

Pillar 3 Quarterly Disclosure Report as at 30th September 2017

J.P. Morgan Capital Holdings Limited

J.P. Morgan Securities plc.

1. Introduction

Background

The need to assess whether an institution should disclose some information more frequently than annually, under Part Eight of the Capital Requirements Regulation ('CRR')¹, originates in Article 433 and the requirements are further articulated in the European Banking Authority ('EBA') Guidelines² ('the Guidelines'), which were adopted by the Prudential Regulation Authority ('PRA') from 15th October 2015.³

All J.P. Morgan Chase entities regulated under the Capital Requirements Directive IV ('CRD IV')⁴ have applied the Guidelines by:

- Enhancing the Pillar 3 process to include a full assessment of the need to publish data more frequently than annually; and
- Identifying the key data elements to disclose in order to meet the needs of potential users of the disclosure.

Scope

J.P. Morgan Capital Holdings Limited ('JPMCHL') is the highest consolidated level of J.P. Morgan entities within the UK and is defined as an Other Systemically Important Institution ('O-SII') as disclosed by the EBA on 25th April 2016.

All J.P. Morgan European regulated entities have been considered for more frequent disclosure. The internal assessment process (under Title II of Guidelines) to determine which J.P. Morgan entities should disclose more frequently than annually concluded that both **JPMCHL** and **J.P. Morgan Securities Plc ('JPMS plc')** are the only European entities meeting the qualitative and quantitative thresholds to necessitate more frequent disclosure.

No items have been omitted due to confidentiality, materiality or for proprietary reasons under Titles III and IV of the Guidelines.

The data disclosed in this document represents disclosure for the third quarter of 2017, as at 30th September 2017 and is produced on an unaudited basis.

Any line items that are not applicable have been hidden for presentation purposes.

Means of Disclosure (Art. 434)

The disclosure report is made available according to Article 434 CRR on the website of JPMorgan Chase & Co. ('JPMC') at <http://investor.shareholder.com/jpmorganchase/sec.cfm>. The latest Annual disclosure is also available via this link.

Firmwide Disclosure

The ultimate parent of the entities in scope of this disclosure is JPMorgan Chase & Co., which is incorporated in the United States of America. Firmwide disclosure is made under the Basel III requirement available at the below link. In addition, the U.S. Securities and Exchange Commission filings made at the firmwide level, 10K and 10Q, provide further information at the following link: <http://investor.shareholder.com/jpmorganchase/sec.cfm>.

¹ [Capital Requirements Regulation \(CRR\) / Regulation \[EU\] No. 575/2013](#)

² [EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency 23 December 2014](#)

³ PRA expectation of firms' compliance with EBA/GL/2014/14: <http://www.bankofengland.co.uk/prd/Pages/crddiv/updates.aspx>

⁴ [Capital Requirements Directive \(CRD IV\) / Regulation \[EU\] Directive 2013/36/EU](#)

2. Own Funds (Art. 437)

Capital resources represent the amount of regulatory capital available to an entity to cover all risks. Defined under the CRR, capital resources are designated into two tiers, Tier 1 and Tier 2. Tier 1 capital consists of Common Equity Tier 1 ('CET1') and Additional Tier 1 ('AT1'). CET1 is the highest quality of capital and typically represents share capital, reserves and audited profit; AT1 contains hybrid debt instruments; Tier 2 capital typically consists of subordinated debt and other eligible capital instruments.

As part of the Firm's legal entity rationalisation efforts, management undertook certain steps in September 2017 to simplify the capital structure of JPMS plc:

- JPMS plc converted preference shares into ordinary shares on the 11th of September. The details of conversion can be found on the Companies House website.

The above change has been deemed to be a highly significant change in the period, impacting the JPMS plc disclosures in this document as follows:

- \$8.1bn increased in CET1:
 - \$2.1bn increase in Capital instruments and the related share premium accounts (Table 2, Row 1)
 - \$4.9bn increase in Accumulated other comprehensive income (Table 1, Row 3)
 - \$1.1bn decrease in non-significant deductions, thus increasing CET1
- \$2.5bn decrease in AT1
- \$4.5bn decrease in Tier 2

The information represented in the tables below constitutes the applicable data elements for Own Funds identified in Title VII of the Guidelines.

The final column represents the capital position on a fully-phased in basis after all CRR transitional provisions have expired and phase-out of grandfathered capital instruments under pre-CRR national transposition measures is complete. Other capital impacts including instrument maturity or behavioural changes are not considered for the fully-phased in position.

