

boston:

Recent Acquisition of IIS Extends JPMorgan's Fund Services Offering

JPMorgan's recent acquisition of Cincinnati-based Integrated Investment Services (IIS) provides a full-service, single-provider option for asset managers seeking to outsource their fund services business.

In April 2007, JPMorgan completed its acquisition of Cincinnati-based Integrated Investment Services (IIS), a fund accounting, fund administration and transfer agency services business. The strategic acquisition represents a logical extension of JPMorgan's existing fund servicing capabilities. In addition, the move enables JPMorgan to strategically position itself to a wide variety of institutional investors. In short, by broadening an already hefty array of fund services offerings, the IIS acquisition enhances JPMorgan's ability to provide comprehensive, bundled and "one-stop-shopping" solutions.

"This transaction underscores our commitment to growing our fund services business, and delivering best-in-class products, services and technology to an even broader array of clients," says Mark Kelley, head of JPMorgan's U.S. Fund Services business. "We welcome IIS into our firm and look forward to delivering the expanded suite of services we now offer, including transfer agency services, directly to clients of various sizes."

"In the last 18 months, we have **increased our Boston staff by nearly 30%.** We are very pleased and excited with our growing presence in the Boston area, and want to continue to draw on the city's rich pool of very talented people."

RUSSELL WARREN, SENIOR VICE PRESIDENT AND OPERATIONS EXECUTIVE, BOSTON FUND SERVICES

Technology enhancements continue to make us more efficient, mitigate risk and enhance our product delivery capabilities.

Converted 80% of accounts successfully to Automated Exception Manager System Fund Accounting

Integrated to our Global Compliance platform

Will commence a conversion to Clear Portfolio for financial reporting and Gainskeeper for tax. Both will enhance our capacity to perform these functions as a third-party provider.

According to Roy Rogers, U.S. Fund Services product executive, the move represents JPMorgan's commitment to remaining a leading provider of full-service, single-source solutions for fund services needs in the marketplace. The enhanced offering is particularly appealing to small and mid-size asset management firms, who are typically more inclined to opt for an all-in-one fund services outsourcing solution.

Kathe Dodd, U.S. Fund Services product management, says the acquisition translates into benefits for clients across the board, through competitive pricing and access to JPMorgan's world-class technology platform, which now stands behind an extensive array of transfer agency solutions.

"With a continuing onslaught of regulatory changes, it is critical that the technology platform backing any fund services operation possess the ability to grow and keep pace with those changes," she says. Dodd emphasizes that JPMorgan's powerful capital base provides direct, practical benefits to clients. "Our fund services offerings, including our transfer agency capabilities, are structured to anticipate, handle and adapt to a dynamic regulatory environment."

Our growth trend has continued. From January 2006 through June 2007:

Funds serviced have increased 32%

Assets under management have grown over 50%

NAVs calculated have increased 36%

Increased staff by 28% (to 455 full-time employees)

Acquired 30% more space with plans to obtain more increasing our presence in Boston.

