

## Consolidated statements of income

Year ended December 31, (in millions, except per share data)	2019	2018	2017
<b>Revenue</b>			
Investment banking fees	\$ 7,501	\$ 7,550	\$ 7,412
Principal transactions	14,018	12,059	11,347
Lending- and deposit-related fees	6,369	6,052	5,933
Asset management, administration and commissions	17,165	17,118	16,287
Investment securities gains/(losses)	258	(395)	(66)
Mortgage fees and related income	2,036	1,254	1,616
Card income	5,304	4,989	4,433
Other income	5,731	5,343	3,646
<b>Noninterest revenue</b>	<b>58,382</b>	<b>53,970</b>	<b>50,608</b>
Interest income <sup>(a)</sup>	84,040	76,100	63,971
Interest expense <sup>(a)</sup>	26,795	21,041	13,874
<b>Net interest income</b>	<b>57,245</b>	<b>55,059</b>	<b>50,097</b>
<b>Total net revenue</b>	<b>115,627</b>	<b>109,029</b>	<b>100,705</b>
Provision for credit losses	5,585	4,871	5,290
<b>Noninterest expense</b>			
Compensation expense	34,155	33,117	31,208
Occupancy expense	4,322	3,952	3,723
Technology, communications and equipment expense	9,821	8,802	7,715
Professional and outside services	8,533	8,502	7,890
Marketing	3,579	3,290	2,900
Other expense	5,087	5,731	6,079
<b>Total noninterest expense</b>	<b>65,497</b>	<b>63,394</b>	<b>59,515</b>
<b>Income before income tax expense</b>	<b>44,545</b>	<b>40,764</b>	<b>35,900</b>
Income tax expense	8,114	8,290	11,459
<b>Net income</b>	<b>\$ 36,431</b>	<b>\$ 32,474</b>	<b>\$ 24,441</b>
<b>Net income applicable to common stockholders</b>	<b>\$ 34,642</b>	<b>\$ 30,709</b>	<b>\$ 22,567</b>
<b>Net income per common share data</b>			
Basic earnings per share	\$ 10.75	\$ 9.04	\$ 6.35
Diluted earnings per share	10.72	9.00	6.31
<b>Weighted-average basic shares</b>	<b>3,221.5</b>	<b>3,396.4</b>	<b>3,551.6</b>
<b>Weighted-average diluted shares</b>	<b>3,230.4</b>	<b>3,414.0</b>	<b>3,576.8</b>

(a) In the second quarter of 2019, the Firm implemented certain presentation changes that impacted interest income and interest expense, but had no effect on net interest income. These changes were applied retrospectively and, accordingly, prior period amounts were revised to conform with the current presentation. Refer to Note 7 for additional information.

The Notes to Consolidated Financial Statements are an integral part of these statements.

## Consolidated balance sheets

December 31, (in millions, except share data)	2019	2018
<b>Assets</b>		
Cash and due from banks	\$ 21,704	\$ 22,324
Deposits with banks	241,927	256,469
Federal funds sold and securities purchased under resale agreements (included \$14,561 and \$13,235 at fair value)	249,157	321,588
Securities borrowed (included \$6,237 and \$5,105 at fair value)	139,758	111,995
Trading assets (included assets pledged of \$111,522 and \$89,073)	411,103	413,714
Investment securities (included \$350,699 and \$230,394 at fair value and assets pledged of \$10,325 and \$11,432)	398,239	261,828
Loans (included \$7,104 and \$3,151 at fair value)	959,769	984,554
Allowance for loan losses	(13,123)	(13,445)
<b>Loans, net of allowance for loan losses</b>	<b>946,646</b>	<b>971,109</b>
Accrued interest and accounts receivable	72,861	73,200
Premises and equipment	25,813	14,934
Goodwill, MSRs and other intangible assets	53,341	54,349
Other assets (included \$9,111 and \$9,630 at fair value and assets pledged of \$3,349 and \$3,457)	126,830	121,022
<b>Total assets<sup>(a)</sup></b>	<b>\$ 2,687,379</b>	<b>\$ 2,622,532</b>
<b>Liabilities</b>		
Deposits (included \$28,589 and \$23,217 at fair value)	\$ 1,562,431	\$ 1,470,666
Federal funds purchased and securities loaned or sold under repurchase agreements (included \$549 and \$935 at fair value)	183,675	182,320
Short-term borrowings (included \$5,920 and \$7,130 at fair value)	40,920	69,276
Trading liabilities	119,277	144,773
Accounts payable and other liabilities (included \$3,728 and \$3,269 at fair value)	210,407	196,710
Beneficial interests issued by consolidated VIEs (included \$36 and \$28 at fair value)	17,841	20,241
Long-term debt (included \$75,745 and \$54,886 at fair value)	291,498	282,031
<b>Total liabilities<sup>(a)</sup></b>	<b>2,426,049</b>	<b>2,366,017</b>
Commitments and contingencies (refer to Notes 28, 29 and 30)		
<b>Stockholders' equity</b>		
Preferred stock (\$1 par value; authorized 200,000,000 shares; issued 2,699,250 and 2,606,750 shares)	26,993	26,068
Common stock (\$1 par value; authorized 9,000,000,000 shares; issued 4,104,933,895 shares)	4,105	4,105
Additional paid-in capital	88,522	89,162
Retained earnings	223,211	199,202
Accumulated other comprehensive income/loss	1,569	(1,507)
Shares held in restricted stock units ("RSU") trust, at cost (472,953 shares)	(21)	(21)
Treasury stock, at cost (1,020,912,567 and 829,167,674 shares)	(83,049)	(60,494)
<b>Total stockholders' equity</b>	<b>261,330</b>	<b>256,515</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 2,687,379</b>	<b>\$ 2,622,532</b>