Table 1: CRD IV Regulatory Capital for JPMCHL as at 30th September 2017

Transitional Own Funds Disclosure Template (\$'m)		Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Common Equity Tier 1 (CET1) Capital: Instruments and Reserves				
1	Capital instruments and the related share premium accounts	8,081	26 (1), 27, 28, 29, EBA list 26 (3)	8,081
	of which: Ordinary shares	8,081	EBA list 26 (3)	8,081
2	Retained earnings	27,634	26 (1) (c)	27,634
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	9,445	26 (1)	9,445
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	45,160		45,160
Common Equity Tier 1 (CET1) Capital: Regulatory Adjustments				
7	Additional value adjustments (negative amount)	(1,054)	34, 105	(1,054)
8	Intangible assets (net of related tax liability) (negative amount)	(124)	36 (1) (b), 37, 472 (4)	(124)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(1,178)		(1,178)
29	Common Equity Tier 1 (CET1) capital	43,982		43,982
Additional Tier 1 (AT1) Capital: Instruments				
44	Additional Tier 1 (AT1) capital	0		0
45	Tier 1 capital (T1 = CET1 + AT1)	43,982		43,982
Tier 2 (T2) Capital: Instruments and Provisions				
58	Tier 2 (T2) capital	0		0
59	Total capital (TC = T1 + T2)	43,982		43,982
60	Total risk weighted assets	254,113		254,113

Transitional Own Funds Disclosure Template (\$'m)		Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Capital Ratios and Buffers				
61	Common Equity Tier 1 ratio	17.3%	92 (2) (a), 465	17.3%
62	Tier 1 ratio	17.3%	92 (2) (b), 465	17.3%
63	Total capital ratio	17.3%	92 (2) (c)	17.3%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systematically important institution buffer expressed as a percentage of risk exposure amount)	5.8%	CRD 128, 129, 130	7.1%
65	of which: capital conservation buffer requirement	1.25%		2.50%
66	of which: countercyclical buffer requirement	0.07%		0.07%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	9.3%	CRD 128	9.3%
Amounts Below the Thresholds for Deduction (Before Risk Weighting)				
72	Direct, indirect and synthetic holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	4,169	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	4,169
73	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	278	36 (1), (i), 45, 48, 470, 472 (11)	278
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	169	36 (1) (c), 38, 48, 470, 472 (5)	169

Table 2: CRD IV Regulatory Capital for JPMS Plc as at 30th September 2017

Transitional Own Funds Disclosure Template (\$'m)		Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Common Equity Tier 1 (CET1) Capital: Instruments and Reserves				
1	Capital instruments and the related share premium accounts	22,394	26 (1), 27, 28, 29, EBA list 26 (3)	22,394
	of which: Ordinary shares	22,394	EBA list 26 (3)	22,394
2	Retained earnings	11,631	26 (1) (c)	11,631
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	6,640	26 (1)	6,640
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	40,665		40,665
Common Equity Tier 1 (CET1) Capital: Regulatory Adjustments				
7	Additional value adjustments (negative amount)	(1,052)	34, 105	(1,052)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(1,052)		(1,052)
29	Common Equity Tier 1 (CET1) capital	39,613		39,613
Additional Tier 1 (AT1) Capital: Instruments				
36	Additional Tier 1 (AT1) capital before regulatory adjustments	0		0
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0		0
44	Additional Tier 1 (AT1) capital	0		0
45	Tier 1 capital (T1 = CET1 + AT1)	39,613		39,613
Tier 2 (T2) Capital: Instruments and Provisions				
46	Capital instruments and the related share premium accounts	7	62, 63	7
51	Tier 2 (T2) capital before regulatory adjustments	7		7
Tier 2 (T2) Capital: Regulatory Adjustments				
57	Total regulatory adjustments to Tier 2 (T2) capital	0		0
58	Tier 2 (T2) capital	7		7
59	Total capital (TC = T1 + T2)	39,620		39,620
60	Total risk weighted assets	247,637		247,637

Transitional Own Funds Disclosure Template (\$'m)		Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Capital Ratios and Buffers				
61	Common Equity Tier 1 ratio	16.0%	92 (2) (a), 465	16.0%
62	Tier 1 ratio	16.0%	92 (2) (b), 465	16.0%
63	Total capital ratio	16.0%	92 (2) (c)	16.0%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systematically important institution buffer expressed as a percentage of risk exposure amount)	5.8%	CRD 128, 129, 130	7.1%
65	of which: capital conservation buffer requirement	1.25%		2.50%
66	of which: countercyclical buffer requirement	0.08%		0.08%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	8.0%	CRD 128	8.0%
Amounts Below the Thresholds for Deduction (Before Risk Weighting)				
72	Direct, indirect and synthetic holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	3,479	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	3,479
73	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	3,607	36 (1), (i), 45, 48, 470, 472 (11)	3,607
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	133	36 (1) (c), 38, 48, 470, 472 (5)	133

Own Funds Reconciliation

The tables below present a reconciliation between unaudited balance sheet own funds and regulatory own funds as at 30th September 2017 in accordance with the requirements set out in Commission Implementing Regulation (EU) No 1423/2013.

