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Executive Vice President and Controller

April 13, 2004

Director of Major Projects and Technical Activities
Financial Accounting Standards Board
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401 Meritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
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Re: Proposed Statement of Financial Accounting Standards, "Earnings per Share – an amendment of FASB Statement No. 128"

Dear Sir:

J.P. Morgan Chase & Co. appreciates the opportunity to comment on the Financial Accounting Standards Board's Proposed Statement of Financial Accounting Standards, "Earnings per Share – an amendment of FASB Statement No. 128."

We commend the joint project of the FASB and the IASB to achieve more comparability in cross-border financial reporting through convergence to a single set of high-quality accounting standards and support the short-term project to eliminate certain differences between IASB and United States accounting pronouncements.

We agree with the amendments in the proposed Statement, which include (a) amendment of the computational guidance in SFAS 128 for calculating the number of incremental shares included in diluted shares when applying the treasury stock method, (b) elimination of the SFAS 128 provision that allows issuing entities to overcome the presumption that certain contracts that may be settled in cash or shares will be settled in shares, and (c) a requirement that shares to be issued upon conversion of a mandatorily convertible security be included in the computation of basic EPS from the date that conversion becomes mandatory.

Please call David M. Morris at (212) 648-0377 or me if you have any questions.

Very truly yours,