

COMMERCIAL BANKING

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February 26, 2013

Commercial Banking

Investment highlights

Excellent client-facing franchises

- ~ 23,000 corporate, state, municipal, financial institution and non-profit clients, and ~ 36,000 real estate clients, owners and investors
- Bankers, underwriters and service teams in 125 locations across 29 states, D.C. and 13 major international cities delivering global capabilities locally
- Full service client-driven model delivers unique solutions and global connectivity to our clients

Competitive advantages

- Carefully selected clients
- Local knowledge and delivery, global reach
- Broad range of solutions
- Supported by the entire JPMorgan Chase platform
- Seasoned and focused team

Strong returns and growth opportunities

- Consistent, repeated strong financial performance
 - Steady growth – 10% revenue and 17% net income CAGR since 2006
 - Strong returns – ROE of 20% +/- through-the-cycle
 - Risk discipline – NCOs below 50bps through-the-cycle
- Steadily investing in the business with long term view
- Tremendous opportunity in high potential markets

Industry leading capabilities and track record

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Our client franchise

Commercial Banking

Commercial & Industrial

~23,000 clients; ~36,000 prospects
72% of CB revenue; 57% of CB loans

Commercial Real Estate

~36,000 real estate clients, owners & investors
28% of CB revenue; 43% of CB loans

Bankers, underwriters and service teams in 125 locations across 29 states, D.C. and 13 major international cities delivering global capabilities locally

Middle Market Banking

- ✓ Long standing client relationships, including ~6,000 government, non-profit, healthcare and educational institutions
- ✓ Local delivery approach, with close ties to communities served nationwide
- ✓ Recognized with 2012 Greenwich Awards for excellence in TS product capabilities and customer service, international service, and online services
- ✓ #1 large middle market syndicated lender¹

Corporate Client Banking

- ✓ ~1,300 larger corporate clients served nationally through geographic and industry-focused banking teams
- ✓ Nearly doubled loan portfolio since 2010
- ✓ More than doubled gross investment banking revenue since 2006

Commercial Term Lending

- ✓ #1 U.S. multifamily lender since 2008²
- ✓ Serving 15 major markets nationwide
- ✓ Consistently delivering straightforward financing solutions – cheaper and faster than the competition

Community Development Banking

- ✓ Provided nearly \$900mm in new loans in 2012, supporting ~9,500 affordable housing units in the U.S.
- ✓ Major New Markets Tax Credits investor in underserved communities

Real Estate Banking

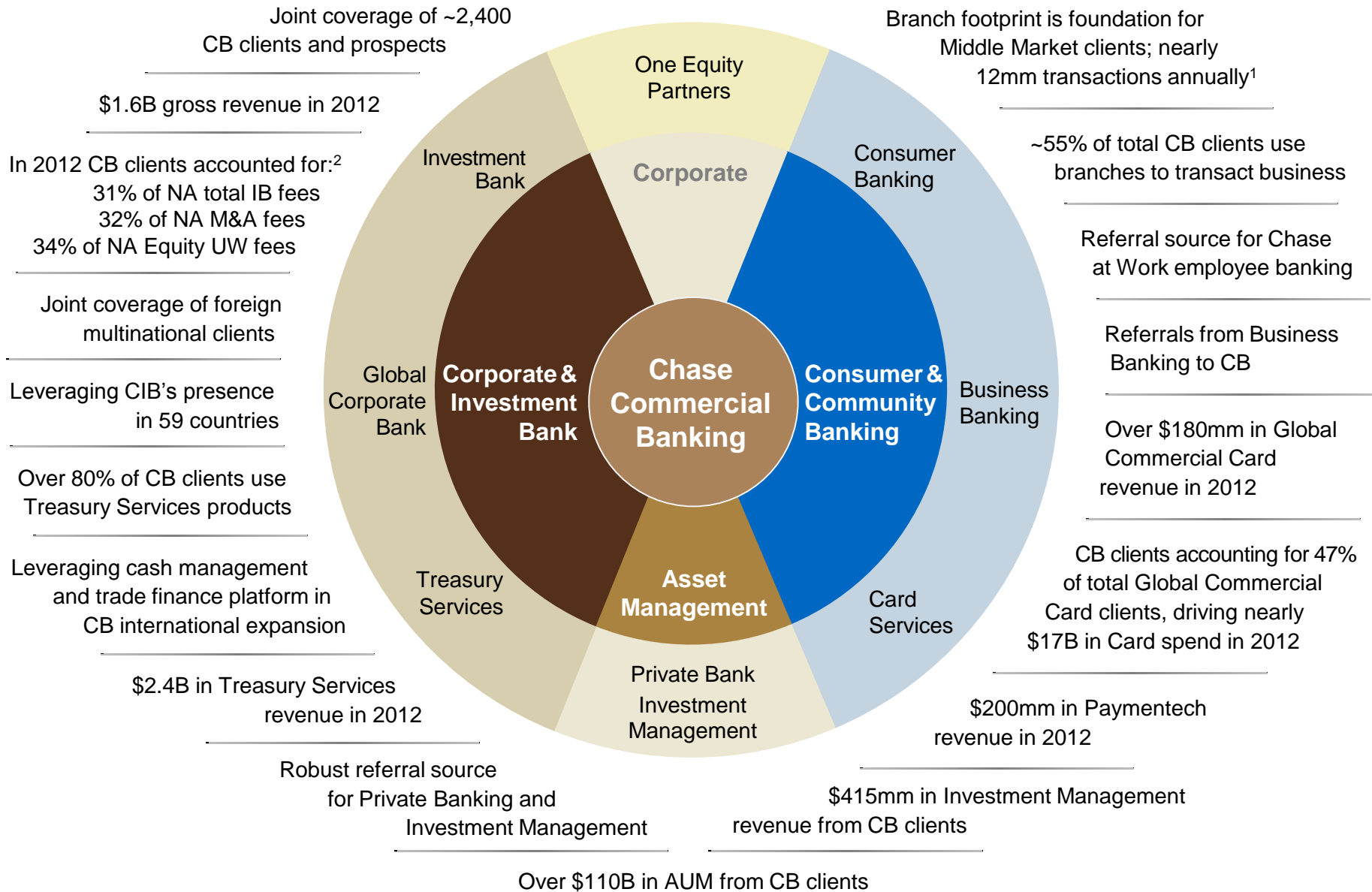
- ✓ Full service banking platform focused on top-tier real estate companies
- ✓ National focus

■ Uses Chase brand ■ Uses J.P. Morgan brand ¹ Thomson Reuters FY2012

Note: Client count and financial data as of year-end 2012 ² FDIC 2008-YTD 3Q12

Commercial Banking touches every part of JPMorgan Chase

Key referral source for private equity investments by One Equity Partners



FRANCHISE STRENGTH

¹ Annualized based on September – November 2012 transaction data

² Calculated based on gross domestic IB revenue for SLF, M&A, Equity Underwriting and Bond Underwriting

