



Chase Announces Credit Card Alliance With Pier 1 Imports

Chase to issue private label credit cards on behalf of Pier 1

WILMINGTON, DE. - Aug. 30, 2006 – JPMorgan Chase (NYSE: JPM) announced today a strategic alliance with Pier 1 Imports, Inc. to enhance Pier 1's credit card operations. As part of the alliance, Chase will purchase for cash nearly one million active private label credit card accounts with outstandings of approximately \$140 million. The transaction is expected to close in the fourth quarter of 2006.

In addition, Chase and Pier 1 will enter into a long-term marketing and servicing agreement under which Chase will provide enhanced response modeling strategies and innovative payment products to benefit Pier 1 cardholders. The two companies will work together on customer marketing initiatives designed to increase Pier 1's retail sales, as well as further enhance credit growth and profitability. The Pier 1 Preferred Card will continue to be offered under the Pier 1 and Pier 1 Kids brands.

"Chase is thrilled to partner with Pier 1," said Harry DiSimone, Chase executive vice president and private-label card executive. "Matching Chase's marketing prowess and sophisticated customer management practices with Pier 1's loyal customer base will result in an innovative card program that consumers will value, driving incremental sales for Pier 1."

Marvin J. Girouard, Pier 1's chairman and Chief Executive Officer, commented: "We are very pleased with this strategic partnership with Chase. Pier 1's successful 18-year proprietary credit card will continue to be an important component of marketing to our most loyal customers, and with this new business alliance, we can offer new competitive credit programs and services to Pier 1's customers."

About JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$1.3 trillion and operations in more than 50 countries. The company has more than 100 million credit cards issued. Under the JPMorgan and Chase brands, the firm serves millions of consumers in the United States and Canada and many of the world's most prominent corporate, institutional and government clients. Information about the firm is available at www.jpmorganchase.com.

About Pier 1

Pier 1 Imports, Inc. is North America's largest specialty retailer of imported decorative home furnishings and gifts with Pier 1 Imports® stores in 49 states, Puerto Rico, Canada, and Mexico and Pier 1 kids® stores in the United States. Information about the Company is available at www.pier1.com.