

News Release: Immediate

JPMORGAN TO ACQUIRE CLIMATECARE

Combination will create a leading market-maker in carbon emission reductions

London, 26 March 2008 – JPMorgan through its investment bank, and ClimateCare, a pioneer in carbon emission reductions, announced today that they will join forces in an acquisition to invest in quality, large-scale carbon emission reduction projects and to advance the development of a liquid financial market that trades in carbon emission reduction credits.

Upon closing of the transaction, expected sometime in the second quarter, ClimateCare will be integrated into JPMorgan's existing world class Environmental Markets group. The combined group will originate carbon emission reduction projects globally and trade the carbon emission reduction credits generated by the projects in the compliance and voluntary markets.

The group will initially operate under the JPMorgan and ClimateCare brand names.

Blythe Masters, head of Commodities at JPMorgan, said: "Clients are seeking to reduce their emissions both due to regulations and out of social responsibility. This transaction positions JPMorgan to offer the highest-quality advice and execution in emerging carbon emissions markets."

She continued: "A big challenge needs a big approach. It is fitting that a first tier financial institution like JPMorgan is now backing the pioneering work of ClimateCare."

Mike Mason, founder of ClimateCare, said: "After building up this business for over a decade, becoming part of JPMorgan is exactly what ClimateCare needs in order to grow rapidly and achieve its goal of having the biggest impact possible in tackling climate change."

He continued: "Together with JPMorgan, ClimateCare can now deliver its expertise on a truly global scale, and work with hundreds of major partners around the world to facilitate the roll-out of low-carbon technologies at the scale and pace required to make a genuine difference to our environment."

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JPMorgan and ClimateCare anticipate originating projects that will materially increase ClimateCare's capacity to reduce carbon emissions.

Financial terms of the acquisition were not disclosed.

JPMorgan and ClimateCare affirmed their commitment to adopting and promoting universal standards to measure the impact of carbon emission reduction projects in the voluntary market. Universal standards will promote much needed transparency and liquidity in carbon emissions trading.

All projects originated by the group will continue to be subject to JPMorgan and ClimateCare's strict independent verification procedures to ensure compliance with stated carbon emission reduction goals. Also, as part of the acquisition, ClimateCare's project sourcing arm, Pioneer Carbon, will become part of the newly combined business.

ClimateCare's acquisition represents a new milestone in JPMorgan's ongoing investment in its Commodities business. In 2007, JPMorgan hired over 50 new marketing, sales and trading professionals in Commodities and will hire as least as many in 2008.

JPMorgan adopted a comprehensive environmental policy in 2005 that includes a strong commitment to addressing climate change by reducing its carbon emissions and working with its clients to do so in their business activities. For example, the firm recently helped to create the Carbon Principles, a multi-stakeholder engagement to address the risk of carbon in the U.S. power sector.

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About JPMorgan

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$1.6 trillion and operations in more than 50 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 has its corporate headquarters in New York and its U.S. retail financial services and commercial banking headquarters in Chicago. Under its JPMorgan and Chase brands, the firm serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients.

About ClimateCare

ClimateCare is a world leading carbon offset provider, founded in 1997, making reductions of greenhouse gases such as CO₂ on behalf of individuals and companies.

These reductions are made through originating and investing in a global portfolio of renewable energy and energy efficiency projects, many of which are developed by ClimateCare's experts based around the world. The emissions reductions from all projects are independently verified and accredited under leading international standards such as GS VER, VCS and CDM and many bring huge benefits to people's health and welfare as well as helping to protect the climate. For more information please visit www.climatecare.org