

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	
	March 2015	December 2014
Common shareholders' equity	\$ 75,927	\$ 73,597
Tangible common shareholders' equity ⁽¹⁾	71,741	69,437
Book value per common share ⁽²⁾	\$ 168.39	\$ 163.01
Tangible book value per common share ⁽¹⁾⁽²⁾	159.11	153.79
Standardized Risk-weighted Assets (RWAs) ⁽³⁾	\$ 636,065	\$ 627,444
Standardized Common Equity Tier 1 (CET1) ratio ⁽³⁾⁽⁴⁾	10.6 %	10.2 %
Basel III Advanced RWAs ⁽³⁾	\$ 574,510	\$ 577,869
Basel III Advanced CET1 ratio ⁽³⁾⁽⁴⁾	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 March 31, 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	
	March 2015	December 2014
Total shareholders' equity	\$ 85,127	\$ 82,797
Deduct: Preferred stock	(9,200)	(9,200)
Common shareholders' equity	75,927	73,597
Deduct: Goodwill and identifiable intangible assets	(4,186)	(4,160)
Tangible common shareholders' equity	\$ 71,741	\$ 69,437

For further information, see the firm's Quarterly Report on Form 10-Q for the period ended March 31, 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	
	March 2015	December 2014
	(in millions)	
Common shares outstanding, including RSUs granted to employees with no future service requirements	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 March 31, 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	
	March 2015	December 2014
Common shareholders' equity	\$ 75,927	\$ 73,597
Deductions for goodwill and identifiable intangible assets, net of deferred tax liabilities	(3,182)	(3,196)
Deductions for investments in nonconsolidated financial institutions	(3,951)	(4,928)
Other adjustments	(1,116)	(1,213)
CET1	<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 March 31, 2015