes
- Attempts are made to contact borrowers multiple times after a borrower misses the first payment – over 17,000 default employees with almost 13,000 involved in loss mitigation efforts at 9/30/10
- Employees independent of the operational process check the loan status at least twice, once before a loan is referred to foreclosure and once before foreclosure sale

Foreclosure issues – Facts

A separate group performs additional reviews on all loans going to foreclosure

- Examples of items reviewed
  - Does the loan meet the required delinquency criteria?
  - Have the appropriate demand letters and notices been sent?
  - Is the loan currently in any form of active Loss Mitigation?
  - Is the loan eligible for a HAMP modification?
  - Does the loan qualify for any moratoriums?
  - If there are funds in suspense, have they been properly applied?
  - Is there any evidence of misapplication of funds?
  - Is there a payment dispute?
  - Is there a Promise to Pay?
  - Have at least 3 contact attempts been made in the past 90 days?
  - Why is the loan being referred to foreclosure?

Foreclosure issues – Facts

- On average, borrowers have not made a payment in over 14 months at the time of foreclosure
  - Florida ~22 months
  - New York ~26 months
- At the time of foreclosure:
  - ~35-40% of homes are vacant
  - ~45% of homes are non-owner occupied
  - ~20% were non-owner occupied at the time of application
- Since January 2009:
  - 975,000 modifications offered
  - 429,000 foreclosures prevented - vs. - 224,000 foreclosures completed
- Those that go to foreclosure cannot afford to – or choose not to – keep their home
- Our experience is that a second mortgage where the borrower is troubled on the first (i.e., is delinquent or has had a modification) is at high probability of default
  - We have reserves established for these high risk seconds
- In 2009 and 2010 YTD, across our serviced portfolio, an estimated $25B in principal has been written off and an estimated $5B in interest foregone related to borrowers who could not afford to stay in their homes
  - Debt forgiveness for those borrowers

Foreclosure issues – Status and next steps

Data and summary status

- We have stopped foreclosure proceedings on loans in 40 states - 127,000 +/- loans affected
  - ~65,000 loans - pre judgment
  - ~24,000 loans - post judgment, pre-sale
  - ~38,000 in non-judicial states are under review
- In addition, ~8,200 occupied REO properties - evictions stopped

Solutions

- Training all employees involved in process
- Certification of employees performed by outside counsel
- 100% quality control on re-filed documents
- Independent legal and auditor review of procedures
- Comprehensive assessment of our foreclosure management controls
- New processes in place to ensure we fulfill all procedural requirements going forward
- We expect to begin re-filing within a couple of weeks
- If we find any foreclosures in error, we will fix them

The ability to continue to foreclose is critical to continued economic and real estate recovery

- We strongly believe foreclosures should not be delayed any longer than necessary to remediate the specific issues identified
- Further foreclosure delays will damage communities and the economy more broadly
  - There is a way to go in this mortgage crisis and the backlog of aged delinquent loans needs to be cleared
  - Further delays may adversely affect home prices, communities, home buyers in the market and pace of economic recovery
- We believe modifications are being done properly and for the right borrowers
- Borrowers in active foreclosure have been considered for affordable alternatives to foreclosures, but do not qualify/cannot afford their homes

Agenda

Retail Banking — Market leading franchises

Consistent focus since 2002

- Acquire net new customers – grow checking accounts
- Deepen relationships
  - Product (card, loans, investments)
  - Services (deposits, bill pay, overdraft protection, alerts, mobile)
- Invest in Chase distribution network
  - New builds / ATMs
  - Branch rebrand / reconfiguration of interiors and exteriors
- Customer service
- Actively engage customers in the branch

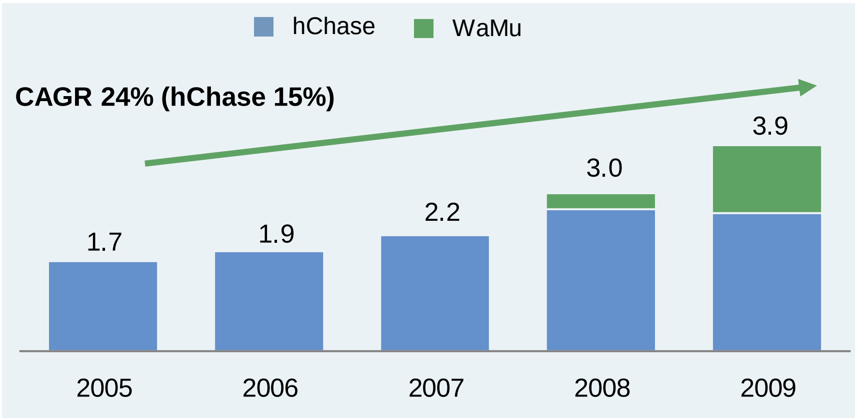
Strength of the franchise

- Attractive footprint:
  - Tri-state
  - Midwest
  - California
  - Northwest
  - Florida
  - Southwest
- Top deposit shares* in:
  - #1 New York
  - #1 Chicago
  - #1 Phoenix
  - #1 Dallas/Ft. Worth
  - #1 Houston
  - #2 Seattle
  - #3 Los Angeles
- Complete JPMorgan Chase product set with continuous innovation
- Great brand and strength of the Firm — a competitive advantage
- Management team with proven ability to grow organically, and execute mergers and conversions

