

JPMORGAN CHASE & CO.

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|---|----------------------|--------------------------------------|----------------------------------|----------------------|---------------------|
| <u>Exchange</u> NYS | <u>Symbol</u> JPM | <u>Price</u> \$31.66 (11/28/2008) | <u>52Wk Range</u> 49.85-22.72 | <u>Yield</u> 4.80 | <u>P/E</u> 14.46 |
| *7 Year Price Score 132.93 *NYSE Composite Index=100 *12 Month Price Score 127.65 | | | | | |
|  | | | | | |
| Interim Earnings (Per Share) | | | | | |
| Qtr. | Mar | Jun | Sep | Dec | |
| 2005 | 0.63 | 0.28 | 0.71 | 0.76 | |
| 2006 | 0.86 | 0.99 | 0.92 | 1.26 | |
| 2007 | 1.34 | 1.20 | 0.97 | 0.86 | |
| 2008 | 0.68 | 0.54 | 0.11 | ... | |
| Interim Dividends (Per Share) | | | | | |
| Amt | Decl | Ex | Rec | Pay | |
| 0.38Q | 03/18/2008 | 04/02/2008 | 04/04/2008 | 04/30/2008 | |
| 0.38Q | 05/20/2008 | 07/01/2008 | 07/03/2008 | 07/31/2008 | |
| 0.38Q | 09/16/2008 | 10/02/2008 | 10/06/2008 | 10/31/2008 | |
| 0.38Q | 12/09/2008 | 01/02/2009 | 01/06/2009 | 01/31/2009 | |
| Indicated Div: \$1.52 | | | | | |
| Valuation Analysis | | | | | |
| Forecast EPS | \$1.56 (12/09/2008) | | Institutional Holding | | |
| | | | No of Institutions | | |
| | | | 1609 | | |
| Market Cap | \$118.0 Billion | | Shares | | |
| Book Value | 145.8 Billion | | 2,824,527,104 | | |
| Price/Book | 0.81 | | % Held | | |
| Price/Sales | 1.12 | | 77.03 | | |
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Business Summary: Commercial Banking (MIC: SIC: 6021 NAIC: 522110)

JPMorgan Chase & Co. is a financial holding company with \$1.56 trillion in assets as of Dec 31 2007. Co.'s principal bank subsidiaries are JPMorgan Chase Bank, National Association, a national banking association with branches in 17 states, and Chase Bank USA, National Association, a national association that is Co.'s credit card-issuing bank. Co.'s principal nonbank subsidiary is J.P. Morgan Securities Inc., its U.S. investment banking firm. Co.'s activities are organized into six business segments: Investment Bank, Retail Financial Services, Card Services, Commercial Banking, Treasury & Securities Services, and Asset Management.

Recent Developments: For the quarter ended Sep 30 2008, net income decreased 84.4% to US\$527.0 million from US\$3.37 billion in the year-earlier quarter. Net interest income increased 30.1% to US\$8.99 billion from US\$6.91 billion in the year-earlier quarter. Provision for loan losses was US\$5.79 billion versus US\$1.79 billion in the prior-year quarter, an increase of 224.2%. Non-interest income fell 37.6% to US\$5.74 billion from US\$9.20 billion, while non-interest expense advanced 19.4% to US\$11.14 billion.

Prospects: Co. expects its \$1.90 billion acquisition of Washington Mutual's banking operations to be immediately accretive to earnings and to add over \$0.50 per share in 2009, while attaining pretax cost savings of \$1.50 billion by 2010, net of major investment in the business. Meanwhile, Co. projects the managed net charge-off rate for Card Services segment to be 5.0% or above in the fourth quarter of 2008 and to go up further in 2009. Further, Co. continues to believe that the net quarterly net loss in Corporate/Private Equity segment could average \$50.0 million to \$100.0 million, excluding trading results related to its investment portfolio and credit costs related to prime mortgage exposures.