(a) The following table presents information on assets and liabilities related to VIEs that are consolidated by the Firm at December 31, 2019 and 2018. The assets of the consolidated VIEs are used to settle the liabilities of those entities. The holders of the beneficial interests do not have recourse to the general credit of JPMorgan Chase. The assets and liabilities in the table below include third-party assets and liabilities of consolidated VIEs and exclude intercompany balances that eliminate in consolidation. Refer to Note 14 for a further discussion.

December 31, (in millions)	2019	2018
<b>Assets</b>		
Trading assets	\$ 2,633	\$ 1,966
Loans	42,931	59,456
All other assets	881	1,013
<b>Total assets</b>	<b>\$ 46,445</b>	<b>\$ 62,435</b>
<b>Liabilities</b>		
Beneficial interests issued by consolidated VIEs	\$ 17,841	\$ 20,241
All other liabilities	447	312
<b>Total liabilities</b>	<b>\$ 18,288</b>	<b>\$ 20,553</b>

The Notes to Consolidated Financial Statements are an integral part of these statements.

# Consolidated statements of cash flows

Year ended December 31, (in millions)	2019	2018	2017
<b>Operating activities</b>			
Net income	\$ 36,431	\$ 32,474	\$ 24,441
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:			
Provision for credit losses	5,585	4,871	5,290
Depreciation and amortization	8,368	7,791	6,179
Deferred tax expense	949	1,721	2,312
Other	1,996	2,717	2,136
Originations and purchases of loans held-for-sale	(70,980)	(102,141)	(94,628)
Proceeds from sales, securitizations and paydowns of loans held-for-sale	79,182	93,453	93,270
Net change in:			
Trading assets	(652)	(38,371)	5,673
Securities borrowed	(27,631)	(6,861)	(8,653)
Accrued interest and accounts receivable	(78)	(5,849)	(15,868)
Other assets	(17,949)	(8,833)	3,982
Trading liabilities	(14,516)	18,290	(26,256)
Accounts payable and other liabilities	(352)	14,630	(16,508)
Other operating adjustments	5,693	295	7,803
<b>Net cash provided by/(used in) operating activities</b>	<b>6,046</b>	<b>14,187</b>	<b>(10,827)</b>
<b>Investing activities</b>			
Net change in:			
Federal funds sold and securities purchased under resale agreements	72,396	(123,201)	31,448
Held-to-maturity securities:			
Proceeds from paydowns and maturities	3,423	2,945	4,563
Purchases	(13,427)	(9,368)	(2,349)
Available-for-sale securities:			
Proceeds from paydowns and maturities	52,200	37,401	56,117
Proceeds from sales	70,181	46,067	90,201
Purchases	(242,149)	(95,091)	(105,309)
Proceeds from sales and securitizations of loans held-for-investment	62,095	29,826	15,791
Other changes in loans, net	(53,697)	(81,586)	(61,650)
All other investing activities, net	(5,035)	(4,986)	(563)
<b>Net cash provided by/(used in) investing activities</b>	<b>(54,013)</b>	<b>(197,993)</b>	<b>28,249</b>
<b>Financing activities</b>			
Net change in:			
Deposits	101,002	26,728	57,022
Federal funds purchased and securities loaned or sold under repurchase agreements	1,347	23,415	(6,739)
Short-term borrowings	(28,561)	18,476	16,540
Beneficial interests issued by consolidated VIEs	4,289	1,712	(1,377)
Proceeds from long-term borrowings	61,085	71,662	56,271
Payments of long-term borrowings	(69,610)	(76,313)	(83,079)
Proceeds from issuance of preferred stock	5,000	1,696	1,258
Redemption of preferred stock	(4,075)	(1,696)	(1,258)
Treasury stock repurchased	(24,001)	(19,983)	(15,410)
Dividends paid	(12,343)	(10,109)	(8,993)
All other financing activities, net	(1,146)	(1,430)	407
<b>Net cash provided by financing activities</b>	<b>32,987</b>	<b>34,158</b>	<b>14,642</b>
Effect of exchange rate changes on cash and due from banks and deposits with banks	(182)	(2,863)	8,086
Net increase/(decrease) in cash and due from banks and deposits with banks	(15,162)	(152,511)	40,150
Cash and due from banks and deposits with banks at the beginning of the period	278,793	431,304	391,154
<b>Cash and due from banks and deposits with banks at the end of the period</b>	<b>\$ 263,631</b>	<b>\$ 278,793</b>	<b>\$ 431,304</b>
Cash interest paid	\$ 29,918	\$ 21,152	\$ 14,153
Cash income taxes paid, net	5,624	3,542	4,325

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