

Tangible Common Shareholders' Equity, Tangible Book Value Per Common Share, and Selected Regulatory Capital and Leverage 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 and leverage information:

	December 2014	September 2014	June 2014	March 2014	December 2013
Common shareholders' equity	\$ 73,597	\$ 73,075	\$ 72,429	\$ 71,899	\$ 71,267
Tangible common shareholders' equity ⁽¹⁾	69,437	68,689	67,960	67,413	66,891
Book value per common share ⁽²⁾	\$ 163.01	\$ 161.38	\$ 158.21	\$ 154.69	\$ 152.48
Tangible book value per common share ⁽¹⁾⁽²⁾	153.79	151.70	148.45	145.04	143.11
Estimated Basel III Advanced RWAs (fully phased-in basis) ⁽³⁾	\$ 577,869	\$ 593,461	\$ 596,884	\$ 597,406	\$ 594,662
Estimated Basel III Advanced Common Equity Tier 1 (CET1) ratio (fully phased-in basis) ⁽³⁾⁽⁴⁾	11.1 %	10.6 %	9.8 %	9.7 %	9.8 %
Estimated Standardized RWAs (fully phased-in basis) ⁽³⁾	\$ 627,444	\$ 626,442	\$ 624,605	\$ 624,188	\$ 635,092
Estimated Standardized CET1 ratio (fully phased-in basis) ⁽³⁾⁽⁴⁾	10.2 %	10.0 %	9.4 %	9.3 %	9.2 %
Estimated Supplementary leverage ratio ⁽⁵⁾	5.0 %	4.9 %	4.5 %	4.2 %	Not disclosed

The Basel III Advanced CET1 ratio and the Standardized CET1 ratio, both on a fully phased-in basis, and the supplementary leverage ratio, 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 estimated 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 estimated ratios are based on the firm's current interpretation, expectations and understanding of the Revised Capital Framework and, for the supplementary leverage ratios, the U.S. federal bank regulatory agencies' final rule (the Final Rule), and may evolve as the firm discusses their interpretation and application with its regulators. For a further discussion of the methodology to calculate the firm's regulatory ratios, see "Equity Capital Management and Regulatory Capital" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Annual Report on Form 10-K for the period ended December 31, 2014.

⁽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:

	December 2014	September 2014	June 2014	March 2014	December 2013
Total shareholders' equity	\$ 82,797	\$ 82,275	\$ 81,629	\$ 79,099	\$ 78,467
Deduct: Preferred stock	(9,200)	(9,200)	(9,200)	(7,200)	(7,200)
Common shareholders' equity	73,597	73,075	72,429	71,899	71,267
Deduct: Goodwill and identifiable intangible assets	(4,160)	(4,386)	(4,469)	(4,486)	(4,376)
Tangible common shareholders' equity	\$ 69,437	\$ 68,689	\$ 67,960	\$ 67,413	\$ 66,891

For further information, see the firm's Annual Report on Form 10-K for the period ended December 31, 2014

Tangible Common Shareholders' Equity, Tangible Book Value Per Common Share, and Selected Regulatory Capital and Leverage Information, continued

(\$ in millions, except per share amounts)

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

	December 2014	September 2014	June 2014	March 2014	December 2013
			(in millions)		
Common shares outstanding, including RSUs granted to employees with no future service requirements	451.5	452.8	457.8	464.8	467.4

⁽³⁾ The estimated Basel III Advanced RWAs and Standardized RWAs, both on a fully phased-in basis, are calculated in accordance with the Revised Capital Framework, which became effective for the firm beginning January 1, 2014. For a further discussion of the calculations of the firm's RWAs under these approaches, see "Equity Capital Management and Regulatory Capital" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Annual Report on Form 10-K for the period ended December 31, 2014.

⁽⁴⁾ The estimated Basel III Advanced CET1 ratio on a fully phased-in basis equals estimated CET1 on a fully phased-in basis divided by estimated Basel III Advanced RWAs on a fully phased-in basis. The estimated Standardized CET1 ratio on a fully phased-in basis equals estimated CET1 on a fully phased-in basis divided by estimated Standardized 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:

	December 2014	September 2014	June 2014	March 2014	December 2013
Common shareholders' equity	\$ 73,597	\$ 73,075	\$ 72,429	\$ 71,899	\$ 71,267
Deductions for goodwill and identifiable intangible assets, net of deferred tax liabilities	(3,196)	(3,459)	(3,564)	(3,577)	(3,468)
Deductions for investments in nonconsolidated financial institutions	(4,928)	(5,806)	(8,944)	(9,278)	(9,091)
Other adjustments	(1,213)	(1,139)	(1,181)	(972)	(489)
CET1	<u>\$ 64,260</u>	<u>\$ 62,671</u>	<u>\$ 58,740</u>	<u>\$ 58,072</u>	<u>\$ 58,219</u>

⁽⁵⁾ The supplementary leverage ratio compares Tier 1 capital (as defined under the Revised Capital Framework) to a measure of leverage exposure. Leverage exposure, reflecting the Final Rule, is defined as the sum of the firm's quarterly average assets less certain deductions plus certain off-balance-sheet exposures, including a measure of derivatives exposures and commitments. As of December 31, 2014, the estimated supplementary leverage ratio was 5.0% including Tier 1 capital on a fully phased-in basis of \$73.17 billion (CET1 of \$64.26 billion plus perpetual non-cumulative preferred stock of \$9.20 billion less other adjustments of \$290 million) divided by total leverage exposure of \$1.45 trillion (total quarterly average assets of \$873 billion plus adjustments of \$579 billion, primarily comprised of off-balance-sheet exposure related to derivatives and commitments).

For further information, see the firm's Annual Report on Form 10-K for the period ended December 31, 2014