Table 3: Reconciliation of Regulatory Own Funds to Balance Sheet for JPMCHL as at 30th September 2017

Regulatory Own Funds Reconciliation to Balance Sheet	\$'m
CET1 Capital	
406,909,774 Ordinary Shares of \$10 each	4,069
Share Premium Account	4,012
Pension Reserve	(99)
Other Reserves	9,544
Retained Earnings	30,309
CET1 Capital - Balance Sheet Own Funds	47,835
<i>Less Regulatory Adjustments</i>	
(-) Unaudited Profit	(2,675)
(-) Intangible Assets Goodwill	(124)
(-) Additional Valuation Adjustments	(1,054)
CET1 Capital - Regulatory Own Funds After Adjustments	43,982
AT1 Capital	
AT1 Capital - Balance Sheet Own Funds	0
AT1 Capital - Qualifying Own Funds	0
AT1 Capital - Regulatory Own Funds After Adjustments	0

Regulatory Own Funds Reconciliation to Balance Sheet	\$'m
T2 Capital	
T2 Capital - Balance Sheet Own Funds	0
T2 Capital - Qualifying Own Funds	0
T2 Capital - Regulatory Own Funds After Adjustments	0
Total Regulatory Own Funds	43,982

Table 4: Reconciliation of Regulatory Own Funds to Balance Sheet for JPMS plc as at 30th September 2017

Regulatory Own Funds Reconciliation to Balance Sheet	\$'m
CET1 Capital	
1,244,343 Ordinary Shares of \$10,000 each	12,444
50,000 Ordinary Shares of £1.24 each	0
Share Premium Account	9,950
Other Reserves	6,640
Retained Earnings	12,190
CET1 Capital - Balance Sheet Own Funds	41,224
<i>Less Regulatory Adjustments</i>	
(-) Unaudited Profit	(559)
(-) Additional Valuation Adjustments	(1,052)
CET1 Capital - Regulatory Own Funds After Adjustments	39,613
AT1 Capital	
AT1 Capital - Balance Sheet Own Funds	0
AT1 Capital - Regulatory Own Funds After Adjustments	0
T2 Capital	
Subordinated Loan (maturity 04/12/2017)	180
T2 Capital - Balance Sheet Own Funds	180
<i>Less Regulatory Adjustments</i>	
(-) Amortisation of Subordinated Loan	(173)
T2 Capital - Regulatory Own Funds After Adjustments	7
Total Regulatory Own Funds	39,620

Main Features of Capital Instruments

The table below presents the main features of regulatory capital instruments for JPMCHL and JPMS plc as at 30th September 2017 and as required by Commission Implementing Regulation (EU) No 1423/2013. The terms and conditions for these instruments can be found on the Companies House website.

Table 5: Main Features of Regulatory Capital Instruments for JPMCHL and JPMS plc as at 30th September 2017⁵

Capital Instruments Main Features (\$'m)		JPMCHL	JPMS plc			
		CET1	CET1	CET1	CET1	T2
		\$10 ordinary shares	\$10,000 ordinary shares	£1 ordinary shares	£1.24 ordinary shares	\$180m subordinated loan
1	Issuer	JPMCHL	JPMS plc	JPMS plc	JPMS plc	JPMS plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement
3	Governing law(s) of the instrument	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	Contracts (Rights of Third Parties) Act 1999
Regulatory treatment						
4	Transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	\$ Ordinary	\$ Ordinary	£ Ordinary	£ Ordinary	\$ Subordinated loan
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	8,081 includes nominal and premium	22,394 includes nominal and premium	0	0	7
9	Nominal amount of instrument	10	10,000	1	1.24	180m
9a	Issue price	10	10,000	1	1.24	180m
9b	Redemption price	N/A	N/A	N/A	N/A	100%
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Liability

⁵ Answers in the Main Features of Regulatory Capital Instruments table have been provided using the list of options provided in the COMMISSION IMPLEMENTING REGULATION (EU) No 1423/2013. Rows 19, 21, 22, 23 and 36 are N/A for the ordinary shares