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2012: another record year

We continue to focus on executing our strategy

 Record

| | | 2006 | 2012 | 2006-2012 CAGR |
|---|--|------------------|--------------|-------------------|
| Expanded our market presence | Number of top-50 MSAs covered ¹ | 27 | 42 | |
| | Number of international cities with CB presence | 6 | 13 | |
| | Number of international clients (U.S. parents) | 890 | 2,482 | 19% |
| Invested in people | Total headcount ² | 4,459 | 6,120 | 5% |
| | Revenue/banker ³ (\$mm) | \$3.5 | \$5.5 | 8 |
| Served our customers | Average number of products per client ⁴ | 7.0 ⁵ | 9.1 | |
| | Non-interest revenue/total revenue ⁶ | 28% | 40% | |
| | Investment banking revenue, gross ⁷ (\$B) | \$0.7 | \$1.6 | 14% |
| Maintained risk and expense discipline | Nonperforming loans ⁸ | 0.23% | 0.52% | |
| | Net charge-offs | 0.05% | 0.03% | |
| | Overhead ratio | 52% | 35% | |
| | Non-interest expense (\$B) | \$2.0 | \$2.4 | 3% |
| Delivered record results | Total loan balances ⁹ (\$B) | \$53.6 | 128.2 | 16% |
| | Total client deposits ¹⁰ (\$B) | 73.6 | 195.9 | 18 |
| | Revenue (\$B) | 3.8 | 6.8 | 10 |
| | Pre-provision pretax income (\$B) | 1.8 | 4.4 | 16 |
| | Net income (\$B) | 1.0 | 2.6 | 17 |
| | ROE | 18% | 28% | |

¹ Denotes Middle Market Banking presence

² Includes internal transfers, including transfer of Treasury Services Sales team from CIB into CB in 3Q12

³ Based on total number of revenue producing employees

⁴ Based on actively pursued client relationships; excludes CTL

⁵ Reflects average number of products per client as of 2007

⁶ CB revenue excludes CTL for this purpose

⁷ Represents the total revenue related to investment banking products sold to CB clients

⁸ 2006 NPLs based on period-average loan balances; 2012 NPLs based on end-of-period loan balances

⁹ 2006 loan balances are period-average; 2012 loan balances are end-of-period

¹⁰ Client deposits are period-average

Proven business model

CB has delivered strong financial results and consistent growth

Steady performance

- Deep customer relationships and broad product base provide resilient revenue
- Consistent organic growth in a volatile market environment
- M&A not a key growth driver

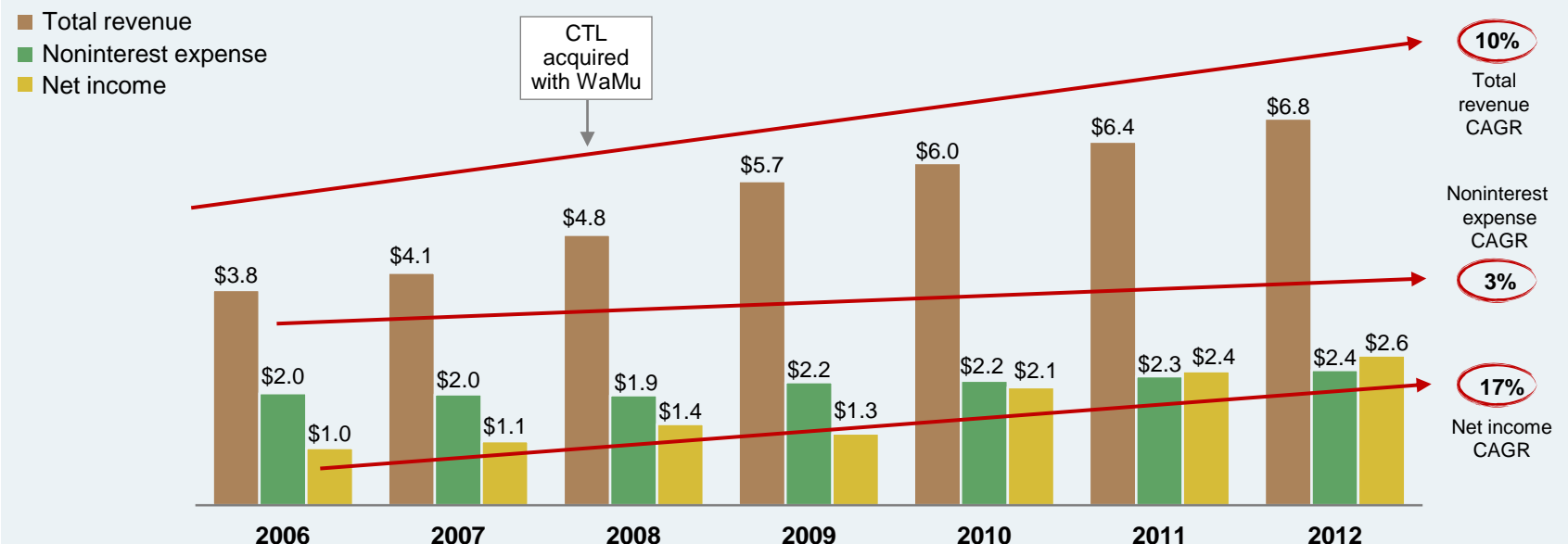
Long-term orientation

- Invest for long-term results
- Increase banker productivity
- Focus on asset and customer quality versus near-term growth

Exceptional returns

- Continuous expense discipline
- Excellent returns despite low deposit spreads and low utilization
- Strong margins, even with substantial investments
- Value of investments not fully realized

Historical performance (\$B)

