

Net Earnings, Operating Expenses, Diluted Earnings per Common Share (EPS), Annualized Return on Average Common Shareholders' Equity (ROE) and Pre-Tax Margin on a GAAP basis and Excluding the Impact of the 2Q15 Net Provisions for Mortgage-Related Litigation and Regulatory Matters (2Q15 Litigation Provision)
(\$ in millions, except per share amounts)

Management believes that presenting the firm's results excluding the 2Q15 litigation provision of \$1,450 million is meaningful, as it increases the comparability of period-to-period results. Net earnings, operating expenses, diluted EPS, annualized ROE and pre-tax margin excluding the impact of the 2Q15 litigation provision are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies.

The table below presents the firm's net earnings, diluted EPS and annualized ROE for the three and six months ended June 2015 on a GAAP basis and excluding the impact of the 2Q15 litigation provision.

	Three Months Ended June 2015	Six Months Ended June 2015		
Net earnings	\$ 1,048	\$ 3,892		
Net earnings, excluding the impact of the 2Q15 litigation provision ⁽¹⁾	\$ 2,325	\$ 5,169		
Diluted EPS	\$ 1.98	\$ 7.93		
Diluted EPS, excluding the impact of the 2Q15 litigation provision ⁽¹⁾	\$ 4.75	\$ 10.69		
Annualized ROE	4.8 %	9.7 %		
Annualized ROE, excluding the impact of the 2Q15 litigation provision ⁽¹⁾	11.5 %	13.1 %		

The table below presents the firm's operating expenses and pre-tax margin for the six months ended June 2015 on a GAAP basis and excluding the impact of the 2Q15 litigation provision.

	Six Months Ended June 2015		
Total operating expenses	\$ 14,026		
Total operating expenses, excluding the impact of the 2Q15 litigation provision ⁽²⁾	\$ 12,576		
Pre-tax margin		28.8 %	
Pre-tax margin, excluding the impact of the 2Q15 litigation provision ⁽²⁾		36.1 %	

Net Earnings, Operating Expenses, Diluted Earnings per Common Share (EPS), Annualized Return on Average Common Shareholders' Equity (ROE) and Pre-Tax Margin on a GAAP basis and Excluding the Impact of the 2Q15 Net Provisions for Mortgage-Related Litigation and Regulatory Matters (2Q15 Litigation Provision), continued
(\$ in millions, except per share amounts)

(1) The table below presents the calculation of net earnings, net earnings applicable to common shareholders, diluted EPS, annualized net earnings applicable to common shareholders' equity, and average common shareholders' equity, for the three and six months ended June 2015, excluding the impact of the 2Q15 litigation provision. Annualized ROE is computed by dividing annualized net earnings applicable to common shareholders by average common shareholders' equity.

	Three Months Ended June 2015	Six Months Ended June 2015
Net earnings	\$ 1,048	\$ 3,892
Add back: 2Q15 litigation provision (net of tax)	1,277	1,277
Net earnings, excluding the impact of the 2Q15 litigation provision	\$ 2,325	\$ 5,169
Net earnings applicable to common shareholders	\$ 916	\$ 3,664
Add back: 2Q15 litigation provision (net of tax)	1,277	1,277
Net earnings applicable to common shareholders, excluding the impact of the 2Q15 litigation provision	\$ 2,193	\$ 4,941
Divided by: average diluted common shares outstanding	461.6	462.1
Diluted EPS, excluding the impact of the 2Q15 litigation provision	\$ 4.75	\$ 10.69
Annualized net earnings applicable to common shareholders	\$ 3,664	\$ 7,328
Add back: Impact of annualized 2Q15 litigation provision	5,108	2,554
Annualized net earnings applicable to common shareholders, excluding the impact of the 2Q15 litigation provision	\$ 8,772	\$ 9,882
Average common shareholders' equity	\$ 76,202	\$ 75,467
Add back: Impact of 2Q15 litigation provision	319	182
Average common shareholders' equity, excluding the impact of the 2Q15 litigation provision	\$ 76,521	\$ 75,649

(2) The table below presents the calculation of operating expenses and pre-tax earnings for the six months ended June 2015, excluding the impact of the 2Q15 litigation provision. Pre-tax margin is computed by dividing pre-tax earnings by net revenues.