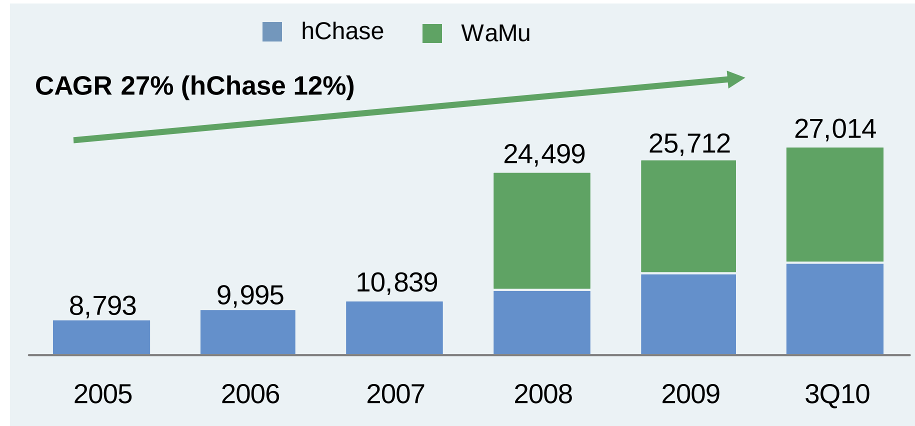
*Note: Deposit shares adjusted to exclude large branches (+$1bn) assumed to contain non-retail deposits

Retail Banking — Market leading franchises

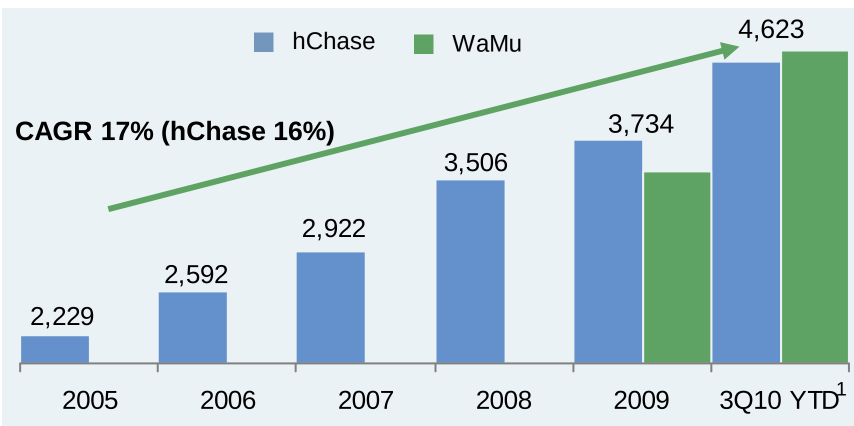
Net income ($ in billions)



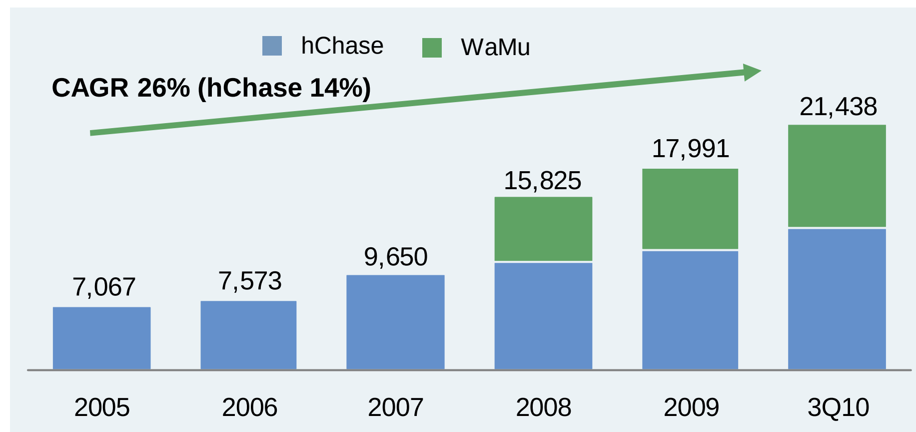
Checking accounts (# in 000s)



Sale production per branch – (in units)



Personal bankers



Strong growth through organic expansion and WaMu acquisition

[1] 3Q10 YTD is annualized

Retail Financial Services — strong growth story

Pretax income/(loss) ($ in millions)				
			CAGR	
	2005	2009	Total	Organic
Retail Banking	$2,698	$6,451	24%	12%
Mortgage Banking	601	1,950	34%	20%
Auto	438	635	10%	10%
Student & Other	247	(142)	NM	NM
Subtotal	**$3,984**	**$8,894**	**22%**	**13%**
Real Estate Portfolios	**$1,537**	**($8,890)**	**NM**	**NM**
Retail Financial Services	**$5,521**	**$4**	**NM**	**NM**

- Retail Banking organic CAGR of 12% (excluding WaMu)
  - Regulatory reform will present headwinds in 2011 but products and pricing will evolve rapidly
- Strong profit and profit growth year-over-year across businesses
- Real Estate Portfolios expected to make a positive contribution to earnings and capital over time as credit losses are reduced and significant expense reductions are realized
- Ultimately all of these factors will result in higher quality revenue and better returns on capital

Retail Financial Services opportunities

- Continue to execute in Chase footprint
- Build out WaMu consumer products and customer base
- Build out WaMu Business Banking
- NSF/OD changes short-term negative – but a much better customer experience over time
- Capture greater share of affluent
- Relationship products
- Entry and mass product differentiation
- Expand retail mortgage channel by increasing branch sales force to increase market share in footprint
- Enhance mortgage customer experience through technology investments

Significant growth opportunities

Forward-looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause JPMorgan Chase's actual results to differ materially from those described in the forward-looking statements can be found in JPMorgan Chase's Annual Report on Form 10-K for the year ended December 31, 2009 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010 and June 30, 2010, each of which has been filed with the Securities and Exchange Commission and is available on JPMorgan Chase's website (www.jpmorganchase.com) and on the Securities and Exchange Commission's website (www.sec.gov). JPMorgan Chase does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.