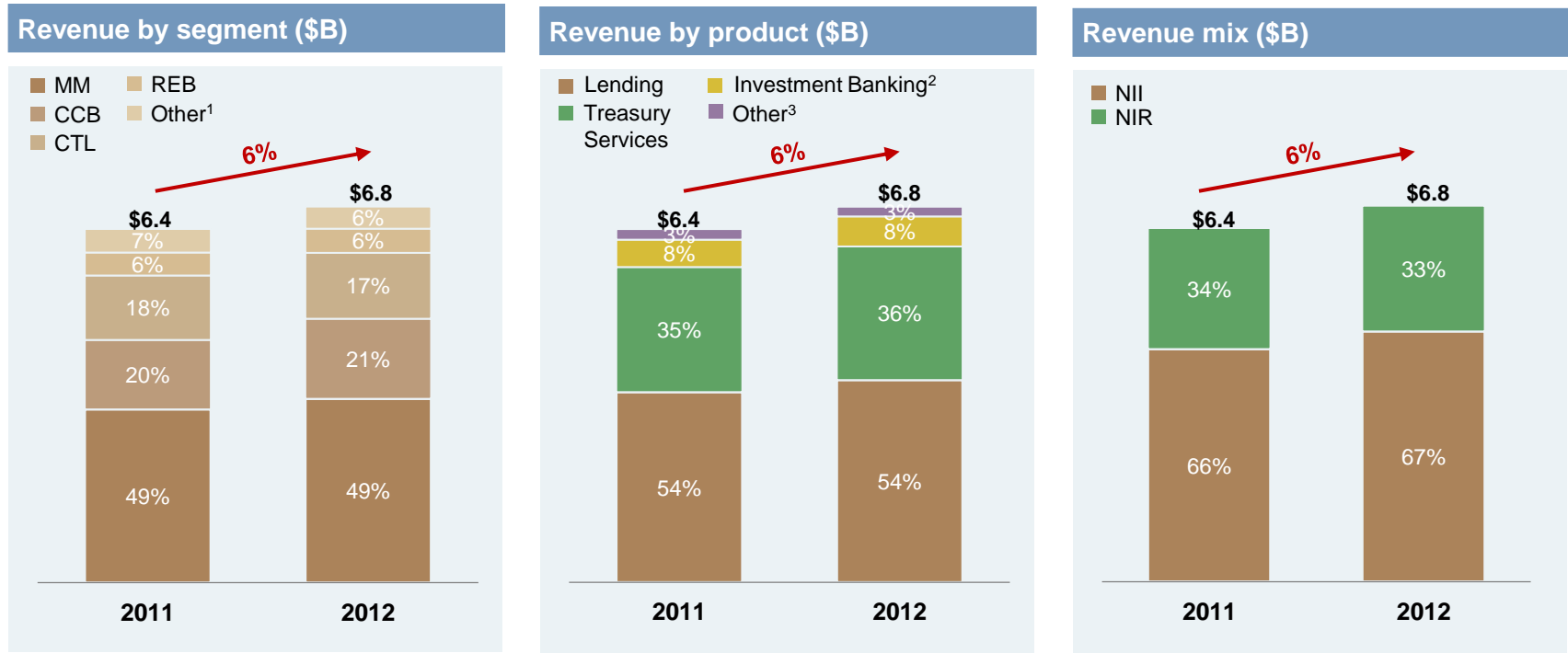


| | | | | | | | |
|------------------------------|-------|-------|--------|--------|-------|-------|-------|
| Overhead ratio | 52% | 48% | 41% | 38% | 36% | 35% | 35% |
| Revenue/banker (\$mm) | \$3.5 | \$4.0 | \$4.2 | \$6.1 | \$5.3 | \$5.4 | \$5.5 |
| ROE | 18% | 17% | 20% | 16% | 26% | 30% | 28% |
| Real GDP growth ¹ | 2.7% | 1.9% | (0.3)% | (3.1)% | 2.4% | 1.8% | 2.2% |

¹ Source: U.S. Bureau of Economic Analysis, as of February 20, 2013

Diversified revenues

Growth across all business segments and products



2012 key highlights

- ✓ **Middle Market Banking**
Double digit growth in both loans and deposits; ~950 new clients added; expansion markets contributing 49% of revenue growth
- ✓ **Corporate Client Banking**
15% increase in revenue; record performance across all products
- ✓ **Commercial Term Lending**
Record originations – 73% increase in 2012; improvement in credit quality
- ✓ **Real Estate Banking**
Record originations – 19% increase in 2012; double digit deposit growth
- ✓ **Asset-Based Lending & Chase Equipment Finance**
25% and 18% increase in loans respectively
- ✓ **Treasury Services**
7% revenue growth driven by liquidity products
- ✓ **Investment Banking**
Record gross revenue of \$1.6B
- ✓ **International**
Double digit growth in revenue, deposits and loans⁴

¹ Other primarily includes lending and investment activities within the Community Development Banking and Chase Capital businesses

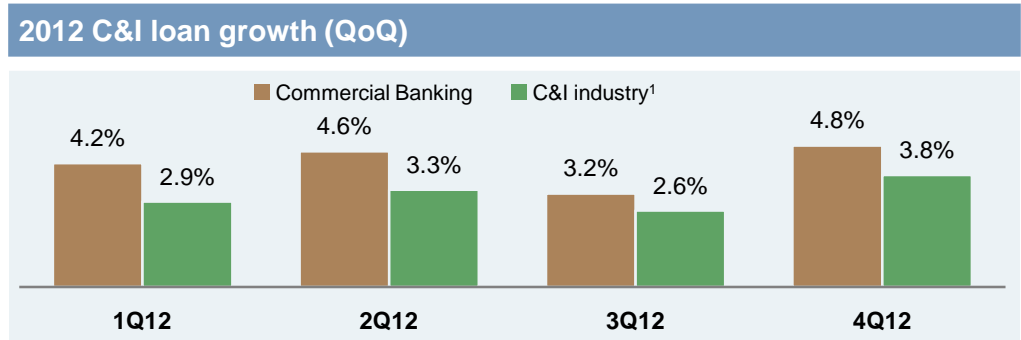
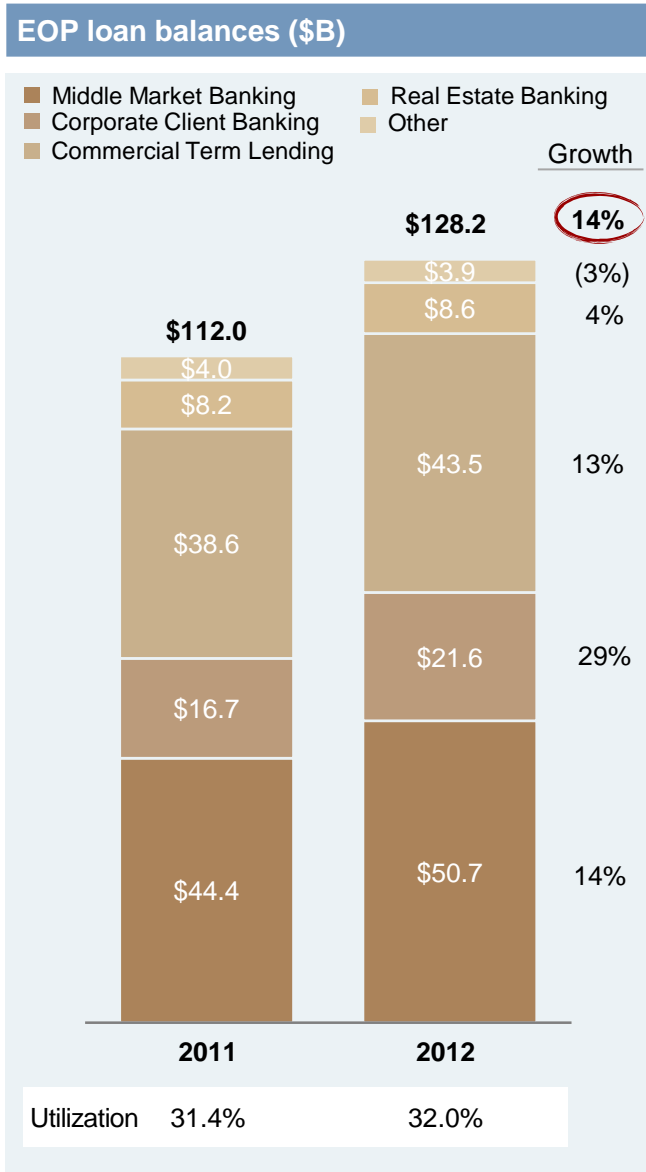
² Includes revenue recognized by CB from a range of investment banking products provided to CB clients

³ Other product revenue includes tax-equivalent adjustments generated from Community Development Banking activity and certain income derived from principal transactions

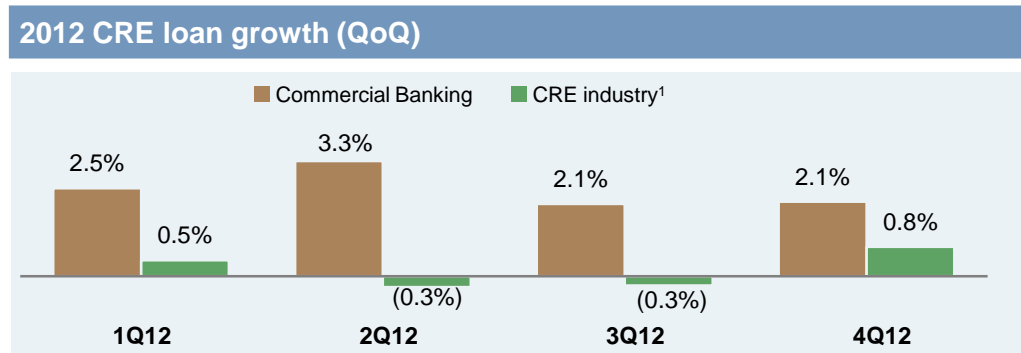
⁴ Denotes U.S. multinational clients with overseas revenue