	Six Months Ended June 2015
Total operating expenses	\$ 14,026
Less: 2Q15 litigation provision	1,450
Total operating expenses, excluding the impact of the 2Q15 litigation provision	\$ 12,576
Pre-tax earnings	\$ 5,660
Add back: 2Q15 litigation provision	1,450
Pre-tax earnings, excluding the impact of the 2Q15 litigation provision	\$ 7,110

Tangible Common Shareholders' Equity, Tangible Book Value per Common Share and Selected Regulatory Capital Information

(\$ in millions, except per share amounts)

The table below presents information on the firm's common shareholders' equity, book value per common share, and selected regulatory capital information:

	As of		
	June 2015	March 2015	December 2014
Common shareholders' equity	\$ 76,454	\$ 75,927	\$ 73,597
Tangible common shareholders' equity ⁽¹⁾	72,288	71,741	69,437
Book value per common share ⁽²⁾	\$ 169.33	\$ 168.39	\$ 163.01
Tangible book value per common share ⁽¹⁾⁽²⁾	160.11	159.11	153.79
Standardized Risk-weighted Assets (RWAs) ⁽³⁾	618,047	\$ 636,065	\$ 627,444
Standardized Common Equity Tier 1 (CET1) ratio ⁽³⁾⁽⁴⁾	11.0 %	10.6 %	10.2 %
Basel III Advanced RWAs ⁽³⁾	583,388	\$ 574,510	\$ 577,869
Basel III Advanced CET1 ratio ⁽³⁾⁽⁴⁾	11.7 %	11.8 %	11.1 %

The Standardized CET1 ratio and the Basel III Advanced CET1 ratio, both on a fully phased-in basis, in the table above are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies. Management believes that these ratios are meaningful because they are measures that the firm, its regulators and investors use to assess the firm's ability to meet future regulatory capital requirements. These ratios are based on the firm's current interpretation, expectations and understanding of the Revised Capital Framework and may evolve as the firm discusses its interpretation and application with its regulators. For a further discussion of the methodology to calculate the firm's regulatory ratios, see Note 20 to the condensed consolidated financial statements in Part I, Item 1 "Financial Statements (Unaudited)" and "Equity Capital Management and Regulatory Capital" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Quarterly Report on Form 10-Q for the period ended June 30, 2015.

⁽¹⁾ Tangible common shareholders' equity equals total shareholders' equity less preferred stock, goodwill and identifiable intangible assets. Tangible book value per common share is computed by dividing tangible common shareholders' equity by common shares outstanding, including restricted stock units (RSUs) granted to employees with no future service requirements. Management believes that tangible common shareholders' equity and tangible book value per common share are meaningful because they are measures that the firm and investors use to assess capital adequacy. Tangible common shareholders' equity and tangible book value per common share are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies. The table below presents the reconciliation of total shareholders' equity to tangible common shareholders' equity:

	As of		
	June 2015	March 2015	December 2014
Total shareholders' equity	\$ 87,654	\$ 85,127	\$ 82,797
Deduct: Preferred stock	(11,200)	(9,200)	(9,200)
Common shareholders' equity	76,454	75,927	73,597
Deduct: Goodwill and identifiable intangible assets	(4,166)	(4,186)	(4,160)
Tangible common shareholders' equity	\$ 72,288	\$ 71,741	\$ 69,437

For further information, see the firm's Quarterly Report on Form 10-Q for the period ended June 30, 2015



Tangible Common Shareholders' Equity, Tangible Book Value per Common Share and Selected Regulatory Capital Information, continued
(\$ in millions)

(2) The table below presents common shares outstanding, including RSUs granted to employees with no future service requirements:

	As of		
	June 2015	March 2015	December 2014
	(in millions)		
Common shares outstanding, including RSUs granted to employees with no future service requirements	451.5	450.9	451.5

(3) The Standardized RWAs and Basel III Advanced RWAs, both on a fully phased-in basis, are calculated in accordance with the Revised Capital Framework. For a further discussion of the calculations of the firm's RWAs under these approaches, see Note 20 to the condensed consolidated financial statements in Part I, Item 1 "Financial Statements (Unaudited)" and "Equity Capital Management and Regulatory Capital" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Quarterly Report on Form 10-Q for the period ended June 30, 2015.

(4) The Standardized CET1 ratio on a fully phased-in basis equals CET1 on a fully phased-in basis divided by Standardized RWAs on a fully phased-in basis. The Basel III Advanced CET1 ratio on a fully phased-in basis equals CET1 on a fully phased-in basis divided by Basel III Advanced RWAs on a fully phased-in basis. The table below presents the reconciliation of common shareholders' equity to CET1 on a fully phased-in basis:

	As of		
	June 2015	March 2015	December 2014
Common shareholders' equity	\$ 76,454	\$ 75,927	\$ 73,597
Deductions for goodwill and identifiable intangible assets, net of deferred tax liabilities	(3,157)	(3,182)	(3,196)
Deductions for investments in nonconsolidated financial institutions	(3,841)	(3,951)	(4,928)
Other adjustments	(1,435)	(1,116)	(1,213)
CET1	<u>\$ 68,021</u>	<u>\$ 67,678</u>	<u>\$ 64,260</u>

For further information, see the firm's Quarterly Report on Form 10-Q for the period ended June 30, 2015