Financial Data

| (US\$ in Millions) | 9 Mos | 6 Mos | 3 Mos | 12/31/2007 | 12/31/2006 | 12/31/2005 | 12/31/2004 | 12/31/2003 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Earnings Per Share | 2.19 | 3.05 | 3.71 | 4.38 | 4.04 | 2.38 | 1.55 | 3.24 |
| Cash Flow Per Share | 0.92 | (5.90) | (18.10) | (32.48) | (14.29) | (6.94) | (7.82) | 7.27 |
| Tang Book Value Per Share | 18.53 | 18.60 | 19.28 | 18.77 | 16.11 | 14.02 | 13.34 | 14.76 |
| Dividends Per Share | 1.520 | 1.520 | 1.480 | 1.440 | 1.360 | 1.360 | 1.360 | 1.360 |
| Dividend Payout % | 69.41 | 49.84 | 39.89 | 32.88 | 33.66 | 57.14 | 87.74 | 41.98 |
| Income Statement | | | | | | | | |
| Interest Income | 51,387 | 34,061 | 17,532 | 71,387 | 59,107 | 45,200 | 30,595 | 23,444 |
| Interest Expense | 26,440 | 18,108 | 9,873 | 44,981 | 37,865 | 25,369 | 13,834 | 11,107 |
| Net Interest Income | 24,947 | 15,953 | 7,659 | 26,406 | 21,242 | 19,831 | 16,761 | 12,337 |
| Provision for Losses | 13,666 | 7,879 | 4,424 | 6,864 | 3,270 | 3,483 | 2,544 | 1,540 |
| Non-Interest Income | 25,079 | 19,336 | 9,231 | 44,966 | 40,195 | 34,702 | 26,336 | 20,919 |
| Non-Interest Expense | 32,245 | 21,108 | 8,931 | 41,703 | 38,281 | 38,835 | 34,359 | 21,688 |
| Income Before Taxes | 4,115 | 6,302 | 3,535 | 22,805 | 19,886 | 12,215 | 6,194 | 10,028 |
| Income Taxes | (207) | 1,926 | 1,162 | 7,440 | 6,237 | 3,732 | 1,728 | 3,309 |
| Net Income | 4,903 | 4,376 | 2,373 | 15,365 | 14,444 | 8,483 | 4,466 | 6,719 |
| Average Shares | 3,445 | 3,532 | 3,495 | 3,509 | 3,574 | 3,558 | 2,851 | 2,055 |
| Balance Sheet | | | | | | | | |
| Net Loans & Leases | 742,329 | 524,783 | 525,310 | 510,140 | 475,848 | 412,058 | 394,794 | 214,995 |
| Total Assets | 2,251,469 | 1,775,670 | 1,642,862 | 1,562,147 | 1,351,520 | 1,198,942 | 1,157,248 | 770,912 |
| Total Deposits | 969,783 | 722,905 | 761,626 | 740,728 | 638,788 | 554,991 | 521,456 | 326,492 |
| Total Liabilities | 2,105,626 | 1,642,494 | 1,517,235 | 1,438,926 | 1,235,730 | 1,091,731 | 1,051,595 | 724,758 |
| Stockholders' Equity | 145,843 | 133,176 | 125,627 | 123,221 | 115,790 | 107,211 | 105,653 | 46,154 |
| Shares Outstanding | 3,727 | 3,436 | 3,401 | 3,368 | 3,462 | 3,487 | 3,557 | 2,042 |
| Statistical Record | | | | | | | | |
| Return on Assets % | 0.42 | 0.66 | 0.85 | 1.05 | 1.13 | 0.72 | 0.46 | 0.88 |
| Return on Equity % | 5.92 | 8.49 | 10.64 | 12.86 | 12.95 | 7.97 | 5.87 | 15.19 |
| Net Interest Margin % | 51.91 | 50.18 | 43.69 | 36.99 | 35.94 | 43.87 | 54.78 | 52.62 |
| Efficiency Ratio % | 48.28 | 45.72 | 33.37 | 35.84 | 38.55 | 48.60 | 60.35 | 48.89 |
| Loans to Deposits | 0.77 | 0.73 | 0.69 | 0.69 | 0.74 | 0.74 | 0.76 | 0.66 |
| Price Range | 49.25-31.02 | 50.05-34.31 | 53.20-36.48 | 53.20-40.46 | 48.95-38.05 | 40.20-33.27 | 43.01-35.19 | 37.30-20.75 |
| P/E Ratio | 22.49-14.16 | 16.41-11.25 | 14.34-9.83 | 12.15-9.24 | 12.12-9.42 | 16.89-13.98 | 27.75-22.70 | 11.51-6.40 |
| Average Yield % | 3.59 | 3.44 | 3.21 | 3.02 | 3.10 | 3.77 | 3.52 | 4.35 |

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| Telephone: 212-270-6000 | Officers: James Dimon - Chairman, President, Chief Executive Officer Michael J. Cavanagh - Chief Financial Officer | Transfer Agents: Mellon Investor Services LLC, Jersey City, NJ |
| Fax: 212-270-1648 | | |