Strong loan growth across all businesses

Record loans in Middle Market, Corporate Client Banking and Commercial Term Lending



- Broad based demand for credit across a range of industries
- Taking substantial share as the lead bank among larger corporate clients
- 11 consecutive quarters of loan growth in Middle Market
- Expansion markets continue to show solid growth momentum
- Competition on new deals has intensified
- Pressure on spreads but saw signs of stabilization in 4Q12



- CTL loans increased 13% in 2012; record originations in REB
- Real estate fundamentals continue to improve; remain strong in core markets
- Spreads holding steady; competition is increasing

Note: Numbers may not sum due to rounding

¹Source: FRB H.8 Assets and Liabilities of Commercial Banks in the United States for February 6, 2012 (not seasonally adjusted)

High quality and granular portfolio

Risk discipline and asset quality remain our key focus

BUSINESS PERFORMANCE

Risk culture

- Strong risk culture – joint client ownership between banking and risk teams
- Seasoned team – over 20 years average experience
- Local decision making – our teams really know our clients

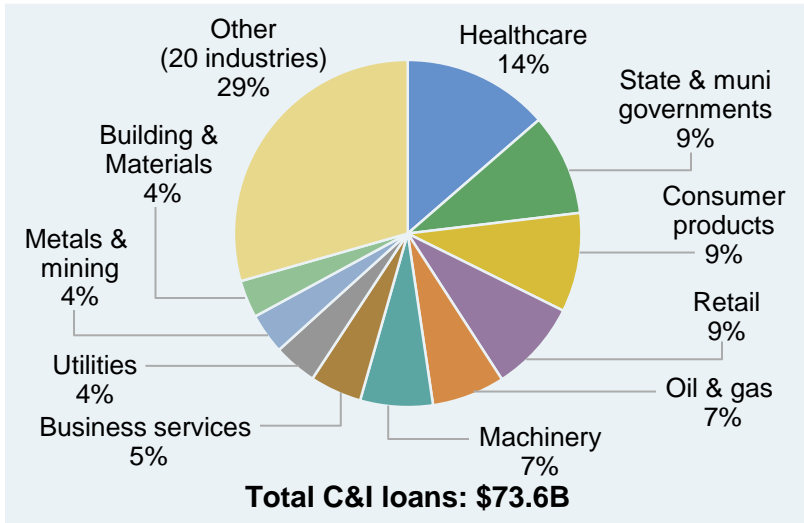
Client selection

- Select good companies in attractive industries with proven management teams and broad product needs
- Bank clients that share our risk philosophy
- Long term relationship approach – building a lasting franchise
- Long-term client relationships

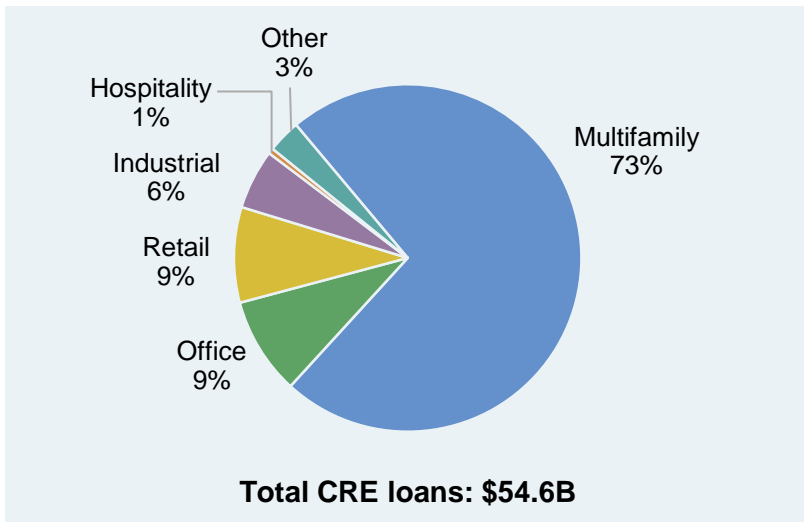
Risk discipline

- Discipline over growth philosophy – we don't need to do every deal
- Maintain granularity
- Sound structures
- Manage cyclical risks
- Track new originations

Commercial & Industrial

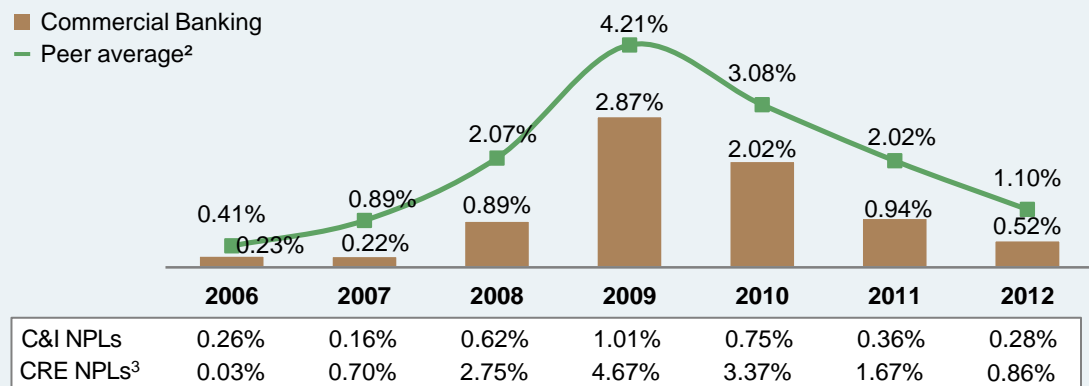


Commercial Real Estate

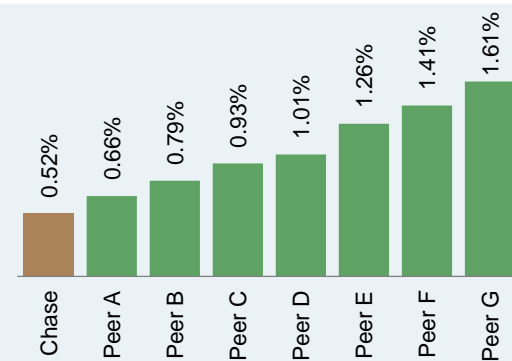


Best-in-class credit performance

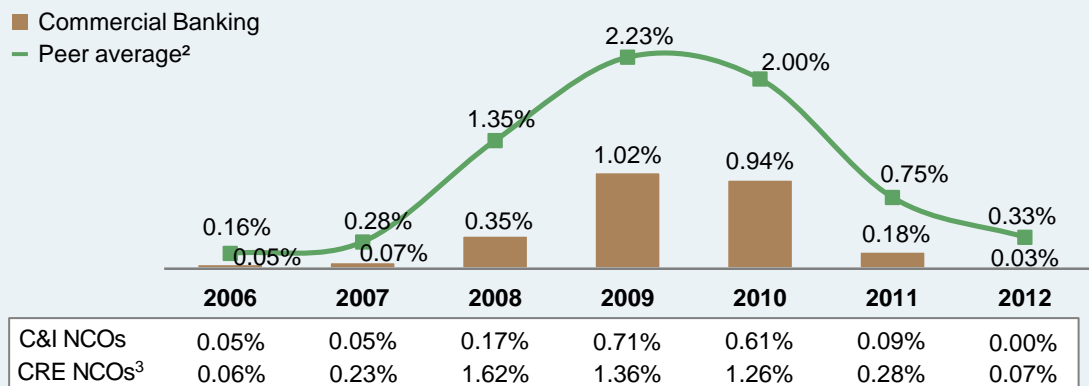
Nonperforming loans¹



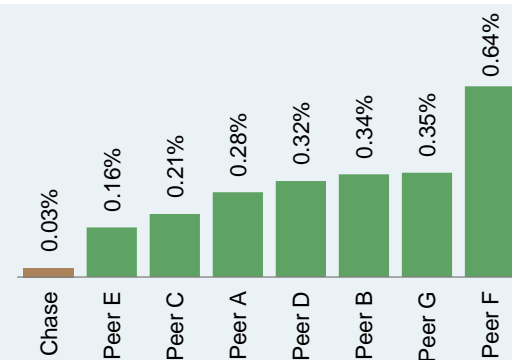
2012 peer group NPLs



Net charge-offs



2012 peer group NCOs



We are maintaining our discipline on new originations

Note: Numbers may not sum due to rounding

¹ 2006 Commercial Banking NPL ratios are based on average loans; 2007-2012 Commercial Banking NPL ratios are based on end-of-period loans