Capital Instruments Main Features (\$'m)	JPMCHL	JPMS plc			
	CET1	CET1	CET1	CET1	T2
	\$10 ordinary shares	\$10,000 ordinary shares	£1 ordinary shares	£1.24 ordinary shares	\$180m subordinated loan
11 Original date of issuance	\$0.2m Nov 18 1999 \$2,000m Jan 25 2000 \$959m Nov 2 2000 \$1,110m Apr 9 2002 \$0.01m Dec 12 2006 \$0.01m Mar 7 2007 \$0.01m Oct 15 2007	\$647m Oct 22 1999 \$290m Mar 1 2000 \$500m Jan 2 2007 \$278m Jan 12 2007 \$270m Dec 1 2008 \$230m Dec 4 2008 \$1,200m Dec 16 2008 \$300m Jan 30 2009 \$2,000m Dec 20 2010 \$2,274m May 27 2011 \$362m Dec 12 2011 \$1,263m Dec 16 2013 \$116m Dec 2 2014 \$662m Jul 27 2015 \$2,051m Sep 11 2017	\$0.000002m Oct 27 1999	\$0.062m May 28 2012	\$180m Dec 14 2007
12 Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Dated
13 Original maturity date	No maturity	No maturity	No maturity	No maturity	14 December 2017
14 Issuer call subject to prior supervisory approval	No	No	No	No	Yes
15 Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A
16 Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
Coupons / dividends					
17 Fixed or floating dividend/coupon	N/A	N/A	N/A	N/A	Floating-rate
18 Coupon rate and any related index	N/A	N/A	N/A	N/A	0.9% + 3 month US\$ LIBOR
19 Existence of a dividend stopper	N	N	N	N	N
20a Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory
20b Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory

Capital Instruments Main Features (\$'m)		JPMCHL	JPMS plc			
		CET1	CET1	CET1	CET1	T2
		\$10 ordinary shares	\$10,000 ordinary shares	£1 ordinary shares	£1.24 ordinary shares	\$180m subordinated loan
21	Existence of step up or other incentive to redeem	N	N	N	N	N
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	One class of share & same rights attached to all shares	Ranks below preference shares in respect of income and capital distributions	Ranks below preferred ordinary and preference shares in respect of income and capital distributions	Ranks below preference ordinary and preference shares in respect of income and capital distributions	Unsecured and Unsubordinated Creditors
36	Non-compliant transitioned features	N	N	N	N	N
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A

3. Capital Requirements (Art. 438)

The tables below show a breakdown of the risk weighted assets and associated Minimum Capital Requirements for JPMCHL and JPMS plc. The Minimum Capital Requirement is the amount of Pillar 1 capital that the CRR requires JPMCHL and JPMS plc to hold at all times. Both JPMCHL and JPMS plc's Total Capital Resources must be greater than its Minimum Capital Requirement, allowing for a capital excess to cover any additional obligations, for example, Pillar 2. The standardised approach has been used for the calculation of Credit Risk. Market Risk Capital Requirements have been measured by using combination of the standardised approach and internal models including Value-at-Risk (VaR) approved by the PRA. The basic indicator approach has been used for the calculation of Operational Risk Capital Requirements. The information represented in the tables below constitutes the key data elements for Capital Requirements identified in Title VII of the EBA Guidelines.

Table 6: Minimum Capital Requirements for JPMCHL and JPMS plc as at 30th September 2017

Risk Type (\$'m)	JPMCHL		JPMS plc	
	Capital Requirement	RWA	Capital Requirement	RWA
Credit Risk (inc. Counterparty Risk)	9,525	119,060	9,493	118,667
Position Risk (Standardised Approach)	5,260	65,749	5,134	64,179
Position Risk (Internal Models Approach)	496	6,194	496	6,194
Commodity Risk (Standardised Approach)	305	3,812	305	3,812
Foreign-Exchange Risk (Standardised Approach)	815	10,192	802	10,025
Market Risk	6,876	85,947	6,737	84,210
Default Fund Contribution Requirement	8	95	8	95
Settlement Risk	78	972	72	900
Credit Valuation Adjustment Risk	2,632	32,905	2,620	32,749
Large Exposures Risk	0	0	0	0
Operational Risk	1,211	15,134	881	11,016
Total	20,330	254,113	19,811	247,637

The tables below show a breakdown of the Minimum Capital Requirements for Credit Risk (including Counterparty Risk) for JPMCHL and JPMS plc. Credit Risk (including Counterparty Risk) is the risk of loss arising from a borrower or counterparty failing to meet its financial obligations.

