

## COMMERCIAL BANKING

Refer to pages 73-75 of JPMorgan Chase's 2022 Form 10-K and Line of Business Metrics on page 207 for a discussion of the business profile of CB.

### Selected income statement data

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2023	2022	Change	2023	2022	Change
<b>Revenue</b>						
Lending- and deposit-related fees	\$ 249	\$ 348	(28)%	\$ 476	\$ 712	(33)%
Card income	201	170	18	374	337	11
All other income	385	386	—	766	722	6
<b>Noninterest revenue</b>	<b>835</b>	<b>904</b>	<b>(8)</b>	<b>1,616</b>	<b>1,771</b>	<b>(9)</b>
Net interest income	3,153 <sup>(b)</sup>	1,779	77	5,883 <sup>(b)</sup>	3,310	78
<b>Total net revenue<sup>(a)</sup></b>	<b>3,988</b>	<b>2,683</b>	<b>49</b>	<b>7,499</b>	<b>5,081</b>	<b>48</b>
Provision for credit losses	1,097 <sup>(b)</sup>	209	425	1,514 <sup>(b)</sup>	366	314
<b>Noninterest expense</b>						
Compensation expense	656	559	17	1,297	1,112	17
Noncompensation expense	644	597	8	1,311	1,173	12
<b>Total noninterest expense</b>	<b>1,300</b>	<b>1,156</b>	<b>12</b>	<b>2,608</b>	<b>2,285</b>	<b>14</b>
<b>Income before income tax expense</b>	<b>1,591</b>	<b>1,318</b>	<b>21</b>	<b>3,377</b>	<b>2,430</b>	<b>39</b>
Income tax expense	383	324	18	822	586	40
<b>Net income</b>	<b>\$ 1,208</b>	<b>\$ 994</b>	<b>22 %</b>	<b>\$ 2,555</b>	<b>\$ 1,844</b>	<b>39 %</b>

(a) Total net revenue included tax-equivalent adjustments from income tax credits related to equity investments in designated community development entities and in entities established for rehabilitation of historic properties, as well as tax-exempt income related to municipal financing activities of \$89 million and \$73 million for the three months ended June 30, 2023 and 2022, respectively and \$171 million and \$142 million for the six months ended June 30, 2023 and 2022, respectively.

(b) Includes the impact of the First Republic acquisition. Refer to page 24 for additional information.

### Selected income statement data (continued)

(in millions, except ratios)	Three months ended June 30,			Six months ended June 30,		
	2023	2022	Change	2023	2022	Change
<b>Revenue by product</b>						
Lending	\$ 1,480 <sup>(c)</sup>	\$ 1,058	40 %	\$ 2,702 <sup>(c)</sup>	\$ 2,163	25 %
Payments	2,248	1,253	79	4,276	2,275	88
Investment banking <sup>(a)</sup>	213	234	(9)	463	453	2
Other	47	138	(66)	58	190	(69)
<b>Total net revenue</b>	<b>\$ 3,988</b>	<b>\$ 2,683</b>	<b>49</b>	<b>\$ 7,499</b>	<b>\$ 5,081</b>	<b>48</b>
Investment Banking and Markets revenue, gross <sup>(b)</sup>	\$ 767	\$ 788	(3)	\$ 1,648	\$ 1,517	9
<b>Revenue by client segments</b>						
Middle Market Banking	\$ 1,916 <sup>(d)</sup>	\$ 1,169	64	\$ 3,597 <sup>(d)</sup>	\$ 2,149	67
Corporate Client Banking	1,229	927	33	2,405	1,757	37
Commercial Real Estate Banking	806 <sup>(d)</sup>	590	37	1,448 <sup>(d)</sup>	1,171	24
Other	37	(3)	NM	49	4	NM
<b>Total net revenue</b>	<b>\$ 3,988</b>	<b>\$ 2,683</b>	<b>49 %</b>	<b>\$ 7,499</b>	<b>\$ 5,081</b>	<b>48 %</b>
<b>Financial ratios</b>						
Return on equity	16 %	15 %		17 %	14 %	
Overhead ratio	33	43		35	45	

(a) Includes CB's share of revenue from investment banking products sold to CB clients through the CIB which is reported in All other income.

(b) Includes gross revenues earned by the Firm that are subject to a revenue sharing arrangement between CB and the CIB for Investment Banking and Markets' products sold to CB clients. This includes revenues related to fixed income and equity markets products. Refer to Business Segment Results on page 22 for discussion of revenue sharing.

(c) Includes the impact of the First Republic acquisition. Refer to page 24 for additional information.

(d) For the three and six months ended June 30, 2023, included \$48 million and \$130 million for Middle Market Banking and Commercial Real Estate Banking, respectively, associated with the First Republic acquisition.