² Peer averages include CB-equivalent segments or wholesale portfolios at BAC, CMA, FITB, KEY, PNC, USB, WFC

³ 2006-2007 CRE NPLs and NCOs reflect Real Estate Banking only; 2008-2012 CRE NPLs and NCOs also include Community Development Banking; 2009-2012 NPLs and NCOs also include Commercial Term Lending

Stable and diversified deposit base

Excellent deposit gathering capabilities

- Over 17,300 deposit holding clients
- Geographically diverse deposit base using extensive branch network and client franchise
- Cross sell opportunity over time – average tenure of deposit holding clients is 17 years

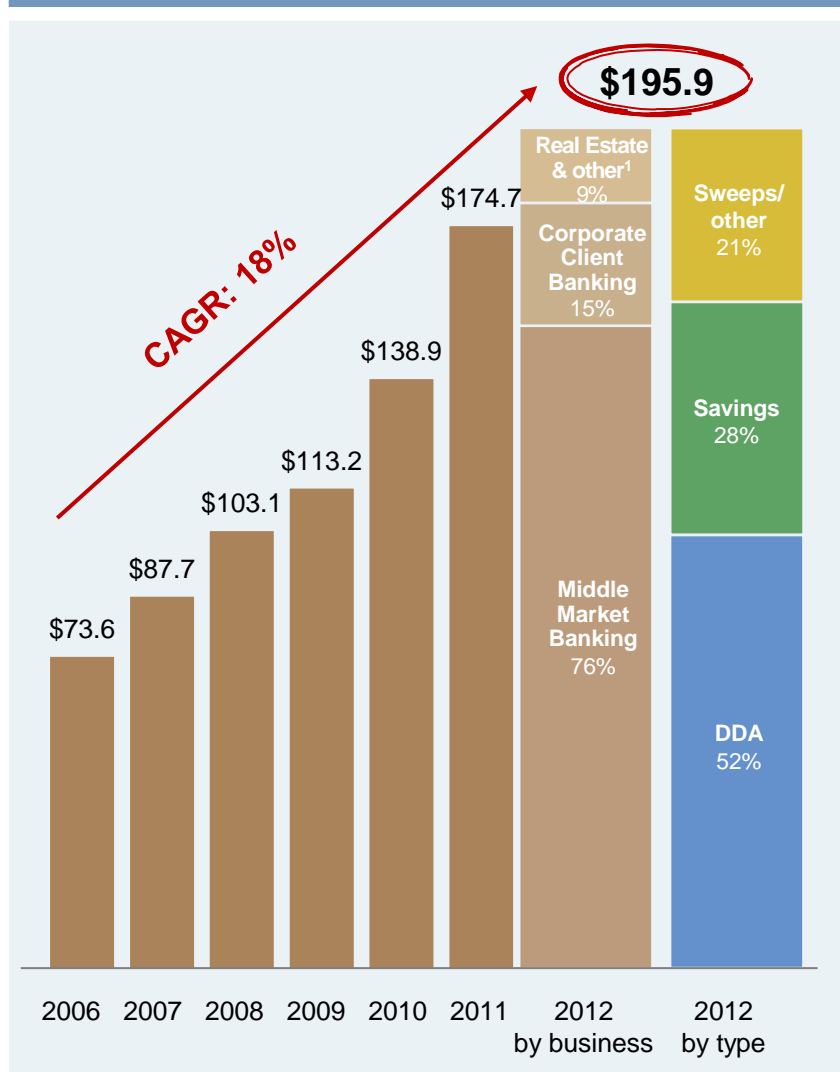
Meaningful earnings source

- Shift to higher-value deposits – 52% DDA in 2012 versus 33% DDA in 2006
- Deposits will have material value when interest rates rise
- Mitigated NIM compression through disciplined deposit and earnings credit pricing

Outlook

- Minimal impact from expiration of Transaction Account Guarantee coverage on non-interest bearing deposits
- Expect clients to redeploy cash or seek other investments when interest rates rise

Average deposits (\$B)



Note: Numbers may not sum due to rounding

¹ Includes Community Development Banking and Commercial Term Lending

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Core Commercial & Industrial businesses

We continue to grow in our legacy markets and through our core products

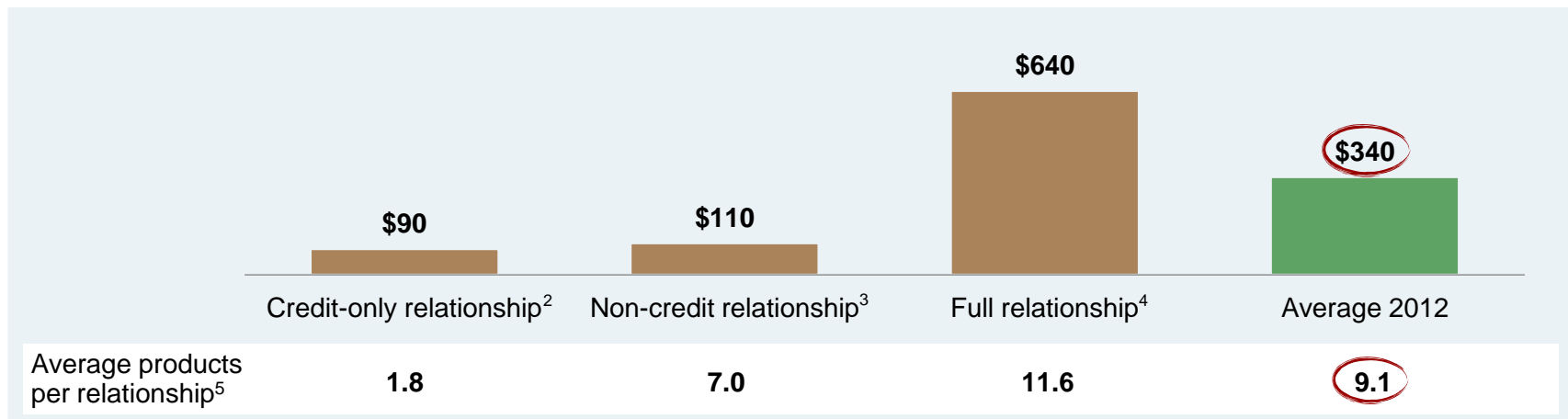
1 Expand our client base

- 17,000+ targeted prospects in legacy, non-expansion markets
 - ~700 new Middle Market clients in non-expansion markets in 2012
- Substantial revenue growth potential in legacy markets
 - Weak or distracted competition presents opportunities