Table 7: Minimum Capital Requirements for Credit Risk (including Counterparty Risk) for JPMCHL and JPMS plc as at 30th September 2017

Credit Exposure Class (\$'m)	JPMCHL		JPMS plc	
	Capital Requirement	RWA	Capital Requirement	RWA
Central governments or central banks	103	1,283	96	1,195
Public sector entities	2	19	1	19
Multilateral Development Banks	3	42	3	42
Institutions	2,162	27,022	2,173	27,164
Corporates	5,318	66,469	4,729	59,112
Secured by mortgages on immovable property	68	852	0	0
Items associated with particular high risk	1,765	22,065	1,765	22,061
Equity	15	191	679	8,485
Other items	89	1,117	47	589
Total	9,525	119,060	9,493	118,667

4. Leverage (Art. 451)

The leverage ratio is a measure of Tier 1 capital as a percentage of exposure as defined under the CRR rules.

The requirement for the calculation and reporting of leverage ratios was introduced as part of CRD IV in 2014, and amended by the European Commission Delegated Act (EU) 2015/62 in 2015.

As a result of this, CRD IV legislation allows for the calculation of a transitional leverage ratio aligned to the phasing in of a number of capital deductions and the phasing out of grandfathered instruments as allowed for the calculation of own funds under the CRR.

CRD IV does not currently include a minimum Leverage Ratio requirement; however, the Basel Committee on Banking Supervision ("the Basel Committee") has indicatively proposed a minimum requirement of 3%.

Leverage risk is monitored through the same processes and frameworks as capital adequacy and stress-testing. The latter is particularly important, as it is forward-looking: if the Firm's leverage ratios remain sustainable under stressed conditions, the risk of forced de-leveraging will be low.

The Firm has adopted a point-in-time calculation of the leverage ratio, as per Commission Delegated Regulation 2015/62.

The information represented in the tables below constitutes the key applicable data elements for leverage identified in Title VII of the EBA Guidelines.

Table 8: Leverage Ratio Common Disclosure for JPMCHL and JPMS plc as at 30th September 2017

LRCom: Leverage Ratio Common Disclosure (\$'m)		JPMCHL	JPMS plc
On-Balance Sheet Exposures (exc. Derivatives and SFTs)			
1	On-balance sheet items (exc. derivatives, SFTs and fiduciary assets, but including collateral)	237,950	233,725
2	(Asset amounts deducted in determining Tier 1 capital)	(1,178)	(1,052)
3	Total on-balance sheet exposures (exc. derivatives, SFTs and fiduciary assets)	236,772	232,672
Derivatives Exposures			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	40,875	40,788
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	178,767	178,179
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(47,969)	(47,969)
8	(Exempted CCP leg of client-cleared trade exposures)	(4,063)	(4,063)
9	Adjusted effective notional amount of written credit derivatives	319,347	319,035
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(319,347)	(319,035)
11	Total derivative exposures	167,610	166,935
Securities Financing Transaction Exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	308,487	299,171
13	(Netted amount of cash payables and cash receivables of gross SFT assets)	(131,150)	(131,150)
14	Counterparty credit risk exposure for SFT assets	47,631	47,471
16	Total securities financing transaction exposures	224,968	215,492
Other Off-Balance Sheet Exposures			
17	Off-balance sheet exposures at gross notional amount	22,578	18,687
18	(Adjustments for conversion to credit equivalent amounts)	(10,035)	(8,420)
19	Other off-balance sheet exposures	12,543	10,267
Capital and Total Exposure			
20	Tier 1 capital	43,982	39,613
21	Total leverage ratio exposures (3 + 11 + 16 + 19)	641,893	625,367
22	Leverage ratio	6.85%	6.33%
EU-23	Choice on transitional arrangements and amount of derecognised fiduciary items	Fully phased-in	Fully phased-in

Table 9: Summary Reconciliation of Accounting Assets and Leverage Ratio Exposures for JPMCHL and JPMS plc as at 30th September 2017

LRSum: Leverage Ratio Summary Reconciliation (\$'m)		JPMCHL	JPMS plc
1	Total assets as per unaudited financial statements	634,388	620,895
4	Adjustments for derivative financial instrument	(51,490)	(52,214)
5	Adjustments for securities financing transactions ('SFTs')	47,631	47,471
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	12,543	10,267
7	Other adjustments	(1,178)	(1,052)
8	Leverage Ratio Exposure	641,893	625,367