

## **JPMorgan Chase Receives Approval To Repay \$25 Billion In Tarp Funds In Full**

**Company Will Have Tier One Capital Of Approximately \$118 Billion, Or 9.3%, And Tier One Common Of Approximately \$93 Billion, Or 7.3%, After Repayment Of Tarp**

**Company Reiterates Commitment To Robust And Sound Lending And To Continued Best Practices In Corporate Responsibility**

**New York, June 09, 2009** -- J.P. Morgan Chase & Co. (NYSE: JPM) confirmed that it has received permission today from U.S. regulators to repay in full the \$25 billion preferred investment it accepted through the Troubled Asset Relief Program (TARP). The company plans to repay the funds in full and with accrued dividends at a closing time determined by the U.S. Treasury.

JPMorgan Chase is included in the first group of institutions granted permission to repay TARP given its strong financial position and its fulfillment of conditions outlined recently by the U.S. Federal Reserve. In early May, the company successfully completed an extensive stress testing program for major banking institutions, in which the Government reviewed each bank's capital and financial strength under various difficult scenarios and determined that JPMorgan Chase did not need additional capital.

JPMorgan Chase is committed to maintaining its fortress balance sheet through these challenging times. Following the repayment, the company's capital position is expected to remain extremely strong, with Tier One Capital of approximately \$118 billion, or 9.3%, and Tier One Common of about \$93 billion, or 7.3% anticipated at the conclusion of second quarter 2009. The company also holds over \$28 billion in its allowance for credit losses, and it continues to generate significant pre-tax, pre-provision earnings from its industry-leading franchises.

"Paying back TARP at this time is the right thing for JPMorgan Chase, and it's the right thing for our country," said Jamie Dimon, Chairman and Chief Executive Officer. He added, "We feel it's best for our Government to be able to use these funds for other critical purposes." Dimon reiterated the company's "commitment to continued robust lending and to doing the right thing for the company's customers, communities, employees and shareholders."

JPMorgan Chase also reiterated today its commitment to safe, sound and robust lending. The company made more than \$150 billion of loans in the first quarter to consumers, small businesses, non-profits, municipalities, corporations and others, including 4.5 million new loans to individual consumers. The company plans to help more than 650,000 families avoid foreclosure and stay in their homes. Going forward, J.P. Morgan Chase plans to build on these efforts - continuing to provide credit and liquidity to consumers, companies, communities and non-profits around the world, while maintaining its safe and sound lending standards.

JPMorgan Chase also emphasized today its commitment to best practices in business and corporate responsibility. In addition to safe and sound lending, other best practices include:

*Building a healthy, vibrant company for the long term:* JPMorgan Chase remains committed to investing in its businesses for the long-term, maintaining management rigor and discipline, protecting and strengthening its fortress balance sheet, and continuing to be an employer of choice. It believes that building a healthy, diverse and vibrant company is the best way to create new jobs and exciting career opportunities for its employees, as well as to support local communities in which it operates.

*Commitment to our communities:* Last year alone, JPMorgan Chase and its Foundation made charitable contributions of more than \$100 million in markets across the United States; and over the past five years the firm has given more than \$600 million to 13,500 organizations globally. The company also has 220,000 dedicated employees around the world who are active in the communities they serve.

*Community development and lending to not-for-profits:* JPMorgan Chase is making millions of loans totaling billions of dollars to consumers for automobiles, homes and other purchases; and the company is helping small businesses, non-profits, communities, lower income families and others achieve their goals through the firm's safe-and-sound lending efforts. The firm is committed to community lending and investment, particularly efforts that provide affordable housing, community development, and access to credit in low- and moderate-income communities.

*Executive compensation:* The company is committed to paying employees based on long-term, sustained, risk-adjusted

performance; paying a significant portion of compensation in company stock; and requiring senior executives to retain at least 75% of their equity awards. The company does not provide golden parachutes, special contracts, change-of-control provisions, or special retirement plans or severance programs for its senior executives.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.1 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management, and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan, Chase, and WaMu brands. Information about JPMorgan Chase & Co. is available at [www.jpmorganchase.com](http://www.jpmorganchase.com).