2 Deepen relationships

- Up-tiering relationships through disciplined account targeting
- Increase client penetration of core products
 - Grow asset-based lending and equipment finance portfolio
 - Deliver expanded treasury capabilities
 - Increase Commercial Card and Merchant Services penetration of CB client base

Illustrative revenue per relationship¹ (\$'000)



Long-term, multi-solution relationships are core to our success

¹ Revenue numbers rounded to nearest \$10K; revenue represents full JPM relationship totals and does not incorporate any revenue sharing agreements; excludes CTL clients

² Uses credit only; no other product category revenue

³ No credit relationship; uses one or more products of AM, IB, TS or Card

⁴ Uses credit and one or more of AM, IB, TS or Card

⁵ Based on actively pursued client relationships; excludes CTL

Middle Market expansion – \$1B long-term revenue opportunity

Extending a proven business model and building a long-term franchise

GROWTH OPPORTUNITIES

Key expansion markets

- In-footprint
- Out-of-footprint

| MSA | Rank by size | Years of in-market presence ¹ |
|-----------------|------------------|--|
| Los Angeles | 2 nd | 4 |
| Philadelphia | 5 th | 2 |
| Washington D.C. | 7 th | 2 |
| Miami | 8 th | 3 |
| Atlanta | 9 th | 5 |
| Boston | 10 th | 6 |
| San Francisco | 11 th | 4 |
| Seattle/Tacoma | 15 th | 4 |
| Minneapolis | 16 th | 9 |
| San Diego | 17 th | 2 |
| St. Louis | 18 th | 9 |
| Tampa | 19 th | 3 |
| Pittsburgh | 22 nd | 1 |
| Portland | 23 th | 4 |
| Sacramento | 24 th | New |
| Orlando | 26 th | 3 |
| Kansas City | 29 th | 1 |
| Charlotte | 33 rd | 2 |
| Nashville | 38 th | 3 |
| Jacksonville | 40 th | New |
| Richmond | 43 rd | 2 |
| Birmingham | 49 th | 1 |

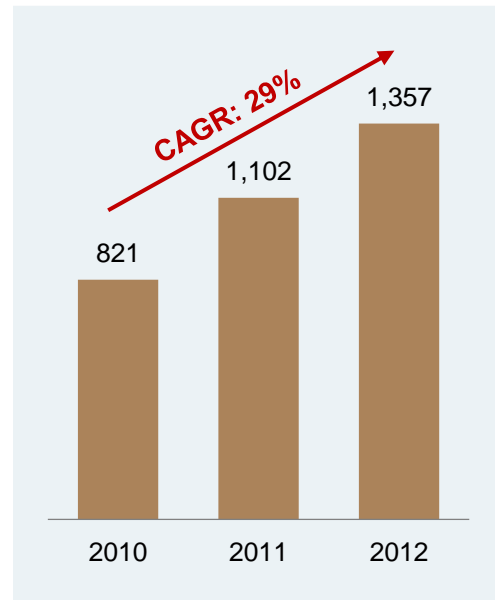
**Incremental prospects:
~18,000**

**or equivalent to
~85% of total existing MM clients**

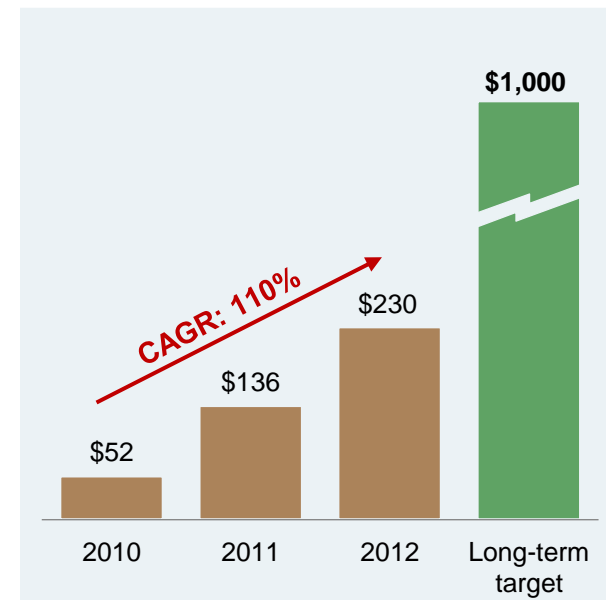
Highlights

- Creating scale in 22 new top-50 MSAs and expanding into new high-potential markets
- Disciplined organic growth; only targeting best clients in the market
- JPMC’s full capabilities and brand differentiate versus competitors
- Export Chase business model and culture; add to team by hiring the best bankers in each market
- 272 dedicated CB resources; continuing to add bankers, underwriting and service professionals

Total expansion clients



Total expansion revenue (\$mm)



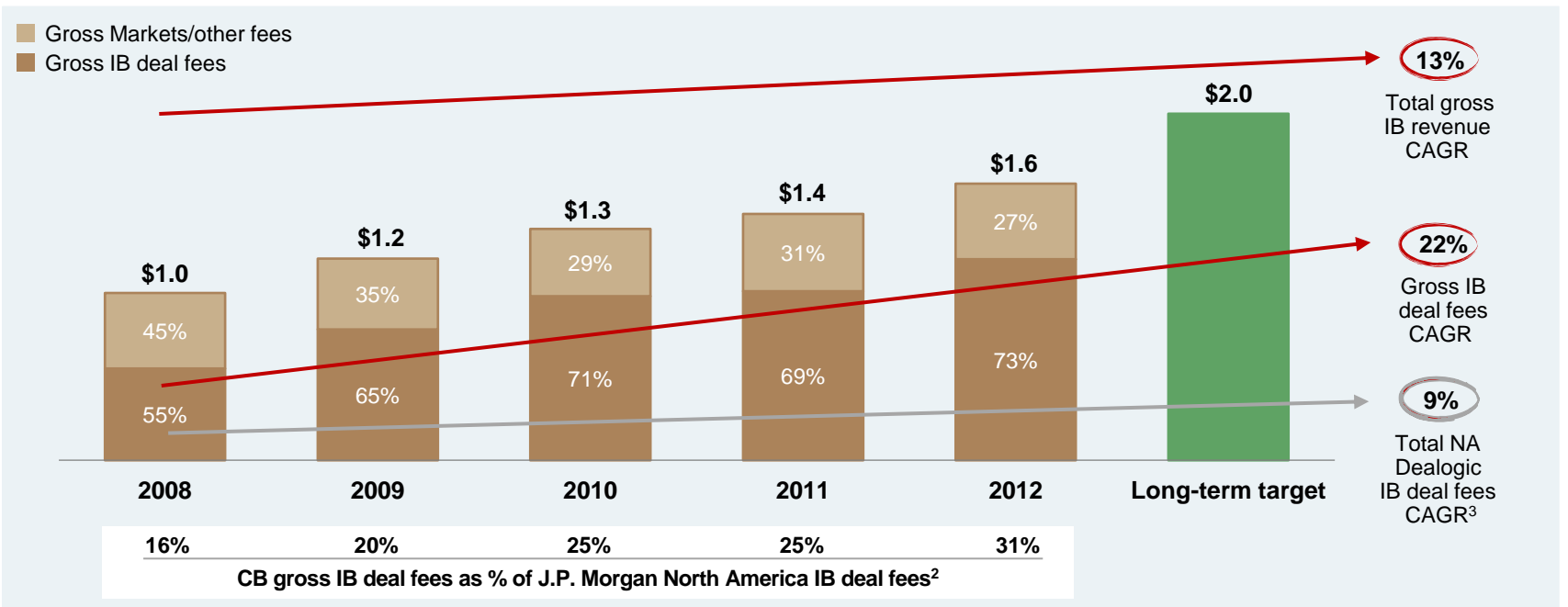
¹ Reflects number of years of Middle Market banker presence in each MSA

Investment banking – \$2B long-term revenue opportunity

On track to deliver our growth target

| Opportunity | Strategy | 2012 highlights |
|--|--|---|
| <ul style="list-style-type: none"> Strong partnership with leading investment bank ~2,400 CB clients and prospects jointly covered with IB bankers Middle Market clients <ul style="list-style-type: none"> Increasing penetration nationally | <ul style="list-style-type: none"> Syndicated & Leveraged Finance <ul style="list-style-type: none"> Continuing to strategically expand lead bookrunner roles M&A/Corporate Finance Advisory <ul style="list-style-type: none"> Continuing build-out of dedicated, regionally-focused IB teams | <ul style="list-style-type: none"> Record gross IB revenue up 12% YoY despite market headwinds <ul style="list-style-type: none"> IB deal fees are primary growth driver Record number of clients generating fees over \$5mm More clients using multiple IB products |

CB investment banking revenue (gross)¹



¹ Represents the total revenue related to investment banking products sold to CB clients

² Calculated based on gross domestic IB revenue for SLF, M&A, Equity Underwriting, Bond Underwriting

³ Source: Dealogic

International – \$500 million long-term revenue opportunity

Delivering international banking solutions locally and differentiating from the competition

Small and mid-sized businesses are expanding overseas

- 58% of Chase Middle Market clients are active in global markets, up from 43% in 2011¹
- 26% have operations in foreign countries today¹
- Clients are expecting overseas revenue and activity to increase in 5 years¹

We are best positioned

- Our global solutions delivered locally is a key differentiator
- J.P. Morgan platform in 59 countries and growing
- Leveraging CIB's capabilities and global scope
- Dedicated local coverage of CB clients in major foreign markets for lending, cash management, FX and trade finance

Continue to make progress

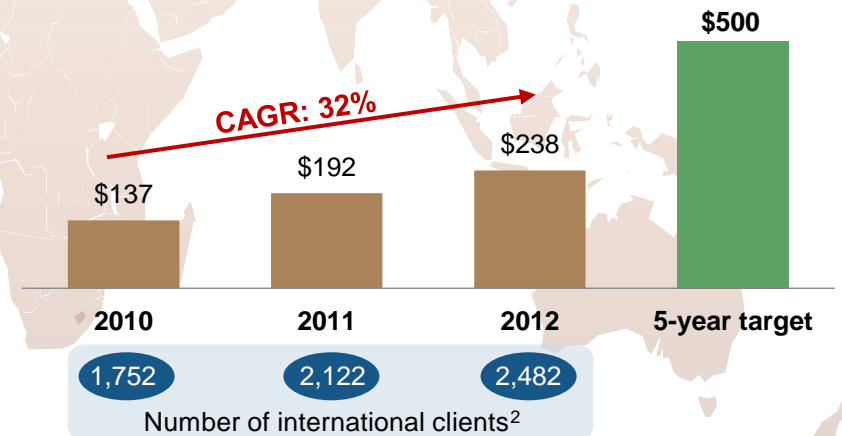
- Double digit growth in international revenue, loans and deposits between 2010 and 2012
- Adding bankers and expanding CB client coverage in major foreign markets
- Investing in dedicated CB client support infrastructure globally

Mid-sized companies aiming high in global expansion

Select responses of mid-sized U.S. companies from KPMG 2012 global expansion survey³



CB overseas revenue growth (\$mm)



GROWTH OPPORTUNITIES

¹ Chase Middle Market Business Leaders Outlook survey, March 2012

² Denotes U.S. multinational clients with overseas revenue; periods prior to 2012 have been restated to conform with current presentation

³ Source: KPMG survey *Global Rewards Within Reach*, September 2012; conducted among 1,150 U.S. companies with annual sales generally between \$200 million and \$1 billion that have sold a product or service in a foreign market in the previous year

Commercial Term Lending

A sizable and profitable business with record originations in 2012

We acquired a valuable franchise

- #1 U.S. multifamily lender since 2008¹
- Proven business model
- Strong profitability
- Profitable through-the-cycle

Invested in the business since acquisition

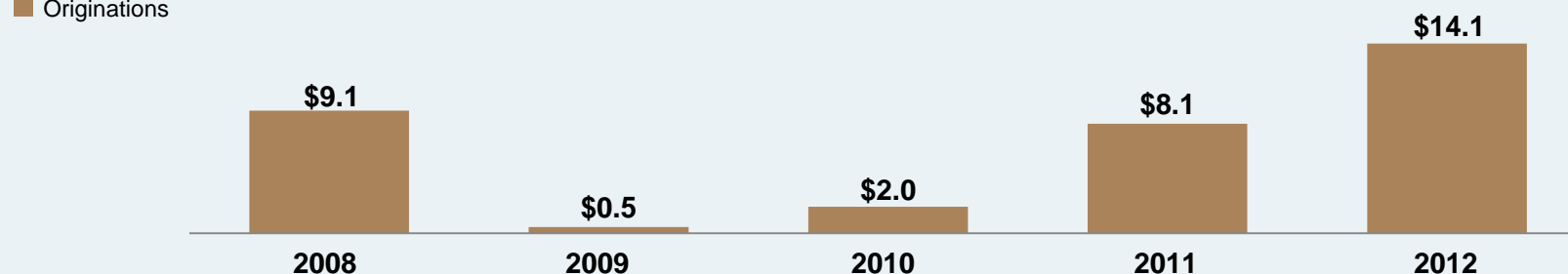
- Improved underwriting process
- Expanded in key markets
- Invested in platform and people
- Improved client response times

Focus on an attractive asset class

- Multifamily fundamentals remain favorable
- Core target markets; stabilized properties
- Average new loan size of \$1.8mm²
- Strong underwriting standards for new originations

CTL originations have returned to pre-downturn levels (\$B)

■ Originations



| | 2008 | 2009 | 2010 | 2011 | 2012 |
|--------------------------------|--------|--------|--------|--------|--------|
| Portfolio size | \$36.9 | \$36.2 | \$37.9 | \$38.6 | \$43.5 |
| Weighted avg. LTV ³ | 55% | 51% | 60% | 62% | 63% |
| Weighted avg. DSC ³ | 1.46x | 1.80x | 1.52x | 1.51x | 1.57x |
| Overhead ratio ⁴ | 17% | 21% | 20% | 18% | 17% |
| Net charge-offs ⁴ | 0.04% | 0.91% | 0.99% | 0.27% | 0.10% |

CTL acquired by Chase from WaMu

Exited non-core markets
Remediated problem assets

Acquired and integrated a \$3.5B multifamily portfolio

Revived originations
Invested in platform expansion

Record originations, up 73% YoY
Credit metrics close to pre-crisis levels

¹ FDIC 2008–YTD 3Q12

² Average loan size based on 2012 originations

³ Reflects weighted average LTV and DSC of originations held for investment

⁴ 2008 overhead and net charge-off ratios reflect 4Q only

Real Estate Banking

Strategy remains unchanged – Asset quality over absolute scale

Attractive opportunity

- Strong overall market fundamentals
- Debt markets are open and active
- ~\$1.7T in CRE debt maturities expected for 2013–2017¹
- Capacity to grow CB portfolio

Top tier client base

- Relationships with over 500 high-quality developers and investors
 - Well-diversified portfolios
 - Broad product needs
 - Long-term relationships
- Dedicated TS and IB coverage teams

Strong risk discipline and portfolio quality

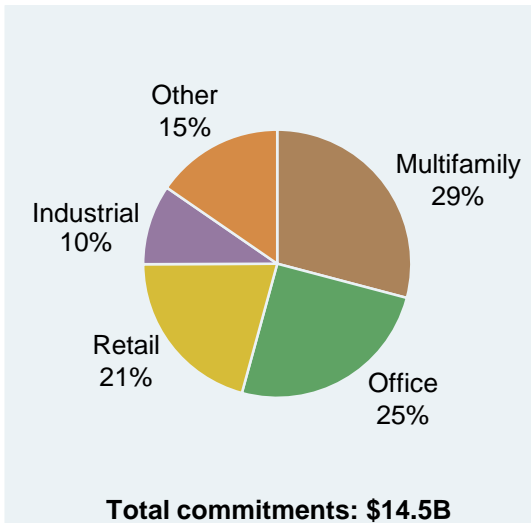
- Maintain underwriting standards
- Continuously monitor market fundamentals
- Low leverage and strong debt service coverage levels
- Well-diversified across core markets
- Limited construction risk

Targeted, market sensitive growth

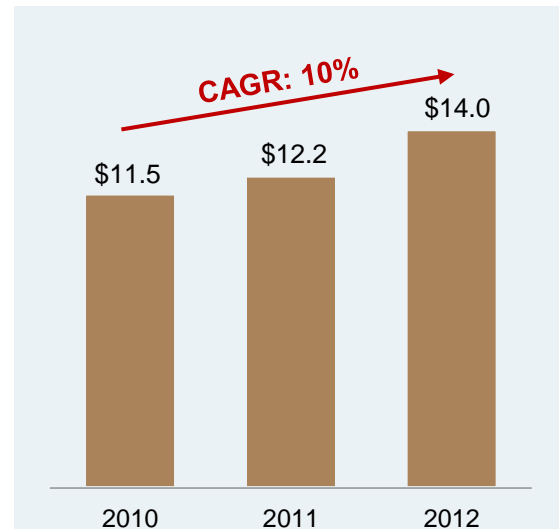
Commitments and originations (\$B)



2012 commitments by industry



Average client deposits (\$B)



GROWTH OPPORTUNITIES

¹ Source: Trepp LLC, 4Q11

Outlook

Our financial targets remain the same

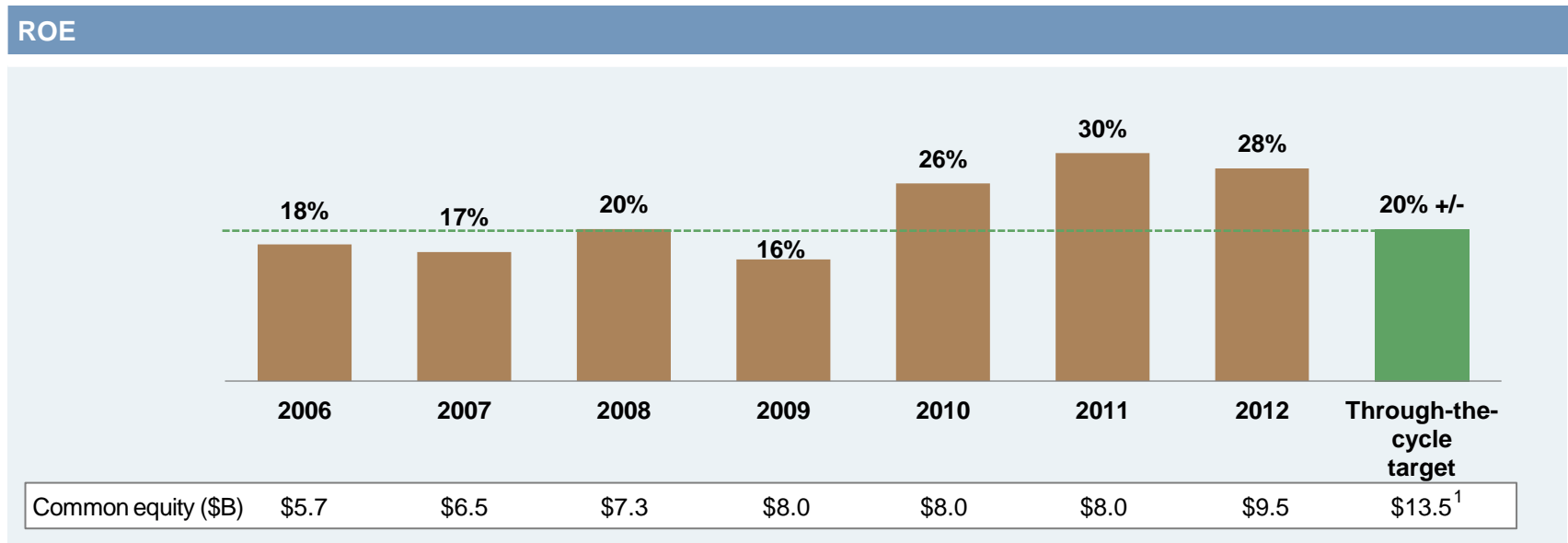
| | | Long term target | 2012 result | 2010-2012 CAGR | |
|---------------------------------------|-----------------------------------|------------------|-------------|------------------------------------|---|
| Key revenue growth initiatives | Middle Market expansion | \$1.0B | \$230mm | 110% | Making progress towards long-term revenue goals |
| | Investment Banking ¹ | \$2.0B | \$1.6B | 9% | |
| | International | \$500mm | \$238mm | 32% | |
| Overhead & credit costs | Overhead ratio | 35% | 35% | | Maintaining expense and risk discipline |
| | Through-the-cycle net charge-offs | 0.50% | 0.03% | | |
| Returns | Return on equity | 20% +/- | 28% | 2012 pro forma ² 20% | Allocated capital increasing by 42% to \$13.5B |

¹ Reflects gross investment banking revenue

² Illustrative ROE calculated based on \$13.5B in common equity; CB common equity increased from \$9.5B to \$13.5B on 1/1/2013

Common equity and returns

We should continue to generate solid returns, even with higher capital



Our overall returns are substantially enhanced by:

| | | | |
|--|---|---|---|
| <p>Competitive advantage</p> <ul style="list-style-type: none"> ✓ Cost structure ✓ Credit cost performance ✓ Valuable deposit base ✓ Breadth of non-lending capabilities ✓ Cross-LOB revenue and expense synergy | <p>Value differentiators</p> <ul style="list-style-type: none"> ✓ Our brand ✓ Our scale and branch presence ✓ The quality of our bankers and industry insight ✓ Our fortress balance sheet | <p>Future return on investments</p> <ul style="list-style-type: none"> ✓ New relationships will continue to grow in profitability ✓ Market penetration with key non-lending services will increase returns over time | <p>Market-driven upside, if</p> <ul style="list-style-type: none"> ✓ Business confidence strengthens ✓ Deposit spreads improve ✓ Utilization increases with client activity |
|--|---|---|---|

GROWTH OPPORTUNITIES

¹ Reflects attributed common equity effective 1/1/13

Commercial Banking

Wrap up

Excellent client-facing franchises

- ~ 23,000 corporate, state, municipal, financial institution and non-profit clients, and ~ 36,000 real estate clients, owners and investors
- Bankers, underwriters and service teams in 125 locations across 29 states, D.C. and 13 major international cities delivering global capabilities locally
- Full service client-driven model delivers unique solutions and global connectivity to our clients

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Industry leading capabilities and track record